

**MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Special Meeting of the Milpitas City Council
Meeting Jointly with Milpitas Unified School District
School Board
Date: Tuesday, March 31, 2009
Time: 7:00 PM
Location: Milpitas Unified School District Board Room,
1331 E. Calaveras Blvd.

ROLL CALL

School Board President Michael Mendizabal and Mayor Livengood called the joint meeting to order at 7:01 PM.

ELECTED OFFICIALS PRESENT: Mayor Livengood, Vice Mayor McHugh, Councilmembers Giordano, Gomez and Polanski, Milpitas Unified School Board members Mike Mendizabal, Gunawan Ali-Santosa, Daniel Bobay, Bill Foulk and Marsha Grilli

ABSENT: None

Staff present were City Manager Tom Williams, School Superintendent Dr. Karl Black, School District Secretary Charito Cabantac and City Clerk Mary Lavelle

FLAG SALUTE & PLEDGE

Mr. Mendizabal led all in the Pledge of Allegiance.

PUBLIC FORUM

None

DISCUSSION ITEMS:

1. Overview

Mayor Livengood appreciated the warm welcome from the School Board and staff, stating he was pleased to meet together with the Milpitas Unified School District Board members. He believed that long term planning together, considering issues from both sides, was a good idea. He noted that the City did not have a long term funding plan for schools and should pursue joint financing efforts where those might be available.

School Board President Mendizabal thanked City representatives for coming to the District for the meeting. The Board, too, was looking for long term financial planning, especially with the financial state of local and state government over the past four to five years. He recollected that the last time the two bodies met, they adopted a Joint Resolution to work together mutually, and distributed a copy of the 2003 Resolution.

2. City Growth

On City growth, Mr. Mendizabal discussed the anticipated increase in the number of City residents, including students added to the City and school district. He invited City Manager Tom Williams to speak on this item.

Mr. Williams distributed a handout with information related to the City's housing element and required housing goals, in the Transit Area and MidTown Plan areas, with a projection for the number of additional students at build-out, anticipated to be 1,490.

MUSD Superintendent Dr. Black similarly addressed the group on anticipated growth in Milpitas. A demographer consultant hired by the School District each year provided figures for the district's use, calculated in June 2007, giving a total of 2,313 students at build-out of the residential developments.

Councilmember Gomez inquired as to whether the projections included types of housing units built recently (e.g. townhome projects). Mr. Williams replied affirmatively for the City and noted also that the number of persons per household was down from just a few years ago. Mr. Williams reported that the District cannot collect fees for any existing deficiencies when projecting school growth, and that it was clear there was a need for new financial sources for new school development (this was in reference to SB50 requirements).

Mayor Livengood responded that SB50 sounded good at first, while it tied the hands of cities and school boards versus developers. He wondered how the City could assist the school district to obtain Tier 2 fees (MUSD currently received Tier 1 fees). Dr. Black reported the District did not meet criteria – four of those identified by his staff – for Tier 2 fee structure.

Councilmember Gomez referred to the City's Parks Master Plan and whether it would provide any interaction for joint use with the school district. Mr. Williams asked Bonnie Greiner, the City's Parks and Recreation Director, to respond. She explained the Parks Master Plan had inventoried only City lands to date. Mr. Gomez alluded to future bond measures on the ballot to fully fund any shared use of lands with the schools.

Dr. Black reviewed a handout he provided of the 2007 summary of a Facility Use Study. Board President Mendizabal commented on the number of families leaving the South Bay area to move to districts near Sacramento, and how those districts worked with developers for funding schools with increased students.

Vice Mayor McHugh wanted to direct staffs to work together to find consensus on the numbers of projected enrollment, introduced at the beginning of the meeting.

Votes needed to approve a Mello-Roos District for any new residential development in the City were discussed. Mr. Mendizabal noted costs increased if a multi-story school building would be constructed, as in the Transit Area Plan section of the City.

3. Budget Issues and Community Impact

Next, City Manager Williams explained the ongoing structural deficit experienced annually in the City's budget. He defined Redevelopment Agency (RDA) pass-through funds to the School District over the past three fiscal years, currently up to \$1,292,230.

Dr. Black responded by stating that 43% of those RDA funds go to the state and only the remainder to the School District. The City Manager also identified city expenses toward joint services, including school resource (police) officers, the DARE program, and crossing guards totaling \$1,140,000. An additional \$1,172,000 was spent on field and facility maintenance.

School Board member Foulk noted there were mutually beneficial programs, when the City and district worked together for the benefit of the community.

Board President Mendizabal expressed the district's \$800,000 deficit, being managed in its current budget. Mr. Gomez asked where cuts were in that budget and Councilmember Giordano wondered how the district prioritized cuts. The Superintendent provided (pink) handouts listing planned reductions for the current fiscal year and next.

Mr. Gomez remarked that the schools were, in essence, in the same boat as the City. He felt perhaps it could be time to ask the voters in the community if it was time to raise funds via future bonds issues.

School Board member Grilli noted that any cuts in the budget affect services and thus, the community. City Councilmember Polanski commented that the state budget was still severely hampered, even in the time of the federal stimulus package. The latter was simply one time funding, and so the greater governmental challenges affected Milpitas.

Mr. Mendizabal wondered if a joint ballot measure in the future was feasible. Perhaps polling of the voters would tell whether it was possible or not. He and Mr. Gomez commented on potential parcel tax, bond election, or joint sales tax increase for revenue enhancement for the City and/or the school district.

School Board member Daniel Bobay remarked that people want services, despite the budget cuts, so more funding was going to be necessary.

4. Roundtable Discussion of Mutual Objectives

Mayor Livengood stated it would be a good idea for the two bodies to meet yearly. He reviewed that staff should take a look at the numbers prepared and presented tonight and to move forward to get polling data of residents/voters in order to consider a potential revenue enhancement measure in the future.

Vice Mayor McHugh wanted to ensure the community was served well. Perhaps the two bodies could look for opportunities for bulk purchasing, for example. He was open to getting together every six months, to consider short term proposals. Mayor Livengood responded to that suggestion, noting that the current joint School/City communication meetings held monthly could deal with any short term issues.

Councilmember Gomez asked about the costs for polling residents, and whether it was done privately or for the City.

Councilmember Giordano commented that the Milpitas schools have been improving, she has heard, but felt there was a need to address the high school. Dr. Black agreed with the last point, noting Milpitas High was the second largest high school in Santa Clara Valley.

Councilmember Polanski liked Mr. McHugh's idea, agreeing that monthly MUSD/City communications group meetings could handle smaller issues, while both full bodies should meet together annually.

School Board President Mendizabal offered the meeting date of March 30, 2010 for the next Joint Meeting of the City Council and School Board.

Agreed upon objectives were three: 1) find middle ground on the anticipated new population in Milpitas including the anticipated number of MUSD students; 2) considering polling of residents, to learn the "pulse of the voters," and 3) create a schedule for joint meetings in the future, whether annual or otherwise.

President Mendizabal further suggested value in approving a joint resolution expressing agreement to work together on mutual issues. Such resolution could be prepared by staff, and considered for adoption at a joint meeting, such as occurred in 2003.

ADJOURNMENT

School Board President and Mayor Livengood adjourned the joint MUSD School Board/City Council meeting at 8:30 PM.

The foregoing minutes were approved by the Milpitas City Council as submitted on April 21, 2009.


Mary Lavelle
City Clerk