

MINUTES

Motion: to approve the minutes of the November 16, 2010 City Council meeting, as amended

Vice Mayor McHugh requested spelling corrections to three speakers' names in the minutes.

Motion/Second: Councilmember Giordano/Councilmember Polanski

Motion carried by a vote of: AYES: 4
NOES: 0
ABSTAIN: 1 (Esteves)

SCHEDULE OF MEETINGS

Motion: approve the Council Calendars/Schedule of Meetings for December 2010 and January 2011, as amended

City Manager Williams announced a Council Finance Subcommittee meeting was scheduled on December 15, 2010.

Councilmember Giordano reported she had attended this date a Finance Subcommittee meeting of the Library Joint Powers Authority at 11:00 AM.

Vice Mayor McHugh pointed out that the Treatment Plant Advisory Committee met at 4:30 on Thursday and the Valley Transportation Authority Board meeting was at 5:30 pm, which could be a conflict for him in the future. Also, on the calendar he was listed as the representative for the Cities Association and that was not the case. On December 15, the BART Extension meeting was canceled. In January 2011, the Valley Transportation Authority Milpitas-Gilroy-Morgan Hill meeting would be on Wed., January 5 at 10:00 AM. Also, on Monday, January 10, 2011 at 9:30 AM, he would represent the City at the Sunol Smart Carpool Lanes meeting in Oakland.

Motion/Second: Councilmember Polanski/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

PUBLIC FORUM

Mr. Robert Marini, Milpitas resident, owed a great deal of thanks to Bill Ferguson for pointing out the large amount of money City Councilmembers received as campaign donations from land developers. He wondered aloud if Councilmembers were working for those developers or for the residents and taxpayers of Milpitas. He questioned water rates charged to businesses versus those charged to residents.

ANNOUNCEMENTS

Mayor Esteves encouraged citizens to apply for Commissions where there were current vacancies. He thanked City staff and all those involved in the wonderful tree lighting ceremony held on Wednesday, December 1.

ANNOUNCEMENT OF CONFLICT OF INTEREST

None

PRESENTATION

Mayor Esteves presented a plaque, with the American flag flown outside City Hall this date, and offered his and the community's thanks to outgoing Mayor Bob Livengood for his more than 30 years of service to the City.

ELECTION OF VICE MAYOR

Mayor Esteves asked for recommendations from his colleagues for the two-year term of Vice Mayor. Councilmember Gomez nominated Pete McHugh to serve as Vice Mayor again.

Motion: move to appoint Councilmember McHugh to serve a two year term as Vice Mayor of Milpitas for 2010-2012

Motion/Second: Councilmember Gomez/Mayor Esteves

Motion carried by a vote of: AYES: 3
NOES: 2 (Polanski, Giordano)

APPROVAL OF AGENDA

Motion: to approve the agenda, as submitted

Motion/Second: Councilmember Giordano/Vice Mayor McHugh

Motion carried by a vote of: AYES: 5
NOES: 0

CONSENT CALENDAR

Motion: to approve the Consent Calendar (items noted with *asterisk), as amended

Mayor Esteves asked to remove Item No. 6 for discussion.

Motion/Second: Vice Mayor McHugh/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

*3. Updated Bylaws

Approved the updated Santa Clara County Cities Association Bylaws.

*4. Resolution for AB912
Grant funds

Adopted Resolution No. 8050 authorizing the Police Chief to execute an agreement with Office of the State Chief Information Officer (OCIO) for the Assembly Bill 912 grant for recruitment and training of 9-1-1 dispatchers. Also, approved a budget appropriation in the amount of \$18,975.33 for Police Department contractual services and training budget from the grant revenues.

*5. Assistance to Firefighters
Grant

Accepted the grant from the Department of Homeland Security and appropriated funding totaling \$44,536 to the Fire Department operating budget.

6. Solar Power Purchase
Agreement

Mayor Esteves asked staff for a brief summary, and then he asked questions about the agreement, presently under negotiation..

City Engineer/Director of Public Works Greg Armendariz reported that this item regarded a power purchase agreement that the City has been under negotiation with, as a part of a collaboration with the County of Santa Clara and eight other public agencies.

The City learned while constructing the Senior Center and Library buildings that in order to install solar panels in those facilities, it was likely not financially feasible without taking advantage of tax credits from the state. Government agencies could not afford that type of credit to make the solar install feasible. So, a power purchase agreement allowed a third party to achieve those tax credits by obtaining financiers to finance a project to then design, install, maintain and operate the solar panel systems installed on City facilities. The City would agree in return to pay and buy the electric power from the provider over the term period of twenty years. The major benefit would be that power bought from that provider was competitive, at equal to or less than what it would otherwise cost from current provider PG&E.

Mr. Armendariz recommended to Council to authorize the City Manager to execute an agreement, currently under negotiation. It was expected before the end of the year, in order for the provider – Borrego Solar – to achieve the tax credit advantages, and to provide the City with the best rate. Negotiations were yet not finished, however. Should the City and the solar company arrive at a financially feasible and attractive agreement, the City Manager would be authorized to execute the agreement. Staff would then plan to return to City Council early next year to report on the specific deal points agreed to, for the solar installation by Borrego.

Mayor Esteves asked staff various questions about the 20-year term of the agreement, what effect the economy could have on the vendor, the investment of the private firm, stability of the company, rate of return on investment in Milpitas, and competition with PG&E. The City Engineer provided explanation and response on each point.

Vice Mayor McHugh pointed out that there was a provision for termination in the contract, as usually included. Mr. McHugh asked the City Attorney to affirm this, which he did. City Hall was not included so far, but he understood from the City Manager that it could be added at a later date, once the first five City facilities' solar installations were completed.

Motion: to authorize the City Manager to execute a solar power purchase agreement with Borrego Solar, subject to approval as to form by the City Attorney

Motion/Second: Councilmember Gomez/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

*7. Amendment No. 6 to Agreement with Dodson Psomas

Approved amendment No. 6 to the agreement with Dodson Psomas for the Gibraltar Reservoir & Pump Station, Project No. 7101, in the amount of \$95,000, subject to approval as to form by the City Attorney.

*8. Commission Appointments

Approved appointments to City of Milpitas Commissions as follows:

Emergency Preparedness Commission: appointed Mercedes Albana to a term that expires in June 2013.

Senior Advisory Commission: appointed Estrella Gilana to a term that expires in December 2011. Appointed Melba Holliday as Alternate No. 1 to term that expires in December 2011. Appointed Richard Verna as Alternate No. 2 to a term that expires in December 2012.

Sister Cities Commission: appointed German Galvan as Alternate No. 2 to a term that expires in September 2011, and appointed Alexander Quejado as the student non-voting member to a term that expires in September 2012.

Youth Advisory Commission: appointed Andie Tonnu as Alternate No. 4 to a term that expires in September 2011.

*9. Treatment Plant Advisory Committee appointment

Appointed Vice Mayor Pete McHugh to serve as the City of Milpitas representative on the Treatment Plant Advisory Committee, and directed him to attend the regular monthly meetings of the Committee held in San Jose each second Thursday at 4:30 PM.

*10. Amendment to the Contract with Managed Health Network, Inc.

Authorized the City Manager to execute an amendment to the contract with Managed Health Network Inc. for the employee assistance program for the period of January 1, 2011 through December 31, 2012 in an amount not to exceed \$56,761.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA 1. CALL TO ORDER / Roll Call

Mayor/Agency Chair Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 8:42 PM.

PRESENT: Mayor/Chair Esteves, Vice Chair/Vice Mayor McHugh, and Agency/Councilmembers Giordano, Gomez, and Polanski

ABSENT: None

RA 2. Minutes

Motion: to approve meeting minutes of November 16, 2010

Motion/Second: Agency/Councilmember Giordano / Agency/Councilmember Gomez

Motion carried by a vote of: AYES: 4
NOES: 0
ABSTAIN: 1 (Esteves)

**RA 3. Agenda Approval and
Consent Calendar**

Motion: to approve the agenda and consent calendar item (*)

Motion/Second: Agency/Councilmember Giordano / Agency/Councilmember Gomez

Motion carried by a vote of: AYES: 5
NOES: 0

***RA4. Agreement with Biggs,
Cardosa for Project No. 8182**

Approved and authorized the Agency Executive Director to execute an agreement with Biggs Cardosa Associates Inc. in the amount of \$40,000 for Project No. 8182.

ADJOURNMENT

Mayor Esteves adjourned the meeting of the Milpitas City Council and the Milpitas Redevelopment Agency at 8:42 PM.

**The foregoing minutes were approved by the Milpitas City Council as submitted on
January 4, 2011.**



Mary Lavelle
City Clerk