



MILPITAS CITY COUNCIL  
MILPITAS REDEVELOPMENT AGENCY  
MEETING AGENDA  
TUESDAY, MARCH 15, 2011

6:00 P.M. (BUDGET STUDY SESSION) • 7:00 P.M. (PUBLIC BUSINESS)

**SUMMARY OF CONTENTS**

- I. CALL TO ORDER/ROLL CALL by the Mayor (6:00 p.m.)
- II. **BUDGET STUDY SESSION**  
(prior to Regular Business meeting)
- III. PLEDGE OF ALLEGIANCE (7:00 p.m.)
- IV. INVOCATION (Councilmember Giordano)
- V. APPROVAL OF COUNCIL MEETING MINUTES – March 1, 2011
- VI. SCHEDULE OF MEETINGS – Council Calendars for March and April 2011
- VII. PRESENTATIONS
  - Proclaim March 22, 2011 as World Water Day – Merryhill School
  - Proclaim March 2011 as Colorectal Cancer Awareness Month
- VIII. PUBLIC FORUM
- IX. ANNOUNCEMENTS
- X. ANNOUNCEMENT OF CONFLICT OF INTEREST
- XI. APPROVAL OF AGENDA
- XII. CONSENT CALENDAR (Items with asterisk\*)

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Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an unagendized item, no response is required from City staff or the Council and no action can be taken; however, the Council may instruct the City Manager to agendize the item for a future meeting.

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Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a member of the City Council, member of the audience, or staff requests the Council to remove an item from or be added to the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

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- XIII. PUBLIC HEARING
  1. Hold a Public Hearing and Adopt a Resolution Approving a Tentative Map Site Development Permit and Conditional Use Permit for the Los Coches Residential Project (Staff Contact: Sheldon Ah Sing, 586-3278)

**XIV. UNFINISHED BUSINESS**

- 2. Consider Mayor's Recommendation for Council Liaison Appointment to Milpitas Chamber of Commerce (Contact: Mayor Esteves, 586-3029)**
- 3. Review of Current Policy of Council Exception to Service on One City of Milpitas Commission (Contact: Vice Mayor McHugh, 586-3023)**
- 4. Receive the January and February 2011 Odor Control Report (Staff Contact: Kathleen Phalen, 586-3345)**
- 5. Sal Cracolice Facility Use Update (Staff Contacts: Bonnie Greiner, 586-3227 and James Lindsay, 586-3273)**

**XV. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**

- RA1. Call to Order/Roll Call by the Mayor/Chair**
- RA2. Approval of Minutes – February 15, 2011**
- RA3. Approval of Agenda and Consent Calendar (Items with asterisk\*)**

**PUBLIC HEARINGS (RA4 and RA5 only)**

- RA4. Hold a Public Hearing to Consider Five Year Implementation Plan for Redevelopment Project Area No. 1 and the Great Mall Redevelopment Project (Staff Contact: Diana Barnhart, 586-3059)**
- RA5. Hold a Public Hearing and Adopt a Resolution Adopting a Mitigated Negative Declaration for the Wrigley-Ford Creek Maintenance Work, Project No. 8162 (Staff Contact: Fernando Bravo, 586-3328)**
- \*RA6. Adopt a Resolution for Amendment No. 1 to the Agreement with PRx Communication Strategists for Community Outreach and Community Marketing Services for a Total Contract Amount Not-to-Exceed \$125,000 and Authorize a Budget Transfer (Staff Contact: Diana Barnhart, 586-3059)**
- \*RA7. Adopt a Resolution Granting Initial Acceptance and Reducing Performance Bond for Storm Water Pump Stations Improvements (Re-roofing), Projects No. 8188 and No. 8162 (Staff Contact: Steve Erickson, 586-3301)**
- \*RA8. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals for Community Center Heating, Ventilation, and Air Conditioning Replacement, Project No. 8182 (Staff Contact: Steve Erickson, 586-3301)**
- \*RA9. Approve a Budget Appropriation for Valley Transportation Authority's Bay Area Rapid Transit Extension Project Consultant Agreements, Project No. 8164 (Staff Contact: Greg Armendariz, 586-3317)**
- \*RA10. Approve Assignment of Contracts and Other Obligations to the Economic Development Corporation (Staff Contact: Mike Ogaz, 586-3041)**
- RA11. Agency Adjournment**

**XVI. REPORT OF MAYOR**

- \* 6. Consider Mayor's Recommendation for Re-appointment to the Milpitas Telecommunications Commission (Contact: Mayor Esteves, 586-3029)

**XVII. NEW BUSINESS**

- 7. Receive the Monthly Economic Development Report (Staff Contact: Diana Barnhart, 586-3059)
- 8. Receive Report on Maximum Use of Rental of City Facilities for Possible Revenue Increase (Staff Contact: Bonnie Greiner, 586-3227)
- \* 9. Approve and Authorize Staff to Submit a List of Projects for Inclusion into the Valley Transportation Authority's Valley Transportation Plan 2040 (Staff Contacts: Greg Armendariz, 586-3335, and James Lindsay, 586-3273)
- \* 10. Approve Two Youth Sports Assistance Fund Grants (Staff Contact: Aaron Bueno, 586-3226)
- \* 11. Approve the Design of the I-880 Freeway Sign (Staff Contact: Diana Barnhart, 586-3059)

**XVIII. RESOLUTIONS**

- \* 12. Adopt a Resolution Granting Final Acceptance of the Sewer Replacement Program, Project No. 6111 (Staff Contact: Steve Erickson, 586-3301)
- \* 13. Adopt a Resolution Granting Initial Acceptance of and Reducing the Performance Bond for Abbott Avenue Resurfacing, Project No. 4251 (Staff Contact: Steve Chan, 586-3324)
- \* 14. Adopt a Resolution Requesting the Allocation of Transportation Development Act (TDA), Article 3 Funds for the Enhanced Crosswalk Improvements – Phase III (Sidewalk Replacement 2011), Project No. 4254 (Staff Contact: Steve Chan, 586-3324)

**XIX. BIDS AND CONTRACTS**

- \* 15. Approve the Increased Contract Amount with Christopher Schaller for Abandoned Vehicle Abatement Services (Staff Contact: James Lindsay, 586-3273)
- \* 16. Authorize the City Manager to Execute Amendment No. 1 to the Contract with CSG for an Additional \$10,000 Annually for Fire Department Plan Review and Inspection Services (Staff Contact: Albert Zamora, 586-3371)
- \* 17. Authorize the City Manager to Execute Amendment No. 3 to the Contract with JJR Construction to Increase the Contract Amount by \$50,899 for the Not-to-Exceed Total of \$235,899 for On-Call Sidewalk, Curb and Gutter Repairs (Staff Contact: Chris Schroeder, 586-3161)
- \* 18. Authorize the City Manager to Execute a Contract for the Purchase and Installation of 90 Uninterrupted Power Supply Batteries with US Power Inc. for the Not-to-Exceed Amount of \$35,605.63 (Staff Contact: Chris Schroeder, 586-3161)

**XX. ADJOURN TO CLOSED SESSION OF CITY COUNCIL**

**CONFERENCE WITH LEGAL COUNCIL – ANTICIPATED LITIGATION**  
Pursuant to CA Government Code §54956.9, City of Milpitas as Plaintiff

**XXI. CLOSED SESSION ANNOUNCEMENT:** Report on action taken in Closed Session if required, pursuant to CA Govt. Code §54957.1, including the vote on abstention of each member present

**XXII. ADJOURNMENT**

**NEXT REGULAR CITY COUNCIL MEETING:  
TUESDAY, APRIL 5, 2011, AT 7:00 P.M.**

**KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE**

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review.

For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035  
e-mail: [mogaz@ci.milpitas.ca.gov](mailto:mogaz@ci.milpitas.ca.gov) / Fax: 408-586-3056 / Phone: 408-586-3040

*The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) by selecting the Milpitas Municipal Code link.*

Materials related to an item on this agenda submitted to the City Council/Redevelopment Agency after initial distribution of the agenda packet are available for public inspection at the City Clerk's Office/Information Desk at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, and at the Milpitas Library during normal business hours.

**APPLY TO BECOME A CITY COMMISSIONER!**

Current vacancies exist for the:

*Arts Commission/Public Art Committee (alternate)*

*Community Advisory Commission (alternate)*

*Emergency Preparedness Commission (large industry rep.)*

*Mobile Home Park Rental Review Board*

*Parks, Recreation & Cultural Resources Commission (alternate)*

Applications are available online at [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) or at the City Hall Information Desk.

Contact the City Clerk's office (586-3003) for more information.

*If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at 586-3001 or send an email to [mlavelle@ci.milpitas.ca.gov](mailto:mlavelle@ci.milpitas.ca.gov) prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the Council Chambers for all meetings. TDD phone number (408) 586-3013.*

## AGENDA REPORTS

### XIII. PUBLIC HEARING

1. **Hold a Public Hearing and Adopt a Resolution Approving a Tentative Map Site Development Permit and Conditional Use Permit for the Los Coches Residential Project (Staff Contact: Sheldon Ah Sing, 586-3278)**

**Background:** This item considers the vesting tentative map (MT10-0001), site development permit (SD10-0009) and conditional use permit (UP10-0021) to construct 83 single family dwellings on 4.98 acres that includes a former lumberyard and an operating skating rink (905 and 980 Los Coches Street). The location of the development will be adjacent to I-680 and along the north side of Los Coches Street within the Town Center zoning district. The project includes the development of three story detached homes with private drives and private open space amenities. This residential development project is consistent with the City's General Plan and Zoning Ordinance.

For detailed information, please refer to the materials included in the Council agenda packet. On February 23, the Planning Commission reviewed the project and recommended that the City Council approve the project.

**Fiscal Impact:** None.

**Attachments:**

- A. Council Resolution
- B. Staff Report from 2/23/2011 Planning Commission meeting
- C. Planning Commission' 2/23/2011 Draft Meeting Minutes
- D. Noise Study
- E. Project Plans

**Recommendations:**

1. Open the public hearing, take public testimony and move to close the public hearing.
2. Adopt a resolution approving a Tentative Map, Site Development Permit and Conditional Use Permit for the Los Coches Residential Project.

### XIV. UNFINISHED BUSINESS

2. **Consider Mayor's Recommendation for Council Liaison Appointment to Milpitas Chamber of Commerce (Contact: Mayor Esteves, 586-3029)**

**Background:** Mayor Esteves would like to appoint one member of the City Council to serve as Council liaison to the Milpitas Chamber of Commerce. He will provide a recommendation at the City Council meeting.

**Recommendation:** Hear recommendation of Mayor Esteves, and move to approve his recommended appointment as Council liaison to Milpitas Chamber of Commerce.

3. **Review of Current Policy of Council Exception to Service on One City of Milpitas Commission (Contact: Vice Mayor McHugh, 586-3023)**

**Background:** Vice Mayor McHugh would like to discuss with the City Council the existing policy which permits residents to serve on only one Board or Commission at a time, unless an exception is made by the City Council. This policy is identified in the City Council handbook.

**Recommendation:** Hear report of Vice Mayor McHugh.

4. **Receive the January and February 2011 Odor Control Report (Staff Contact: Kathleen Phalen, 586-3345)**

**Background:** On January 18, 2011, the City Council received a report on odor sources, controls, and the public odor complaint process. At that meeting, the Council noted that odors have reached unacceptable levels and directed staff to provide an odor report update at the first meeting of each month. The report is included in the Council packet.

From January 1 through February 23, 2011, the Bay Area Air Quality Management District (BAAQMD) hotline received 64 odor complaints from Milpitas. The report in the Council packet describes the dates and descriptors for these complaints. Staff has been in contact with the stakeholders including Allied Waste and the San Jose/Santa Clara Water Pollution Control Plant to receive their assessments of the causes and corrective actions, and with the BAAQMD and the San Jose Local Enforcement Agency (LEA) to request their assistance with investigation. Both agencies are aware of the high level of odor complaints and are investigating the cause. LEA has jurisdiction over composting operations, while BAAQMD has jurisdiction over all other air quality impacts. Staff will continue monitoring the BAAQMD complaints and coordinating with the sources and regulatory agencies to ensure that all stakeholders are aware of the unacceptable odor impacts and are taking necessary action to control the sources.

**Fiscal Impact:** None. There is no fiscal impact from the recommended actions.

**Recommendation:** Receive the January and February 2011 Odor Control Report.

5. **Sal Cracolice Facility Use Update (Staff Contacts: Bonnie Greiner, 586-3227, and James Lindsay, 586-3273)**

**Background:** The Council's Rules Committee requested an update on the current and future uses of the Sal Cracolice Facility be reviewed by the City Council. Since the opening of the new Barbara Lee Senior Center, the Sal Cracolice Facility has primarily been utilized for special interest contract classes and facility rentals. From August 2010 to present, the facility was rented nine times for private rentals, seven staff training classes, 15 Milpitas Community Band rehearsals, and offered 42 Recreation classes.

For Spring 2011 session, February 1, 2011 through May 27, 2011, Milpitas Parks & Recreation Services has 75 classes scheduled, which include the following: Youth Classes such as dance, keyboards, Rainbow Singers, drawing, painting, public speaking, SAT preparation, Bollywood aerobics, essay writing. Also offered would be specialty classes such as game design, film making, and creative writing, and children's yoga. Based on this information, these classes would bring approximately \$54,028 in revenue.

For Summer 2011 session, June 6 through August 31, 2011 there are 64 classes planned which include the following: dance, writing, SAT preparation, Public Speaking, drawing, painting, math, and specialty classes such as filmmaking, game design and animation, and cake decorating. Based on this information, these classes would bring approximately \$23,275 in revenue.

Last fall, staff conducted three community outreach meetings to solicit input on possible future uses of the buildings. More than 40 ideas were noted, the majority of which fell into the following three categories:

- Educational programs for youth and adults
- Recreational and special interest classes
- Sports center or gym

**Fiscal Impact:** None.

**Recommendation:** Receive the update report on Sal Cracolice facility use.

**XV. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**

**RA4. Hold a Public Hearing to Consider Five Year Implementation Plan for Redevelopment Project Area No. 1 and the Great Mall Redevelopment Project (Staff Contact: Diana Barnhart, 586-3059)**

**Background:** The proposed 2010–2015 Redevelopment Implementation Plan (Exhibit A), required by California Community Redevelopment Law (CRL), sets goals and objectives that will guide efforts to eliminate blight over the next five years, estimates the revenues and expenditures anticipated by the Agency in the five year period, provides an affordable housing section and an overview of accomplishments of the previous five year period.

The Redevelopment Agency set the public hearing for the consideration of the Five Year Implementation Plan at its meeting on February 1, 2011. The public hearing was set for March 15, 2011 and was publicized in the San Jose Mercury News on Saturday, February 12 and in the Milpitas Post on February 18 and 25. The Notice of Public Hearing was posted at four locations in the two project areas - the Milpitas Public Library, the Milpitas Community Center, the Barbara Lee Senior Center and the Milpitas Police Office at the Great Mall.

The proposed Implementation Plan is predicated on the continuation of the Milpitas Redevelopment Agency in its existing state and without impacts of the Governor's proposal to dissolve redevelopment agencies.

In the proposed Implementation Plan, the Agency anticipates funding projects, programs and activities in four areas: Transportation and Public Infrastructure, Community Infrastructure Improvements, Economic Stimulation and Affordable Housing. As a result of the most recent redevelopment Plan Amendment, the Agency now contributes approximately 26% of the tax increment generated into the Housing Set Aside Fund. These funds, estimated at approximately \$70 million, will be used to acquire land, rehabilitate existing housing units and provide financial assistance for First Time Home Buyers to facilitate the continued development of affordable housing throughout the City.

In the past, the Agency has used its discretionary funds, formerly referred to as 80% funds, for infrastructure and transportation improvements. As a result of the SERAF takeaways, the proposed Five Year CIP includes slightly less than \$5 million for projects. The Agency has been more active in the area of Economic Stimulation and has approved or set aside funds for several projects and activities including \$2.5 million for the Transit Area Impact Fee Fund, and loans to both SunPower and Flextronics.

The majority of Agency revenues are spent on debt reduction, payments to the County and the City for land acquisition and administration. Approximately \$155 million are spent on these obligations.

**Fiscal Impact:** There is no fiscal impact associated with this action.

**Attachment:** 2011-2015 Redevelopment Implementation Plan

**Recommendations:**

1. Open the public hearing and move to close the public after public testimony.
2. Approve the Five Year Redevelopment Implementation Plan.

**RA5. Hold a Public Hearing and Adopt a Resolution Adopting a Mitigated Negative Declaration for the Wrigley-Ford Creek Maintenance Work, Project No. 8162 (Staff Contact: Fernando Bravo, 586-3328)**

**Background:** Environmental clearance is requested for a project to remove debris, sediment, and dead vegetation from the Wrigley-Ford Creek area. The City Council/Agency previously approved a consultant agreement with Schaaf & Wheeler on April 20, 2010 for the preparation of engineering plans, designs and specifications for improvement and maintenance of Ford Creek, Wrigley Creek and the Wrigley-Ford Creek area (the confluence of Ford Creek and Wrigley Creek and the stretches downstream of it). An engineering report has been completed to evaluate the proposed work, and the environmental initial study has been released for comments, and is available at the City Engineer's office. The scope of work and project limits is as follows:

Location	Limits	Approximate Length	Mitigated replacement planting area
Ford Creek	Pacific Motor Trucking parking lot off Hammond Way to Wrigley-Ford Creek	3,000 feet long	Approximately 0.19 acre
Wrigley Creek	State Highway 237 (Calaveras Blvd) to Wrigley-Ford Creek	1,800 feet long, remaining portion improved by or to be improved by VTA	None
Wrigley-Ford Creek	The confluence of Ford Creek and Wrigley Creek to Berryessa Creek	2,200 feet long	None

The project will clear debris, remove some sediment and dead vegetation within the creek flow path to re-establish 100 year storm event flow. The project will have some environmental impacts to the existing riparian areas and wetlands that will be mitigated within the project limits. The proposed mitigation measures were presented to the Regional Board, and California Department of Fish and Game and were satisfactory. The improvements will include riparian planting along various locations within the project limits. A public notice has been published and the review period has expired. Once the mitigated negative declaration is adopted, the permits with Regional Water Quality Control Board, US Army Corps of Engineers and California Department of Fish and Game will be obtained for this project. Staff will bring back for plans for approval and authorization to bid the project at a later time.

**Fiscal Impact:** None. There are sufficient funds in the project.

**Attachments:**

- A. Redevelopment Agency Resolution
- B. Mitigated Negative Declaration
- C. HT Harvey Mitigation and Monitoring Plan
- D. Comment Letters from
  - Valley Transportation Authority
  - Governor's Office of Planning and Research - State Clearinghouse and Planning Unit
- E. Site Plan

**Recommendations:**

1. Open the public hearing and move to close the public hearing, following any comments.
2. Adopt a Resolution adopting the Mitigated Negative Declaration for the Wrigley-Ford Creek Maintenance Work, Project No. 8162.

**\*RA6. Adopt a Resolution for Amendment No. 1 to the Agreement with PRx Communication Strategists for Community Outreach and Community Marketing Services for a Total Contract Amount Not-to-Exceed \$125,000, and Authorize a Budget Appropriation (Staff Contact: Diana Barnhart, 586-3059)**

**Background:** PRx Communication Strategists (PRx) has assisted in the development of strong public private partnerships since initiating the creation of Joint Venture Silicon Valley. PRx was selected by the City to assist in the Redevelopment Community Outreach and has performed exceptionally as described in the monthly Economic Development update. Part of its work was to create a video highlighting the achievements of the Redevelopment Agency, which has been posted on the City's website.

Proposed is an extension of the PRx contract to provide continued outreach and educational services for the redevelopment program and to assist with developing a marketing strategy to convey the value of doing business in Milpitas. The City of Milpitas has an opportunity to make a targeted "pitch" to manufacturing companies to solicit them to manufacture in Milpitas. In order to deliver this pitch, the City must present a crisp, well-defined package with its strengths to outside companies, and continue to make changes internally to enhance its ability to compete with other cities in the state and other states in the US.

In order to accomplish a targeted pitch, PRx will complete a new Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of the City. This was last completed as part of the 2005 Economic Strategic Plan approved by the City Council in July 2005. This will provide less antidotal information and a more subjective understanding of how the City can be more responsive to the changing business climate.

**Fiscal Impact:** There are funds available in the Redevelopment Agency Fund to cover the cost of the proposed contract amendment.

**Recommendation:** Adopt a resolution for Amendment No. 1 to the Agreement with PRx Communication Strategists for community outreach and community marketing services for a total contract amount not-to-exceed \$125,000, and authorize a budget appropriation.

**\*RA7. Adopt a Resolution Granting Initial Acceptance and Reducing Performance Bond for Storm Water Pump Stations Improvements (Re-roofing), Projects No. 8188 and No. 8162 (Staff Contact: Steve Erickson, 586-3301)**

**Background:** The Agency/Council awarded the Storm Water Pump Stations Improvements, (Re-roofing), Projects No. 8188 and No. 8162 to Priority Roofing Solutions, Inc. on October 5, 2010. The project provided for re-roofing and repairs to the Abbott Avenue, Murphy Ranch, Ayer and California Circle Pump Stations, and included the replacement of the roof on the historic water tower located near the Midtown East Parking Garage. The project was successfully completed on time and under budget, and staff recommends the Agency and City Council adopt a resolution granting initial acceptance of the project and authorize the reduction of the contractor's faithful performance bond to \$7,154.00, which is 10% of the final contract value.

**Fiscal Impact:** None.

**Recommendation:** Adopt a joint resolution of the Redevelopment Agency and the City Council granting initial acceptance of the Storm Water Pump Stations Improvements (Re-roofing), Projects No. 8188 and No. 8162, subject to a one year warranty period and reduction of the faithful performance bond to \$7,154.

**\*RA8. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals for Community Center's Heating, Ventilation, and Air Conditioning (HVAC) Replacement, Project No. 8182 (Staff Contact: Steve Erickson, 586-3301)**

**Background:** Staff completed plans and specifications for the Community Center HVAC replacement, Project No. 8182. This project provides for the installation of seven new HVAC units, related controls, duct work and minor roof modifications required for installation of the

new roof mounted equipment. The Engineer's Estimate for the project is \$400,000 and sufficient funds are available in the project budget. A copy of the title sheet of the project plans is included in the Council agenda packet and the complete set of plans and specifications are available for review in the office of the City Engineer.

**Fiscal Impact:** None. Sufficient funds are available in the project budget for this work.

**Recommendation:** Approve the plans and specifications for Project No. 8182 and authorize advertisement for bid proposals.

**\*RA9. Approve a Budget Appropriation for Valley Transportation Authority's Bay Area Rapid Transit Extension Project Consultant Agreements, Project No. 8164 (Staff Contact: Greg Armendariz, 586-3317)**

**Background:** At the March 1, 2011 meeting, the City Council approved an engineering consulting agreement with RMC Water and Environment for engineering support on the Santa Clara Valley Transportation Authority (VTA) BART extension project, for not to exceed amount of \$154,468. An engineering consultant agreement with Schaaf and Wheeler to review drainage reports for the VTA Project is also required. The Schaaf & Wheeler consultant agreement is also based on time and materials, not to exceed \$16,000, which is within the City Manager's authorization limit of \$20,000. Funds for both agreements are recommended to be appropriated from City Account GT1063 into the BART Extension Project 8164 which is reimbursable by the VTA project. A budget appropriation form is included in the Council packet.

**Fiscal Impact:** None. Both consultant agreements are fully reimbursable by the VTA.

**Recommendation:** Approve a budget appropriation for the not-to-exceed amounts of \$154,468 for RMC Water and Environmental Agreement, and \$16,000 for Schaaf & Wheeler for the Valley Transportation Authority BART project.

**\*RA10. Approve Assignment of Contracts and Other Obligations to the Economic Development Corporation (Staff Contact: Mike Ogaz, 586-3041)**

**Recommendation:** That the Agency assign various existing contracts, which have not yet been completed, to the Economic Development Corporation to monitor and facilitate implementation and completion of those contracts.

**RA11. Agency Adjournment**

**XVI. REPORT OF MAYOR**

**\* 6. Consider Mayor's Recommendation for Re-appointment to the Milpitas Telecommunications Commission (Contact: Mayor Esteves, 586-3029)**

**Background:** Mayor Esteves recommends Albert Acorn be re-appointed to the Milpitas Telecommunications Commission to a term that expires in January 2013.

**Recommendation:** Consider the recommendation from Mayor Esteves, and move to re-appoint Albert Alcorn to the Milpitas Telecommunications Commission.

**XVII. NEW BUSINESS**

**7. Receive the Monthly Economic Development Report (Staff Contact: Diana Barnhart, 586-3059)**

**Background:** Mervyn's Redevelopment: Staff is meeting with a development group interested in converting the 75,000 sq. ft. Mervyn's site into an enclosed ethnic shopping center. The owners of the Mervyn's site, Macerich, are partnering with the group, and the proposal appears to replicate the strong architectural quality of the Season's Marketplace renovation. One challenge is the size of the grocery store planned for the project. Staff is facilitating meetings with the development group and Shappell Industries on how to deal with the grocery concerns.

**Property Acquisition:**

1. Escrow is closed on the property located at 1432–1440 South Main Street. New leases with the tenants are in the hands of the tenants and staff is working with the former owners to provide onsite management and security services. M&B Plumbing is downsizing and will remain in a smaller unit on the site, freeing up 2,600 sq. ft. for a new tenant, although staff is not actively marketing the site at this time.
2. McCandless Property: Escrow has not opened for the acquisition of this property as of the writing of this staff report, but will likely do so prior to March 15 (this meeting date). DR Horton is working with city Planning to submit an application for housing on property near the acquired site. Representatives for Mission West, the property owner, indicate that another housing developer is close to completing negotiations for additional land acquisition. Park fees for both of these developments and others, such as the Integral project, will repay the Agency for the cost of the acquisition.

**KLA Tencor:** The sales tax sharing agreement with KLA Tencor that was approved by the City Council in 2009 begins implementation this year. KLA Tencor had a strong year in 2010 and expects a stronger year in 2011. The City will be splitting just over \$100,000 with KLA Tencor for 2010.

**Redevelopment Community Outreach:** Outreach efforts were successful in that over 30 people attended at least one meeting and several attended multiple meetings. City staff believes that this is excellent attendance as the meetings were pulled together quickly. PRx Communication Strategists worked closely with staff, were able to distribute flyers advertising the meetings and assist in emailing information on the meetings to Homeowner Associations, the Chamber of Commerce and community groups. The result of the meetings appears to be a better understanding of the value of redevelopment to the City and an appreciation of its value for continued growth. Yet, there remains confusion and differences of opinions on the impact of redevelopment to school district financing. Continued outreach and education efforts are discussed with the proposal for an amendment to the PRx Communication Strategists contract.

**Fiscal Impact:** There is no fiscal impact associated with this action.

**Recommendation:** Receive the monthly economic development report from Economic Development Manager.

**8. Receive Report on Maximum Use of Rental of City Facilities for Possible Revenue Increase (Staff Contact: Bonnie Greiner, 586-3227)**

**Background:** At the request of the Mayor, staff reviewed the Facility Use Rules and Regulations to consider possible amendments to potentially increase revenue to the City. Facilities identified by the Mayor were: the Police Department Community Room, City Hall Lobby, Civic Center Outdoor Areas (Veterans Memorial, Community Center Amphitheater and Senior Center), and Parks/Picnic Areas. In addition, the Mayor asked staff to consider a change in current policy by allowing applications for rentals to be accepted with less than 30 days notice prior to the event date. Staff is reviewing and believes that requests made after the current 45 day or new proposed 30 days deadline can be accommodated, pending facility and staffing availability.

Four areas to consider changes include:

- 1) Review of Leasing Policies: At parks and facilities, the current practice is to rent these for one event per day. An alternative could be to permit a maximum number of events at a site or facility per day. Such change in policy is possible, but implementation would be challenging and depending on the nature of the events and availability of building maintenance staff. Additional time and staffing for set-up and clean up would be necessary.
- 2) Required advance time for making reservation for City facility: current policy requires 45 days advance reservation. This could be changed to 30 days notice in advance of an event, or even shorter amount of time, depending upon staffing and facility availability.
- 3) Review of park rental as flat rate vs. per hour fee: current policy is to charge rates for park rental, at a per day rate for one event. Council could consider a change to charge by the hour for park use. Currently, there is no way to enforce usage and should the hourly fee be adopted, park fees would need to be increased to cover cost for a park attendant (staff) and maintenance to clean rental area prior to and after each rental as well as to enforce rental hours.
- 4) City Hall 4<sup>th</sup> floor rental: The City has received a couple of requests to lease portions of City Hall's 4<sup>th</sup> floor. One request is to create a classroom in the open cubicle area and rent at least one enclosed office and the other is to rent one or two enclosed office spaces. The group wishing to use the cubicle area as a classroom is willing to incur the cost of tenant improvements and both parties are willing to lease the space from the City. Staff is currently in discussion with both parties, but has serious concerns about access and security issues, as the 4<sup>th</sup> floor is an open floor plan with unsecured access to most of City Hall. Moreover, it is not yet clear if the party willing to install the classroom improvements would be willing to undertake the additional improvements required to secure the floor and its access to City Hall. Another cost is the users' willingness to pay for the cost of tenant improvement removal once there is no longer a demand for the space, or when the City may need to use it. Staff recommends that this item be presented to the Council Transportation and Land Use Subcommittee at its next meeting for further detailed discussion and recommendation.

Regarding the Police Community Room, since 1992, the Police Department has made this room available for use by community non-profit organizations, homeowners associations, scouting groups, and other groups at no cost. Currently, the room is available on a first-come, first-serve basis and no fee has ever been charged. Staff does not recommend any change to this policy during weekdays from 8:00 am to 8:00 pm. since it is valuable to those groups unable to afford rental fees charged by other facilities, and provides a needed service to the community. However, on weekends, a minimal fee could be charged to offset costs of Facility Attendants who are responsible for room set-up, clean-up and opening and closing the facility.

Regarding City Hall rotunda lobby, Committee Room (1<sup>st</sup> floor) and civic center outdoor areas, those facilities are currently available for rent at established hourly rates, adopted by the City Council in 2004. Fee schedule is included in the agenda packet. A major consideration for increased rentals of City Hall facilities would be the maintenance and staffing for events on weekends or evenings. Staff will need to re-evaluate the current fee structure to make cost recovery, since no City staff traditionally works during these hours.

**Fiscal Impact:** unknown (to be determined).

**Recommendation:** Receive report from staff, in response to Mayor Esteves' request. Provide direction to staff on facility rentals, as appropriate.

- \* **9. Approve and Authorize Staff to Submit a List of Projects for Inclusion into the Valley Transportation Authority's Valley Transportation Plan 2040 (Staff Contacts: Greg Armendariz, 586-3335, and James Lindsay, 586-3273)**

**Background:** Every three years, the City submits a list of preferred transportation projects to be included in the VTA's Valley Transportation Plan (VTP). The VTP serves as a 30-year plan for the implementation of regional transportation projects as funding from the State Transportation Improvement Plan becomes available.

On February 22, 2011, Council's Transportation and Land Use Subcommittee recommended the following projects be included in the VTP. Below is a list of projects and a short description suggested for inclusion in the VTP2040.

**1. Calaveras Boulevard Widening**

The existing two bridges between Milpitas Blvd and Abel Street would be replaced with a six-lane bridge complete with 10 feet sidewalks and 6 feet bike lanes. Auxiliary lanes between Abel Street and I-880 together with operational improvements at the Abel Street and Abbott Avenue intersections would be added to insure smooth transitions and continuous bike lanes. *Approximate cost = \$75 million.*

**2. Dixon/Milpitas Intersection Improvements**

An additional northbound left turn lane, a southbound right turn lane, and an eastbound right turn lane would be provided. The scope includes roadway widening and right-of-way has been acquired at the southwest corner for some of these improvements. *Approximate cost = \$1.5 million*

**3. Dixon Landing Road Widening**

This facility is currently primarily four lanes wide and serves as a secondary commute corridor between the I-680 and I-880 freeways. With completion of the Dixon Landing / I-880 interchange reconstruction project, widening Dixon Landing Road between I-880 to Milpitas Blvd to six lanes with sidewalks and bike lanes would further reduce traffic congestion. Right-of-way will be needed for this project. *Approximate cost = \$6.0 million.*

**4. S. Milpitas Boulevard Bicycle and Pedestrian Improvements (*New Project*)**

This project that will expand pedestrian and class I bicycle facilities along both sides of the 1.5 mile stretch of South Milpitas Boulevard between Calaveras Boulevard and Montague Expressway. *Approximate cost = \$25 million*

**5. South Milpitas Boulevard SMART Corridor**

This project will install fiber optic cables for traffic signal/city communications, deploy surveillance cameras, traffic data collection equipment, and advanced traffic signal controllers, and will allow for future connection to Milpitas Boulevard Extension for BART. *Approximate cost = \$1 million*

**6. Montague Expressway BART Pedestrian Overcrossing**

This project will connect the future Milpitas BART station to the Great Mall of the Bay Area and future Transit-oriented development as highlighted in the City of Milpitas Transit Area Specific Plan. *Approximate cost= \$15 million*

**7. Berryessa Creek Trail- Hillview Drive to City Limits (*New Project*)**

This project is will continue the Berryessa Creek Trail from Hillview Drive south to the City Limits near Montague Expressway. The Class I path, as recommended in the Milpitas Bikeway Master Plan, is 1.86 miles long and will connect to the future Milpitas BART station area. *Approximate cost = \$1.5 million*

**Fiscal Impact:** There is no fiscal impact to recommending the listing of these projects in the VTP2040. As competitive funding for each individual project is pursued, the necessary local match for each project will be required if funding is granted.

**Recommendation:** Approve and authorize staff to submit a list of projects for inclusion into the VTA's Valley Transportation Plan 2040.

- \* 10. **Approve Two Youth Sports Assistance Fund Grants (Staff Contact: Aaron Bueno, 586-3226)**

**Background:** The Milpitas City Council approved and appropriated \$4,000 for the Youth Sports Assistance Fund for the 2010 – 2011 budget year. Included in the Council packet for review and consideration are two Youth Sports Assistance Fund applications from Milpitas Knights PAL Football in the amount of \$1000 for safety helmets, and Milpitas Junior Giants Baseball in the amount of \$1000 for safety break-away bases and batting helmets.

**Fiscal Impact:** There is currently a balance of \$3,000 in the 2010-11 Youth Sports Assistance Fund. Approval of two Group Youth Sports Assistance Fund Grants in the amount of \$1000 each will leave a balance of \$1,000 for the remainder of the fiscal year.

**Recommendation:** The Parks, Recreation and Cultural Resources Commission and staff have reviewed the applications and recommend that the City Council award two Youth Sports Assistance Fund Grants of \$1,000 each to Milpitas Knights PAL Football and to Milpitas Junior Giants Baseball.

- \* 11. **Approve the Design of the I-880 Freeway Sign (Staff Contact: Diana Barnhart, 586-3059)**

**Background:** Milpitas Auto Properties LLC is proposing to construct a 50-foot tall off-site advertising display to be located at the existing freeway sign site on I-880 just south of the Montague Expressway exit. This proposal is consistent with the May 5, 2009 City Council action selecting Milpitas Auto Properties and McCarthy Ranch for new off-site advertising displays along I-880 and I-680.

The recommended design, included with the Council agenda packet (Exhibit A), has been coordinated with the Great Mall ownership and meets their expectations for signing the shopping center and critical tenants. Constraints of the site limit the height of the sign and the size of the electronic message board, as the message board will only be 12 feet by 25 feet. The City's request for proposal allowed for a 60 ft. to 70 ft. sign with much larger electronic message centers.

If the City Council approves the design, CBS Outdoor will initiate permit approval for the sign and submit an application to the City for review and approval. The freeway sign for Piercey Toyota will be submitted for approval at the same time.

**Fiscal Impact:** There is no fiscal impact associated with this action.

**Recommendation:** Move to approve the design of the I-880 freeway sign.

## XVIII. RESOLUTIONS

- \* 12. **Adopt a Resolution Granting Final Acceptance of the Sewer Replacement Program, Project No. 6111 (Staff Contact: Steve Erickson, 586-3301)**

**Background:** Project No. 6111 was initially accepted on February 2, 2010 and passed the one-year warranty period. A final inspection of the installed public improvements has been made, and the work was found to be satisfactory. The project provided removal and replacement of sanitary sewer pipeline segments at Larch Street, Chestnut Avenue, Poppy Lane, North Hillview Drive, and Coelho Street. Staff recommends the City Council grant final acceptance of the Sewer Replacement Program, Project No. 6111, and releases the contractor's bond.

**Fiscal Impact:** None.

**Recommendation:** Adopt a resolution granting final acceptance of the Sewer Replacement Program, Project No. 6111 and release the contractor's bond.

- \* 13. **Adopt a Resolution Granting Initial Acceptance of and Reducing the Performance Bond for Abbott Avenue Resurfacing, Project No. 4251 (Staff Contact: Steve Chan, 586-3324)**

**Background:** The Council awarded the Abbott Avenue Resurfacing Project to O'Grady Paving on June 15, 2010. The project provides new asphalt pavement, ADA-compliant handicap ramps and roadway markings. The project was successfully completed on time and under budget, and staff recommends the Council to adopt a resolution granting initial acceptance of the project and authorize the reduction of the contractor's faithful performance bond to \$73,042, which is 10% of the final contract value.

**Fiscal Impact:** None.

**Recommendation:** Adopt a resolution granting initial acceptance of the Abbott Avenue Resurfacing, Project No. 4251, subject to a one year warranty period and reduction of the faithful performance bond to \$73,042.

- \* 14. **Adopt a Resolution Requesting the Allocation of Transportation Development Act (TDA), Article 3 Funds for the Enhanced Crosswalk Improvements – Phase III (Sidewalk Replacement 2011), Project No. 4254 (Staff Contact: Steve Chan, 586-3324)**

**Background:** The City of Milpitas receives guaranteed funding from the Transportation Development Act (TDA) Article 3 fund each year for sidewalk and bicycle projects. The guaranteed funding is based on population; the 2011-12 funding for Milpitas is \$34,238.

The City of Milpitas will submit a grant proposal to the Santa Clara Valley Transportation Authority for release of this funding for an Enhanced Crosswalk Improvements Phase II project. The project will include the installation of Americans with Disability Act-compliant handicap ramps and the installation of high-visibility crosswalk that utilize enhanced roadway markings, signs and technology improvements. The locations of improvements will be determined later, based on priority.

**Fiscal Impact:** None. There is no fiscal impact associated with this project.

**Recommendation:** Adopt a resolution requesting the allocation of Transportation Development Act, Article 3 funds for the Enhanced Crosswalk Improvements – Phase III (Sidewalk Replacement 2011) Project No. 4254.

## **XIX. BIDS AND CONTRACTS**

- \* 15. **Approve the Increased Contract Amount with Christopher Schaller for Abandoned Vehicle Abatement Services (Staff Contact: James Lindsay, 586-3273)**

**Background:** The City is a member agency within the Santa Clara County Abandoned Vehicle Abatement Service Authority (AVASA). As a member agency, the City receives partial reimbursement for expenses in abating abandoned vehicles on private property and public roads. The City has been contracting out this service for abandoned vehicles on private property since December 2009. The cost of providing this service this fiscal year will be \$22,000 and staff had previously authorized the work up to \$19,900.

**Fiscal Impact:** None. There are adequate funds in the Department's operating budget for this service which is partially reimbursed through the AVASA program.

**Recommendation:** Approve the total contract amount in the amount of \$22,000 for abandoned vehicle abatement services.

- \* **16. Authorize the City Manager to Execute Amendment No. 1 to the Contract with CSG for an Additional \$10,000 Annually for Fire Department Plan Review and Inspection Services (Staff Contact: Albert Zamora, 586-3371)**

**Background:** On February 1, 2011, the City Council approved a Fire Prevention Division mid-year budget appropriation of \$10,000 for consultant services. CSG Consultants, Inc. currently provides fire plan review and inspection services for the City of Milpitas with an annual amount not-to-exceed \$30,000. Due to the increased demand for both plan review and inspection services, this proposed contract amendment will facilitate the additional workload by increasing the annual amount not-to-exceed to \$40,000.

**Fiscal Impact:** None. Sufficient funds are available within the Fire Department budget.

**Recommendation:** Authorize City Manager to execute the first amendment with CSG for fire inspection and plan review services for an increase of \$10,000 and a total amount-not-to-exceed \$40,000 annually.

- \* **17. Authorize the City Manager to Execute Amendment No. 3 to the Contract with JJR Construction to Increase the Contract Amount by \$50,899 for the Not-to-Exceed Total of \$235,899 for On-Call Sidewalk, Curb and Gutter Repairs (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** On August 16, 2005, the City awarded a competitively bid contract to JJR Construction for on-call repairs to sidewalks, curbs and gutters city wide for the not-to-exceed amount of \$185,000 per year. On June 2, 2010, the City Council extended the contract for one more year till August 15, 2011. There is a plan in the current Capital Improvement Budget to construct Americans with Disability Act curb ramps at various city locations and remove portions of damaged sidewalk and driveway apron, and install new concrete sidewalk along portions of Winsor Street at the Calaveras Blvd. underpass. Staff recommends increasing the contract amount for the additional work.

**Fiscal Impact:** None. Sufficient funds are available in CIP No. 4246 - Sidewalk Replacement 2009 project budget and CIP No. 8162 Library Project budget.

**Recommendation:** Authorize the City Manager to execute Amendment No. 3 with JJR Construction to increase the amount of the contract by \$50,899 to the not-to-exceed total amount of \$235,899 for on-call sidewalk, curb, and gutter repairs.

- \* **18. Authorize the City Manager to Execute a Contract for the Purchase and Installation of 90 Uninterrupted Power Supply Batteries with US Power Inc. for the Not-to-Exceed Amount of \$35,605.63 (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** On February 3, 2011, City of Milpitas went out to bid on the purchase and installation of 90 uninterrupted power supply batteries for the Police dispatch and Information Services battery backup. The bid specified Enersys batteries model #UDA63125C25DT03 or equal, with a three year full replacement warranty and a two year extended warranty. The contract also requires the winning bidder to install the new batteries and provide certified proof of proper disposal of the old batteries. The bid was advertised in the local newspaper, on the City website and on Public Purchase. The City requested pricing for three alternates. Based on the City's requirements staff chose alternate number two, for which there was only one responsive bidder, US Power.

**Fiscal Impact:** None. Funds for this purchase are available in the Facilities Maintenance budget PG 9528-4237 electrical repairs.

**Recommendation:** Authorize the City Manager to execute a contract for the purchase and installation of 90 uninterrupted power supply batteries with US Power Inc. for the not-to-exceed amount of \$35,605.63.

**XX. ADJOURN TO CLOSED SESSION OF CITY COUNCIL**

**CONFERENCE WITH LEGAL COUNCIL – ANTICIPATED LITIGATION**

Pursuant to CA Government Code §54956.9, City of Milpitas as Plaintiff

**XXI. CLOSED SESSION ANNOUNCEMENT:** Report on action taken in Closed Session if required, pursuant to CA Govt. Code §54957.1, including the vote on abstention of each member present

**XXII. ADJOURNMENT**

**NEXT REGULAR CITY COUNCIL MEETING:  
TUESDAY, APRIL 5, 2011, AT 7:00 P.M.**