



**JOINT MEETING OF THE MILPITAS CITY COUNCIL
AND MILPITAS HOUSING AUTHORITY
AGENDA
TUESDAY, OCTOBER 1, 2013**

**455 EAST CALAVERAS BLVD, MILPITAS, CA
6:00 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)**

SUMMARY OF CONTENTS

- I. CALL TO ORDER/ROLL CALL by the Mayor (6:00 p.m.)**
- II. ADJOURN TO CLOSED SESSION**
 - 1. CONFERENCE WITH LEGAL COUNSEL**
Existing Litigation, per CA Government Code Section 54956.9
City of Milpitas v. City of San Jose, Santa Clara County Superior Court case no. 112CV233069
 - 2. CONFERENCE WITH LEGAL COUNSEL**
Existing Litigation, per CA Government Code Section 54956.9
County of Santa Clara, et al., v. Milpitas Economic Development Corporation, et al., Sacramento County Superior Court case no. 34-2013-80001436, and
Successor Agency to the Milpitas Redevelopment Agency, et al. v. John Chiang, et al., Sacramento County Superior Court case no. 34-2013-80001508
 - 3. CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING**
Pursuant to California Government Code Section 54957.6. City Negotiator: Tom Williams
Employee Groups: Milpitas Police Officers Association (MPOA), and International Association of Fire Fighters (IAFF). Under Negotiation: Wages, Hours, Benefits, and Working Conditions
- III. CLOSED SESSION ANNOUNCEMENTS:** Report on action taken in Closed Session, if required pursuant to Government Code Section 54957.1, including the vote or abstention of each member present
- IV. PLEDGE OF ALLEGIANCE (7:00 p.m.)**
- V. INVOCATION (Mayor Esteves)**
- VI. APPROVAL OF COUNCIL MEETING MINUTES – September 17, 2013**
- VII. SCHEDULE OF MEETINGS – COUNCIL CALENDAR – October 2013**
- VIII. PRESENTATIONS**
 - Santa Clara County District Attorney Jeff Rosen
 - Proclaim *Fire Prevention Week - October 6-12, 2013*
- IX. PUBLIC FORUM**

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.

- X. ANNOUNCEMENTS**
- XI. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS**

XII. APPROVAL OF AGENDA

XIII. CONSENT CALENDAR (Items with asterisks*)

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.

XIV. UNFINISHED BUSINESS

- * 1. **Receive the September 2013 Odor Control Report (Staff Contact: Jeff Moneda, 408-586-3345)**

XV. REPORTS OF OFFICERS AND COMMISSIONS

- * 2. **Consider Mayor's Recommendations of Appointments and Re-Appointments to Milpitas Commissions (Contact: Mayor Esteves, 408-586-3029)**
- 3. **Approve 60th Anniversary Celebration Plan, \$50,000 Budget Appropriation to Implement the Plan, and the Logo Design for Year-Round Use Citywide (Contacts: Vice Mayor Polanski, 408-586-3024 and Councilmember Montano, 408-586-3023)**
- * 4. **Approve Parks & Recreation Donation Application by the Green Thumb Garden Club (Staff Contact: Jaime Chew, 408-586-3234)**
- * 5. **Approve Plaque Dedication for Henry Mattos in the Milpitas Veterans Plaza (Staff Contact: Carmen Valdez, 408-586-3086)**

XVI. NEW BUSINESS

- 6. **Receive Report and Approve Updated Milpitas Emergency Operation Plan (Staff Contact: Sean Simonson, 408-586-2810)**

XVII. RESOLUTIONS

- * 7. **Adopt a Resolution Granting Final Acceptance of the Escuela Parkway Pedestrian and Bicycle Enhancement Project No. 4259, Federal Aid Project No. RPSTPLE 009 (Staff Contact: Steve Erickson, 408-586- 3301)**
- * 8. **Adopt a Resolution Rejecting All Bids for Request For Proposal No. 2048 for City Wide Janitorial Service, Approve Amendment No. 7 to the Agreement with Universal Building Service for a 90 Day Extension in the Amount of \$121,848.36, and Direct Staff to Study the Appropriate Rates for Janitorial and Custodial Services for Council Consideration (Staff Contact: Chris Schroeder, 408-586-3161)**
- * 9. **Adopt a Resolution Annexing Certain Real Property into Community Facilities District No. 2005-1; Authorize Execution of a Subdivision Improvement Agreement for DR Horton Bay; and, Approve Final Map and Improvement Plans for 31 S. Milpitas Blvd. for Orchid, Project No. 2812 (Staff Contact: Ebby Sohrabi, 408-586-3335)**

XVIII. AGREEMENTS

- * 10. **Authorize City Manager to Execute an Agreement with CSG Consultants, Inc. for Fire Department Plan Review and Inspection Services (Staff Contact: Albert Zamora, 408-586-3371)**

- * 11. **Authorize the City Manager to Execute Amendment No. 2 to the Agreement with Prolific Holdings, Inc. for Annual Clothing Purchase for Public Works Department in the Annual Not-To-Exceed Amount of \$13,000 (Staff Contact: Chris Schroeder, 408-586-3161)**
- * 12. **Approve Amendment No. 8 to the Agreement with the Law Firm of Hopkins & Carley for Legal Services (Staff Contact: Michael Ogaz, 408-586-3041)**

XIX. DEMAND

- * 13. **Receive Report of Emergency Repair of Daniel Court and Hillview Drive Water Mains, Approve a Budget Appropriation from the Water Fund and Authorize Staff to Pay Emergency Repair Work Invoices Not to Exceed \$83,106.21 (Staff Contact: Jeff Moneda, 408-586-3345)**

XX. JOINT MILPITAS HOUSING AUTHORITY AND CITY COUNCIL MEETING

HA1. Call to Order/Roll Call by the Mayor/Chair

HA2. Approval of Agenda/Consent Calendar

HA3. Review and Update on South Main Senior Lifestyles Project Located at 1504-1620 South Main Street (Staff Contact: Felix Reliford, 408-586-3071)

HA4. Authority Adjournment

XXI. ADJOURNMENT

**NEXT REGULARLY SCHEDULE COUNCIL MEETING
TUESDAY, OCTOBER 15, 2013 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 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 / 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 by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on the City website.

All City Council agendas and related materials can be viewed online here: www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO BECOME A CITY COMMISSIONER!

Current vacancies exist on the:
Community Advisory Commission (alternate)
Emergency Preparedness Commission
Public Art Committee (Alliance for the Arts member)

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall. Contact the City Clerk's office at 408-586-3003 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 (408) 586-3001 or send an e-mail to 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.

AGENDA REPORTS

XIV. UNFINISHED BUSINESS

- * 1. **Receive the September 2013 Odor Control Report (Staff Contact: Jeff Moneda, 408-586-3345)**

Background: From August 19 through September 15, 2013, the Bay Area Air Quality Management District (BAAQMD) received fourteen odor complaints originating in Milpitas. Eight complaints identified a garbage-related odor, two identified a sewage-related odor and four did not identify an odor source. As of the last Council update, the City's odor reporting website has received nineteen reported complaints.

Fiscal Impact: None.

Recommendation: Receive the September odor report.

XV. REPORTS OF OFFICERS AND COMMISSIONS

- * 2. **Consider Mayor's Recommendations of Appointments and Re-Appointments to Milpitas Commissions (Contact: Mayor Esteves, 408-586-3029)**

Background: Mayor Esteves recommends the following appointments and re-appointments:

Sister Cities Commission:

Re-appoint Dana Arbaugh as a regular member to a term that will expire in September 2016.
Re-appoint Karen Serpa as a regular member to a term that will expire in September 2016.

Youth Advisory Commission (YAC):

Appoint Raveena Chahal as a regular member to a term that will expire in September 2014.
Appoint Riane Abaya as a regular member to a term that will expire in September 2014.
Appoint Jacqueline Ajero to Alternate No. 1 to a term that will expire in September 2014.
Appoint Clare Sern to Alternate No. 2 to a term that will expire in September 2014.
Newly appoint Jonathan Mendoza as Alternate No. 3 to a term that will expire in September 2014.
Newly appoint Crystal Tran as Alternate No. 4 to a term that will expire in September 2014.

Copies of Commission applications for YAC are included in the Council agenda packet.

Recommendation: Receive Mayor's recommendations and move to approve appointments and re-appointments to Milpitas Commissions.

- 3. **Approve 60th Anniversary Celebration Plan, \$50,000 Budget Appropriation to Implement the Plan, and the Logo Design for Year-Round Use Citywide (Contacts: Vice Mayor Polanski, 408-586-3024 and Councilmember Montano, 408-586-3023)**

Background: The City of Milpitas will celebrate its 60th anniversary of incorporation next year, starting off with two days' events scheduled on January 25 and 26, 2014. Earlier this year, on April 16, 2013, the City Council established a Council Subcommittee to provide guidance on planning and implementing the 60th celebration, and report back to the Council with a draft plan and proposed budget. The Subcommittee grew to be comprised of 17 members including City Commissioners and representatives from community groups who provided input and ideas to Subcommittee Chair Vice Mayor Polanski and Councilmember Montano, planning for City-wide year-long events.

60th Anniversary Event Plan Overview

Over the course of three meetings, the Subcommittee developed an Event Plan for the calendar year 2014, kicking off with an “Invitation Only” Gala Party on Saturday, January 25, 2014 and a Family Day celebration for the community on Sunday, January 26, 2014. The Subcommittee proposes that the 60th Anniversary theme be incorporated into existing City events such as Memorial Day, Veterans Day, 4th of July celebration and the Annual Tree Lighting Event along with activities throughout the year, using the City’s 60th logo and partnering with sponsoring local organizations. Additional events such as Tree Plantings and Art Show will be added.

Invitation Only Gala Event, Saturday, January 25, 2014

The Anniversary kick-off is an invitation-only (Commissioners, dignitaries, etc.) Gala event scheduled on Saturday, January 25, 2014 from 6:00-10:00 pm. The event would be progressive beginning in the Barbara Lee Senior Center with entertainment from Milpitas success story and Broadway performer Quarter (Daniel) Simmons and hors d’oeuvres and no-host bar staged throughout the facility. After the entertainment concludes, attendees would be asked to join City Council in front of City Hall for the unveiling of the new Minute Man bronze statue, followed by dessert and a champagne toast inside the City Hall lobby rotunda.

Family Day Celebration for Community, Sunday, January 26, 2014

City Commissions, various City departments, sponsor booths, and local entertainment would make up this family-fun event. Each participating City Commission, City department, and sponsor would host an interactive booth for participants to enjoy a fun activity. The Milpitas Community Concert Band, the Milpitas High School Jazz Band, Jensen School of Performing Arts and Milpitas High Glee Club would entertain. The first tree will be planted on this day as part of the Community Advisory Commission’s Tree-Planting Program.

2014 Annual Events and Activities

The Subcommittee unanimously recommends the following events to incorporate the 60th Anniversary program:

- Community Advisory Commission Tree-Planting (60 trees to be planted for the 60th Anniversary year)
- MUSD 60th Anniversary Essay Contest (new)
- Memorial Day
- 4th of July Fireworks Celebration
- Art Show (new) (Golden Hills Art Association and Milpitas Camera Club)
- Veterans Day
- Annual Tree Lighting Event
- Festival of Trees (Parks & Recreation Foundation)

Logo Design

The 60th Anniversary Planning Subcommittee created a logo design in lieu of a City-wide design contest, due to the short timeframe from implementation to selecting a winner. The Subcommittee unanimously recommends the City Council approve the logo and direct that it be used as appropriate on all City literature and paraphernalia during calendar year 2014. The logo design is included in the Council’s agenda packet.

Fiscal Impact: The total estimated proposed budget for all events listed is \$50,000. A budget appropriation of \$50,000 is necessary from contingency reserve funds to the City Council budget, to be offset by sponsorship efforts toward this event.

Recommendations:

1. Approve the 60th Anniversary Plan as proposed by the 60th Anniversary Planning Subcommittee.
2. Approve a budget appropriation of \$50,000 from Contingency Reserve Fund to City Council budget.
3. Approve the logo design and direct the City Manager to implement use of the logo as appropriate on all City-published materials, literature and paraphernalia during calendar year 2014.

* 4. **Approve Parks & Recreation Donation Application by the Green Thumb Garden Club (Staff Contact: Jaime Chew, 408-586-3234)**

Background: Staff received the Parks, Recreation, and Cultural Resources Commission (PRCRC) donation form from Mary Ann Udoutch, on behalf of the Green Thumb Garden Club, requesting to donate a bench to the Alviso Adobe Park in honor of Mabel Mattos. At the September 9, 2013 Commission meeting, the PRCRC Donation Form was reviewed and recommended to City Council for final approval. As part of PRCRC's recommendation, Commissioners highlight that Mabel Mattos:

1. Was a resident of Milpitas since 1934, and a valuable member of her church, the Green Thumb Garden Club, and the Milpitas Historical Society.
2. Was known as the "Town Historian" and along with Robert Burrill, helped put together a historical book about Milpitas.
3. Was a solid participant in all aspects of the Milpitas community via clubs and city government.

Fiscal Impact: None. The Green Thumb Garden Club will purchase both the bench and dedication plaque, and cover installation costs.

Recommendation: Upon recommendation of the Parks, Recreation and Cultural Resources Commission, consider and approve the Parks & Recreation donation of a bench in honor of Mabel Mattos at Alviso Adobe Park by the Green Thumb Garden Club.

* 5. **Approve Plaque Dedication for Henry Mattos in the Milpitas Veterans Plaza (Staff Contact: Carmen Valdez, 408-586-3086)**

Background: The Milpitas Veterans Commission received donations in the name of longtime resident and veteran Henry Mattos after his passing on February 12, 2013. At the July 3, 2013 Veterans Commission meeting, Commissioners voted to place a plaque in Mr. Mattos' honor at the Veterans Plaza behind City Hall. Several of Mr. Mattos' accomplishments as a resident and veteran were:

1. Milpitas resident for 20 years and Milpitas Historical Society member.
2. Served in the Army 30th Division - 120th Old Hickory South Carolina. His Division was sent to England and served the Second Wave in Normandy.
3. Received a Purple Heart for his service.

The plaque would be unveiled at the Veterans Day ceremony on November 11, 2013 as part of the event program.

Fiscal Impact: None. The Veterans Commission has sufficient funds in its account.

Recommendation: Upon the recommendation of the Milpitas Veterans Commission, approve a dedication plaque in memory of resident veteran Henry Mattos to be installed at the Milpitas Veterans Plaza.

XVI. NEW BUSINESS

6. **Receive Report and Approve Updated Milpitas Emergency Operation Plan (Staff Contact: Sean Simonson, 408-586-2810)**

Background: Staff from the Milpitas Office of Emergency Services will provide a brief presentation on the updated City of Milpitas Emergency Operation Plan.

Fiscal Impact: None.

Recommendation: To accept the staff report and approve the Milpitas Emergency Operation Plan, as presented by Milpitas Office of Emergency Services at the City Council meeting.

XVII. RESOLUTIONS

- * 7. **Adopt a Resolution Granting Final Acceptance of the Escuela Parkway Pedestrian and Bicycle Enhancement Project No. 4259, Federal Aid Project No. RPSTPLE 009 (Staff Contact: Steve Erickson, 408-586-3301)**

Background: The Escuela Parkway Pedestrian and Bicycle Enhancement project was initially accepted on October 2, 2012 and has passed the one-year warranty period. A final inspection of the installed public improvements was made and the work was found to be satisfactory. The project widened an existing sidewalk along the east side of Escuela Parkway, between Russell Lane and Washington Drive, and installed a bus turnout on the west side of Escuela Parkway in front of Milpitas High School. Installation of street trees and irrigation systems were also included.

Staff recommends the Council grant final project acceptance of the Escuela Parkway Pedestrian and Bicycle Enhancement Project, Project No. 4259, Federal Aid Project No. RPSTPLE (009) and release the contractor's bond.

Fiscal Impact: None.

Recommendation: Adopt a resolution granting final acceptance of the Escuela Parkway Pedestrian and Bicycle Enhancement Project No. 4259, Federal Aid Project No. RPSTPLE (009) and releasing the contractor's bond.

- * 8. **Adopt a Resolution Rejecting All Bids for Request for Proposal No. 2048 for City Wide Janitorial Service, Approve Amendment No. 7 to the Agreement with Universal Building Service for a 90 Day Extension in the Amount of \$121,848.36, and Direct Staff to Study the Appropriate Rates for Janitorial and Custodial Services for Council Consideration (Staff Contact: Chris Schroeder, 408-586-3161)**

Background: On August 27, 2013, staff issued a Request for Proposal ("RFP") No. 2048 for City-wide janitorial services and received only one proposal from Universal Building Services, the current service provider. The proposed one-year contract price is \$683,412, which is 42% more than the current annualized contract price of \$480,035.04 per year, and is much higher than the amount budgeted in the Public Works Department for this service. Staff would like to further study issues surrounding the cost increase in order to make a recommendation to the Council for any changes required to the City's purchasing requirements and achieve more reasonable bids. Staff suggests that 90 days would provide sufficient time to study the issue and make a new recommendation to Council. As such, staff requests that the City Council adopt a resolution to reject all bids to the Request for Proposal for City Wide Janitorial Services and approve Amendment No. 7 to the agreement with Universal Building Service. It would also direct staff to return with a recommendation for Council consideration.

Fiscal Impact: None. Funds for Amendment No. 7 with UBS are available in the Public Works operating budget.

Recommendations: Adopt a resolution to:

1. Reject all bids received in response to the Request for Proposals No. 2048 for Citywide Janitorial Service.
2. Approve Amendment No. 7 to the agreement with Universal Building Service extending it from October 4, 2013 to January 3, 2014 in the amount of \$121,848.36 for janitorial and custodial services at the City of Milpitas.

3. Direct staff to study the appropriate terms for an RFP for contracted janitorial and custodial services and return to the City Council with recommendations for Council review and consideration.
- * **9. Adopt a Resolution Annexing Certain Real Property into Community Facilities District No. 2005-1; Authorize Execution of a Subdivision Improvement Agreement for DR Horton Bay; and, Approve Final Map and Improvement Plans for 31 S. Milpitas Blvd. for Orchid, Project No. 2812 (Staff Contact: Ebby Sohrabi, 408-586-3335)**

Background: On January 15, 2013, the City Council approved the Major Tentative Map (MT12-0003), Site Development Permit (SD12-0005), Conditional Use Permit (UP12-0020), and Environmental Impact Assessment (EA12-0004) for the construction of 80 new single family homes on 11.3 acres located at 31 S. Milpitas Blvd. The development has on-site private utilities (potable water, sanitary sewer, storm drain, etc.). The public improvements are valued at approximately \$370,000, consisting of a public trail and maintenance road along Wrigley Creek, a public pedestrian connection to the existing pathway north of Calaveras Blvd., and frontage improvements along Topaz Street and Los Coches Street (City utility connections, sidewalk, paving, landscaping, etc.).

DR Horton Bay, Inc. (owner of Tract 10192) is required to annex the property into Community Facilities District 2005-1 (CFD 2005-1) as a condition of the tentative map approved by the Council on January 15, 2013. Resolution No. 7521, adopted on May 17, 2005 forming CFD 2005-1, authorized the City to annex properties in to CFD 2005-1, which would then be assessed only for eligible public services, without further public hearing or formal election upon receipt of written consent from the owners. DR Horton Bay, Inc. has given consent and approval that this property be annexed to CFD 2005-1. DR Horton Bay, Inc. agreed that such consent and approval constitutes election to annex into CFD 2005-1 and approval of the authorization for the levy of the special tax on the subject properties.

The developer submitted the final map and public improvement plans, and executed the subdivision improvement agreement for the project. Public improvement plans and final map are available for review in the office of the City Engineer. Staff reviewed the documents, finding that those satisfy the City's requirements for this development project.

Fiscal Impact: None.

Recommendations:

1. Adopt a resolution annexing real properties located within Final Tract Map No. 10192 into Community Facility District 2005-1.
2. Approve and authorize the execution of a Subdivision Improvement Agreement between the City of Milpitas and DR Horton Bay, Inc. for public improvements associated with the Final Tract Map No. 10192 for Orchid.
3. Approve Final Tract Map No. 10192 for Orchid and Public Improvement Plans 2-1180 (construction documents for the associated public improvements).

XVIII. AGREEMENTS

- * **10. Authorize City Manager to Execute an Agreement with CSG Consultants, Inc. for Fire Department Plan Review and Inspection Services (Staff Contact: Albert Zamora, 408-586-3371)**

Background: On May 14, 2013, the City Council approved the City's Final Budget for Fiscal Year 2013-14, which included \$163,200 for plan review and inspection services within the Fire Prevention Division. The proposed agreement with CSG is necessary, due to multiple development projects approved by the City and increased demand for fire inspection and plan review services.

Fiscal Impact: None. Contractual services were approved as part of the FY 2013-14 Adopted Budget and sufficient funding is available in the Fire Department operating budget.

Recommendation: Authorize the City Manager to execute a consulting services agreement with CSG Consultants, Inc. for fire inspection and plan review services for a total amount-not-to-exceed \$163,200 annually.

- * 11. **Authorize the City Manager to Execute Amendment No. 2 to the Agreement with Prolific Holdings, Inc. for Annual Clothing Purchase for Public Works Department in the Annual Not-To-Exceed Amount of \$13,000 (Staff Contact: Chris Schroeder, 408-586-3161)**

Background: On August 18, 2009 the City went out to bid for annual clothing requirements for Milpitas Employees Association (MEA) employees. These garments are required to be worn on a daily basis by maintenance workers, per current Memorandum of Understanding with the MEA group. The winning bidder was Prolific Holdings, Inc. which was awarded a one-year contract with three, one-year options to renew. The current contract will expire on October 7, 2013 so City staff requests that it be extended one year to October 7, 2014 and that the City add \$13,000 to the contract to cover the clothing costs for the additional one year period.

Fiscal Impact: None. The expenditure is a programmed expense in the Public Works and Finance operating budget for FY 2013-14.

Recommendation: Authorize the City Manager to execute Amendment No. 2 to the agreement with Prolific Holdings, Inc. for a one year extension for annual clothing purchase for Public Works Department staff for the annual amount not to exceed \$13,000.

- * 12. **Approve Amendment No. 8 to the Agreement with the Law Firm of Hopkins & Carley for Legal Services (Staff Contact: Michael Ogaz, 408-586-3041)**

Background: The City has contracted with law firm Hopkins & Carley since 2008 for legal services, primarily focused in the personnel area. Services under the contract include the law firm's representation of the City in defense of a lawsuit served in December 2012 brought by individuals claiming age discrimination in hiring by the City. The litigation is continuing and due to extensive discovery having taken place, the contract funding now requires replenishing. The City anticipates that it will prevail in this suit, but nonetheless estimates that it will incur further expenses defending the City in the amount of \$50,000.

Fiscal Impact: None. There are sufficient funds in the City Attorney's budget.

Recommendation: Approve Amendment No. 8 to the agreement with the law firm of Hopkins & Carley for legal services, increasing the funding not to exceed \$50,000.

XIX. DEMAND

- * 13. **Receive Report of Emergency Repair of the Daniel Court and Hillview Drive Water Mains, Approve a Budget Appropriation from the Water Fund and Authorize Staff to Pay Emergency Repair Work Invoices Not to Exceed \$83,106.21 (Staff Contact: Jeff Moneda, 408-586-3345)**

Background: Per Resolution No. 7779 and Public Contracts Code Section 22050, the Director of Public Works must report all emergency public works repairs he ordered to the City Council.

On August 19, 2013, the Public Works Director directed Preston Pipelines to expedite a repair to a damaged four-inch water main on Daniel Court. In addition, on September 3, 2013, Preston Pipelines expedited a repair of a twelve-inch water main on Hillview Drive. The Director of Public Works authorized Preston Pipelines to conduct the repairs immediately rather than soliciting competitive bids from various contractors to restore water service to its customers.

Scope of the work included the repair of both water mains and restoration of existing improvements, which included concrete improvements, asphalt concrete pavement, and miscellaneous other repairs.

These projects are categorically exempt under Section 15301 (Existing Facilities) of the CEQA Guidelines for restoration or rehabilitation of deteriorated or damaged structures.

Fiscal Impact: An appropriation from the Water Fund in the amount of \$83,106.21 is needed because there are not sufficient funds in Public Works operating budget for this emergency work.

Recommendations:

1. Receive this report from the Public Works Director of emergency public works repairs to water mains on Daniel Court and on Hillview Drive.
2. Approve a budget appropriation of \$83,106.21 from the Water Fund to Public Works operating budget.
3. Authorize staff to pay emergency repair work invoices to Preston Pipelines in an amount of \$83,106.21.

XX. JOINT MILPITAS HOUSING AUTHORITY AND CITY COUNCIL MEETING

HA1. Call to Order/Roll Call by the Mayor/Chair

HA2. Approval of Agenda

HA3. Review and Update on South Main Senior Lifestyles Project Located at 1504-1620 South Main Street (Staff Contact: Felix Reliford, 408-586-3071)

Background: At its meeting on August 18, 2009, the Milpitas Redevelopment Agency (RDA) authorized the Director/City Manager to execute a Disposition and Development Agreement (DDA) with South Main Senior Lifestyles, LLC (SMSL) for approval of a two-phase residential development consisting of 387 residential units. Phase 1 of the project would consist of 180 rental housing units for seniors (62 years of age and older) providing congregate care and assisted living services, of which 63 units would be affordable to lower income seniors. The 63 affordable units would consist of 36 units for very low-income and 27 units for low-income households. Phase 2 of the project would consist of 207 multi-family units with no age or income restrictions.

The DDA also included provisions for the RDA to assume the existing purchase and sale agreement between Callahan Property Company Inc. and Baystone, and to purchase the 5.94 acre site for the Phase 1 and 2 projects for \$12.4 million. The \$12.4 million from the RDA was to be recouped upon the sale of the property to South Main Senior Lifestyles in two phases.

South Main Senior Lifestyle would have purchased 1.94 acres (Phase 1) from the RDA for \$5 million within two years of the RDA purchasing the entire site. The RDA would have provided SMSL financial assistance towards the development and operation of the affordable units in the form of a \$7.7 million grant or long term loan. SMSL would then purchase the remaining site area (Phase 2) from the RDA within six years of the RDA purchase of the entire site.

On October 18, 2011, the Council/RDA approved the first amendment to the original DDA which granted a two-year (24 months) extension for the performance of the terms and provisions of the agreement. Based on the extension, the DDA would expire on November 23, 2013.

After the RDA was dissolved in February of 2012, because the subject property is a housing asset of the former RDA, title to the parcel was transferred from the former RDA to the City of Milpitas Housing Authority (HA). The DDA also needs to be assigned from the former RDA to the HA.

Since the original DDA approval in 2009, SMSL has invested significant time and money to move the project forward. Existing structures on the site have been demolished, the environmental contamination has been remediated and a certificate of No Further Action obtained from Santa Clara County, and rough grading of the site was completed. The original project design submitted in 2009 has been redesigned and resubmitted a number of times and comments received from the City Building Inspection, Fire, Engineering and Planning Divisions. Upon the dissolution of the State's redevelopment agencies, SMSL worked with the City to establish that the site is a housing asset of the former RDA and to transfer title of the site to the HA as Housing Successor to the former RDA. SMSL then obtained an agreement from Old Republic Title to issue title insurance in the name of the HA, a prerequisite to obtaining financing for the construction of the project. SMSL has submitted an application to FHA for construction and permanent debt for Phase 1 and third party reports are currently underway.

Representatives of the SMSL project met with City staff on numerous occasions and stated that several events have occurred requiring SMSL to revise the project and seek corresponding amendments to the original DDA. These events and the attendant revisions to the project and DDA are discussed below.

Proposed New Senior Full Service Retirement Community

Dissolution of the former RDA and the great recession's chilling impacts on financial and real estate markets have combined to undermine the financial feasibility of the Phase 1 and 2 projects as envisioned and structured in the original DDA. In response, SMSL has proposed a new development concept for the 5.94 acre site: a full service retirement community that provides a continuum of care for its residents allowing them to age gracefully from active independent living through congregate care and assisted living. This will be a new product type for the City of Milpitas and will complement and diversify high density residential development currently underway and planned in the Milpitas Transit Area.

The retirement community will consist of 389 units of rental housing for seniors 62 years of age and older. The community will be developed in two phases as shown on the Site Plan. As contemplated in the original DDA, Phase 1 will be a congregate care/assisted living community, but has been redesigned to (1) allow residents who need assisted living services as they age to remain in their units rather than move to another unit in the building; and (2) make all of the units accessible to the physically handicapped. To complement Phase 1, Phase 2 will provide amenity-enhanced rental housing for active, independent seniors. Together, the two phases of the project will provide an integrated, vibrant, full service, activity and amenity enriched continuum of care retirement community.

Forty-eight of the units in the retirement community will be restricted to occupancy by very low income households (households whose income does not exceed 50% of the area median), representing an increase of 12 very low income units over the number provided under the original DDA. These units will be spread across Phases 1 and 2, rather than concentrated in the Phase 1 project as provided in the original DDA. 27 low income units (for households whose income does not exceed 80% of the area median) provided under the original DDA have been eliminated because they are not marketable.

The HA's obligation pursuant to the original DDA to provide a \$7.7 million grant/loan to the Phase 1 project to support the development and operation of the affordable units will be eliminated. Instead, the HA will convey the 5.94 acre site (valued at \$12.4 million) to SMSL at no cost. This will result in a net increase in the amount of the HA financial assistance of \$4.7 million. As set forth in the state law Section 33433 Report (in Council's agenda packet) prepared by Economic Planning Systems Inc., this assistance is consistent with California Community Redevelopment Law (to which the HA is subject as Housing Successor to the former RDA) and is necessary to ensure the project's financial feasibility. Increased assistance is necessary to help cover the funding gap due to the higher costs entailed in developing and operating 12 additional very low income (50% AMI) units, the additional construction costs associated with building units adaptable to assisted living as residents "age in place" and higher financing costs caused by the replacement of lower cost debt and tax credit equity with higher cost investor equity.

Title to the entire 5.94 acre site will be conveyed to SMSL when the City has approved all entitlements for the project, including the Vesting Tentative Map and Final Map, and approved the construction plans, financing plan, operator and services plan for Phase 1. Conveyance of the entire 5.94 acre site at the time the Phase 1 project is ready to move forward, rather than just the Phase 1 portion of the site, is necessary to raise debt and equity on favorable terms to fund both projects, attract an operating partner with proven expertise and financial capacity to manage/operate the two-phased retirement community, and construct both efficiently and cost effectively. The DDA will have multiple remedies to return title of the Phase 2 site to the City if construction does not commence pursuant to the deadlines and conditions set forth in the DDA.

Project's Benefits to the City of Milpitas

A full service retirement community would be a unique, landmark asset for the City of Milpitas. No such product type exists within the City or surrounding communities. It would provide activity- and service-enriched housing for Milpitas' senior citizens, including 48 residences for very low (50% AMI) income seniors, and for the parents and grandparents of Milpitas residents. The retirement community would also complement and enhance the diversity of the multi-family residential development currently underway and planned for the Milpitas Transit Area.

In addition to providing much needed housing, according to the state law Section 33433 report, the retirement community would generate the following economic and financial benefits for the City of Milpitas:

- 400 construction jobs over the course of development of the community;
- 100+ full-time, on-site, permanent jobs to provide services to the residents of the community and to maintain it;
- Additional job growth in the retail and service sectors stimulated by spending by the 600-700 new residents, guests and staff of the retirement community and 400 construction workers;
- An estimated \$30,000 per year in retail sales tax revenue for the City generated by purchases by the new residents, guests and staff of the community;
- Approximately \$2.1 million in property tax revenue for the City (parcel currently generates no property tax revenue nor would it if it were developed/owned by a non-profit);
- An estimated \$1.8 million of revenue from special taxes for maintenance of parks and landscape medians (parcel currently generates no such revenue);
- As much as \$5.7 million in development impact fees.

“Benefits to the City of Milpitas” (in the Council’s agenda packet) provides more detail.

Proposed DDA Amendments

To implement the development concept and changes proposed above would require amendment of some terms in the original DDA. Table 1 (in agenda packet) compares terms of the original DDA and proposed amendments. If the HA concurs with, and approves in concept, the proposed senior retirement community and DDA amendments, staff will return to the HA on November 5 with an Amended and Restated DDA embodying the proposed amendments for its review and approval, and the Assignment and Assumption of the DDA from the former RDA to the HA.

There are no facilities in the City that offer a package of continuum of care and services for seniors allowing them to age in place within one location. Given the City’s aging population, a project providing such services is highly desirable. The project will provide 48 units of activity and service enriched rental housing for very low income (50% AMI) seniors, contributing towards the City Housing Plan’s target of construction of 344 very low income units. In lieu of a \$7.7 million grant/loan, the site (valued at \$12.4 million) will be conveyed to the developer at no cost. This financial assistance is consistent with California Community Redevelopment Law and is necessary to ensure the project’s feasibility. In addition, the project will help meet the City’s and HA’s objectives to stimulate economic development by creating 100+ full time jobs, indirect

employment and sales tax revenue generated by the spending by the 600-700 new residents, guests and staff of the project, and property tax, special tax, and sales tax revenue.

Fiscal Impact: The Housing Authority's obligation to fund a \$7.7 million grant/loan to the Phase 1 project would be eliminated in lieu of conveyance of the 5.94 acre site to SMSL. The City would receive \$330,000 annually to be offset through the conveyance of the land. City will collect property tax, special tax, and sales tax revenue but exact amount is unknown.

Recommendations:

1. Receive oral staff report at the meeting on the South Main Senior Lifestyles project.
2. Upon consideration of staff's report and presentation, provide comments to staff and direction on the proposed senior retirement community South Main Senior Lifestyles project and proposed amendments to the Disposition and Development Agreement, and direct staff to return on November 5, 2013 with a draft Amended and Restated DDA embodying those proposed amendments for review and consideration, in addition to the Assignment and Assumption of the DDA from the former Redevelopment Agency to the Housing Authority for consideration.

HA4. Authority Adjournment

XXI. ADJOURNMENT

**NEXT REGULARLY SCHEDULE COUNCIL MEETING
TUESDAY, OCTOBER 15, 2013 AT 7:00 P.M.**

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.
- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.
- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.
- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.
- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000
- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.
- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.
- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Meeting of Milpitas City Council
Date: Tuesday, September 17, 2013
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Polanski, Councilmembers Giordano and Montano

ABSENT: Councilmember Gomez was absent at roll call and arrived at 7:00 PM.

CLOSED SESSION

City Council convened in Closed Session to discuss labor negotiations and litigation.

Councilmember Gomez was absent from Closed Session, due to a conflict of interest he had with the litigation matter (re: City of San Jose).

City Council then convened in Open Session at 7:04 PM.

ANNOUNCEMENT

None.

PLEDGE

Boy Scouts Troop No. 92 presented the flags and led the pledge of allegiance.

INVOCATION

Councilmember Montano read a bible passage as invocation.

MINUTES

Motion: to approve meeting minutes of September 3, 2013 City Council, as submitted

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

SCHEDULE OF MEETINGS

Motion: to approve Council Calendars/Schedule of Meetings for September and October 2013

Councilmember Giordano reported she would attend a special Terrace Gardens Board closed session meeting on Thursday at 12:00.

Motion/Second: Councilmember Giordano/Councilmember Gomez

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

PUBLIC FORUM

Dan Bobay, President of the Milpitas Unified School District Board of Education, requested support for students and local schools by seeking the City Council/Economic Development Corporation's sale of city-owned McCandless property to the school district. Its intent was to build a new school in the Transit Area, where the City was adding thousands of new families and residents. He referred to a vote of the Milpitas Oversight Board in support of amending the list of properties. Mr. Bobay specifically asked the City Council to place this topic on its next meeting agenda for discussion in order to remove the property from the list and standstill agreement. The School District could not wait two to three years for the lawsuits regarding the former Redevelopment Agency to be resolved.

Mayor Esteves reported that City Manager Tom Williams had already told him he planned to place this matter on the Council agenda.

Councilmember Gomez wanted to confirm it would be discussed in open session, not closed. City Manager Williams responded yes if that was what the City Council wanted, and that it most likely would be for the October 15 meeting.

Karen Kolander of the Milpitas Food Pantry thanked the City for extending its lease for another year to continue the Food Pantry services to those in need. Rent anywhere else was going to price her organization out of the market, here in Milpitas and South Bay. She was seeking to partner with another agency to save future expenses, including rent.

Robert Marini, Milpitas resident, referred to a past lawsuit and costs. He felt there was a need for liability insurance against the City Councilmembers. If there was a loss of taxpayer funds, the cost would have to come out of Council salaries. He asked to stop spending money for a consultant to tell them what their goals were. He sought compliance by the Council with the laws of the state of California, as was required for sewer rate calculations.

Russ Barstadt, Milpitas resident and PTA volunteer parent, expressed gratitude for placing item on future agenda that Mr. Bobay requested.

ANNOUNCEMENTS

Mayor Esteves would adjourn in memory of former Milpitas Mayor Mr. Richard B. Taylor, who passed away on this date.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Ogaz asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions and the response to both was none.

APPROVAL OF AGENDA

Motion: to approve the agenda, as amended

City Manager Tom Williams requested to remove Item No. 7 (Resolution for contract amendment for janitorial service) from agenda, at staff's request.

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

CONSENT CALENDAR

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

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

* 2. Spanish/Mexican Signs for Alviso Adobe Park

Approved the Parks, Recreation and Cultural Resources Commission recommendation for the two preferred options for installation of Spanish/Mexican displays and signs at the Alviso Adobe Park.

* 3. Commission Appointments

Approved the following Commission appointments and re-appointments, per Mayor's recommendations:

Bicycle Pedestrian Advisory Commission:

Re-appointed Jose Leon as a regular member to a term that will expire in August 2016.

Library Advisory Commission:

Re-appointed Hellie Mateo as Alternate No. 1 to a term that will expire in June 2015.

Sister Cities Commission:

Re-appointed Roselda Mateo as a regular member to a term that will expire in Sept. 2016.
Re-appointed Peter Chang as Alternate No. 2 to a term that will expire in September 2015.

Youth Advisory Commission:

Re-appointed Sabina King and Sahil Sandhu as regular members to terms that will expire in September 2014.

Newly appointed Riane Abaya as Alternate No. 2, Jacqueline Ajero as Alternate No. 3 and Clare Sern as Alternate No. 4 to terms that will expire in September 2014.

- * 4. Adopt Ordinance No.198.4 Waived the second reading and adopted Ordinance No. 198.4 increasing maximum payout from \$250 to \$500 per Bingo game, authorized per California Penal Code Section 326.5.

- * 5. Three Resolutions for Montague Village project
 - 1) Adopted Resolution No. 8295 to approve the Subdivision Improvement Agreement between the City of Milpitas and SCS Development Corporation for Final Tract Maps No. 10060 and No. 10061 (Montague Village Townhomes and Amalfi Apartments projects), approve Final Tract Maps No. Tracts 10060 and No. 10061 with the recommended street names, and approve Public Improvement Plans 2-1172 and 2-1164 for construction of public improvements as part of Final Tract Maps No. 10060 and No. 10061.
 - 2) Adopted Resolution No. 8296 annexing real properties located within Final Tract Maps No. 10060 and No. 10061 into Community Facility District 2008-1 (Annexation No. 4).
 - 3) Adopted Resolution No. 8297 of Intention to Establish Community Facilities District No. 2013-1 for the Milpitas Transit Area Piper/Montague Subdistrict and set the public hearing on November 5, 2013.

- * 6. Resolution 76 Gas Station Adopted Resolution No. 8298 granting initial acceptance of the 76 Gas Station located at 190 W. Calaveras Boulevard, Project No. 2555, subject to a one-year warranty period and reduction of the faithful performance bond to \$12,500.

- * 7. Resolution Amending Agreement with UBS This item was removed from the agenda.

- * 8. Resolution for Contract with A Plus Painting Adopted Resolution No. 8299 authorizing the City Manager to award and execute a construction contract with Michael Dovgan doing business as "A Plus Painting" for 2013 Soundwall Renovation, Project No. 4267 in the amount of \$81,720.
Authorized the Public Works Director to execute change orders for 2013 Soundwall Renovation, Project No. 4267 for cumulative contingency amount not to exceed \$12,000

- * 9. Resolution for Amendment No. 8 with ThyssenKrupp Adopted Resolution No. 8300 to approve Amendment No. 8 to the agreement with ThyssenKrupp Elevator Corporation for the Platinum Maintenance Elevator Service in the amount of \$26,668.72 and for a retroactive period from July 1, 2013 to June 30, 2014; and, authorized the City Manager to extend agreement terms on an annual basis for the next three years with an annual increase of no more than 3.5% per year, without further Council action except for the appropriation of funds.

- *10. Amendment No. 1 to Agreement Dr. H. Michaels Approved Amendment No. 1 to the agreement with Dr. Howard Michaels to extend the term of his current agreement with the City from October 1, 2013 to March 30, 2014 in the amount not to exceed \$9,000, for a total contract amount of \$54,000, for services at the Milpitas Fire Department.

- *11. Agreement with Law Firm for Labor Negotiations Approved consultant agreement with the law firm of Burke, Williams & Sorensen LLP for labor negotiation services in the amount of \$50,000.

PUBLIC HEARING

- 1. Consolidated Annual Performance Evaluation Report (CAPER) on CDBG funds Principal Planner Felix Reliford reviewed the purpose of the CAPER prepared each year, describing successful distribution of CDBG funds in Milpitas. For recent fiscal years, funding had been reduced by the federal government more than 30% since 2008. Major accomplishments included the assistance to more than 6,000 residents over a variety of

programs in Milpitas. Regarding the homeless population in Milpitas, the County counted 135 homeless residents in January of 2012, but only 95 in Milpitas in January 2013, so that was a noteworthy and valuable reduction.

Councilmember Montano asked about the Family Literacy Program and how the schools were targeted, since she was aware they must be “school site improvements.” She wanted staff to assure that funds went to the correct students. Mr. Reliford confirmed that at least 51% of students must be from low income families, and schools report that information to City staff based on federal guidelines. Ms. Montano reported that Rose and Randall Elementary schools were the school site improvement locations in MUSD.

Mayor Esteves opened the public hearing for comments.

Karen Kolander, Director of the Milpitas Food Pantry, stated the report should not be approved as written and her opinion was that corrections were needed. With \$439,000 CDBG funds in total, only 10% went to actual programs with the majority going to housing and administration. She requested the City Council look at other groups like the Milpitas Food Pantry. She would like to see value for \$1 of the other organizations.

Councilmember Giordano asked staff if the City was restricted by the federal guidelines in scope of what CDBG could be spent towards. Mr. Reliford replied yes, that 65% was for non-public services, 20% for administration with the remainder for direct public services, so the recommendations were within the scope of those services.

Mayor Esteves inquired about auditing and reporting of CDBG funds, and Mr. Reliford explained the mandatory quarterly reporting by grant recipients and the site visits by City staff to the non-profit organizations’ program sites.

Robert Marini, Milpitas resident, felt there was no accounting for what the City spent the funds on, and he wanted to see a list of precisely what the funds were going toward.

Councilmember Montano pointed to a specific item in the CAPER - low income tax credits, asking whether the City was still giving incentive to developers. Mr. Reliford explained the federal government was giving those to builders. He provided examples such as projects at 750 E Capital and South Main St. senior housing. She asked about the requirements in the zoning code for emergency shelters and recent changes in state law.

Motion: to close the public hearing

Motion/Second: Councilmember Gomez/Councilmember Giordano

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

Councilmember Montano inquired about a portion of the CAPER referring to possible amendment to the zoning ordinance for homeless, or emergency, shelters approved by right, in order to conform to new state law on these specific types of uses. Mr. Reliford confirmed this information, explaining the goal was to assist special needs populations such as low-income seniors, disabled persons, and homeless families and individuals in communities by providing housing opportunities.

Vice Mayor Polanski had been involved with CDBG for 16 years, and referred to the lengthy process that groups must go through well before this report came to the City Council with specific funding recommendations. She thanked Mr. Reliford, staff and the Community Advisory Commission for all the work that went into this program.

Motion: to adopt the 2012-13 Consolidated Annual Performance Evaluation Report on federal Community Development Block Grant funds in the City of Milpitas

Motion/Second: Councilmember Giordano/Vice Mayor Polanski

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

ADJOURNMENT

Mayor Esteves adjourned the Council meeting at 7:41 PM in memory of Richard B. Taylor, a former Mayor of the City of Milpitas in 1960.

*Meeting minutes respectfully submitted by
Mary Lavelle, City Clerk*

September 2013						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

November 2013						
S	M	T	W	T	F	S
						1
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Council Calendar

October 2013

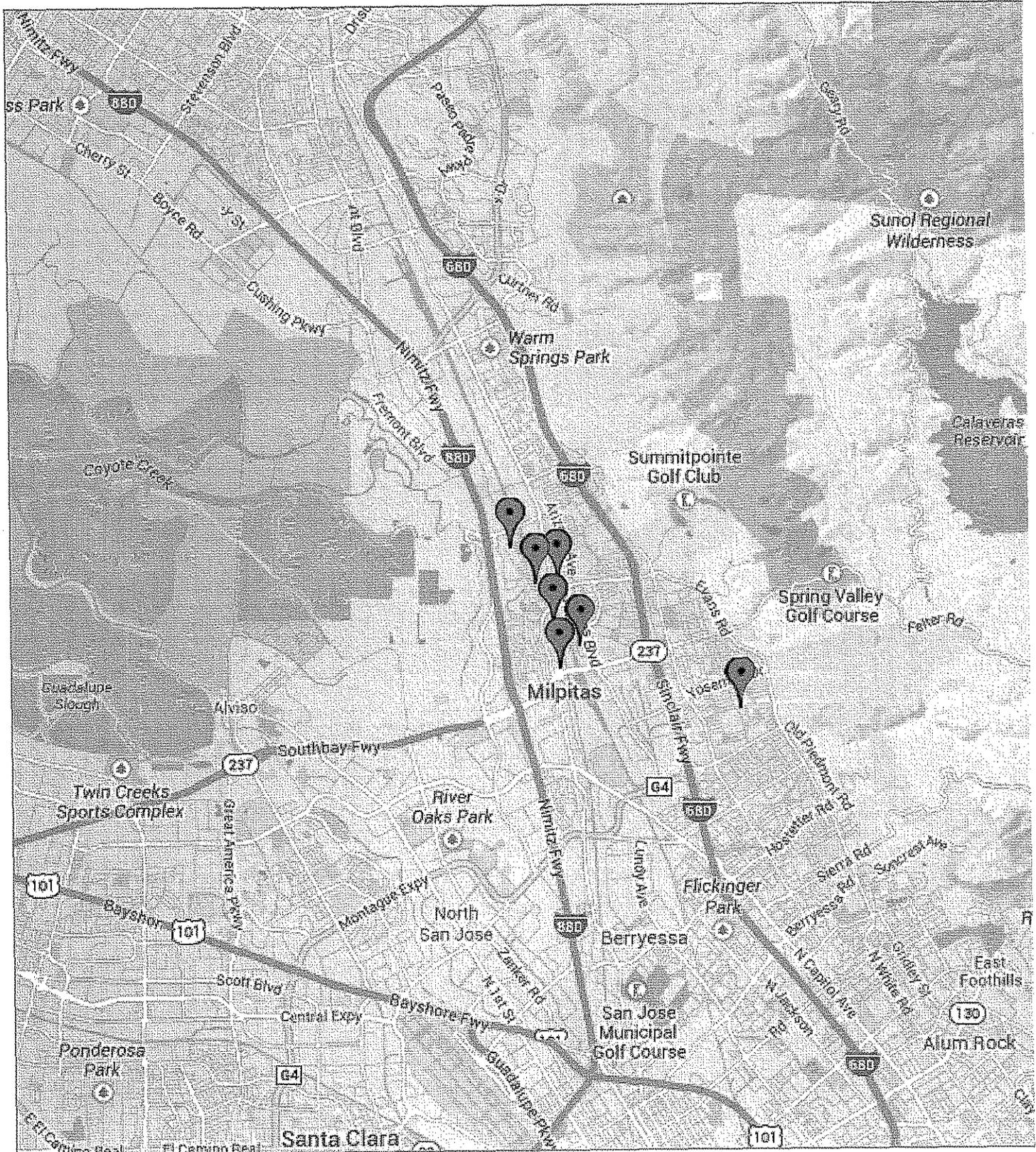
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		6:00 PM -Closed Session 7:00 PM -City Council	7:30 AM -VTA Northeast Group (JE) 5:30 PM -Veterans Commission (DG) 7:00 PM -Community Advisory Commission (AG)	5:30 PM -VTA Board of Directors (JE)		
6	10:00 AM -SVRT Program Working Committee (JE) 7:00 PM -Parks, Recreation & Cultural Resources Commission (AP)		7:00 PM -Planning Commission (potential cancellation)	4:00 PM -VTA Policy Advisory Committee (AG) 4:30 PM -Treatment Plant Advisory Committee (JE) (San Jose) 7:00 PM -Youth Advisory Commission (DG) 7:00 PM -Cities Assoc of Santa Clara County (JE)		
13	6:00 PM -Economic Development Commission (CM)	6:00 PM -Closed Session 7:00 PM -City Council		12:30 PM -VTA Admin & Finance Committee (JE)		Milpitas Veterans Commission 1st Annual Car Show 10:00 AM-4:00 PM at Milpitas Civic Center Plaza
20	7:00 PM -Telecommunications Commission (AP)	6:00 PM -Recycling & Source Reduction Advisory Commission (CM)	12:00 PM -Santa Clara Valley Water Commission (AG) 7:00 PM -Planning Commission	7:00 AM -Milpitas Chamber of Commerce Board (DG) 1:30 PM -County JPA Board (CM) 6:00 PM -Sister Cities Commission (CM)		
27		1:30 PM -Senior Advisory Commission (JE)		12:00 PM -Terrace Gardens Board of Directors (DG)		

Milpitas Complaints

Received by BAAQMD From 8/1/2013 to 8/31/2013

<u>Complaint#</u>	<u>Received</u>	<u>Occured</u>	<u>Alleged Source</u>	<u>Description</u>	<u>General Location</u>	<u>Status</u>	<u>Attributed Site#</u>	<u>Referral</u>	<u>Comments</u>
215021	8/19/13 7:56	8/19/13 7:30	BFI - The Recyclery	rotten garbage	200 SUMMERWIND DR	Unconfirmed			
215041	8/19/13 16:11	8/19/13 0:00	BFI - The Recyclery	trash	2000 SKYLINE DR	Unconfirmed			
215043	8/19/13 18:58	8/19/13 18:30	BFI - The Recyclery	strong garbage	400 CASADITA TERRACE	Unconfirmed			
215070	8/21/13 20:00	8/21/13 19:55	BFI - The Recyclery	pungent	100 N MAIN ST	Unconfirmed			smelling at milpitas library
215089	8/23/13 18:18	8/23/13 18:00	NONE	rotten	2000 SKYLINE DR	Unconfirmed			
215090	8/23/13 19:19	8/23/13 19:00	NONE	garbage	1800 LEE WAY	Unconfirmed			
215118	8/29/13 19:16	8/28/13 19:00	BFI - The Recyclery	strong garbage	1600 MCCANDLESS	Unconfirmed			
Total:	7								





BAAQMD Odor Complaint Map (August 19 - September 15, 2013)

Unlisted · 0 views

**CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION**

City Clerk
APR 29 2013
***2**
RECEIVED

YAC
COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

Mr.

Mrs./Ms.

Name: Jonathan First E. Middle Mendoza Last

Address: _____ Number _____ Street (apt. # if needed), Milpitas CA 95035

Telephone Number(s) _____ e-mail address _____

Present Employer _____ Business Telephone _____

Address _____ Occupation _____

Education: If Youth Advisory Commission applicant, indicate your grade/school: 10th Grade/Milpitas High

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
I am a well-organized student. I like to help people in anyway I can.
I like interacting with people. I have a great knowledge in Mathematics.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Signature

04/19/13
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
 Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to
 City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

I want to open more programs to involve the youth in our community so they deviate from drugs and do something beneficial. I want to help more Latino students to perform better in school.

2. How did you hear about the Youth Advisory Commission?

I heard about the Youth Advisory Commission through Mrs. Morales, Latino Community Liaison from Milpitas District.

3. What have you heard or know about the Youth Advisory Commission?

I know that the Youth Advisory Commission meets the 2nd Thursday of every month, at 7:00 pm, to discuss and advise the City Councils on matters concerning the youth and teens in Milpitas.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

I have never attended a Youth Advisory Commission meeting, but I am interested and thrilled to attend one.

SEP 18 2013

**CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION**

RECEIVED

Youth Advisory Commission
COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

Miss

Mr.

Mrs./Ms.

Name: Crystal Lily Tran
First Middle Last

Address: _____ Street (apt. # if needed), Milpitas CA 95035

Telephone Number(s) _____ e-mail address _____
- N.A. - - N.A. -

Present Employer _____ Business Telephone _____
- N.A. - - N.A. -

Address _____ Occupation _____

Education: If Youth Advisory Commission applicant, indicate your grade/school: Milpitas High School 9th Grade
Freshman

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
C.I.T. Milpitas Community Ctr		06/17 to 8/16/2013	
C.P.R. Leadership Academy		05/11/2013	

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
current	Girl Scout Cadette of Northern California	troop # 61067
current	Red Cross at Milpitas High School	
current	Milpitas Tidal Wave *note-break until Oct 2013*	
current	USA Swimming - America's Swim Team	Athlete ID 102999CRYLTRAN

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
I am very friendly, hardworking, honest, flexible and a team player. I am also a highschooler so I know how a highschooler thinks

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Crystal
Signature

August 21st, 2013
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

I would love to make a difference to our community. High schoolers these days are not aware of their surroundings. They don't know how important it is to keep our world safe and clean. We need to start protecting our world now so we can have a better and bright future. I would like to be able to raise my voice and remind them about this topic. Another thing that I would like to make a difference in is our life in technology. Everyone nowadays are into the tech things. They are either on their smartphones or tablets chatting/texting or watching the latest Youtube videos. They don't ever

→ (more in back)

2. How did you hear about the Youth Advisory Commission?

I heard about the Youth Advisory Commission from Ms. Evelyn Chua. She had suggested me to join the Youth Commission.

3. What have you heard or know about the Youth Advisory Commission?

I know that the goal of the Youth Advisory Commission is to be the voice of the Milpitas teen community.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

I have never attended a Youth Advisory Commission meeting before but I would love to

think of their safety. If they are not aware of their surroundings, they have a higher chance of getting hurt through technology. I have many other thoughts and ideas to help make a difference to our community such as implementing a dress code in high school. I want to look at today's point of view to make a better tomorrow.

AUG 19 2013

CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION RECEIVED

Youth Advisory

COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

Mr.

Mrs./Ms.

Name: Anthony First Emilio Middle Cerezo Last

Address: [Redacted] Number Street (apt. # if needed), Milpitas CA 95035

Telephone Number(s) e-mail address

N/A

N/A

Present Employer Business Telephone

N/A

N/A

Address Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: 11 / Milpitas High School

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I currently have a 3.9 GPA at Milpitas High School, work part-time on the weekends, and play three sports. This displays that I am responsible, dedicated, and punctual.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Anthony Cerezo
Signature

8/10/13
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners' must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

I would like to be an informed student citizen who will be able to implement the ideas of the Youth Commission.

2. How did you hear about the Youth Advisory Commission?

I heard about the Youth Advisory Commission from a high school friend.

3. What have you heard or know about the Youth Advisory Commission?

I have heard the Youth Advisory Commission provides input to the City Council regarding the youth community issues.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

I have not attended a meeting before.

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

City Clerk's Office Youth Advisory Commission
COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

AUG 08 2013

RECEIVED

Mr.
 Mrs./Ms.

Jashandeep

CHAHAL

Name: _____
First Middle Last



Address: _____



Telephone Number(s) _____ **e-mail address** _____

N/A (Student) _____ N/A

Present Employer _____ **Business Telephone** _____

Same as above _____ Student

Address _____ **Occupation** _____

Education: If Youth Advisory Commission applicant, indicate your grade/school: **Valley Christen High School, San Jose-CA** *9th*

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
Challenger School, Berryessa - San Jose, CA From Preschool - 8th Grade		Graduate in March 2013	Middle school
Valley Christen High School, San Jose-CA	Current – Freshman Year	From Aug 15, 2013	

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
Jan 2010	Co-Founder , Punjab Foundation - Punjab Foundation is a non-profit organization (501c3-pending IRS approval) dedicated to raise the awareness among the masses about the prevailing problem of increase in number of cases of Cancer and large number of other diseases which are prevalent in Punjab (India) more so in the Malwa region. - For more info , Please visit www.punjabfoundation.org	Member of the advisory board.

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

- I am the co-founder of "Punjab Foundation" which is a non-profit organization (501c3-pending IRS approval) dedicated to raise the awareness among the masses about the prevailing problem of increase in number of cases of Cancer and large number of other diseases which are prevalent in northern Indian State of Punjab . For more info , Please visit www.punjabfoundation.org
- In December 2008, I had traveled Punjab (India) and certain parts of Rajasthan (India) for more than a month where I saw the cancer patients suffering with cancer. I came back to USA and decided to setup the foundation to raise the awareness
- I am freshman student at Valley Christian High (VCHS) School . VCHS is private Catholic, coeducational, college preparatory school of the Diocese of San Jose. I am member of VCHS's basketball and Football team.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Jashandeep Chahal

Signature

08/06/13

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners' must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

- I am co-founder of "Punjab Foundation" which is a non-profit organization (501c3-pending IRS approval) dedicated to raise the awareness among the masses about the prevailing problem of increase in number of cases of Cancer and large number of other diseases which are prevalent in northern Indian State of Punjab . For more info , Please visit www.punjabfoundation.org . I would like to share my experience with the youth's in our community and encourage them to participate other community and social activities.
- I am freshman at Valley Christian High School (VCHS). VCHS is private Catholic, coeducational, college preparatory school of the Diocese of San Jose. In 2009. I am member of VCHS basketball and football team.
- I would like to share my experience with the youth's in our community and encourage them to participate in sports, community and social activities.

2. How did you hear about the Youth Advisory Commission?

- From my dad and my sister.

3. What have you heard or know about the Youth Advisory Commission?

- I knew enough about the YAC and so that is why I want to part of this commission.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

- No I have not attended any Youth Advisory Commission meeting.

Best Regards

Jashandeep Chahal

August 05, 2013

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

City Clerk's Office

JUL 17 2013

RECEIVED

Youth Advisory Commission

COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

Mr.

Mrs./Ms.

Jonathan

Dzung

Ngo

Name:

First

Middle

Last

Address:

Number

Street (apt. # if needed), Milpitas CA 95035

Telephone Number(s)

e-mail address

Present Employer

Business Telephone

Address

Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: 12 / Milpitas High School

College, Professional, Vocational, or other schools attended

Major Subject

Date

Degree

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
2011 - 2013	Congressman Mike Honda's Student Advisory Council	School Representative
2010 - 2013	Milpitas Speech and Debate Team	President / Treasurer
2011 - 2013	Milpitas Unicef Organization	President

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
 Serving as president of the speech and debate team and debating hundreds of students nation-wide has given me phenomenal experience with communication. Earning the Eagle Scout rank in boy scouts has taught me leadership qualities. Co-founding and serving as president of the local Unicef Organization has allowed me to plan and execute fundraising and service events. As a member of the youth advisory commission, I will incorporate communication, leadership, and the love for service to help solve issues involving our youth.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.


Signature

07/15/13
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to
 City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners' must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

I want to better connect our city's youth to volunteering, internship, and job opportunities in the bay area. These
are not being adequately made aware to a majority of the youth in Milpitas. I also want to make available more
extracurricular activities for students. This way Milpitas can have an increasing number of engaged and active
youth.

2. How did you hear about the Youth Advisory Commission?

I found out about the commission from several students at my school who are involved in it. I also learned more
about the commission when I wrote an article for the Milpitas High School newspaper about the commission and
what it does.

3. What have you heard or know about the Youth Advisory Commission?

The commission is designed for students to give the City Council input on issues that relate to the youth, how
these issues affect them, and how the City Council can assist in these issues. Goals of the commission include
hosting events like the Milpitas Got Talent and finding volunteering opportunities for the youth.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

I have yet to attend a commission meeting.

MAY 07 2013

CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION

RECEIVED

Youth Advisory Commission
COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

Mr.

Mrs./Ms.

Name: Dylan D Sanchez
First Middle Last

Address: [Redacted] Street (apt. # if needed), Milpitas CA 95035

Telephone Number(s) [Redacted] e-mail address [Redacted]

Present Employer: Joan Business Telephone: (650) 967-4912

Address [Redacted] Occupation: VIP food runner / Prep Cook

Education: If Youth Advisory Commission applicant, indicate your grade/school: 11th

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree

List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I can help give service to the community in whatever cause that's necessary to help my environment a better place.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Signature

5/3/13
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail, fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov) or drop off your completed application to City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners' must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community? (Please list two of your ideas. Please use the reverse side if you need more room.)

I would like to innovate educational programs for the youth, who are in struggle in school work and could receive tutoring to succeed.

2. How did you hear about the Youth Advisory Commission?

I heard about it from a local school counselor at my High School (Milpitas High School).

3. What have you heard or know about the Youth Advisory Commission?

All I know is that the YAC advises the city council on issues involving youth and teens in Milpitas.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

No, I have not however, I am interested in joining the Youth Advisory Commission to find out more about the program and be a representative of my fellow school mates and other youths out there.

the best qualities in me. By attending various community events, my passion has grown, and now I want to give back to the community through this commission. Collaborating with others who are just as passionate as me, I know that we can make a lasting difference in the youth.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Signature

September 15, 2013

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov), mail or drop off your completed application to:
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

Youth Advisory Commission Supplemental Questionnaire



The City of Milpitas Youth Advisory Commission was founded in April 1996 to advise the City Council on matters pertaining to the youth and teens in Milpitas. All commissioners' must be in grades 7 through 12 and live in Milpitas. There are a total of nine (9) members and four (4) alternate members that serve one-year terms (October-September). The Youth Advisory Commission meets the 2nd Thursday of every month at 7:00pm at the Milpitas Sports Center. Please submit the Supplemental Questionnaire with the Commission Application.

1. What type of difference do you want to make for the youth in our community?

I want the youth in our community to be empowered; I want them to believe in themselves and realize that they have the ability to solve their problems and achieve all their goals. I also want the Milpitas youth to become involved with their community and perform community service. This will give them a chance to show their gratitude to their community and learn many lifelong skills. To make these visions reality, I have come up with two ideas that the commission can put into action for the Milpitas youth. My first idea is to host a conference about goal-setting, problem solving, time management, leadership skills, positive thinking, and more. There may also be a special session about the academic and extra-curricular requirements to get into a good college, for this will be extremely beneficial for many of the high school students. At the end of the conference, there will be a Youth Leadership Forum, where the conference participants will be able to voice their opinions and share their suggestions for improvements within the community. This workshop will equip Milpitas youth with the necessary skills to lead a team and will empower them to make a difference.

My second idea is to organize fun activities for Milpitas youth who have earned fifty or more hours of community service within a six month period. These activities will be held twice a year at a variety of places like ice skating rinks, rock climbing facilities, and bowling alleys. I will collaborate with the specific organizations we are conducting the activities at and work out some group specials for these events. These activities will accomplish my goal of encouraging the youth to perform community service, and the youth will receive a great reward for their dedicated service.

2. How did you hear about the Youth Advisory Commission?

I heard about the Youth Advisory Commission through the Milpitas Post and through the initiatives that they put into action and host every year.

3. What have you heard or know about the Youth Advisory Commission?

I know that the Youth Advisory Commission advises the City Council about matters pertaining to Milpitas youth; they want to get the youth involved in our community and

provide them with many ways to enjoy life and have fun. Another goal of the commission is to give the youth in our community a voice. Through the commission members, all the youth's problems are discussed and solved. Along with this, the youth's opinions are taken into consideration when the commission makes important decisions. Lastly, I know that the Youth Advisory Commission organizes fundraisers and hosts events for Milpitas families such as Milpitas Got Talent.

4. Have you ever attended a Youth Advisory Commission meeting? If so, explain your experience.

Yes, I have attended a few Youth Advisory Commission meetings. My experience was extremely enlightening, for I discovered that the commission does so much for our community. Additionally, I was thoroughly impressed by the commission members' devotion to serving their community. The many items on the meeting agendas, like social media and YAC buttons, showed that the commission really tries to make Milpitas a better place to be. After attending the meetings, I want to become a part of the Youth Advisory Commission even more, for I truly want to impact my community.

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	100-910-4640	\$ 50,000	100-100-4202	\$ 50,000

Explain the reason for the budget change:

Background: The City of Milpitas will celebrate the 60TH Anniversary of Incorporation with a two-days event scheduled on January 25 and 26, 2014. On April 16, 2013, the City Council created a City Council Subcommittee to provide guidance on planning and implementing the 60TH celebration, and report back to the Council with a draft plan and proposed budget. The 17-member Subcommittee was comprised of at least one member from various City commissions and representative from community groups to assist and provide input and ideas along with Councilmember Montano and Vice Mayor Polanski as the Subcommittee Chair for a Citywide year-long events.

60TH Anniversary Event Plan Overview

Over the course of three meetings, the Subcommittee developed an Event Plan that would be celebrated throughout the calendar year 2014, kicking off with an "Invitation Only" Gala Party on Saturday, January 25, 2014 and Family Day celebration for the community on Sunday, January 26, 2014. The Subcommittee proposes that the 60th Anniversary theme be incorporated into existing city events such as, Memorial Day, Veterans Day, the 4th of July celebration and the Annual Tree Lighting Event and activities throughout the year through the use of the City's 60TH logo and partnering with sponsoring local organizations. Additional events such as Tree Plantings and Art Show will also be added.

Fiscal Impact: The total estimated proposed budget for all events listed is \$50,000. A budget appropriation of \$50,000 from contingency reserve fund to the City Council budget to be offset by sponsorships efforts toward this event.

Recommendation:

1. Approve the 60TH Anniversary Plan as proposed by the 60TH Anniversary Planning Subcommittee.
2. Approve budget appropriation of \$50,000 from Contingency Reserve Fund to City Council Budget.
3. Approve the logo design and direct City Manager to implement the use of the logo as appropriate on all City-published materials, literatures and paraphernalia during calendar year 2014.

Check if City Council Approval required.

Meeting Date: October 1, 2013

Requested by:	Department Head: Thomas Williams, City Manager	Date: September 24, 2013
Reviewed by:	Finance Director: <i>J. Emma Karler</i>	Date: 9/24/13
Approved by:	City Manager:	Date:
Date approved by City Council, if required:		Confirmed by:



City of Milpitas

60th Anniversary Event Sponsorship Program

The City of Milpitas proudly announces its 60th Anniversary in 2014! An entire year of special events is planned kicking off with a premier Gala Event on Saturday, January 25th for Dignitaries, elite business community and media. The three-hour event will feature wine, hors devours, entertainment and much more.

We invite you to partner with us!

Title Sponsor - \$20,000+

- Business Logo on City's website and Cable Channel 15 as the 60th Anniversary Event Title Sponsor.
- Business Logo on City Hall banner that will be displayed from January – December 2014 stating "City of Milpitas 60th Anniversary brought to you by [Insert Business Logo]."
- 15 Tickets to the 60th Anniversary Gala Event
- Listed as 4th of July 2014 Fireworks Event Sponsor with Business logo on all associated media (attendance at event is 22,000 people)
- Certificate of Appreciation presented at a City Council meeting, recognizing your businesses community support as the 60th Anniversary Title Sponsor.
- Business name and logo placed in all 2014 Event publications (60th Gala, 60th Family Day, 60th Tree Planting Event, Memorial Day Ceremony, 4th of July, Veterans Day, Tree Lighting, etc. paid ads).
- Business name and logo listed on the Sponsorship Page as a Title Sponsor in the Recreation Activity Guide available to all Milpitas residents in all City buildings and area businesses, hotels, and online.

Platinum Sponsor - \$15,000+

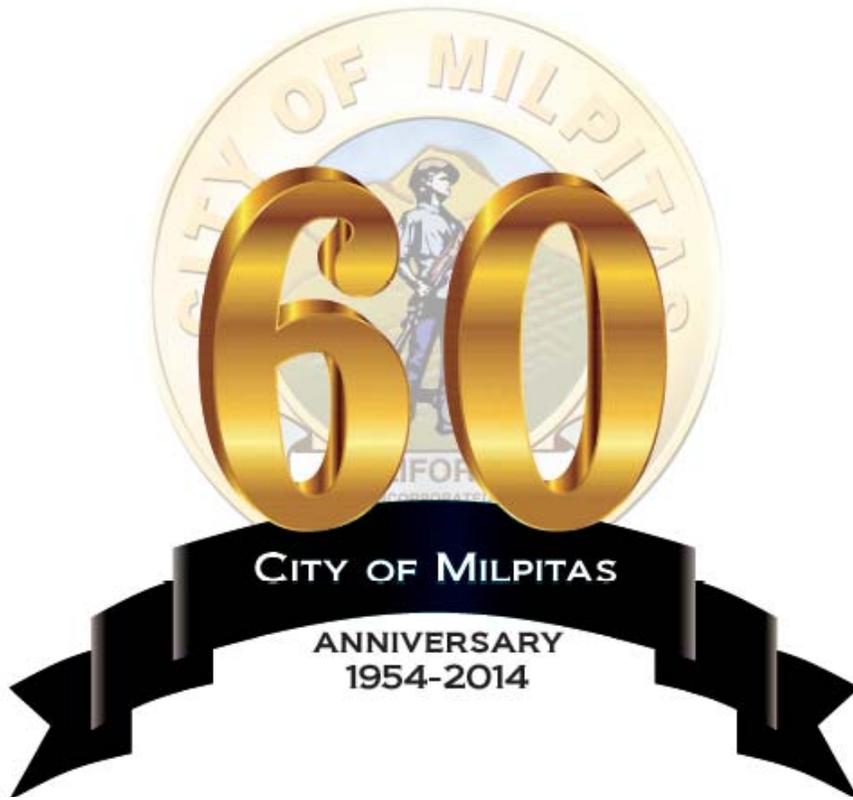
- Business Logo on City's website and Cable Channel 15 as the 60th Anniversary Event Platinum Sponsor.
- Business Logo on City Hall banner that will be displayed from January – December 2014 stating "City of Milpitas 60th Anniversary brought to you by [Insert Business Logo]."
- 10 Tickets to the 60th Anniversary Gala Event
- Certificate of Appreciation presented at a City Council meeting, recognizing your businesses community support as the 60th Anniversary Platinum Sponsor.
- Business name and logo placed in all 2014 Event publications (60th Gala, 60th Family Day, 60th Tree Planting Event, Memorial Day Ceremony, 4th of July, Veterans Day, Tree Lighting, etc. paid ads).
- Business name and logo listed on the Sponsorship Page as a Platinum Sponsor in the Recreation Activity Guide available to all Milpitas residents in all City buildings and area businesses, hotels, and online.

Gold Sponsor - \$10,000+

- 5 Tickets to the 60th Anniversary Gala Event
- Certificate of Appreciation presented at a City Council meeting, recognizing your businesses community support as the 60th Anniversary Gold Sponsor.
- Business logo placed in all 2014 Event publications (60th Gala, 60th Family Day, 60th Tree Planting Event, Memorial Day Ceremony, 4th of July, Veterans Day, Tree Lighting, etc. paid ads).
- Business name listed on the Sponsorship Page as a Gold Sponsor in the Recreation Activity Guide available to all Milpitas residents in all City buildings and area businesses, hotels, and online.

Silver Sponsor - \$2,500+

- 2 Tickets to the 60th Anniversary Gala Event
- Certificate of Appreciation presented at a City Council meeting, recognizing your businesses community support as the 60th Anniversary Silver Sponsor.
- Business name placed in all 2014 Event publications (60th Gala, 60th Family Day, 60th Tree Planting Event, Memorial Day Ceremony, 4th of July, Veterans Day, Tree Lighting, etc. paid ads).
- Business name listed on the Sponsorship Page as a Silver Sponsor in the Recreation Activity Guide available to all Milpitas residents in all City buildings and area businesses, hotels, and online.



60th Anniversary Full Color Logo



60th Anniversary Black & White Logo

DONATION POLICY TO PARKS AND RECREATION PROGRAMS

***4**

CITY OF MILPITAS

Parks, Recreation and Cultural Resources Financial Donation Form

Donor information: (please type or print clearly)

Name: GREEN THUMB GARDEN CLUB - MARY ANN UDOUTCH

Address: 1841 CRATER LANE AVE City: MILPITAS State: CA Zip: 95035

Day phone: (408) 263-1482 Evening phone: SAME

E-mail address: fudoutch@sbcglobal.net

Monetary Gift Amount and Purpose	Memorials and Tributes
Enclosed is my gift of \$ _____ to support the Milpitas Parks and Recreation programs.	Enclosed is my gift of \$ _____ to support the Milpitas Parks and Recreation programs.
I would like to direct my gift to:	❖ In Memory of: <u>MABEL MATTOS</u>
❖ Where the need is greatest ❖ Programs for Parks and Recreation ❖ Park equipment ❖ Specific use: _____ _____ _____	❖ In Honor of: _____ _____
❖ Other: _____ _____ _____	Please send an acknowledgement to the next of kin, donor or honoree listed below: Name: <u>JIM + KAREN MATTOS</u> Address: <u>1975 CALAVERAS</u> City: <u>MILPITAS</u> State: <u>CA</u> Zip: <u>95035</u> Day phone: <u>(408) 262-0290</u> Evening phone: <u>SAME</u>

Gift Payment

Make checks payable to The City of Milpitas. All donations are tax deductible.

Other Information

- This gift will be matched by my employer: WILL BE DONATED BY THE
- Please keep my gift anonymous. I understand I will not be included in donor listings. GARDEN CLUB

DONATION POLICY TO PARKS AND RECREATION PROGRAMS

Non-Monetary Donations

I propose to donate the following equipment, materials or other things for Milpitas Parks and Recreation programs:

PARK BENCH WITH PLAQUE HONORING MABEL MATTOS

I would like to direct my gift for the following specific use: PLACEMENT AT THE

HISTORIC ROOBE - PIEDMONT RD.

I would ask that the City determine the best Milpitas Parks and Recreation program use for my gift _____.

Other comment: _____.

Mabel Mattos (1923-2013)

Mabel began her residence here in Milpitas in 1934 when her parents joined other Portuguese-descended farmers as share croppers on a Downing Road ranch. She and her first husband Joseph Mattos managed to get a home in the east hills of Milpitas and became a solid participant in the town's communal life.

She was among the active women when Milpitas began to emerge ultimately with all kinds of clubs and institutions as well as city government. She was very welcoming to the many newcomers who would soon completely dilute the tight-knit families who were just a generation away from their lives in the Azure Islands of Portugal.

Mabel was a valued member of her church, the Green Thumb Garden Club, and the Milpitas Historical Society. Her energy always kept those organizations vibrant and responsive to the changing community.

She had instant recall of historical events and personalities that shaped Milpitas over much of the past century. In so doing, she remained a critical resource for those interested in the town's early days.

Mabel worked on a committee that names streets in Milpitas after veterans that were from this area. She was a wonderful resource for Robert Burrill in putting together his historical book about Milpitas – she was known as the “town historian” and was the heart of the historical society.

She was a very respected member of the Green Thumb Garden Club – holding many offices over the years. She was always our inspiration and that is why we feel she should have a special memorial bench and have it placed in the area that meant so much to her – the Alviso Adobe – among the apricot trees – especially since she was famous for her apricot pies and jams.

Dedicated to Henry Mattos

***5**

October 18, 1921 - February 12, 2013

Milpitas Pioneer and World War II U.S. Army Veteran

Normandy Landing - Purple Heart Recipient

“The Greatest Way to Live With Honor In This World Is
To Be What We Pretend To Be.”

- Socrates

MILPITAS VETERANS COMMISSION
FRIENDS OF HENRY MATTOS
NOVEMBER 11, 2013

MILPITAS Emergency Operations Plan (EOP)



8/30/13

Sean Simonson
Milpitas Office of Emergency Services
ssimonson@ci.milpitas.ca.gov
408-586-2810



TABLE OF CONTENTS

PART ONE - GENERAL INFORMATION

The Plan 3

Purpose, Objectives, Goals, Assumptions 4

Concept of Operations 5

Emergency Management Organization & Responsibilities..... 8

SEMS and NIMS 8

Mutual Aid..... 11

Volunteer Resources 13

MILPITAS Emergency Operations Center (EOC) 15

EOC Position Descriptions and Responsibilities 21

Emergency Proclamations..... 22

Continuity of Government..... 22

PART TWO - THREAT SUMMARY AND ASSESSMENTS

General..... 25

Potential Hazards and Threats Summary..... 26

Threat Assessment 1: Earthquake 27

Threat Assessment 2: Flood 31

Threat Assessment 3: Wildland Fire 33

Threat Assessment 4: Tsunami 34

Threat Assessment 5: Landslide 35

Threat Assessment 6: Public Health Crisis 36

Threat Assessment 7: Hazardous Materials Incident 37

Threat Assessment 8: Transportation Accident 38

Threat Assessment 9: Energy Disruption 40

Threat Assessment 10: Radiological Incident 41

Threat Assessment 11: Terrorism 42

Threat Assessment 12: Civil Disturbance 44

Threat Assessment 13: National Security Emergency 45

PART THREE –REFERENCES AND ACRONYMS

Operational Area Annexes 46

Authorities and References 46

Acronyms..... 49

PART ONE

GENERAL INFORMATION

THE PLAN

The MILPITAS Emergency Operations Plan (EOP) addresses the planned response to extraordinary emergency situations associated with disasters affecting MILPITAS. The plan also addresses integration and coordination with other governmental agencies when required. This plan is not intended to address the normal day-to-day emergency or well-established emergency procedures.

This plan accomplishes the following:

- ◆ Establishes the emergency management organization required to mitigate any significant emergency or disaster affecting MILPITAS
- ◆ Establishes the overall operational concepts associated with MILPITAS' Emergency Operations Center (EOC) activities and the recovery process

This plan is based on the functions and principles of the California Standardized Emergency Management System (SEMS), the National Incident Management System (NIMS), and the California Incident Command System (ICS). It identifies how the MILPITAS emergency operational system fits into the overall California and National risk-based, all-hazard emergency response and recovery operations plan.

This document serves as a planning reference and as a basis for effective response to any hazard that threatens MILPITAS. Departments within MILPITAS and other agencies that have roles and responsibilities identified by this plan are encouraged to develop plans, detailed Standard Operating Procedures (SOPs), and emergency response checklists based on the provisions of this plan.

This document serves as the legal and conceptual framework for emergency management in MILPITAS and is divided into the following parts:

Part 1 – General Information

The "basic plan" which describes the emergency management organization, its roles, responsibilities, and operational concepts

Part 2 – Threat Summaries and Assessments

A general description of MILPITAS and a brief analysis of how hazards might affect the City.

Part 3 – References

EOP Annexes, Authorities and References, Acronyms

Emergency Operations Plan Requirements

The MILPITAS EOP requires approval by MILPITAS City Council. The City Council is responsible for its periodic review, updates, re-publishing and re-distribution. Records of revision to this plan will be maintained by Sean Simonson in the MILPITAS Office of Emergency Services. The plan may be modified as a result of post-incident analyses and/or post-exercise critiques. It may be modified if responsibilities, procedures, laws, rules, or regulations pertaining to emergency management and operations change. Those agencies or departments having assigned responsibilities under this plan are obligated to inform MILPITAS when changes need to be made.

MILPITAS agencies and organizations may separately publish documents that support this EOP.

PURPOSE/OBJECTIVES/GOALS/ASSUMPTIONS

Purpose

This EOP establishes policies and procedures and assigns responsibilities to ensure the effective management of emergency operations within MILPITAS. It provides information on MILPITAS emergency management structure and how and when the EOC staff is activated.

Objectives

The overall objective of emergency management is to ensure the effective management of response forces and resources in preparing for and responding to situations associated with natural disasters, technological incidents and national security emergencies. To carry out its responsibilities, the emergency management organization will accomplish the following objectives during a disaster/emergency:

- Maintain overall coordination of emergency response and recovery operations, including on-scene incident management as required
- Coordinate and liaise with appropriate other local government agencies, as well as applicable segments of private sector entities and volunteer agencies
- Establish priorities and resolve conflicting demands for support
- Prepare and disseminate emergency public information to alert, warn, and inform the public
- Disseminate damage information and other essential data

Goals

- Provide effective life safety measures and reduce property loss and damage to the environment
- Provide for the rapid resumption of impacted businesses and community services
- Provide accurate documentation and records required for cost recovery efforts

Assumptions

- MILPITAS is primarily responsible for emergency actions and will commit all available resources to save lives, minimize injury to persons, and minimize damage to property and the environment
- MILPITAS will utilize SEMS and NIMS in emergency response and management operations
- The Milpitas Office of Emergency Services will coordinate MILPITAS disaster response in conformance with its Emergency Organization and Functions.
- The resources of MILPITAS will be made available to local agencies and citizens to cope with disasters affecting this area
- MILPITAS will commit its resources to a reasonable degree before requesting mutual aid assistance
- Mutual aid assistance will be requested when disaster relief requirements exceed MILPITAS's ability to meet them

CONCEPT OF OPERATIONS

The emergency management organization in MILPITAS will identify potential threats to life, property and the environment, and develop plans and procedures to protect those assets. These plans and procedures will direct emergency response and recovery activities and will be validated by the conduct of actual response or exercising. The goal is to maintain a robust emergency management organization with strong collaborative ties with other local government, community-based organizations and volunteers, public service agencies, and the private sector under SEMS/NIMS.

Actions are often categorized by four emergency management phases indicated below. However, not every disaster necessarily includes all indicated phases.

1. Preparedness Phase

The preparedness phase involves activities taken in advance of an emergency. These activities develop operational capabilities and effective responses to a disaster. Preventative actions might include mitigation activities, emergency/disaster planning, training, exercises and public education. Members of the emergency management organization should prepare Standard Operating Procedures (SOPs), Emergency Operating Procedures (EOPs), and checklists detailing personnel assignments, policies, notification rosters, and resource lists. Personnel should be acquainted with these SOPs, EOPs and checklists through periodic training in the activation and execution procedures.

Training and Exercising

MILPITAS will inform its departments of training opportunities associated with emergency management. Those with responsibilities under this plan must ensure their personnel are properly trained to carry out these responsibilities.

The best method of training emergency responders is through exercises. Exercises allow emergency responders to become familiar with the procedures, facilities and systems that they will actually use in emergency situations.

Exercises will be conducted on a regular basis to maintain readiness. Exercises should include MILPITAS EOC Staff and City Council. MILPITAS will document exercises by conducting a

critique, and using the information obtained from the critique to complete an After Action Report (AAR) and to develop a Corrective Action Plan (CAP) plan, revising standard operating procedures as necessary.

2. Response Phase

Pre-Emergency

When a disaster is inevitable, actions are precautionary and emphasize protection of life. Typical responses might be:

- Alerting necessary agencies, placing critical resources and personnel on stand-by
- Evacuation of threatened populations to safe areas
- Advising threatened populations of the emergency and apprising them of safety measures to be implemented
- Identifying the need for mutual aid
- Proclamation of a Local Emergency by local authorities

Emergency Response

During this phase, emphasis is placed on saving lives and property, control of the situation and minimizing effects of the disaster. Immediate response is accomplished within the affected area by local government agencies and segments of the private sector.

Sustained Emergency

In addition to continuing life and property protection operations, mass care, relocation, public information, situation analysis, status and damage assessment operations will be initiated.

3. Recovery Phase

At the onset of an emergency, actions are taken to enhance the effectiveness of recovery operations. Recovery is both short-term activities intended to return vital life-support systems to operation, and long-term activities designed to return infrastructure systems to pre-disaster conditions. Recovery also includes cost recovery activities.

The recovery period has major objectives which may overlap, including:

- Reinstatement of family and individuals' autonomy
- Provision of essential public services
- Permanent restoration of private and public property
- Identification of residual hazards
- Plans to mitigate future hazards
- Recovery of costs associated with response and recovery efforts
- Coordination of state and federal, private and public assistance

As the immediate threat to life, property and the environment subsides, the rebuilding of MILPITAS will begin through various recovery activities. Recovery activities involve the restoration of services to the public and rebuilding the affected area(s). Examples of recovery activities include:

- Restoring all utilities
- Establishing and staffing Local Assistance Centers and Disaster Assistance Centers
- Applying for appropriate assistance programs
- Conducting hazard mitigation analysis
- Identifying residual hazards
- Determining recovery costs associated with response and recovery

4. Prevention/Mitigation Phase

Preventing damage and losses from disaster includes those efforts known as mitigation activities. Mitigation efforts occur both before and following disastrous events. Post-disaster mitigation is part of the recovery process. Preventing, eliminating or reducing the impact of hazards that exist within MILPITAS and are a threat to life and property are part of the mitigation efforts. Mitigation tools include:

- Local ordinances and statutes (zoning ordinance, building codes and enforcement, etc.)
- Structural measures
- Tax levee
- Public information and community relations
- Land use planning

EMERGENCY MANAGEMENT ORGANIZATION & RESPONSIBILITIES

MILPITAS –City Manager

The City Manager is supported by MILPITAS and has overall responsibility for the following:

- Organizing, staffing and operating the EOC
- Operating communications and warning systems
- Providing information and guidance to the public and elected officials
- Maintaining information on the status of resources, services, and operations
- Directing overall operations
- Identifying and analyzing potential hazards and recommending appropriate counter-measures
- Collecting, evaluating and disseminating damage assessment and other essential information

MILPITAS Disaster Council (City Council)

The MILPITAS Disaster Council reviews, evaluates, and communicates decisions on all matters pertaining to disaster preparedness. The Council is responsible for the following:

- Review and evaluate disaster preparedness progress in the public and private sectors.
- Promote disaster preparedness through communication and education
- Harness the power of every resident through education and outreach, training, and volunteer service to make their families, homes and communities safer from natural and/or man-made disasters or emergencies

Santa Clara County Operational Area Emergency Management

When a disaster occurs and two or more of the county's local jurisdictions' EOCs (or at the request of one local jurisdiction) within the Santa Clara County Operational Area (OA) are activated, the Operational Area EOC serves as the focal point for information transfer and supports requests by cities such as MILPITAS.

SEMS and NIMS

Standardized Emergency Management System (SEMS)

After the 1991 Oakland East Bay Hills Fire, State Senator Petris passed the Senate Bill 1841 (SB1841) introducing the Standardized Emergency Management System (SEMS). Since 1994 SEMS has been required by Government Code Section 8607(a) for managing response to multi-agency and multi-jurisdiction emergencies in California. SEMS consists of five organizational levels that are activated as necessary: field response, local government, operational area, regional and state.

SEMS has been used throughout the State of California to manage and coordinate any emergency response involving more than one agency or jurisdiction. Local governments must use SEMS to be eligible for reimbursement of their personnel-related costs under state disaster assistance programs. A local government under SEMS is a county, city/town, or special district. Special districts under SEMS are units of local government with authority or responsibility to own, operate or maintain a project (as defined in California Code of Regulations 2900(s) for purposes of natural disaster assistance). This may include joint powers authority established under Section 6500 et seq. of the Code.

Cities are responsible for emergency response within their boundaries, although some cities contract for some municipal services from other agencies.

Special districts are primarily responsible during emergencies for restoration of services that they normally provide. They may also be responsible for safety of people at their facilities or on their property and for warning of hazards from their facilities or operations.

All local governments are responsible for coordinating with other local governments, the field response level and the operational area. Local governments are also responsible for providing mutual aid within their capabilities.

National Incident Management System (NIMS)

In response to the September 11th 2001 attacks on the World Trade Center in New York City, the Pentagon and Flight 93, President Bush issued Homeland Security Presidential Directive-5 (HSPD-5). Released on February 28, 2003, HSPD-5 directed the Secretary of the Office of Homeland Security (OHS) to develop and administer a National Incident Management System (NIMS). NIMS includes the following components:

- Command and Management, including the Incident Command System (ICS)
- Communications and Information Management
- Preparedness
- Resource Management
- Supporting Technologies
- Joint Information System (JIS)
- NIMS Management and Maintenance

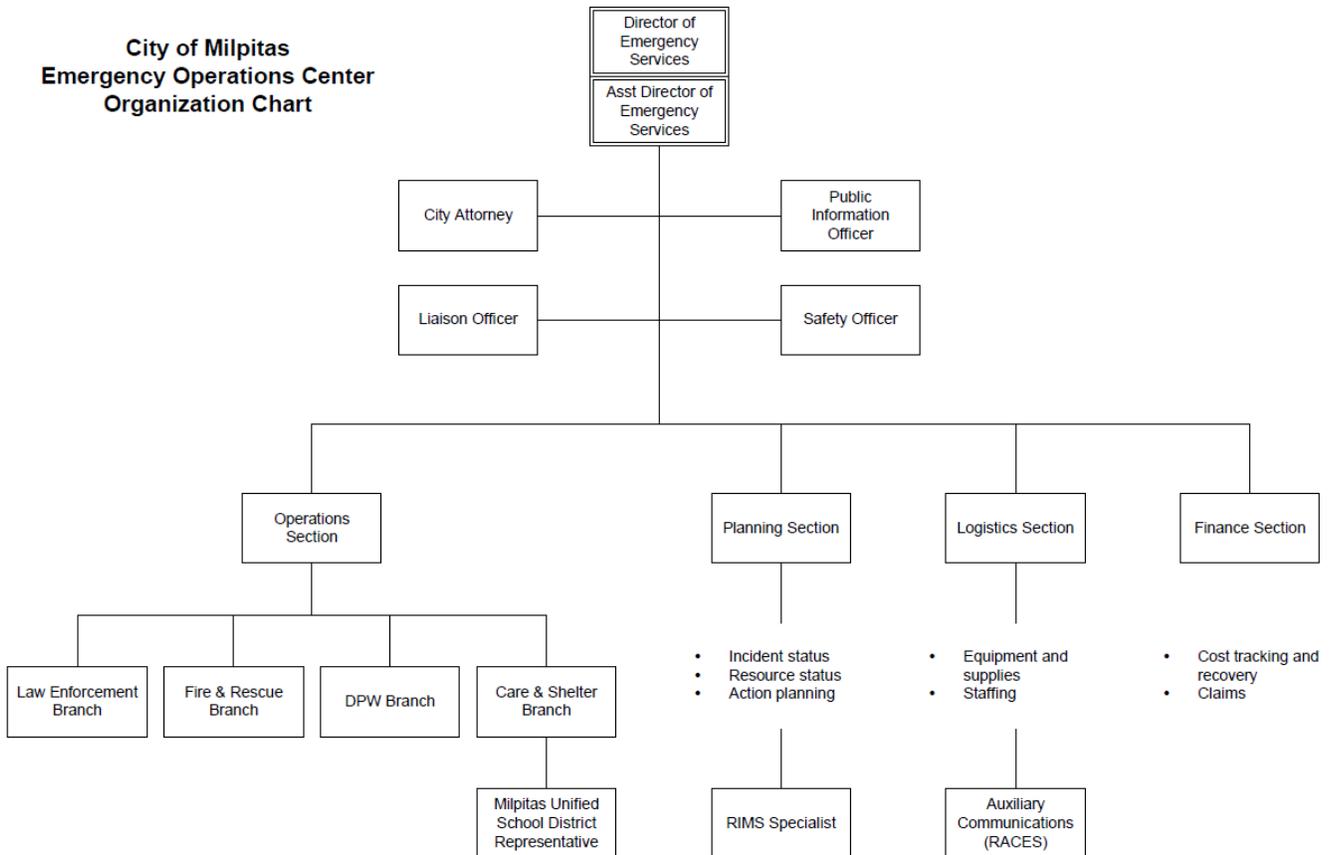
Relationship to SEMS and NIMS:

MILPITAS is responsible for emergency response within its geographical boundaries.

Under SEMS and NIMS, MILPITAS has responsibilities at two levels: The Field Response and the Local Government level.

At the field response level, all agencies will use the Incident Command System (ICS) to standardize the emergency response.

At the MILPITAS level, the designated EOC is used as the central location for gathering and disseminating information, coordinating all jurisdictional emergency operations, and coordinating with the Santa Clara County Office of Emergency Services (OES) and the Santa Clara County Operational Area EOC level during events outside the scope of MILPITAS.



Organization Flexibility – Modular Organization

The five essential ICS functions in SEMS and NIMS are identified as “sections” in the EOC. All other functions are organized as branches, groups or units within these sections. Only functional elements that are required to meet current objectives will be activated.

Management of Personnel - Hierarchy of Command and Span-of-Control

Management of personnel within the EOC will be accomplished through the assignment of Section Chiefs for Operations, Planning/Intelligence, Logistics, and Finance/Administration functions. Section Chiefs will report to the EOC Director

Multi-Agency or Inter-Agency Coordination

Multi-agency or inter-agency coordination is important for establishing priorities for response and allocating critical resources. Strategies for handling multi-agency response problems need to be developed while jurisdictional and agencies’ objectives are not compromised. MILPITAS departments,

agencies and possibly affiliated special districts, volunteer agencies and private organizations coordinate emergency response at the EOC.

EOC Action Plans

At local, operational area, regional and state levels, the use of EOC action plans provide designated personnel with knowledge of the objectives to be attained and the steps required for achievement. Action plans give direction and provide a basis for measuring achievement of objectives and overall system performance.

Special District Involvement

Special districts are defined as local governments in SEMS/NIMS. The emergency response role of special districts is generally focused on the return to normal services. During disasters, some types of special districts may be more extensively involved in the emergency response by assisting other local governments when the disaster extends beyond MILPITAS.

Coordination and communications should be established among special districts that are involved in emergency response, other local governments and the operational area. This may be accomplished in various ways depending on the local situation. Relationships among special districts, cities/towns, county government and the OA are complicated by overlapping boundaries and by the multiplicity of special districts. Special districts need to work with the local governments, as in MILPITAS, in their service areas to determine how best to establish coordination and communication in emergencies.

When a special district is wholly contained within the City, the special district should have a liaison at the city/town EOC to provide direct support. An exception may occur when there are many special districts within the city/town

When there are many special districts within a city/town, it may not be feasible for their EOC to accommodate representatives from all special districts during area-wide disasters. In such cases, the city/town should work with the special districts to develop alternate ways of establishing coordination and communication.

MUTUAL AID

Introduction

The foundation of California's emergency planning and response is a statewide mutual aid system which is designed to ensure adequate resources, facilities and other support is provided to jurisdictions whenever their own resources prove to be inadequate to cope with given situation(s). The basis for the system is the California Disaster and Civil Defense Master Mutual Aid Agreement, as provided in the *California Emergency Services Act*. This Agreement was developed in 1950 and has been adopted by the state, all 58 counties and most incorporated cities in the State of California. The Master Mutual Aid Agreement creates a formal structure wherein each jurisdiction retains control of its own facilities, personnel and resources, but may also receive or render assistance to other jurisdictions within the state. State government is obligated to provide available resources to assist local jurisdictions in emergencies. It is the responsibility of the local jurisdiction to negotiate, coordinate and prepare mutual aid agreements.

Mutual aid agreements exist in:

- Law Enforcement

- Fire Services
- Medical
- Public Health
- Emergency Managers
- Hazardous Materials
- Public Utilities
- Engineers
- Coroner, and others

Mutual Aid System

A statewide mutual aid system, operating within the framework of the Master Mutual Aid Agreement, allows for the progressive mobilization of resources to and from emergency response agencies, local governments, operational areas, regions and state with the intent to provide requesting agencies with adequate resources.

The statewide mutual aid system includes several discipline-specific mutual aid systems, such as fire and rescue, law, medical and public works. The adoption of SEMS does not alter existing mutual aid systems. These systems work through local government, operational area, regional and state levels consistent with SEMS/NIMS and the Incident Command System (ICS). Mutual aid may also be obtained from other states. Interstate mutual aid may be obtained through direct state-to-state contacts, pursuant to interstate agreements and compacts, or may be coordinated through federal agencies.

Mutual Aid Coordinators

To facilitate mutual aid, discipline-specific mutual aid systems work through designated mutual aid coordinators at the operational area, regional and state levels. The basic role of a mutual aid coordinator is to receive mutual aid requests, coordinate the provision of resources from within the coordinator's geographic area of responsibility and pass on unfilled requests to the next level.

Mutual aid requests that do not fall into one of the discipline-specific mutual aid systems are handled through the emergency services mutual aid system by emergency management staff at the local government, operational area, regional and state levels.

Mutual aid coordinators may function from an EOC, their normal departmental location or other locations depending on the circumstances. Some incidents require mutual aid but do not necessitate activation of the affected local government or operational area EOCs because of the incident's limited impacts. In such cases, mutual aid coordinators typically handle requests from their normal work location. When EOCs are activated, all activated discipline-specific mutual aid systems should establish coordination and communications with the EOCs as follows:

Volunteer and Private Agencies in Mutual Aid

Volunteer and private agencies may participate in the mutual aid system along with governmental agencies. For example, the disaster medical mutual aid system relies heavily on private sector involvement for medical/health resources. Some volunteer agencies such as the American Red Cross, Salvation Army and others are an essential element of the statewide emergency response to meet the needs of disaster victims. Volunteer agencies mobilize volunteers and other resources through their own systems. They also may identify resource needs that are not met within their own systems that would be requested through the mutual aid system. Volunteer agencies with extensive involvement in the emergency response should be represented in EOCs.

Some private agencies have established mutual aid arrangements to assist other private agencies within their functional area. For example, electric and gas utilities have mutual aid agreements within their industry and established procedures for coordinating with governmental EOCs. In some functional areas, services are provided by a mix of special district, municipal and private agencies. Mutual aid arrangements may include both governmental and private agencies.

A liaison should be established between activated EOCs and private agencies involved in a response. Where there is a need for extensive coordination and information exchange, private agencies should be represented in activated EOCs at the appropriate SEMS level.

- Number and type of personnel needed
- Type and amount of equipment needed
- Reporting time and location
- To whom forces should report
- Access routes
- Estimated duration of operations
- Risks and hazards

VOLUNTEER RESOURCES

In response to disaster, management of resources requires integration of material, as well as personnel, into the existing Emergency Management System of MILPITAS. Volunteer groups trained in emergency response can greatly enhance and supplement emergency response personnel. Jobs for all personnel assigned to emergency response must be trained, equipped, and aligned with a qualified organization. Spontaneous volunteers, when trained and managed appropriately, can provide valuable resources to the community.

Radio Amateur Civil Emergency Service (RACES/ACS)

RACES

RACES (Radio Amateur Civil Emergency Services) is made up of FCC licensed Amateur Radio Operators who have volunteered their services and equipment for use in times of emergency to support civil defense activities. RACES is supported by the Federal Emergency Management Agency (FEMA). When a governmental entity (such as the City of Milpitas or Santa Clara County) requests amateur radio assistance, the response is through RACES. This is because governmental activation alters several aspects of disaster-response funding, including insurance coverage. RACES operators are covered in California by Disaster Service Worker (DSW) insurance--this is a type of Worker's Compensation. All RACES operators are registered as Disaster Service Workers by the City of Milpitas.

RACES operators using pre-positioned communications equipment at the Main EOC, or Alternate EOC, can provide a backup communications capability when city resources are overloaded during an emergency. Police, fire, and public works radio frequencies are usually saturated with tactical or

operational traffic in emergencies. RACES personnel and frequencies can be used to provide an administrative frequency for use in coordination of the relief effort and to provide a backup to other city communications channels. RACES personal can thus free up public-safety officers and other city employees for other more pressing duties.

RACES operators using their own personal radios can also be positioned at locations throughout the city, such as with SAFE Teams (CERT) or care shelters, to provide additional situational awareness for the EOC staff.

Community Emergency Response Team (CERT)

Following a major disaster, first responders who provide fire and medical services will not be able to meet the demand for these services. Factors as number of victims, communication failures, and road blockages will prevent people from accessing emergency services they have come to expect at a moment's notice through 911. The CERT program in MILPITAS presents citizens training with the facts about what to expect following a major disaster and also in life saving skills with emphasis on decision-making skills and rescuer safety. It organizes teams so that certified CERT members are an extension of first responder services offering immediate help to victims until professional services arrive.

CERT includes education topics such as earthquake survival, fire prevention and suppression, search and rescue, disaster first aid, and general emergency preparedness. CERT courses and information on organizing neighborhood teams is available at MILPITAS public building and online at www.ci.milpitas.ca.gov.

Other MILPITAS Volunteers

There are additional volunteer groups who contribute significantly during both disaster and non-disaster times. Volunteers may be called upon for their specialized training and professional skills in the following areas:

- Fire Explorers
- Police Explorers
- Citizen Volunteers
- Spontaneous Unaffiliated Volunteers

MILPITAS EMERGENCY OPERATIONS CENTER (EOC)

Introduction

Day-to-day operations are conducted from departments and agencies that are widely dispersed throughout MILPITAS. An EOC is a location from which centralized emergency management can be performed during a major emergency or disaster. This facilitates a coordinated response by the Coordinator of Emergency Services and Emergency Management Staff. The level of EOC staffing will vary with the specific emergency situation.

An EOC provides a central location of authority and information. It allows for face-to-face coordination among personnel who must make emergency decisions. The following functions are performed in the MILPITAS EOC:

- Managing and coordinating emergency operations
- Receiving and disseminating warning information
- Developing emergency policies and procedures
- Collecting intelligence from, and disseminating information to, the various EOC representatives, and, as appropriate, to county, other cities/towns, special districts, and political representatives
- Preparing intelligence/information summaries, situation reports, operational reports, and other reports as required
- Maintaining general and specific maps, information display boards, and other data pertaining to emergency operations
- Continuing analysis and evaluation of all data pertaining to emergency operations
- Directing, controlling and coordinating, within established policy, the operational and logistical support of MILPITAS resources committed to the emergency
- Maintaining contact and coordination with support to other local government EOCs and the Santa Clara County Operational Area EOC
- Providing emergency information and instructions to the public, making official releases to the news media and the scheduling of press conferences as necessary

EOC Location and Description

The MILPITAS EOC is located at the Milpitas Police Department (1275 North Milpitas Boulevard)

The EOC is well supplied and serves as a place for the collection and dissemination of information. Staffing pattern is SEMS based, and operational periods are determined during the initial stages of an event.

Alternate EOC Location and Description

The MILPITAS Alternate EOC is located at Milpitas Fire Station #1 (777 North Main Street) in the Training Room.

The Alternate EOC is well supplied and also serves as a place for the collection and dissemination of information. Staffing pattern are, as well, SEMS based and operational periods are determined during the initial stages of an event.

When to Activate the EOC:

The EOC can be activated when deemed necessary by the Activation Personnel listed below. This can be for events as simple as a festival or as complex as an earthquake.

Who Can Activate the EOC:

The following individuals, either acting as the EOC Director or on behalf of the EOC Director, or their appointed representatives are authorized to activate the EOC:

- City Manager
- Police Chief
- Fire Chief

How to Activate the EOC:

- Contact the MILPITAS Police/Fire Dispatch
- Communicate the purpose of the activation
- Respond to the EOC
- Direct dispatch to notify all EOC participant of the activation
- Verify participants response to the EOC

MILPITAS EOC Activation Levels Examples

Trigger Event/Situation	Activation Level	Staffing	Activities
Severe Weather Watch	Stand-By	None Limited to office or other location.	None EOC is configured; All systems ready.
Severe Weather or Tsunami Warning	Minimal	EOC Director EOC Coordinator Liaison Officer PIO and Deputy PIO Section Chiefs Law, Fire, Personnel, Supply, Communications, IT Support	Situation analysis Public Information Response coordination Resource coordination Liaison Logistics support Financial support
Significant incidents involving two or more cities			
Earthquake Advisory Level I			
Severe Weather or Tsunami Warning	Partial	All Minimal Level staff plus: Branches and Units as appropriate to situation Liaison/Agency reps as appropriate	Situation analysis Public Information Response coordination Resource coordination Liaison Logistics support Financial support
Earthquake with substantial damage reported			
Earthquake Advisory Level II or III			
Major wind or rain storm with damage			
Two or more large incidents involving two or more cities			
Wildfire affecting developed area			
Major scheduled event			
Incident involving large-scale or possible large-scale evacuations			
Major city or regional emergency - multiple areas with heavy resource involvement	Full	All positions Liaison/Agency reps as Appropriate	Situation analysis Response coordination Resource coordination Logistics support Public Information Sustained Operations
Earthquake with severe damage			

Status Boards

Because the EOC’s major purpose is accumulating and sharing information to ensure coordinated and timely emergency response, status boards for tracking emergency activities will be made available for use in both the primary and alternate EOCs. All EOC sections must maintain display devices so that other sections can quickly comprehend what actions have been taken, what resources are available, and to track damage in MILPITAS. The Planning/Intelligence Section is responsible for coordinating the display of information. All display charts, boards, and materials are stored in the EOC.

At the onset of any disaster, a log will also be compiled for the duration of the emergency situation. Key disaster related information will be recorded in the log; e.g., casualty information, health concerns, property damage, fire status, size of risk area, scope of the hazard to the public, number of evacuees, etc. The posting of the log is the responsibility of the Planning/Intelligence Section staff.

Communications

Communications are provided for in the EOC by the Logistics Section.

EOC Coordination with Volunteer and Private Agencies

Local jurisdictions' EOCs will generally be a focal point for coordination of response activities with many non-governmental agencies and should establish communication with private and volunteer agencies providing services within their jurisdiction.

Agencies that play key roles in the response should have representatives in the EOC. If an agency supports several functions and has only one representative in the EOC, the agency representative should be located in the liaison area. If an agency is supporting one function only, its representative may be located with that functional element. Some agencies may have several personnel participating in functional elements in the EOC. For example, American Red Cross (ARC) personnel may be part of the staffing for the Care and Shelter element of the EOC.

During large events, agencies that have countywide response roles and cannot respond to numerous local jurisdictions' EOCs should be represented at the OA level.

Coordination with volunteer and private agencies that do not have representatives at the EOC may be accomplished through telecommunications, liaison with community councils that represent several agencies or involvement of agencies in special multi-agency groups on specific issues.

Coordination Links

Field Level Response	
Police/ Fire	Public Works
Local Government EOCs	
EOC	Alternate EOC
Santa Clara Operational Area EOC	
Governor’s Office of Emergency Services Coastal Region/Mutual Aid Region II	
Governor’s Office of Emergency Services	

Emergency Operations Center (EOC) Management Structure

SEMS regulations require local governments to provide five functions: management, operations, planning/intelligence, logistics and finance/administration. These functions are the basis for structuring the EOC organization

Management - Responsible for overall emergency policy and coordination through the joint efforts of governmental agencies and private organizations

Operations - Responsible for coordinating all jurisdictional operations in support of emergency response through implementation of the local government's EOC Action Plan

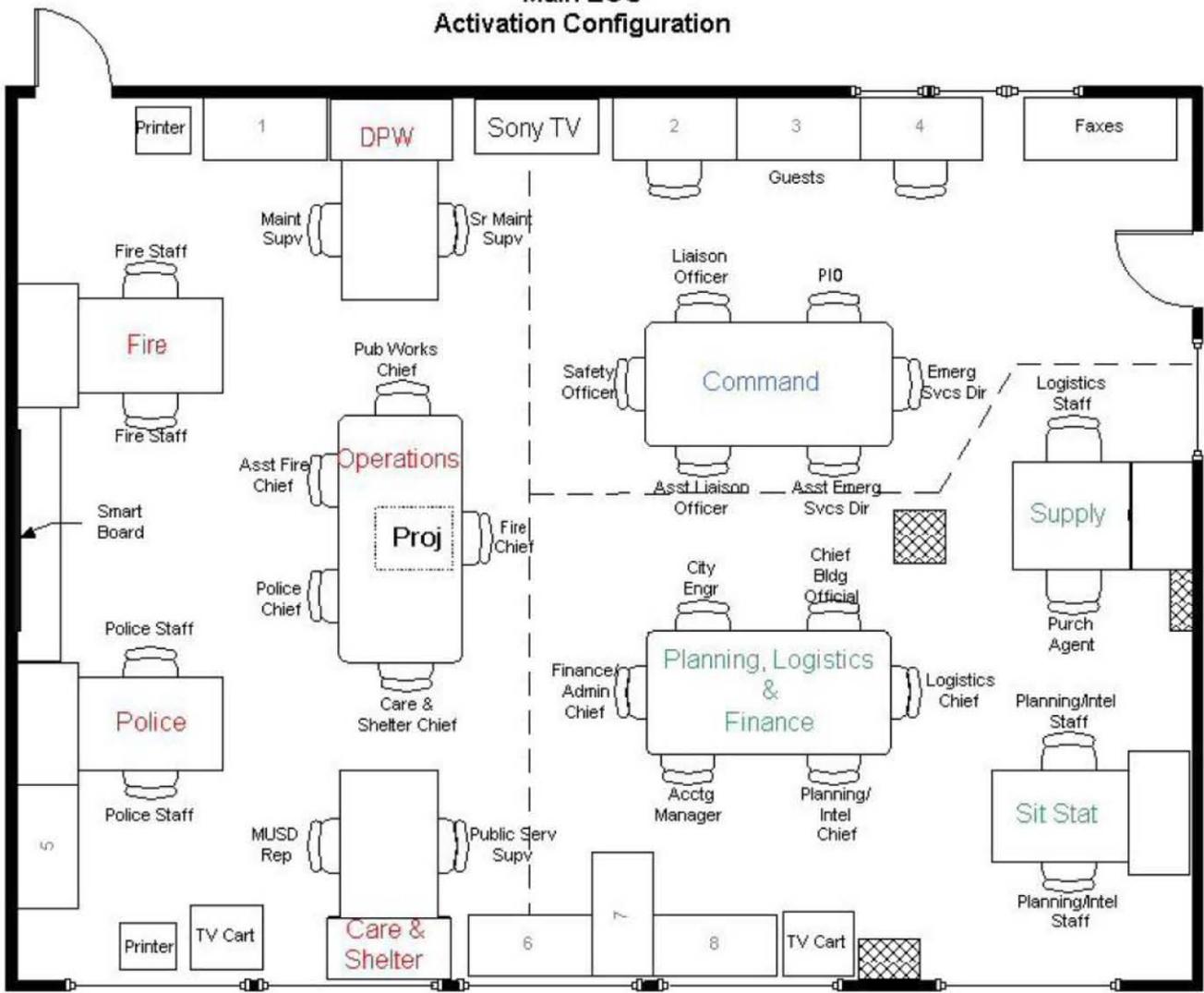
Planning/Intelligence - Responsible for collecting, evaluating and disseminating information; assist in developing the County OA’s EOC Action Plan, After Action Report, and Corrective Action Report, in coordination with the EOC Emergency Services Coordinator

Logistics - Responsible for supporting operations, providing facilities, services, personnel, equipment and materials

Finance/Administration - Responsible for financial activities and other administrative aspects

The EOC organization may include representatives from special districts, volunteer agencies, and private agencies with significant response roles

Main EOC Activation Configuration



EOC POSITION DESCRIPTIONS AND RESPONSIBILITIES

Management Section

The Management Section is responsible for overall management and administration of the incident. Management also includes certain support staff functions required to support the EOC Management function and the field command function.

Operations Section

The Operations Section is under the supervision of the Operations Section Chief who is in charge of all functions within the Operations Section. The Operations Section directs the MILPITASX operational resources and coordinates mutual aid resources. In addition, the Operations Section is responsible for coordinating with the County field incident commanders.

Planning/Intelligence Section

The Planning/Intelligence Section is under the supervision of the Planning Section Chief. The duties and responsibilities of the Planning Section are to gather and analyze all data regarding the incident and the assigned resources. The Planning Section maintains an incident log, EOC display maps, and charts. The Planning Section is also responsible for preparing situation reports, assessing damage, conducting planning meetings, documenting all EOC activities, and assisting in the preparation of the Action Plan.

Logistics Section

The Logistics Section is under the supervision of the Logistics Section Chief and provides all emergency support needs. The Logistics Section orders all resources, manages volunteer personnel, and provides communications, facilities, transportation, supplies, equipment, fuel, food, and shelter.

Finance/Administration Section

The Finance/Administration Section provides for the tracking of the time worked by all emergency personnel involved in the incident, provides cost analysis and projections, and records any and all injury claims for compensation.

EMERGENCY PROCLAMATIONS

Local Emergency

At the local government level an emergency may be proclaimed by the Director of Emergency Services or his designee. MILPITAS shall advise the Santa Clara County Sheriff's Office of Emergency Services (OES) of the declaration. The proclamation of a Local Emergency provides the governing body with the legal authority to:

- Promulgate or suspend orders and regulations necessary to provide for the protection of life and property, including issuing orders or regulations imposing a curfew within designated boundaries
- Exercise full power to provide mutual aid to any affected area in accordance with local ordinances, resolutions, emergency plans, or agreements
- Require the emergency services of any local official or employee
- Requisition necessary personnel and materials from any local department or agency
- Obtain vital supplies and equipment and, if required, immediately commandeer the same for public use
- Impose penalties for violation of lawful orders
- Conduct emergency operations without incurring legal liability for performance, or failure of performance. *Note: Article 17 of the Emergency Services Act provides for certain privileges and immunities*

CONTINUITY OF GOVERNMENT

Purpose

A major disaster or an enemy attack could result in great loss of life and property, including the death or injury of key government officials. At the same time, there could be partial or complete destruction of established seats of government, and the destruction of public and private records essential to continued operations of government and industry.

In the aftermath of a major disaster, law and order must be preserved and essential government services must be maintained. Civil government accomplishes this best. To this end, it is particularly essential that local units of government continue to function.

Applicable portions of the California Government Code and the State Constitution (cited in the next paragraphs) provide authority for the continuity and preservation of state and local government.

Responsibilities

Government at all levels is responsible for providing continuous, effective leadership and authority under all aspects of emergency services operations (preparedness, response, recovery, and mitigation). Under California's concept of mutual aid, local officials remain in control of their jurisdiction's emergency operations while others may provide additional resources upon request.

Public Works	Maint. Supervisor
Public Works	Acting Maint. Sup.
Care & Shelter	Recreation Serv Dir
Care & Shelter	Public Serv. Supv.
Care & Shelter	Sports Center Supv.
Care & Shelter	Comm. Center Supv
Care & Shelter	Maint. Supervisor
Care & Shelter	Sr. Center Supv.
Care & Shelter	Rec. Supervisor
Care & Shelter	Program Coor.
Care & Shelter	Program Coor.
Care & Shelter	Program Coor.
Planning/Intel.	Planning Director
Planning/Intel.	Chief Bldg Official
Planning/Intel.	Sr. Planner
Planning/Intel.	Acting City Engr.
Planning/Intel.	Sr. Bldg Inspector
Planning/Intel.	Sr. Public Works Ins
Planning/Intel.	Permit Center Mgr
Planning/Intel.	Principal Engineer
Planning/Intel.	Acting CIP Manager
Planning/Intel.	Assoc. Civil Engr.
Logistics	Human Res. Dir
Logistics	Purchasing Agent
Logistics	Buyer
Logistics	Admin Analyst
Logistics	I.S. Operations Mgr.
Finance/Admin.	Finance Director
Finance/Admin.	Accounting Mgr.
Finance/Admin.	Budget Manager
Finance/Admin.	Senior Accountant
Finance/Admin.	Accountant
Finance/Admin.	Accountant

Preservation of Vital Records

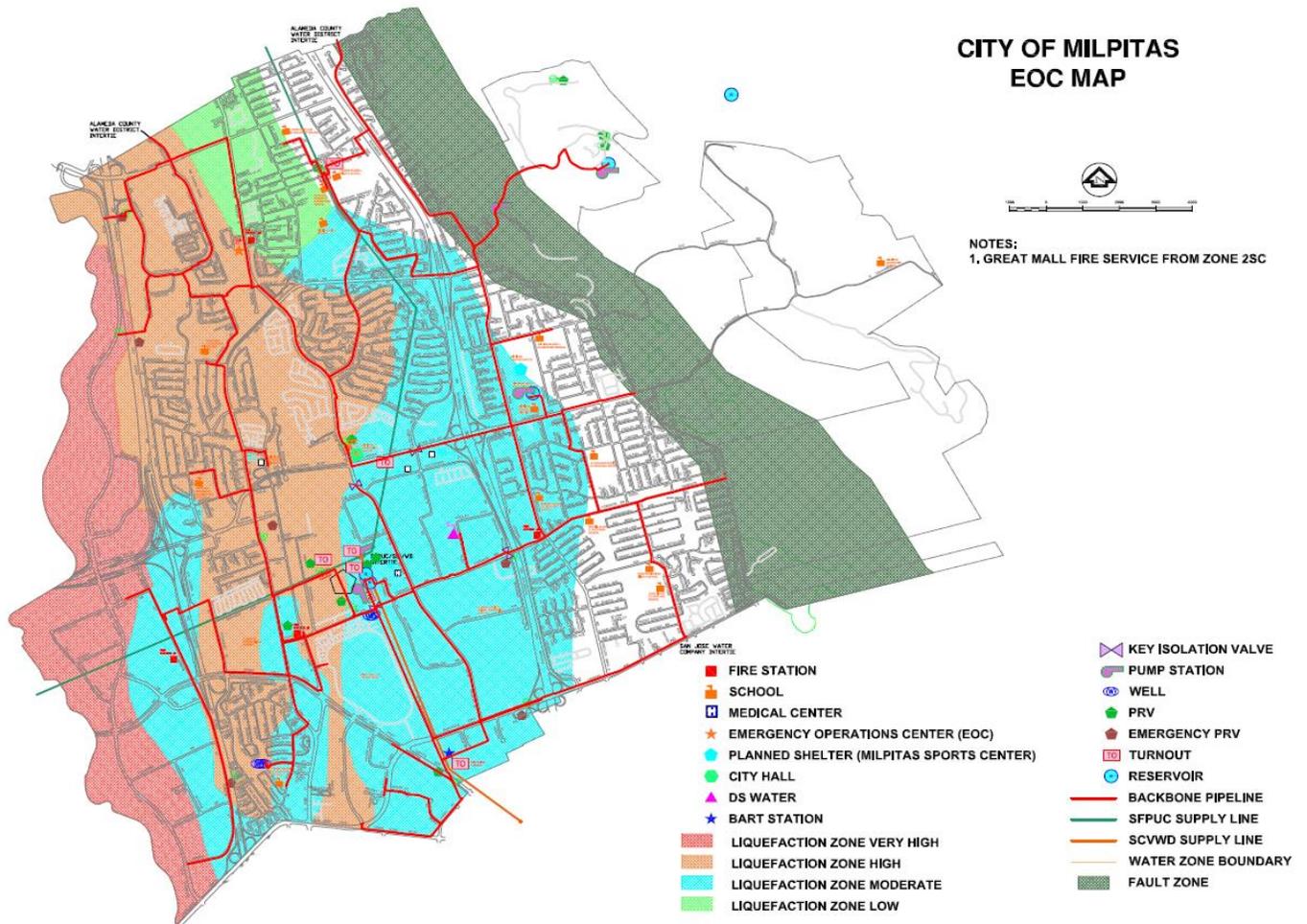
- In MILPITAS's, the City Clerk's Office is responsible for the preservation of vital records:
Each department within MILPITAS should identify, maintain and protect its own essential records.

PART TWO

THREAT SUMMARY AND ASSESSMENTS

GENERAL

This section of the MILPITAS EOP consists of a series of threat summaries. Within MILPITAS, not all threats are considered to be a critical concern. However, threats that may seem unlikely to affect MILPITAS directly, will indirectly impact our community.



Transportation and Infrastructure

(Janice Spuller)

POTENTIAL HAZARDS AND THREATS SUMMARY

There are three broad categories of hazards: natural, technological and man-made threats.

Natural

- Earthquake
- Flood
- Wildland Fire
- Winter Storm
- Tsunami
- Landslide
- Drought
- Public Health Crisis

Technological

- Hazardous Materials Incident
- Transportation Accident
- Dam Failure
- Energy Disruption
- Radiological Incident

Manmade

- Terrorism
- Civil Disturbance
- National Security Emergency

THREAT ASSESSMENT 1: EARTHQUAKE

General Situation

Varying in type and intensity, earthquakes are perhaps the least predictable of any of the potential hazards. They may cause no real damage or the area could be heavily impacted. Often, the main earthquake is followed by a series of aftershocks. Aftershocks can be larger than the original quake and pose a significant threat to those responding to the first event.

Located within and next to Santa Clara County are several known active and potentially active earthquake faults, including the Calaveras and the Hayward Faults.

- The Calaveras Fault is a major branch of the San Andreas Fault located in northern California in the San Francisco Bay Area. To the east of the Hayward-Rodgers Creek fault, the Calaveras fault extends 123 km, splaying from the San Andreas Fault near Hollister and terminating at Danville at its northern end.
- The Hayward Fault is about 74 mi (119 km) long and is situated mainly along the western base of the hills on the east side of San Francisco Bay. It runs from Richmond to San Jose.

A major earthquake occurring in or near these areas could result in deaths, casualties, property and environmental damage, and disruption of normal government and community services and activities. The effects could be aggravated by collateral emergencies such as fires, flooding, hazardous material spills, utility disruptions, landslides, dam failures, and transportation emergencies. The location of the epicenter, as well as the time of day and season of the year, would significantly influence the number of casualties and the amount of damage.

Such an event would exceed the response capability of MILPITAS' emergency management organization, requiring assistance from volunteer and private agencies, the Santa Clara County OES, the Governor's Office of Emergency Services and the federal government. Response efforts will be significantly hampered by the loss of communications and transportation systems.

A major effort would be needed to remove debris and clear roadways, demolish unsafe structures, assist in reestablishing public services and utilities and provide continuing care and temporary housing for affected citizens.

The economic impact of a major earthquake may also be significant. Employment may decline, businesses may suffer or even fail, tourism will drop, and a corresponding reduction in tax revenues will strain the basic financial systems in local communities. Additionally, costs for basic services and supplies can be expected to increase along with additional infrastructure maintenance, replacement, or repair expenses. Effects can last for months and years unless addressed quickly and aggressively.

Specific Situation

Freeways and Major Highways

Freeways and critical highways pass through key parts of Milpitas. Alternate routes need to be identified. Should overpasses or bridges collapse or become unsafe, or roads close due to landslides, communities could be isolated for days. The opening of crossings and traffic control will be a major factor for emergency services personnel.

Railroads

Many railroad bridges are susceptible to seismic damage because of age, design and construction. Large lengths of line are vulnerable to landslide.

Hazardous Sites

Underground fuel pipelines, chemical storage tanks, and manufacturing locations may be damaged or destroyed and the resulting leaks may constitute a considerable threat to individual areas. Additionally, the area is crossed with many high voltage lines which supply power to the majority of the area. Should they fall, roadways will be blocked and the potential for fire and shock hazards will be significant until Pacific Gas and Electric can shut them off.

Population Control

In addition to caring for their own citizens, the City may also have to support seasonal visitors in the area at the time of the event or evacuees from other Bay Area jurisdictions. Local agencies may have to restrict access and dedicate large numbers of resources to traffic management and transportation. Such populations may place excessive demands upon any established mass care facilities or shelters.

Damage to Vital Public Services, Systems and Facilities

Medical Facilities

Approximately half of the beds in the county's medical facilities could be lost during a major earthquake due to the age and type of construction of some of the hospitals and rehabilitation centers in Santa Clara. These hospitals will have services limited by damages, staff shortages, and lack of supplies. Local clinics, surgical facilities, and field treatment sites may be needed to handle the initial demand. Santa Clara's Mass Casualty Incident (MCI) plan will be implemented but may be overwhelmed by the number of victims.

The most common injuries will be glass cuts on hands and feet. The most serious injuries will be crush or burn. It may be necessary to transport many injured to out-of-county facilities.

Fire Operations

Although total collapse of fire stations is not expected, possible disruption of utilities, damaged doors and loss of power can create major problems. Numerous fires due to disruption of power and natural gas networks can be expected. Many connections to major water sources may be damaged and storage facilities would have to be relied upon. Water supplies could be inadequate or non-existent. Rescuers should expect loss of power and water, jammed doors, restricted mobility due to debris, possible loss of communications capability and delays in reaching maximum effectiveness due to personnel shortages.

Communications

The use of telephones will be limited. Traditional and cellular systems will be affected by infrastructure failure, overloads, and loss of electrical power. Immediately following an event, numerous failures will occur, compounded by system use overloads.

Electrical Power

Extra-high-voltage transmission equipment is generally the most susceptible component of the

electrical system. Repairs may require physically clearing roadways, bringing in special equipment, and safeguarding against aftershocks and other hazards. Close coordination is required with regional and local utility representatives. Power restoration may take days or even weeks.

Natural Gas

Damage to natural gas facilities serving Milpitas' communities will consist primarily of isolated breaks in major transmission lines. Breaks in mains and individual service connections within the distribution system will be significant. Leaks pose a fire threat in these susceptible areas of intense ground shaking and/or poor ground.

Propane Gas

Some residents and businesses rely upon propane or bottled gas. Many of these tanks are not secured and will likely tip over or become disconnected. The leaking tanks will pose a fire/explosion hazard. Re-supply and repair of this service will be delayed until roads can be cleared and outside assistance is brought into the area by the vendors. Priority for repair and re-supply will be given to critical facilities such as medical sites, shelters, and emergency generators at remote radio repeater sites.

Water

Primary water sources may be incapacitated due to damage to the chlorine treatment stations and/or the pipelines that distribute potable water.

Priority for water distribution will go to fire suppression, life support, medical facilities, decontamination, and shelter operations. This may result in significant rationing. The use of surface-laid pipes and water tanker trucks to maintain a minimal supply to some areas will be almost certainly required.

Sanitation Systems

These systems will be generally affected in the same manner and degree as potable water. However, there is limited storage capacity in the wastewater plants. This could result in releases of minimally treated or even untreated sewage. Damaged or un-powered pumping stations and sewer line breaks may result in small spills of untreated sewage. Household sewer connections may break and plug.



Earthquake Faults

THREAT ASSESSMENT 2: FLOOD

General Situation

Floods are generally classed as either slow-rise or flash floods. Slow-rise floods may be preceded by a warning time measured in hours or days. Evacuation and sandbagging for a slow-rise flood may lessen flood-related damage. Conversely, flash floods are the most difficult to prepare for, due to the extremely short warning time, if any is given at all. Flash flood warnings usually require immediate evacuation within the hour.

The National Weather Service issues flash flood watches and warnings. A flash flood “**Watch**” is issued when flash flooding is possible within the designated watch area -- all persons should be alert. A flash flood “**Warning**” is issued when a flash flood has been reported or is imminent -- all persons should take necessary precautions.

No area is immune to flash floods. In small streams, especially near the headwaters of river basins, water levels may rise quickly in heavy rainstorms, and flash floods can begin before the rains stop. There is little time between the detection of flood conditions and the arrival of the flood crest. Swift action is essential to protect life and property.

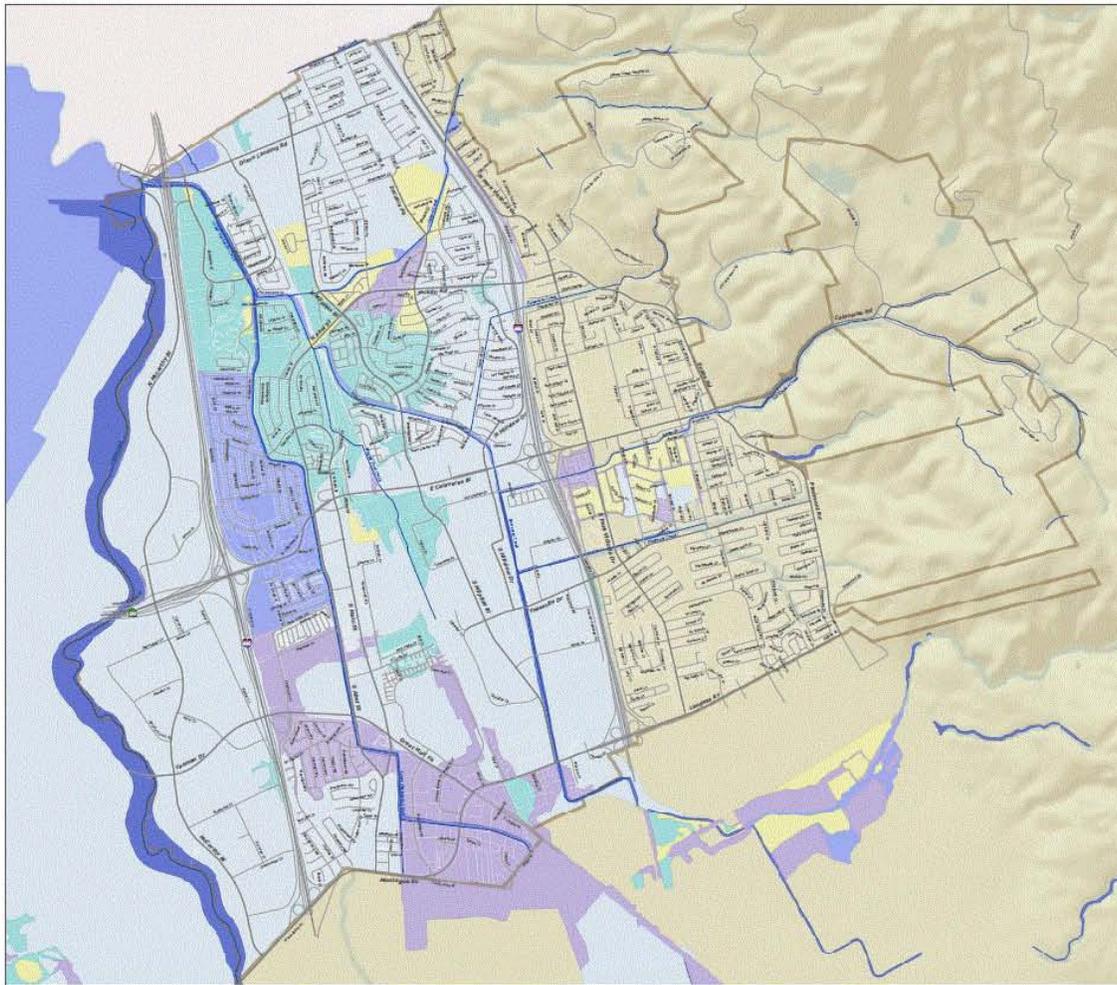
All low lying areas are subject to flood conditions. Urban development in flood plain areas are often subject to seasonal inundation. The flood plain is a natural extension of any waterway, although infrequently used. Storm water runoff, when exceeding the capabilities of the physical channel characteristics of a stream, results in the natural flooding of a localized area, inundating vehicles and causing considerable damage to residential and industrial properties located near stream and drainage channels.

Once flooding begins, personnel will be needed to assist in rescuing persons trapped by flood water, securing utilities, evacuating residents, moving equipment, cordoning off flooded areas and controlling traffic. These actions may overtax local agencies, and additional personnel and resources may be required.

Specific Situation

Key areas of Milpitas are subject to flash flooding, urban flooding (storm drain failure/infrastructure breakdown), and river channel overflow.

Winter storms can generate heavy wave action along the coast which, either by itself, or when combined with high tides and/or high winds, can cause localized flooding in low-lying areas.



Flood Hazards

- FEMA "Special Flood Hazard Area": 1% or greater annual chance of flooding:
 - Zone A: areas for which no base flood elevations have been determined
 - Zone AE: areas for which base flood elevations have been determined
 - Zone AC: shallow flooding, 1-3 ft, usually as sheet flow from a stream flood
 - Zone AH: shallow flooding, 1-3 ft, usually as ponding areas
- Other flood area:
 - Zone X: 0.2% annual chance of flooding
- Other area:
 - Zone X: less than 0.2% annual chance
 - Zone D: not analyzed for flooding hazard; possible but undetermined
- Creeks
- City boundary

Disclaimer:
The City of Milpitas does not guarantee the accuracy, completeness, or usefulness of any information displayed or implied within.
The City of Milpitas provides this information on an "as is" basis without warranty of any kind, expressed or implied, and assumes no responsibility for any use or misuse of this information.

Compiled June 2010

Flood hazard data source: FEMA, May 2009

Map produced by GIS Division, Information Services Dept., City of Milpitas

THREAT ASSESSMENT 3: WILDLAND FIRE

General Situation

Wildland fire hazards exist in varying degrees in Milpitas. The fire season generally lasts from five to six months. The wildland fire hazard is caused by a combination of factors including rugged terrain, highly flammable vegetation and forest, long summers, and human activity.

In several areas, an “Urban Interface” fire hazard is created as older neighborhoods directly border wild lands, parks, or forests. These areas often have mature vegetation which could cause fire to spread quickly.

Specific Situation

Fire Causes

People, and their activities, may cause wildland fires. Since the heaviest concentrations of people are found along Highway 880. Use of equipment, people playing with fire, arson, mowing, and debris burning are among the most common causes of wildland fires.

Wildland Fire in Combination with Other Threats

The fire hazard can be significantly affected by other hazards such as an earthquake. One worst-case scenario could involve a major earthquake during fire season. Broken gas lines or downed electrical wires could spark multiple fires. Firefighters would be hampered by disrupted communications, impassible roads, and the need to perform rescue/medical operations.

THREAT ASSESSMENT 4: TSUNAMI

General Situation

A tsunami is a series of traveling ocean waves generated by earthquake or underwater landslides. As the tsunami crosses the deep ocean, its length from crest to crest may be one hundred miles or more, its height from the bottom of the wave to the crest only a few feet. It cannot be felt aboard ships in deep water and cannot be seen from the air, but in deep water, tsunami waves may reach forward speeds exceeding 600 miles per hour.

As the tsunami enters the shallow water of coastlines in its path, the velocity of its waves diminishes and wave height increases. It is in these shallow waters that tsunamis become a threat to life and property, as they can crest to heights of more than 100 feet, and strike with devastating force. This danger is not over until the entire wave-series has passed. All tsunamis, like hurricanes, are potentially dangerous, even though they may not damage every area they strike. At present, there is no way to determine, in advance, the amplitude or size of tsunamis in specific locations. A small tsunami at one beach can be a giant one a few miles away.

Tsunamis may also be generated by earthquakes or underwater landslides just off shore. These "near-shore tsunamis" can also be very large but may arrive with little or no warning. In addition to the initial event, additional - and even larger - waves may continue to arrive for hours.

Damage

The great waves of a tsunami may crush buildings, smash vehicles and boats, uproot trees, and disrupt vital public services, systems and facilities. The effects may be aggravated by the secondary effects of fire. In Milpitas the biggest threat is the flooding caused by the event. Efforts may be required to remove debris and clear roadways, reestablish public services and utilities and provide temporary housing for displaced persons.

Evacuation

It is essential to evacuate persons in low-lying areas for these areas consistently sustain the greatest damage by tsunamis.

Tsunami Warning System

The National Oceanic and Atmospheric Administration (NOAA) maintain the international Tsunami Warning System. The occurrence of a major earthquake anywhere in the Pacific Ocean area brings an immediate response from the system.

Tsunami Watch

When an earthquake of sufficient magnitude to generate a tsunami occurs, Tsunami Warning System staff determines the location of the earthquake epicenter. If the epicenter is under or near the ocean, a tsunami is possible. The Warning System issues a TSUNAMI WATCH, which tells recipients that an earthquake has occurred, its location, and that the possibility of a tsunami exists. A TSUNAMI WATCH constitutes the System's first alerting action.

THREAT ASSESSMENT 5: LANDSLIDE

General Situation

Landslides include all movements of soil, rock or debris as a result of falling, sliding or flowing. Landslides are categorized according to the types of motion and material involved. They can be directly caused by earthquakes or be completely independent of them.

Falls describe the sudden movement of material from vertical or near-vertical slopes, and are generally labeled by the type or material displaced (e.g., soil fall, rock fall).

Slides refer to movements in which the material moves more or less as a unit along recognizable shear surfaces. If the shear surface is concave, the slide movement will be rotational, and is denoted by the term "slump". If the shear surface is flat, the term "slide" is used alone.

Flows describe the movement of material in which small-scale movements, rather than massive sliding, is the dominant mechanism of transport. Flows are described by the type of material involved and the rate at which it moves (e.g., debris flow, mudflow).

Landslides can occur due to both natural and human factors. Natural factors include the cohesive strength and characteristics of the affected minerals, the orientation of joints and planes of weakness between slide material and bedrock, the steepness of slopes, seismic activity, the degree of saturation of ground materials (highly affected by rainfall), and the density of vegetation. Human factors include the creation of excessively steep and overloaded slopes, the removal of natural vegetation, and the addition of water to the soil by watering lawns and septic system drain fields, and onsite creations of ponds for storm runoff.

Landslides will usually be associated with earthquakes or heavy rainfall. There are many identified sites within the county. Many threaten key highways. Some jurisdictions may be directly affected or simply isolated. Landslides will normally be associated with some other incident such as winter storm or earthquake.

Landslides and debris flowing can damage or destroy buildings, block roads, sever utilities, disrupt water supplies, and injure or kill people. Damage control and emergency response operations may be seriously hampered by road closures and loss of communications. Evacuation of dangerous areas may become necessary. Extensive efforts may be needed to rescue trapped people, recover bodies, remove debris, and restore utilities and services.

(Move to the end?)

THREAT ASSESSMENT 6: PUBLIC HEALTH CRISISGeneral Situation

One of the gravest threats to the life safety of Milpitas residents and visitors is posed by biological agents that occur naturally. Bacteria and viruses continue to evolve and spread. Drug-resistant strains of these pathogens also pose serious challenges to modern medicine. A public health crisis will immediately impact the width and breadth of emergency medical services.

In order to reduce costs, the medical community has worked to increase its efficiency by reducing or closing facilities, reducing staff, and relying on just-in-time inventory systems for medical supplies. This has resulted in an indirect reduction in the capacity to handle large-scale health events and an increased reliability on crisis response systems.

Public Health events are likely to impact whole regions and nations. Resources from outside Milpitas may not be available. American society has not had to respond to a major health crisis in modern times. Existing concepts and response systems may be overwhelmed.

THREAT ASSESSMENT 7: HAZARDOUS MATERIALS INCIDENT

General Situation

A hazardous material is any substance that may be explosive, flammable, poisonous, corrosive, reactive, radioactive, or any combination thereof, because of its quantity, concentration or characteristics. Hazardous materials require special care and handling because of the threats they pose to public health, safety and the environment. The production, transportation, and use of hazardous materials have become a normal part of society.

Accidental releases of hazardous materials can be especially damaging when they occur in highly populated areas or along transportation routes used simultaneously by commuters and hazardous materials transports. Incidents are more likely to occur along highways and railways. Fixed facilities, such as manufacturing and light industrial facilities release hazardous materials incidents; however stringent safety requirements help to limit these.

Hazardous materials incidents in the urban areas of the county may require precautionary evacuations, or may have residents do shelter-in-place. Such an event may produce many victims suffering from exposure to the agent or burns and require implementation of the County's Mass Casualty Incident (MCI) Plan.

Transportation Routes or Fixed Hazardous Materials Facilities

Hazardous materials incidents in Milpitas would most likely occur on the transportation routes or at fixed hazardous materials sites within the various cities. Hazardous materials are often moved through the area on Highway's 880 and 237. Surface streets are used for the local transportation of hazardous materials.

Oil Spill

An oil spill can be a significant hazard to Milpitas' ecosystems including wildlife and environmentally sensitive sites

Sewage Spills

Sewage spills into the City's waterways or the San Francisco Bay may cause significant contamination causing sickness people who come in contact with those waters as well as distressed and sick wildlife. Sewage spill is often caused by waste treatment facilities pump and alarm failures as well as human errors.

Other Sources

Another source of hazardous materials incidents is the illegal manufacturing of drugs in clandestine laboratories. The residue and hazardous waste from these laboratories are usually dumped illegally, posing a public health and safety hazard and a threat to the environment. In many cases, criminals will conduct their activities in the midst of residential or commercial neighborhoods to remain hidden.

THREAT ASSESSMENT 8: TRANSPORTATION ACCIDENTS

A major incident involving an airplane, truck, or train could result in numerous casualties and could significantly impact Milpitas' transportation systems. The ability of emergency response teams to respond and transport victims to hospitals will be affected by the time of day and traffic congestion.

A major incident on any of the primary routes will produce road closures of at least four or more hours. Extensive search and rescue operations may be required to assist trapped and injured persons. Emergency medical care and temporary shelter would be required for injured or displaced persons. Identification, movement and temporary storage of any significant number of dead will be difficult. Families may be separated, particularly if the incident should occur during working hours. In some instances, the loss of communications and disruption of other essential services may hamper emergency operations.

Under certain circumstances, government effort will be required to remove debris and clear roadways, demolish unsafe structures, and assist in re-establishing public services. It may be necessary to provide continuing care and welfare for the affected population.

Each of these hazards could produce several secondary threats, such as a hazardous materials incident, fire, severe damage to nearby buildings or vehicles, loss of life in either adjacent buildings or vehicles and pedestrians.

Major accidents could involve an airplane crash, trucking incident or a train crash. The following assessments provide additional details unique to each type of incident:

Airplane Crash

General Situation

Often the impact of a disabled aircraft as it strikes the ground creates the potential for multiple explosions, resulting in an intense fire. Wherever the crash occurs, the resulting explosion and fires have the potential to cause injuries, fatalities and the destruction of property. The time of day when the crash occurs may have a profound effect on the number of dead and injured. As well, an airplane crash produces profound mental health issues for survivors, surrounding residents, and emergency responders.

Specific Situation

Milpitas has no commercial service airports with regularly scheduled air carrier passenger service, however, the San Jose International Airport is home to several airlines. Milpitas lies along the north end of air traffic flight path from this airport. The crash of an aircraft would result in obvious issues if the incident took place near heavily-populated areas. In remote areas, the rugged terrain could make access and communications difficult. A large area could be affected with falling parts, burning fuel and destroyed buildings. Many state and federal agencies would respond to the scene in a very short period and media attention would be intense.

Trucking Incident

General Situation

A major truck incident that occurs in a heavily-populated industrial area or residential area can result in considerable loss of life and property. Potential hazards could be overturned tank trailers, direct impact either into a residence or industrial building, or cutting into the normal flow of traffic.

Specific Situation

The main transportation arteries through Milpitas are Interstates 880 and 680. These routes are heavily used most hours of the day and the control of vehicular traffic in and around the affected area of a multi-casualty or hazardous materials incident will be the primary problem at any time.

In many areas there are few, if any, good alternate routes. During commute hours, the problem will be severely compounded. It will be essential to expedite the flow of essential emergency response vehicles through the area and divert nonessential traffic. In a major accident, it is not uncommon for these roads to close for most of a day to support rescue, recovery and accident investigation activities.

In a major disaster, increased reliance on goods and equipment being trucked into the county and into MILPITAS combined with restricted or damaged roads could result in a greater chance for a major accident.

Train Crash

General Situation

A major train derailment that occurs in a heavily populated industrial area can result in considerable loss of life and property. As a train leaves its track, there is no longer any control as to the direction it will travel. Potential hazards could include overturned rail cars, hazardous materials incidents, and impact to an industrial building or entering into normal street traffic.

Train accidents could be caused by derailment, an accident with a vehicle at a crossing, an accident with a pedestrian at a crossing, a collision with another train, or an explosion or fire in or near the train. Any hazardous materials carried as freight or in another impacted vehicle could substantially complicate response actions and require that the situation be monitored until all debris is removed.

There would be a great number of agencies responding to the scene. Traffic control and resource management will be difficult but essential to maintain. Schools near the site may be isolated or called upon to evacuate immediately. Media attention can be expected to be significant.

THREAT ASSESSMENT 9: ENERGY DISRUPTION

General Situation

Modern society has increasingly grown dependent on technologies which use various sources of energy. Events in the last 30 years have underscored the major impacts that a disruption in the energy supply can have:

- The major Arab Oil Embargo in 1973 led to significant economic and political changes including increased domestic oil production, additional investment in alternative energy sources, inflation, and a marked reduction in the Gross National Product.
- The California electrical shortages of 2001 resulted in the use of rotating electrical outages, also known as rolling blackouts. This crisis created a great deal of confusion, loss of power, increased utility rates, and negatively impacted the state budget.

Fossil Fuels

This includes natural gas, oil, and gasoline. Disruptions in the supply of these resources would immediately cause serious problems in transportation, electrical generation, business, communications, and would cause prices for most goods and services to rise dramatically.

Electrical Power

A power failure is any interruption or loss of electrical service due to disruption of power generation or transmission caused by an accident, sabotage, natural hazard, equipment failure, or fuel shortage. These interruptions can last anywhere from a few seconds to several days. Power failures are considered significant problems only if the local emergency management organization is required to coordinate the provision of food, water, heating, etc. as a result. Power failures are common when severe weather and winter storm activity occur. Critical systems including telecommunications will fail unless provided with alternate or redundant power sources.

Specific Situation

Petroleum products are imported to Milpitas via highways from Bay Area refineries. A natural gas pipeline feeds the majority of the population along the U.S. Highway 880 corridor.

THREAT ASSESSMENT 10: RADIOLOGICAL INCIDENT

General Situation

Depending upon the type, location, and quantity released, nuclear (radiological) materials can damage human health, the environment, and property. Such an accidental release is extremely rare. Commercial nuclear plants began generating power in 1957. The United States has had only one major incident that occurred at the Three Mile Island facility near Harrisburg, Pennsylvania in 1979. Other minor incidents have occurred, but these have been infrequent and have caused few off-site consequences.

Common sources of radiological materials include those used in medical procedures, research, industrial production, and construction.

It is important to note that a radiological event differs from a regular Hazardous Materials spill in that the affected area could be large; radioactivity is difficult to detect; specialized equipment is required to pinpoint sources; and clean up may require tremendous resources. Long-term effects may be difficult to determine. Public perception will play a critical role in the incident. Media coverage of such an event will be massive. Federal agencies will play a key role in managing response and recovery efforts.

Generally, shielding, limited exposure time, and increased distance from the source are the keys to effective mitigation and response.

Specific Situation

Milpitas is a combination suburban/rural area. Only a few sites (mostly medical facilities) use such materials - and these are considered a relatively low-level threat. As U.S. Highway 880 is the primary north/south corridor for Santa Clara County, some industrial and medical grade radiological materials are transported on this route.

THREAT ASSESSMENT 11: TERRORISM

General Situation

The Federal Bureau of Investigation (FBI) defines terrorism as “the unlawful use of force against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in the furtherance of political or social objectives.”

Since the events of September 11, 2001, a significant increase in the assessment and preparation for terrorism has been a national priority.

Terrorism can be state-sponsored or the outgrowth of a frustrated, extremist fringe of polarized and/or minority groups of people. Extremists have a different concept of morality than the mainstream society. Terrorist groups include:

- Ethnic separatists and political refugees
- Leftwing radical organizations
- Rightwing racists, anti-authority survivalist groups
- Extremist issue-oriented groups such as animal rights, environmental, religious, anti-abortionists

Events could typically be expected in urban areas near public gatherings, government facilities, or highly visible areas, but no one area is less likely to be a target than any other. Communities are vulnerable to terrorist incidents and most have high visibility and vulnerable targets. These facilities, sites, systems, and special events in the community are usually located near routes with high transportation access. Examples include:

- Government office buildings, courthouses, schools, hospitals, and shopping centers
- Dams, water supplies, power distribution systems
- Military installations
- Railheads, interstate highways, tunnels, airports, ferries, bridges, seaports, pipelines
- Recreational facilities such as stadiums, theaters, parks, casinos, concert halls
- Financial institutions and banks
- Sites of historical and symbolic significance
- Scientific research facilities, academic institutions, museums
- Telecommunications, newspapers, radio and television stations
- Chemical, industrial, and petroleum plants, business offices, and convention centers
- Law, fire, emergency medical services facilities, and operations centers
- Special events, parades, religious services, festivals, celebrations
- Family planning facilities

Weapons of Mass Destruction

Experts generally agree that there are five categories Weapons of Mass Destruction (WMD) which terrorists could use: Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE). It is important to note that developing and properly employing such weapons is very difficult - but not impossible. Each category of weapon is discussed below:

- Chemical agents are compounds with unique chemical properties that can produce lethal or damaging effects in humans, animals, and plants. Chemical agents can exist as solids, liquids, or gases depending on temperature and pressure. Most chemical agents are liquid and can be introduced into the unprotected population relatively easily using aerosol generators, explosive devices, breaking containers, or other forms of covert dissemination. Dispersed as an aerosol, chemical agents have their greatest potential for inflicting mass

casualties.

- Biological agents pose a serious threat because of their accessible nature and the rapid manner in which they spread. These agents are disseminated by the use of aerosols, contaminated food or water supplies, direct skin contact, or injection. Several biological agents that could be adapted for use by terrorists include anthrax, tularemia (rabbit fever), cholera, the plague, botulism, and pandemic flu. A biological incident will most likely be first recognized in the hospital emergency room, medical examiner's office, or within the public health community long after the terrorist attack. The consequences of such an attack will present communities with an unprecedented requirement to provide mass protective treatment to exposed populations, mass patient care, mass fatality management, and environmental health clean-up procedures and plans.
- A radiological weapon involves the detonation of a large conventional explosive that incorporates nuclear material or detonation of an explosive in close proximity to nuclear materials in use, storage, or transit.
- A nuclear threat is the use or threatened detonation of a nuclear bomb or device. At present, there is no known instance in which any non-governmental entity has been able to obtain or produce a nuclear weapon.
- Explosive incidents account for 70 percent of all terrorist attacks worldwide. Bombs are the terrorist's weapon of choice. The Internet and local libraries provide ample information on the design and construction of explosive devices. The FBI reported that 3,163 bombing incidents occurred in the United States in 1994, 77 percent were due to explosives. Residential properties are the bombers' most common targets.

Cyber terrorism

In addition to WMD attacks, cyber terrorism is a relatively new phenomenon used to potentially disrupt our society and exploit our increasing reliance on computers and telecommunication networks. Cyber terrorism threatens the electronic infrastructure supporting the social, health, and economic well being of our communities. Interlinked computer networks regulate the flow of power, water, financial services, medical care, telecommunication networks, and transportation systems.

Specific Situation

The San Francisco Bay Area contains many high profile sites and buildings which are considered potential terrorist targets. Even if Santa Clara County and MILPITAS don not suffer an attack, it is likely that we will be asked to provide support to other metropolitan areas that has been impacted. Another consideration is the potential for large numbers of the public to move from the impacted area due to actual or perceived dangers.

The federal and state response to terrorist activities has been intense since the attack of September 11, 2001. Emergency Management actions have centered on terrorist threat assessment, planning, grant administration, and training. Detailed terrorism threat assessments for the County and the State of California have been completed and are considered confidential.

THREAT ASSESSMENT 12: CIVIL DISTURBANCE

Civil disturbance includes incidents that are intended to disrupt a community to the degree that law enforcement intervention is required to maintain public safety. Civil disturbances are generally associated with controversial political, judicial, or economic issues and/or events. The effects of civil disturbances could include traffic congestion or gridlock, illegal assemblies, disruption of utility service, property damage, injuries and potential loss of life. This is in contrast to Civil Disobedience.

THREAT ASSESSMENT 13: NATIONAL SECURITY EMERGENCY

A national defense emergency will normally be announced by the Federal government; however, unless there is a sudden, unprovoked attack, there should be some time available for planning and initiation of evacuation procedures. It is not the duty of civil authorities to fight the war, but rather to control and care for the local population. Local and state authorities under a "State of War" have not been exercised since World War Two.

Potential impacts of a national security emergency include:

Military Call-up and Activity

A major national defense emergency would require the activation of the Military Reserve Forces and the National Guard. Members of those organizations would be called to duty. Their service in the federal government takes precedence over local authority. There would be no trained replacement personnel immediately available. This would affect government agencies at all levels and organizational restructuring might be necessary. There are very few military installations in the region which would be deploying troops. However, movement through the area could place a great deal of strain on major highways and local resources.

Civilian Activity

The civilian population may also be immediately affected by a declaration of a national emergency. Most certainly there will be a significant portion of the population which would try to evacuate the area in advance. This could produce some civil disobedience. Employee safety could become a significant concern.

Outright War or Attack

An attack upon the United States (either conventional or nuclear) is extremely unlikely. The potential for such an event, however, does not exist. Although the chances of a massive nuclear strike on the U.S. have greatly diminished, several countries throughout the world have developed, or are seeking to develop the capability of deploying nuclear weapons, either on a tactical basis or a strategic one. Additionally, the possibility exists that a terrorist organization might acquire the capability of creating a small nuclear detonation. A single nuclear detonation in the United States would likely produce fallout affecting an area many times greater than that of the blast itself.

In the event of a conflict involving the major world powers, an attack on the Bay Area would be an almost certainty. In most probability, the attack would be from missiles with nuclear warheads. An attack on the coast by amphibious forces is unlikely. This is normally the responsibility of the federal agencies; however, protection of municipal facilities and resources would be an important consideration.

There are several "strategic" targets in the Bay Area which are/would be targeted for a nuclear strike. In addition to the military installations, defense production and communications-related civilian activities may be designated as targets. Destruction would be complete in many areas and all normal sources of power and water will cease to exist. The surviving population would flee the area by any means possible. Areas not directly affected by the blast of weapons will suffer the effects of radioactive particulate dispersed into the atmosphere.

In the event of a massive attack, there would be no help from outside agencies for a prolonged period. It would be the responsibility of law enforcement to restore order and the job of the entire government to re-assert its authority and re-establish any systems possible to aid in the placement and care of refugees as well as local citizens.

PART THREE

REFERENCES AND ACRONYMS

OPERATIONAL AREA ANNEXES

Available reference material includes annexes that supplement the Santa Clara County Operational Area EOP. These documents provide information or additional detail for hazards or response functions. The list below indicates current Santa Clara County Annexes. Additional annexes will be developed. All current annexes are available to all agencies within the Santa Clara County Operational Area.

- Care and Shelter Annex
- Spontaneous Volunteer Annex
- Tsunami Annex
- Vulnerable/Special Needs Populations Annex

AUTHORITIES AND REFERENCES

The California Emergency Services Act (Chapter 7 of Division 1 of Title 2 of the Government Code), hereafter referred to as, "The Act", provides the basic authorities for conducting emergency operations following a proclamation of Local Emergency, State of Emergency or State of War Emergency by the Governor and/or appropriate local authorities, consistent with the provisions of the Act.

The Standardized Emergency Management System (SEMS) Regulations (Chapter 1, Division 2 of Title 19 of the California Code of Regulations), establishes SEMS to provide an effective response to multi-agency and multi-jurisdiction emergencies in California.

Homeland Security Presidential Directive (HSPD-5) gives the Secretary of Homeland Security the responsibility of developing and administering the National Incident Management System (NIMS).

The California Emergency Plan, which is promulgated by the Governor, is published in accordance with the Act and provides overall statewide authorities and responsibilities, and describes the functions and operations of government at all levels during extraordinary emergencies, including wartime. Section 8568 of the Act states, in part, that "the State Emergency Plan shall be in effect in each political subdivision of the state, and the governing body of each political subdivision shall take such action as may be necessary to carry out the provisions thereof". Local emergency plans are, therefore, considered to be extensions of the California Emergency Plan.

The National Response Plan (NRP) establishes a single, comprehensive approach to domestic incident management to prevent, prepare for, respond to, and recover from terrorist attacks, major disasters, and other emergencies. The NRP is an all-hazards plan built on the template of the National Incident Management System (NIMS). The NRP can be partially or fully implemented in the context of a threat, anticipation of a significant event, or in response to an incident requiring a coordinated Federal response. The NRP applies to all incidents requiring a coordinated Federal response as part of an appropriate combination of Federal, State, local, tribal, private-sector, and nongovernmental entities. The NRP is always in effect; however, the implementation of NRP coordination mechanisms is flexible and scalable.

The California Civil and Government Codes contain several references to liability release (Good Samaritan Act) for those providing emergency services.

Federal

Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 (Public Law 93-288, as amended)

Federal Civil Defense Act of 1950 (Public Law 920), as amended

Federal Response Plan (FEMA)

Federal Departments and agencies HSPD-5 requirements for adoption of NIMS by State and local organizations

NRT-1, Hazardous Materials Emergency Planning Guide and NRT-1A Plan Review Guide (Environmental Protection Agency's National Response Team)

State

Standardized Emergency Management System (SEMS) Regulations (Chapter 1 of Division 2 of Title 19 of the California Code of Regulations) and (Government Code Section 8607(a).

Standardized Emergency Management System (SEMS) Guidelines.

California Emergency Services Act (Chapter 7 of Division 1 of Title 2 of the Government Code).

'Good Samaritan' Liability

California Emergency Plan

California Natural Disaster Assistance Act (Chapter 7.5 of Division 1 of Title 2 of the Government Code)

Preservation of Local Government, Article 15 of the California Emergency Services Act (Chapter 7 of Division 1 of Title 2 of the Government Code)

Temporary County Seats, Section 23600, Article 1 of Chapter 4 of Division 1 of Title 3 of the Government Code

California Hazardous Materials Incident Contingency Plan

California Health and Safety Code, Division 20, Chapter 6.5, Sections 25115 and 25117, Chapter 6.95, Sections 2550 et seq., Chapter 7, Sections 25600 through 25610, dealing with hazardous materials

Orders and Regulations which may be Selectively Promulgated by the Governor during a State of Emergency

Orders and Regulations Promulgated by the Governor to Take Effect upon the Existence of a State of War Emergency

California Master Mutual Aid Agreement

California Law Enforcement Mutual Aid Plan

California Fire and Rescue Operations Plan

Judicial System, Article VI, Section 1, 4, 5, and 10, of the Constitution of California

Local Government, Article XI, of the Constitution of California

Americans with Disabilities Act

All operations and facilities involved in the disaster response activities shall take special note of the Americans with Disabilities Act (ADA). Appropriate efforts shall be made to insure that necessary considerations are given to accommodate victims with disabilities. Public warning, emergency communications, transportation, and sheltering are areas that require special attention.

ACRONYMS

AAR	After Action Report
ADA	Americans with Disabilities Act
ARC	American Red Cross
C&S	Care and Shelter
CAD	Computer Aided Dispatch
CalFire	California Fire
CalTrans	California Department of Transportation
CAO	Chief Administrative Officer
CAP	Corrective Action Plan
CBRNE	Chemical, Biological, Radiological, Nuclear and Explosive
CDF	California Department of Fire
CERT	Community Emergency Response Team
CHP	California Highway Patrol
DC3	Disaster & Citizens Corps Council
DPW	Department of Public Works
EAS	Emergency Alert System
EDIS	Emergency Digital Information System
EMS	Emergency Medical Services
EOC	Emergency Operations Center
EOP	Emergency Operations Plan/Emergency Operating Procedures
EPA	Environmental Protection Agency
FBI	Federal Bureau of Investigation
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
HSPD-5	Homeland Security Presidential Directive -5
ICS	Incident Command System
JIC	Joint Information Center
MACC	Multi-Agency Coordination Center
MCI	Mass Casualty Incident
NIMS	National Incident Management System
NOAA	National Oceanic and Atmospheric Administration
NRP	National Response Plan
OA	Operational Area
OHS	Office of Homeland Security
PHO	Public Health Officer
PIO	Public Information Officer
RACES	Radio Amateur Civil Emergency Services
REOC	Regional Emergency Operations Center
RIMS	Response Information Management System
SEMS	Standardized Emergency Management System
SOC	State Operations Center
SOP	Standard Operating Procedures
TSA	The Salvation Army
TENS	Telephone Emergency Notification System
WMD	Weapons of Mass Destruction

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING FINAL ACCEPTANCE OF ESCUELA PARKWAY PEDESTRIAN AND BICYCLE ENHANCEMENT PROJECT, PROJECT NO. 4259, FEDERAL AID PROJECT NO. RPSTPLE (009), AND RELEASE OF THE CONTRACTOR’S BOND

WHEREAS, certain improvements were installed by the Escuela Parkway Pedestrian and Bicycle Enhancement Project, Project No. 4259, Federal Aid Project No. RPSTPLE (009), under and pursuant to the provisions of an improvement contract between the City of Milpitas, a municipal corporation of the State of California, and JJR Construction, Inc.; and

WHEREAS, said contractor, as principal, and the Contractors Bonding and Insurance Company, as surety, executed a certain faithful performance bond conditioned upon the faithful performance of the provisions of said improvement contract and upon the faithful performance of all improvement work required thereunder; and

WHEREAS, said improvements were completed, finally inspected by the City Engineer of the City of Milpitas, and accepted; and

WHEREAS, a period of one year or more has expired after the date of said acceptance of said improvements; and

WHEREAS, the City Engineer has advised said City Council that said contractor has remedied, restored, repaired, or replaced at its sole expense and to the satisfaction of said City Engineer all defects, damages, or imperfections, if any there were, due to or arising from faulty materials or workmanship and appearing within said period of one year from the date of acceptance; and

WHEREAS, said City Engineer recommends to the City Council that said faithful performance bond be released.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The City of Milpitas does finally accept said improvements. That certain performance bond furnished by the above-named contractor, as principal, and the above-named surety in connection with those certain improvements for the above-designated project, is hereby released and discharged; provided, however, that nothing herein contained shall in any way be deemed to be a waiver, release or relinquishment by City of any obligations imposed upon the contractor or its surety, or sureties, by law or by the above-referenced improvement contract, save and except those obligations specifically mentioned herein.

PASSED AND ADOPTED this ___ day of _____, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM

Michael J. Ogaz, City Attorney

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS REJECTING ALL BIDS FOR REQUEST FOR PROPOSAL NO. 2048 FOR CITYWIDE JANITORIAL SERVICE, AND APPROVE AMENDMENT NO. 7 TO THE CONTRACT WITH UNIVERSAL BUILDING SERVICE TO EXTEND THE CONTRACT FROM OCTOBER 1, 2013 TO DECEMBER 31, 2013 IN THE NOT-TO-EXCEED AMOUNT OF \$121,848.36 FOR JANITORIAL AND CUSTODIAL SERVICES

WHEREAS, on August 27, 2013, the City of Milpitas issued Request for Proposal (“RFP”) No. 2048 for Citywide janitorial services and received only one proposal from Universal Building Services, the current service provider; and

WHEREAS, the proposed one year contract from Universal Building Services is for \$683,412 per year, which is 42% more than the current annualized contract price of \$480,035.04 and is much more than the amount budgeted in the Public Works Department for this service; and

WHEREAS, staff needs additional time to consider methods by which lower bids can be obtained for janitorial services and in order to accomplish this and report back to Council will need a contract extension with the current provider to allow re-bidding of the janitorial contract.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. Staff is authorized to reject all bids for Request For Proposal No. 2048 for Citywide Janitorial Service and to re-bid at some future date.
3. Amendment No. 7 to the contract with Universal Building Service to extend the contract from October 1, 2013 to December 31, 2013 in the not-to-exceed amount of \$121,848.36 for janitorial and custodial services is hereby approved, a copy of which is attached hereto as Exhibit A.

PASSED AND ADOPTED this _____ day of _____ 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

Exhibit A



Universal Building Services, Inc.
Amendment #7

AMENDMENT NO. 7 TO THE AGREEMENT
WITH
UNIVERSAL BUILDING SERVICES AND SUPPLY COMPANY
FOR
CITY BUILDING JANITORIAL SERVICES

This Amendment is entered into this 4th day of October, 2013, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "CITY") and **Universal Building Services and Supply Company**, a California corporation (hereafter referred to as "CONTRACTOR").

RECITALS

- A. WHEREAS, the parties entered into an agreement entitled "Janitorial Service on September 22, 2010" ("Agreement"). This is a three (3) year agreement with two (2) one (1) year options. The total first year contract amount was One Hundred Seventy-Three Thousand Eight Hundred and Eight dollars (\$173,808.00); and
- B. WHEREAS, the parties entered into Amendment No. 1 to the Agreement on October 11, 2010 to provide a one time increase of Ten Thousand (\$10,000.00) as a contingency for unscheduled janitorial services for a total year one contract amount of One Hundred Eighty-Three Thousand Eight Hundred and Eight dollars (\$183,808.00); and
- C. WHEREAS, the parties entered into Amendment No. 2 to the Agreement on June 22, 2011 to align the contract dates with the City's fiscal year, change the contract to an annual contract with City's option for renewal, and prorate the first year to nine months for a reduced total of One Hundred Thirty-Seven Thousand Eight Hundred Fifty-Five dollars and Ninety-Nine cents (\$137,855.99); and
- D. WHEREAS, Amendment No. 2 also added Five Thousand dollars (\$5,000.00) per year for each of the remaining four years to cover incidental services and unscheduled events, and added Five Thousand Five Hundred Thirty-Two dollars (\$5,532.00) for each of the remaining four years to cover additional cleaning services at the Great Mall Police Substation II, and allowed a rate increase of Six Thousand Nine Hundred Sixty dollars (\$6,960.00) for each of the remaining four years for a new year two total of One Hundred Ninety-One Thousand Three Hundred dollars (\$191,300.00); and
- E. WHEREAS, the parties entered into Amendment No. 3 to the Agreement on July 1, 2012 for a second rate increase of Five Thousand Five Hundred Eighty-Nine dollars (\$5,589.00) for a new year three total of One Hundred Ninety-Six Thousand Eight Hundred Eighty-Nine dollars (\$196,889.00); and
- F. WHEREAS, the parties entered into Amendment No. 4 to the Agreement on February 5, 2013 to add six more City buildings in the amount of Ninety-

Seven Thousand Nine Hundred Forty-Eight dollars (\$97,948.00) for the period March 1, 2013 to June 30, 2013 for a new year three total contract amount of Two Hundred Ninety-Four Thousand Eight Hundred Thirty-Seven dollars (\$294,837.00); and

- G. WHEREAS, the parties entered into Amendment No. 5 to the Agreement on April 16, 2013 to extend the janitorial services for the same six buildings in the amount of Seventy-Three Thousand Four Hundred Sixty-One dollars (\$73,461.00) for the period July 1, 2013 to September 21, 2013; and
- H. WHEREAS, the parties entered into Amendment No. 6 to the Agreement on September 22, 2013 to extend the Agreement for twelve (12) days from September 22, 2013 to October 3, 2013 in the amount of Nine Thousand Eight Hundred Seventy-Five Dollars and Eighty-Six cents (\$9,875.86), which provided additional time for the next City Council meeting on October 1, 2013 to consider a longer term extension; and
- I. WHEREAS, the parties now desire to further amend the Agreement to extend the Agreement for an additional ninety (90) days from October 4, 2013 to January 3, 2014 in the amount of One Hundred and Twenty-One Thousand Eight Hundred Forty-Eight dollars and Thirty-Six cents (\$121,848.36) based on the daily rates listed below, which includes a contingency for unanticipated janitorial services in the amount of Two Thousand Five Hundred dollars (\$2,500.00).

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to further amend the Agreement as follows:

- 1. Notwithstanding any other provision of the amended Agreement, City agrees to pay Contractor for all services performed in accordance with the rates listed below and the amended Agreement for the period of October 4, 2013 to January 3, 2014 in the amount not-to-exceed One Hundred Twenty-One Thousand Eight Hundred Forty-Eight dollars and Thirty-Six cents (\$121,848.36).

Location	Frequency	Daily Cost	90 Day Cost
Original 6 Buildings			
City Hall Complex	5XWk	\$325.40	\$20,500.20
Sports & Teen Center	7XWk	\$210.60	\$18,743.40
Fire Administration	5XWk	\$23.53	\$1,482.39
Police Substation	5XWk	\$22.01	\$1,386.63
Police Raceway	5XWk	\$21.91	\$1,380.33
Library Garage	7XWk	\$38.66	\$3,440.74
Additional 6 Buildings			
Community Center	7XWk	\$194.10	\$17,274.90
Police Department	7XWk	\$227.60	\$20,256.40
Public Works Department	5XWk	\$168.20	\$10,596.60
Fire Department Trailer	2XWk	\$36.10	\$938.60
Jose Higuera Adobe	5XWk	\$18.18	\$1,145.34
Senior Center	7XWk	\$249.47	\$22,202.83
Contingency			\$2,500.00
Total			<u>\$121,848.36</u>

2. CONTRACTOR agrees to continue to maintain and pay for all insurance policies as stated in "Exhibit C – Insurance Requirements General" throughout the term of the Agreement and shall provide the City with renewal certificate and endorsements of the insurance policy.
3. All other provisions of the amended Agreement not amended by this Amendment No. 7 shall remain in full force and effect.

This Amendment is executed as of the date written on Page 1.

APPROVED BY:

CITY OF MILPITAS

UNIVERSAL BUILDING SERVICES AND
SUPPLY, COMPANY

Thomas C. Williams, City Manager

Name of Authorized Representative

Title of Authorized Representative

Approved As To Content:

Approved As To Form:

Steve Erickson, Project Manager

Michael J. Ogaz, City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS ANNEXING CERTAIN REAL PROPERTY COMMONLY KNOWN AS TRACT 10192 – SHEA SOUTH MAIN (PROJECT NO. 2718) INTO CITY OF MILPITAS COMMUNITY FACILITIES DISTRICT NO. 2005-1, ANNEXATION NO. 13

WHEREAS, D.R. Horton Bay, Inc., a Delaware Corporation, is the owner of certain real property commonly known as Tract 10192 – Orchid (APN Nos. 086-39-003 and 086-28-041), more specifically described in the annexation map attached as Exhibit 1.A. to this Resolution; and

WHEREAS, on January 15, 2013, the City Council approved the Tentative Map, Environmental Impact Assessment, Site Development Permit, and Conditional Use Permit for Tract 10192 – the Orchid Project, a residential subdivision with 80 single family homes, and associated off-site improvements on 11.3 acres located at 31 S. Milpitas Blvd.; and

WHEREAS, on May 17, 2005 the City Council created by resolution the City of Milpitas Community Facilities District No. 2005-1 (“CFD 2005-1”) pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 *et seq.* Each fiscal year, a special tax is levied on all assessor’s parcels of residential property in CFD 2005-1 in an amount determined by the Council, as described in the attached Exhibit 1.B. to this Resolution; and

WHEREAS, pursuant to the Mello-Roos Community Facilities Act, the City Council also established a procedure to allow and provide for the annexation of parcels within the boundaries of CFD 2005-1 in the future without additional hearings, upon the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, pursuant to Government Code Section 53339.7; and

WHEREAS, D.R. Horton Bay, Inc., a Delaware Corporation, now voluntarily seeks to annex its property to CFD 2005-1 and to be subject to the levy of a special tax thereunder.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. Legally valid and unanimous consent to the annexation of real property identified as Assessor’s Parcel Nos. 086-39-003 and 086-28-041 into CFD 2005-1 has been given, as set forth in the Consent and Election to Annex Real Property To An Existing Community Facilities District, attached hereto as Exhibit 1. All prior proceedings and actions taken by the City Council pursuant to the Mello-Roos Community Facilities Act and this Resolution were and are valid and in conformity with state and local law.
3. The City Council hereby declares and determines that the territory comprising Annexation No. 13, as described in Exhibit 1.A., is now added to and becomes a part of CFD 2005-1. City staff is hereby directed to include the property in the annual assessment. In no event shall the annual per-lot assessment exceed the maximum amount authorized by the engineer’s report for the CFD 2005-1 in any given fiscal year. Exhibit 2 attached hereto is provided to show all parcels that have been annexed to the CFD 2005-1.

4. The City Clerk is hereby directed to record an amendment to the Notice of Special Tax Lien within fifteen (15) days of the adoption of this Resolution in the Office of the County Recorder. The City Clerk is further directed to file a certified copy of the map, attached as Exhibit 1.A., and Exhibit 2, within fifteen (15) days of the adoption of this Resolution in the Office of the County Recorder.
5. The City Clerk shall certify the adoption of this Resolution.
6. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this _____ day of _____, 2013 by the City Council by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

EXHIBIT 1

CONSENT AND ELECTION TO ANNEX REAL PROPERTY TO AN EXISTING COMMUNITY FACILITIES DISTRICT CITY OF MILPITAS COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES)

TO: CITY COUNCIL OF THE CITY OF MILPITAS IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE ABOVE ENTITLED COMMUNITY FACILITIES DISTRICT:

1. The undersigned is the owner (the "Owner"), or the duly authorized representative of the Owner, of the real property as described in Exhibit 1.A. attached hereto and incorporated herein by reference (the "Property"), and in such capacity, possesses all legal authority necessary to execute this Consent and Election as and on behalf of the Owner in connection with the annexation of the Property to the District (as defined below).

The Owner is: **DR HORTON BAY, INC, a Delaware Corporation**

2. The Owner is aware of and understands the following:
 - A. The City of Milpitas has conducted proceedings pursuant to the "Mello-Roos Community Facilities Act of 1982", (Government Code Section 53311 and following) (the "Act") to form a community facilities district known and designated as COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) (the "District") to finance the increased demand for public services (the "Services") resulting from new development within the District. The services to be financed by the CFD comprise services ("Services") authorized to be financed pursuant to Section 53313 and 53313.5 of the Government Code. CFD 2005-01 shall finance Services only to the extent they are in addition to those provided in the territory of CFD 2005-1 before the CFD was created and such Services may not supplant services already available within CFD 2005-1 when the CFD was created. For a full and complete description of the public services, reference is made to the final CFD Report, a copy of which is on file in the Office of the City Clerk. For all particulars, reference is made to said CFD Report.
 - B. The City has also undertaken proceedings pursuant to Article 3.5 of the Act to provide for the future annexation of certain territory, including the Property, to the District. On May 17, 2005, the City held a public hearing as required by the Act, to consider the future annexation of such territory, including the Property, to the District. Notice of such hearing was given in the form and manner as required by law. A protest to such future annexation was not received from 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed in the future or the owners of one-half or more of the area of land in the territory proposed to be annexed in the future. At the conclusion of such public hearing, the legislative body of the City did approve and provide for the annexation in the future upon the unanimous approval of the owner or owners of each parcel or parcels at the time that such parcel or parcels are annexed, without additional hearings.

THE UNDERSIGNED DOES HEREBY CERTIFY UNDER PENALTY OF PERJURY AS FOLLOWS:

3. The Owner consents and elects to and expressly approves annexation of the Property to the District and the authorization for the levy of the Special Tax within the Property without further public hearing and without an election conducted pursuant to the provisions of Government Code Section 53339.7 and Article 2 of the Act and the Elections Code of the State of California. Owner agrees and intends that such consent and approval constitutes Owner's election to annex the Property to the District and to approve the authorization for the levy of the Special Tax within the Property.
4. The Owner waives any right, which the Owner may have to make any protest or complaint or undertake any legal action challenging the validity of the proceedings of the City or the District to authorize the future annexation of the Property to the District or the authorization for the levy of the Special Tax within the Property, any necessity, requirement, right or entitlement for further public hearing or election pertaining to the annexation of the Property to the District and the levy of the Special Tax within the Property.
5. The Owner specifically authorizes the levy of the Special Tax on the Property pursuant to the rate and method of apportionment set forth in **Exhibit 1.B.** to pay for the authorized Public Services.

EXECUTED this ____ day of _____, 2013, in _____, California.

DR HORTON BAY, INC,
a Delaware limited liability company

By:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Note:

1. Signatures of property owner(s) or representatives must be notarized.
2. Proof of Authorization to sign is required for Corporations, Partnerships, Limited Liability Companies, Trusts, etc.

ACKNOWLEDGMENT

State of California
County of Santa Clara

On _____ before me, _____, Notary Public,
personally appeared _____ who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

Witness my hand and official seal.

Signature _____

EXHIBIT 1.A.

**CONSENT AND ELECTION TO ANNEX REAL PROPERTY TO AN EXISTING
COMMUNITY FACILITIES DISTRICT**

CITY OF MILPITAS

**COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)**

ANNEXATION NO. 13

Assessor's Parcel No.

Name of the Owner

086-39-003

HORTON BAY, INC,

086-28-041

A Delaware Corporation

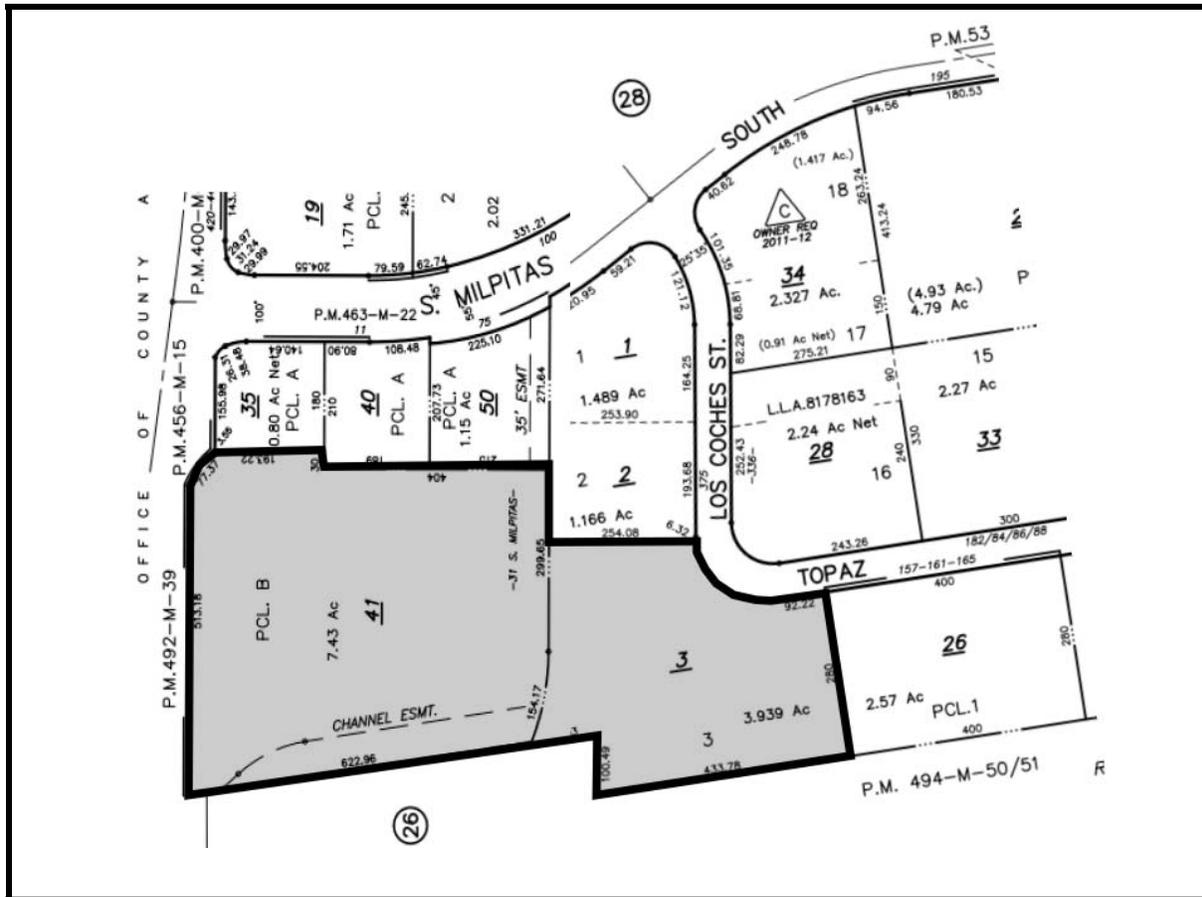


EXHIBIT 1.B.

**CONSENT AND ELECTION TO ANNEX REAL PROPERTY TO AN EXISTING
COMMUNITY FACILITIES DISTRICT**

CITY OF MILPITAS

**COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Residential Property in City of Milpitas Community Facilities District No. 2005-1 (Public Services) ("CFD No. 2005-1"), and collected each Fiscal Year commencing in Fiscal Year 2005-06 an amount determined by the Council through the application of the appropriate Special Tax, as described below. All of the real property in CFD No. 2005-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2005-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs to the City, CFD No. 2005-1 or any designee thereof of complying with City, CFD No. 2005-1 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2005-1 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2005-1 for any other administrative purposes of CFD No. 2005-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Affordable Housing" means any Dwelling Units located on Residential Property that are subject to deed restrictions, resale restrictions and/or regulatory agreements recorded on the property that provide housing for persons that meet the Low, Very Low, and/or Extremely

Very Low income levels pursuant to, as applicable, California Health & Safety Code Sections 50093, 50079.5, 50105, or 50106. The Fiscal Year after the January 1 following the termination of the agreement containing covenants or similar instrument, a Dwelling Unit shall no longer be considered Affordable Housing.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

"Certificate of Occupancy" means a certificate issued by the City that authorizes the actual occupancy of a Dwelling Unit for habitation by one or more residents.

"CFD Administrator" means an official of the City, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD No. 2005-1" means City of Milpitas Community Facilities District No. 2005-1 (Public Services).

"City" means the City of Milpitas.

"Consumer Price Index" means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the San Francisco-Oakland-San Jose Area, measured as of the month of February in the calendar year that ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco-Oakland-San Jose Area.

"Council" means the City Council of the City, acting as the legislative body of CFD No. 2005-1.

"County" means the County of Santa Clara.

"County Median Income" means the current median income for the County of Santa Clara as determined by the U.S. Department of Housing and Urban Development.

"Developed Property" means, for each Fiscal Year, all Assessor's Parcels of Residential and Non-Residential Property for which a Certificate of Occupancy, or equivalent certificate, was issued before February 1 of the prior Fiscal Year, but not earlier than February 1, 2005.

"Dwelling Unit" means a building or portion thereof designed for and occupied in whole or part as a residence or sleeping place, either permanently or temporarily, by one family and its guests, with sanitary facilities and one kitchen provided within the unit. Boarding or lodging houses, dormitories, and hotels shall not be defined as Dwelling Units unless the land use permit specifies a residential use.

“Extremely Low-Income Affordable Housing” means Affordable Housing suitable for households with incomes at or below 30% of the County Median Income.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

“Land Use Class” means the land use class into which an Assessor’s Parcel of Residential Property has been assigned.

“Low-Income Affordable Housing” means Affordable Housing suitable for households with incomes at or below 80% of the County Median Income.

"Maximum Special Tax" means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C, below, that can be levied on any Assessor’s Parcel of Residential Property.

“Market-Priced Residential Property” means Residential Property not classified as Affordable Housing.

"Non-Residential Property" means, for each Fiscal Year, any Assessor’s Parcel of Developed Property which is not a Residential Property.

"Property Owner Association Property" means, for each Fiscal Year, any Assessor’s Parcel within the boundaries of CFD No. 2005-1 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association.

"Proportionately" means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Residential Property.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2005-1 that is owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2005-1 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Residential Property" means, for each Fiscal Year, any Assessor’s Parcel of Developed Property for which a Certificate of Occupancy has been issued for purposes of allowing residents to inhabit one or more residential Dwelling Units.

“Services” means services that CFD No. 2005-1 is authorized to fund. CFD No. 2005-1 shall finance Services only to the extent that they are in addition to those provided in the territory of CFD No. 2005-1 before CFD No. 2005-1 was created and such Services may not supplant services already available within CFD No. 2005-1 when CFD No. 2005-1 was created.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Residential Property to fund the Special Tax Requirement.

"Special Tax Requirement" means that amount to be collected in any Fiscal Year for CFD No. 2005-1 to pay for certain costs as required to meet the needs of CFD No. 2005-1 in that Fiscal Year. The costs to be covered shall be the costs of (i) Services, and (ii) Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator.

"State" means the State of California.

"Undeveloped Property" means, for each Fiscal Year, all property not classified as Residential Property, Non-Residential Property, Public Property, or Property Owner Association Property.

"Very Low-Income Affordable Housing" means Affordable Housing suitable for households with incomes at or below 50% of the County Median Income.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Assessor's Parcels, as applicable within CFD No. 2005-1, shall be classified as Residential Property, Non-Residential Property, Undeveloped Property, Public Property, or Property Owner Association Property. However, only Residential Property shall be subject to annual Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1-4, as listed in Table 1, below.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

The Maximum Special Taxes for Fiscal Year 2012-13 for Residential Property are shown below in Table 1, based on the Land Use Class in which such Residential Property has been assigned. Under no circumstances shall a Special Tax be levied on Non-Residential Property, or for renovations to an existing Dwelling Unit located on Residential Property.

TABLE 1

**Maximum Special Taxes for Developed Property
For Fiscal Year 2012-13
Community Facilities District No. 2005-1**

Land Use Class	Land Use Type	Maximum Special Tax Per Dwelling Unit
1	Market-Priced Residential Property	\$359.82 per Dwelling Unit
2	Low- Income Affordable Housing	\$287.84 per Dwelling Unit
3	Very Low-Income Affordable Housing	\$179.90 per Dwelling Unit
4	Extremely Low-Income Affordable Housing	\$0.00 per Dwelling Unit

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2013, the Maximum Special Taxes set forth above shall be increased annually by the greater of the change in the San Francisco-Oakland-San Jose Area Urban Consumer Price Index during the twelve months prior to February of the previous Fiscal Year, or two percent (2%).

2. Undeveloped Property, Non-Residential Property, Public Property or Property Owner Association Property

No Special Taxes shall be levied on Undeveloped Property, Non-Residential Property, Property Owner Association Property, Public Property or Residential Property assigned to Land Use Class 4.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2012-13 and for each following Fiscal Year, the Council or its designee shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Residential Property at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

E. EXEMPTIONS

No Special Tax shall be levied on Undeveloped Property, Non-Residential Property, Public Property, Property Owner Association Property or Residential Property assigned to Land Use Class 4. However, should an Assessor's Parcel no longer be classified as Non-Residential Property, Public Property, Property Owner Association Property, or Residential Property assigned to Land Use Class 4, such Assessor's Parcel, if reclassified as Residential Property assigned to Land Use Classes 1, 2 or 3, shall be subject to the Special Tax. Furthermore, an Assessor's Parcel of Residential Property assigned to Land Use

Classes 1, 2 or 3, if reclassified as belonging to a different Land Use Class, shall be subject to the Special Tax associated with its new Land Use Class.

Furthermore, no Special Tax shall be levied on the portion of Santa Clara County Assessor's Parcel Number 086-050-09 encompassed by the metes and bounds listed on Attachment 1.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The decision by the Council shall be final. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2005-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations. In particular, the Special Tax for Affordable Housing may be collected off of the tax roll, to facilitate payment of the Special Tax by a party other than the property owner.

H. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement.

ATTACHMENT 1

All that real property situated in the City of Milpitas, County of Santa Clara, State of California, described as follows:

A portion of "Parcel B", as said Parcel is shown on that certain Record of Survey Map filed March 7, 1963, for record in Book 157 of Maps, at Page 56, Santa Clara County Records, being more particularly described as follows:

Commencing at the point of intersection of the centerline of Abel Street, 90.00 feet wide, as shown on said Map, with the prolongation of the northerly line of "Parcel B", as shown on said Map; thence running along said northerly line and the prolongation thereof

- a.) S64°01'00"W, a distance of 1,825.87 feet to the TRUE POINT OF BEGINNING; said point also being the beginning of a curve to the right, from which the radius point bears S25°59'00"E, a radial distance of 45.50 feet; thence leaving said northerly line
- 1.) Easterly and Southerly along said curve to the right, through a central angle of 142°55'16", a distance of 113.50 feet; to the beginning of a reverse curve to the left having a radius of 25.00 feet; thence
- 2.) Southerly along said curve, through a central angle of 39°49'17", a distance of 17.38 feet; thence
- 3.) S12°53'01"E, a distance of 413.45 feet to the beginning of a curve to the left having a radius of 370.00 feet; thence
- 4.) Southeasterly along said curve, through a central angle of 2°39'10", a distance of 17.13 feet to the southerly line of said "Parcel B", thence along said southerly line
- 5.) S66°02'30"W, a distance of 622.12 feet to the westerly line of said "Parcel B", said line also being the easterly line of State Highway "Interstate 880"; thence leaving said southerly line and running along said westerly and easterly line
- 6.) N14°19'57"W, a distance of 229.41 feet to the southerly line of the Lands of State of California as described in the deed recorded July 3, 1970 in Book 8975, Page 149, Official Records of Santa Clara County, California; thence running along said southerly line
- 7.) N75°40'03"E, a distance of 14.00 feet to the easterly line of said Lands of the State of California; thence leaving said southerly line and running along said easterly line
- 8.) N14°19'57"W, a distance of 140.47 feet; thence continuing along said easterly line

9.) N09°27'34"W, a distance of 139.91 feet to the northerly line of said "Parcel B"; thence leaving said easterly line and running along said northerly line

10.) N64°01'00"E, a distance of 572.58 feet to the TRUE POINT OF BEGINNING.

Containing 315,187.25 square feet or 7.2357 acres, more or less.

**CERTIFICATION OF ADEQUACY OF CONSENT AND ELECTION TO ANNEX REAL
PROPERTY TO AN EXISTING COMMUNITY FACILITIES DISTRICT
CITY OF MILPITAS**

**COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)**

ANNEXATION NO. 13

The undersigned is the duly appointed CITY CLERK for the proceedings relating to the annexation of property to the District.

On the _____ day of _____, 20____, at MILPITAS, California.

CITY CLERK
CITY OF MILPITAS
STATE OF CALIFORNIA

SHEET 1 OF 1

Filed in the office of the City Clerk of the City of Milpitas this ____ day of _____, 2013.

City Clerk, City of Milpitas

I hereby certify Annexation Map No.13 as shown within the boundaries of City of Milpitas Community Facilities District No. 2005-1 (Public Services), County of Santa Clara, State of California, was approved by the City Council of the City of Milpitas at a regular meeting thereof, held on the ____ day of _____, 2013, by its Resolution No. _____.

City Clerk, City of Milpitas

Filed this ____ day of _____, 2013, at the hour of ____ o'clock ____ m., in Book ____ of Maps of Assessment and Community Facilities Districts at Page ____ in the office of the County Recorder in the County of Santa Clara, State of California.

County Recorder,
County of Santa Clara

The boundary of Community Facilities District No. 2005-1 is co-terminous with the boundary of the City of Milpitas in _____, 2013.

Reference is hereby made to the Assessor maps of the County of Santa Clara for an exact description of the lines and dimensions of each lot and parcel.

The territory included in the Community Facilities District shall include only Santa Clara County Assessor's for the following Annexation Maps :

- Initial formation CFD 2005-1 : 08657001~08657104, 08659012~08659072, 08660001~08660058, 08662001~08662050, 08665001~08665095
- Map No.1 : 08661001~08661105, 08664001~08664105
- Map No.2 : 08667001~08667137
- Map No.3 : 02834001~02834029
- Map No.4 : 02208045
- Map No.5 : 08634028~08634034, 08666001~08666024
- Map No.6 : 02835001~02835065
- Map No.7 : 08816081~08816085
- Map No.8 : 08622043~08622045
- Map No.9 : 08601041, 08601042
- Map No.10 : 08629049, 08629050
- Map No. 11: 08629042, 08629061, 08629062, 08629075, 08629076
- Map No. 12: 08616100
- Map No. 13: 08628041, 08639003

and all publicly owned areas in the City of Milpitas landscaped or capable of being landscaped, such as parks, parkways, street medians, interchange areas, light rail areas, open space and all similar areas. All other areas depicted on this map indicate territory that may be annexed to the Community Facilities District in the future.

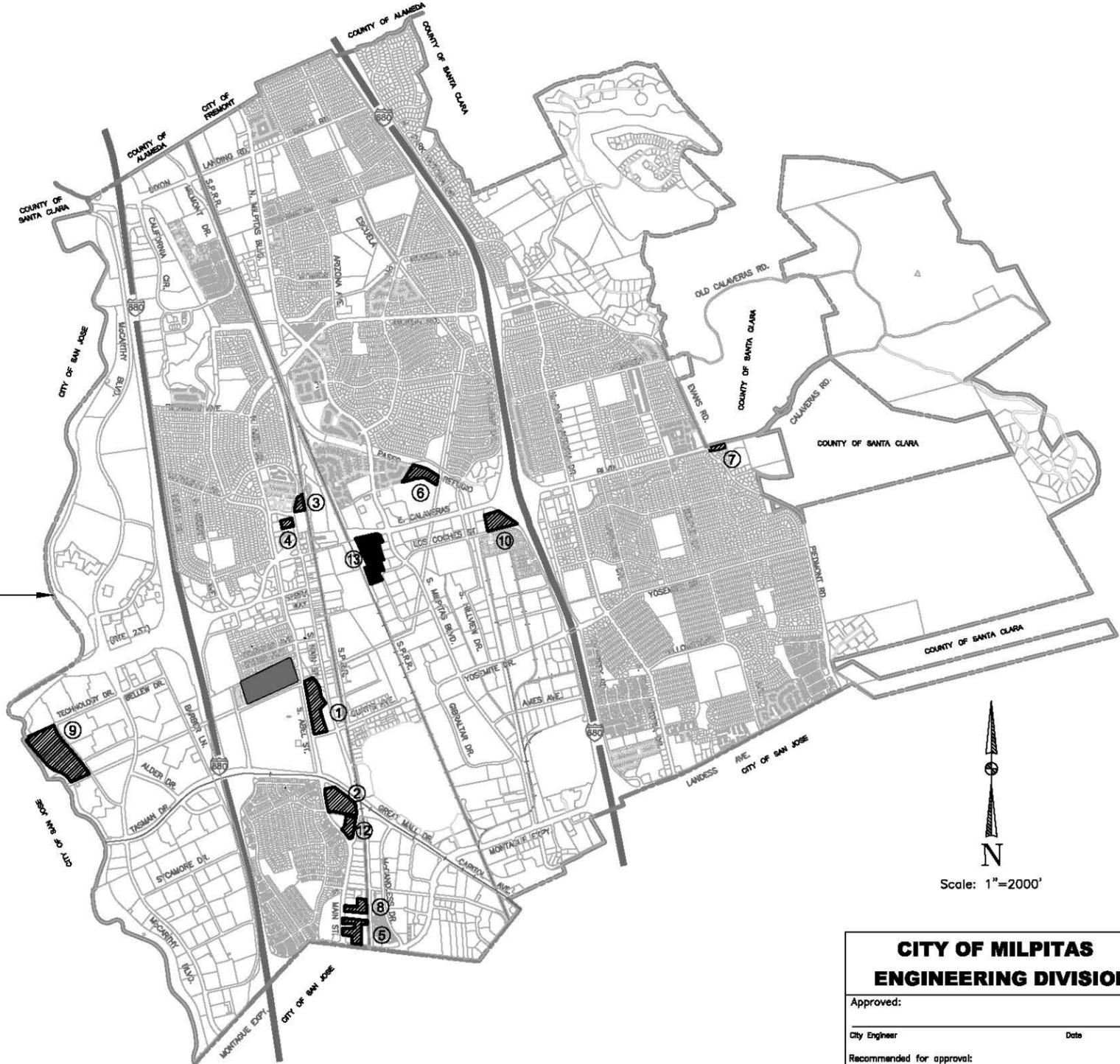
EXHIBIT 2

ANNEXATION MAP NO. 13 AND UPDATE OF ANNEXATION MAP NO. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, AND 12 OF CITY OF MILPITAS COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES), COUNTY OF SANTA CLARA STATE OF CALIFORNIA AS RECORDED IN BOOK 41 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 3 O.R. SANTA CLARA COUNTY

Legend

- City Boundary
- █ Location of Initial Formation (Assessor Parcel No. 08605009)
- ▨ Annexation Area
- ① Annexation Map No.

Boundaries of the City of Milpitas Community Facilities District No. 2005-1



**CITY OF MILPITAS
ENGINEERING DIVISION**

Approved: _____
City Engineer Date

Recommended for approval: _____
Chief Building Official Date
Kayan Iramogad, P.E.

Drawn By: F.H. File No. CFD 2005-1 Sheet 1 of 1

PROJECT NAME: _____

CITY COUNCIL APPROVAL

***10**

PROJECT NO.: _____

DATE: _____

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF MILPITAS AND CSG CONSULTANTS, INC.**

THIS AGREEMENT for consulting services is made by and between the City of Milpitas ("City") and CSG Consultants, Inc. ("Consultant") as of July 1, 2013.

AGREEMENT

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on JUNE 30, 2013, or the date of completion specified in Exhibit A, and Consultant shall complete all the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. Consultant shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to complete Consultant's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a guaranteed maximum price not to exceed \$ 91.00 per hour or as indicated in Exhibit B for all services to be performed and reimbursable costs incurred under this Agreement. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement.

Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Hourly rates for personnel performing services shall be as shown in Exhibit B. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred during the billing period. Invoices shall contain the following information:

- Serial identification of bills;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion, if applicable;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Consultant's signature.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above and is otherwise acceptable to the City to pay Consultant. In the event that an invoice is not acceptable to the City, said invoice shall be returned to Consultant within thirty (30) days of the City's receipt of the invoice with a detailed explanation of the deficiency. City's obligation to pay a returned invoice shall not arise earlier than thirty (30) days after resubmission of the corrected invoice.

2.3 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever

incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment. In the event that Consultant identifies additional work outside the scope of services specified in Exhibit A that may be required to complete the work required under this Agreement, Consultant shall immediately notify the City and shall provide a written not-to-exceed price for performing this additional work.

- 2.4 **Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on Exhibit B.
- 2.5 **Reimbursable Expenses.** Consultant shall not charge City for any expenses. All expenses shall be included in Consultant's hourly rate.
- 2.6 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any other applicable federal or state taxes.
- 2.7 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date. The City shall have no obligation to compensate Consultant for work not verified by logs or timesheets.
- 2.8 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written Notice to Proceed from the City.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, cellular telephone, long-distance telephone, or other communication charges, vehicles, and reproduction facilities.

If the performance of the work specified in Exhibit A requires destructive testing or other work within the City's public right-of-way, Consultant, or Consultant's subconsultant, shall obtain an encroachment permit from the City.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement and shall produce said policies to the City upon demand. The cost of such insurance shall be included in the Consultant's price. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the City Attorney. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be

limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) or Insurance Services Office form number GL 0002 (ed. 1/73) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1 ("any auto"). No endorsement shall be attached limiting the coverage.

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, contractors, consultants, and volunteers shall be covered as insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, contractors, consultants, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees, contractors, consultants, and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.
- d. Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be suspended, voided, or canceled by either party, reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3 **Professional Liability Insurance.** If Consultant shall be performing licensed professional services, Consultant shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The policy must contain a cross liability clause.

4.3.4 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least three years after completion of the Agreement or the work, unless waived in writing by the City.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.

d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 **Requirements for All Policies.**

4.4.1 **Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A.

4.4.2 **Verification of coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish City with certificates of insurance and with original

endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

4.4.3 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.4.4 **Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of the City, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, contractors, consultants, and volunteers. The City may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to the City.

4.4.5 **Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than five days after Consultant is notified of the change in coverage.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Declare Consultant in material breach of the Agreement and terminate the Agreement.

- 4.6 **Waiver.** The Risk Manager of the City has the authority to waive or vary any provision of Sections 4.2 through 4.5. Any such waiver or variation shall not be effective unless made in writing.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES. Consultant shall indemnify, defend with counsel reasonably acceptable to the City, and hold harmless the City and its officials, officers, employees, agents, contractors, consultants, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, contractors, consultants, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

- 6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3. Otherwise, City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System

(PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

- 6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions and to perform this Agreement. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business license from City.
- 7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the City or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 **Termination.** City may terminate this Agreement at any time and without cause upon written notification to Consultant.

In the event of termination, Consultant shall be entitled to compensation for services performed prior to the effective date of termination as provided in Section 2. City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

- 8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1 for 2 one-year periods. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the City, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 **Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.

- 8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors listed in the Consultant's proposal, without prior written approval of the City.

- 8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

- 8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, any or all of the following:

8.6.1 Immediate cancellation of the Agreement;

- 8.6.2 Retention of the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement prior to cancellation; and
- 8.6.3 Retention of a different consultant at Consultant's cost to complete the work described in Exhibit A not finished by Consultant.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City at any time upon demand of the City. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. Failure by Consultant to deliver these documents to the City within the time period specified by the City shall be a material breach of this Agreement. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are preliminary drafts not kept by the City in the ordinary course of business and will not be disclosed to third parties without prior written consent of both parties.
- 9.2 **Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which

that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

- 10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Santa Clara or in the United States District Court for the Northern District of California.
- 10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 **No Implied Waiver of Breach.** The waiver of performance or any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant were an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it

may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, may be disqualified from holding public office in the State of California.

Consultant certifies that it has not paid any direct or contingent fee, contribution, donation or consideration of any kind to any firm, organization, or person (other than a bona fide employee of Consultant) in connection with procuring this Agreement, nor has Consultant agreed to employ or retain any firm, organization, or person in connection with the performance of this Agreement as a condition for obtaining this Agreement.

- 10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 **Contract Administration.** This Agreement shall be administered by Albert Zamora, Fire Marshal, who is authorized to act for, and on behalf of, City. All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 **Notices.** Any written notice to Consultant shall be sent to:
- Cyrus Klanpour, P.E.
CSG Consultants, Inc.
San Mateo, CA 94402
- Any written notice to City shall be sent to:
- Albert Zamora, P.E., Fire Marshal
City of Milpitas
455 East Calaveras Boulevard
Milpitas, California 95035
- 10.11 **Professional Seal.** Where applicable in the determination of the City, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.12 **Integration.** This Agreement, including the exhibits, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 **Exhibits.** All exhibits referenced in this Agreement are incorporated by reference herein.

CITY OF MILPITAS

CONSULTANT

Thomas C. Williams, City Manager

Cyrus Kianpour, President

APPROVED AS TO CONTENT:

Taxpayer Identification Number

Albert C. Zamora, Fire Marshal

City of Milpitas Business License Number

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

EXHIBIT A

SCOPE OF SERVICES

CSG Consultants Inc. shall conduct various types of fire and life safety plan review to ensure that applicable codes and standards for the protection of life and property from fire are enforced. The following codes and standards shall be enforced:

California Administrative Code Title 19

California Health and Safety Code

Currently adopted edition of the California Fire Code as amended by City of Milpitas

Applicable sections of the National Fire Protection Association standards as adopted by the State of California and the City of Milpitas

Milpitas Municipal Code and Standards

The City shall train CSG Consultants Inc. personnel in the City's plan review procedure to be followed prior to commencing duties. The amount of work is dependent upon the number of plan reviews to be completed, and, may vary from week to week. Nothing in this contract shall be construed to mean a standard or assigned number of hours per week is needed for plan review services.

CSG Consultants, Inc., shall assign a Fire Life-safety inspector and/or Plan Check Specialist to complete this work. Changes to personnel will require prior approval from the City.

The scheduled work shall be between Monday through Friday, or as otherwise agreed to by the City.

CSG Consultants, Inc. shall complete daily activity reports to reflect hours worked and duties completed.

CSG Consultant, Inc. may be assigned a department vehicle for use to conduct city business. The City will pay fuel and maintenance costs as necessary to carry out city business. CSG Consultants, Inc. shall return equipment in its original working condition.

CSG Consultants, Inc. may be assigned a cellular phone, personal data assistant and desktop computer. The City shall pay for the initial purchase of the phone and any maintenance costs as necessary to carry out City business. CSG Consultants, Inc., shall pay all phone charges calculated by the minute incurred by its employees and shall return equipment in its original working condition.

EXHIBIT B

COMPENSATION SCHEDULE

- Compensation shall be at the rate of \$ 85.00 per hour when a city vehicle is provided.
- Compensation shall be at the rate of \$ 91.00 per hour when a city vehicle is not provided.
- Total contract amount shall not exceed \$163,200.00 per Fiscal Year.



*11

**AMENDMENT NO. 2
TO THE AGREEMENT WITH
PROLIFIC HOLDING, INC. FOR
WORK CLOTHING**

This Amendment is entered into this 1st day of October 2013, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "CITY") and **Prolific Holding, Inc**, a California corporation (hereafter referred to as "CONTRACTOR").

RECITALS

WHEREAS, the parties entered into an Agreement entitled "Clothing Requirements" on October 7, 2009 ("Agreement") for annual purchase of Public Works employee uniforms. This is a one year contract with three one year renewal options for a total of four years. The total first year contract amount was Seventeen Thousand Four Hundred and Seventy-Five dollars and Two cents (\$17,475.02); and

WHEREAS, the parties entered into Amendment No.1 to the Agreement on October 3, 2011 to provide a one time increase of Two thousand Eight Hundred and One dollars and Sixty-Six cents (\$2,801.66) for a total four year contract amount of Seventy-Two Thousand Seven Hundred and One dollars and Eighty-Two cents (\$72,701.82); and

WHEREAS the parties desire to amend the Agreement to extend the contract for one additional year from October 8, 2013 to October 7, 2014 and to increase the total contract amount by the Not-To-Exceed amount of \$13,000.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to amend the Agreement as follows:

1. Page 7, TERM OF CONTRACT, is amended to read as follows:

"Shall be for one year with four one year options to renew. The prices quoted for the items listed shall not change during the initial contract term. However, the vendor may request and the City may allow, subject to budgeted appropriations, a price increase on the anniversary of each renewal. Requests for price increase shall not exceed the annual change in the Consumer Price Index (CPI-U) for All Urban Consumers, San Francisco, Oakland, and San Jose Average."

2. City agrees to pay to contractor for the period October 8, 2013 to October 7, 2014 the total contract amount of Eighty-Five Thousand Seven Hundred and One dollars and Eight-Two cents (\$85,701.82 for all uniforms purchased under this agreement.
3. All other provisions of the Agreement not amended by this Amendment No. 2 shall remain in full force and effect.

This Amendment is executed as of the date written above.

APPROVED BY:

CITY OF MILPITAS

PROLIFIC HOLDINGS, INC.

Thomas C. Williams, City Manager

Authorized Representative

Name and Title of Auth. Representative

Approved As To Form:

Michael J. Ogaz, City Attorney

Approved As To Content:

Jeff Moneda, Public Works Director/
City Engineer

**EIGHTH AMENDMENT TO AGREEMENT BETWEEN
THE CITY OF MILPITAS AND HOPKINS & CARLEY**

***12**

THIS AMENDMENT is entered into this ____ day of October, 2013, by and between the City of Milpitas, hereinafter "City," and Hopkins & Carley, A Law Corporation, hereinafter "H&C."

Recitals:

Whereas, the parties entered into a written agreement (the "Agreement") for legal services dated July 5, 2007, by H&C and dated April 16, 2008, by City, with a not-to-exceed amount of \$19,000; and

Whereas, on June 17, 2008, the City Council approved and the parties entered into an amendment to the Agreement (the "First Amendment"), increasing the compensation amount by \$60,000 and extending the term of the Agreement through June 30, 2009; and

Whereas, the Agreement, as amended, expired on June 30, 2009, and on August 4, 2009, the City Council approved and the parties entered into a Reinstatement Agreement dated August 13, 2009 (the "Reinstatement Agreement/Second Amendment"), which reinstated and extended the term of the Agreement through June 30, 2010; and

Whereas, on May 5, 2010, the parties further amended the Agreement (the "Third Amendment"), which extended the term of the Agreement through June 30, 2011; and

Whereas, on May 5, 2011, the parties further amended the Agreement (the "Fourth Amendment"), which extended the term of the Agreement through June 30, 2012; and

Whereas, on June 3, 2012, the parties further amended the Agreement (the "Fifth Amendment"), which extended the term of the Agreement through June 30, 2013; and

Whereas, on January 15, 2013, the City Council approved and the parties entered into a further amendment of the Agreement (the "Sixth Amendment"), which increased the compensation amount by \$45,000 and extended the term of the Agreement through June 30, 2014; and

Whereas, on June 13, 2013, the parties further amended the Agreement (the "Seventh Amendment"), which increased the compensation amount by \$19,500, for a new total not-to-exceed amount of \$143,500.

Whereas, the parties wish to further amend the Agreement by way of this Eighth Amendment, as set out below.

NOW, THEREFORE, **IT IS HEREBY AGREED** as follows:

1. The compensation amount shall be amended by the addition of \$50,000 to the current contract not-to-exceed amount.
2. All other terms and conditions remain unchanged.

APPROVED BY:

CITY OF MILPITAS

HOPKINS & CARLEY, A Law Corporation

Thomas C. Williams, City Manager

By: _____
Ernest M. Malaspina, Its Officer

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	400-2970	\$ 83,106	400-423-4241	\$ 83,106

Explain the reason for the budget change:

Background: Pursuant to Council Resolution No. 7779 and Public Contracts Code Section 22050, the Director of Public Works must report all emergency public works repairs ordered by the Director of Public Works to the City Council.

On August 19, 2013, the Public Works Director directed Preston Pipelines to expedite a repair to a damaged four-inch water main on Daniel Court. In addition, on September 3, 2013, Preston Pipelines expedited a repair of a twelve-inch water main on Hillview Drive. The Director of Public Works authorized Preston Pipelines to conduct the repairs immediately rather than soliciting competitive bids from various contractors to restore water service to its customers. The scope of work included the repair of both water mains and restoration of existing improvements, which included concrete improvements, asphalt concrete pavement, and miscellaneous other repairs.

These projects are categorically exempt under Section 15301 (Existing Facilities) of the CEQA Guidelines for restoration or rehabilitation of deteriorated or damaged structures.

Fiscal Impact: \$83,106. An appropriation from the Water Fund is needed due to insufficient funds in the Public Works operating budget for this emergency work.

Recommendations:

1. Receive this report from the Public Works Director pursuant to Resolution No. 7779 and Public Contracts Code Section 22050 for emergency public works repair to sewer main on Marilyn Drive.
2. Approve a budget appropriation of \$83,106.21 from the Water Fund to Public Works operating budget.
3. Authorize staff to pay emergency repair work invoices to Preston Pipelines in an amount of \$83,106.21.

Check if City Council Approval required.

Meeting Date: October 1, 2013

Requested by:	Department Head: Jeff Moneda, PW Director	Date: September 17, 2013
Reviewed by:	Finance Director: <i>Jane Coyne for Emma Karler</i>	Date: 9/23/13
Approved by:	City Manager:	Date:
Date approved by City Council, if required:		Confirmed by:

HA3

Review of South Main Street Senior Housing Project Milpitas Land Disposition and Development Agreement

The Economics of Land Use



As Required by California Health and Safety Code Section 33433

Prepared for: City of Milpitas

Prepared by:

Economic & Planning Systems, Inc.

*Economic & Planning Systems, Inc.
2501 Ninth Street, Suite 200
Berkeley, CA 94710-2257
510 841 9190 tel
510 841 9208 fax*

*Berkeley
Denver
Los Angeles
Sacramento*

www.epsys.com

August 2013

EPS #131060

Table of Contents

EXECUTIVE SUMMARY	1
Project Description	1
Proposed Amendments to the Original DDA	2
Costs of the Agreement to the Housing Authority	2
Estimated Fair Market Value of the Parcels	3
Estimated Funding Gap and Comparison to Fair Market Value	3
Elimination of Blight and Creation of Public Benefits	3
1. INTRODUCTION	5
Background	5
2. PROPOSED AGREEMENT FOR PROPERTY CONVEYANCE	8
Description of the Property	8
Proposed Project	8
Summary of Amendments to the Original DDA	9
Costs of the Agreement to the Housing Authority	10
Estimated Fair Market Value of the Parcels	10
Estimated Funding Gap for the Development	11
3. COMPARISON OF FAIR MARKET VALUE AND CONVEYANCE PRICE	14
Impact of RDA Dissolution on Conveyance Price	14
Impact of Affordable Housing on Conveyance Price	14
Impact of Senior Housing on Conveyance Price	15
4. ELIMINATION OF BLIGHT AND CREATION OF PUBLIC BENEFITS	16
Physical Improvements and Elimination of Blight	16
Other Public Benefits	16
APPENDIX A: REFERENCES	
APPENDIX B: AFFORDABLE HOUSING COSTS	
APPENDIX C: SUMMARY OF COMPARABLE LAND SALES	
APPENDIX D: SITE PLAN	

EXECUTIVE SUMMARY

The dissolution of the Milpitas Redevelopment Agency (RDA) and significant changes in markets and financial conditions have prompted South Main Senior Lifestyle, LLC (the "Developer") to request amendments to its Development and Disposition Agreement (DDA) originally signed by the RDA for the development of a 5.94 acre site for housing. The RDA assembled the site to meet its State-mandated affordable housing requirements and subsequently agreed to sell the land, for the development of residential uses, to South Main Senior Lifestyle, LLC (the Developer) subject to terms and conditions as set forth in a disposition and development agreement (the "Original DDA")¹ entered into between the RDA and the Developer. Along with fee title to Parcel A, the former RDA's right, title and interest in the Original DDA has been assigned and transferred to the Milpitas Housing Authority. The requested DDA amendments are needed to update the Original DDA to reflect current conditions and the refined project description.

This report provides the RDA's "housing successor", the Milpitas Housing Authority, with information required by California Community Redevelopment Law² (the "CRL") for adoption of the requested amendments.

Project Description

Formerly occupied by a hotel, a mobile home park and an auto repair shop, the 5.94 acre site will be redeveloped as a retirement community for senior citizens, with extensive amenities. The site plan for the project is included as Appendix D to this Report. The retirement community will help fill the substantial unmet need for housing for senior citizens, very low income households and disabled individuals in Milpitas and surrounding communities. The retirement community will consist of a total of 389 apartment homes to be constructed in two phases. More than 12 percent of these residences will be restricted to occupancy by very low income households whose incomes do not exceed 50 percent of the area median. The first phase of the retirement community will provide 199 studio, one bedroom and two bedroom residences featuring full kitchens, washers and dryers, walk-in closets, individual climate controls, emergency call systems and underground parking. All units will be designed to be accessible to individuals with physical disabilities and licensed to provide assisted living services. Elevators will provide access to all four residential floors of the building and to the subterranean parking beneath the building. The first two floors will include extensive common areas for the use by all residents, including a lounge, living room, internet café, library, bistro, indoor and outdoor dining rooms, activity rooms, theater, beauty/barber salon, landscaped courtyards and gardens, an indoor swimming pool, an outdoor spa and a fitness facility.

In addition to accommodation in a unit, the monthly fee for all residents of the first phase includes utilities, meals in the community dining room, housekeeping and linen service, use of

¹ Disposition and Development Agreement by and between the Redevelopment Agency of the City of Milpitas and South Main Senior Lifestyle, LLC, August 2009, as amended by a First Amendment dated October 18, 2011.

² Health and Safety Code Section 33000 et seq.

the project's amenities, scheduled transportation, concierge services, 24-hour staffing, and a broad array of activities, events, classes and other services to promote the physical, emotional and mental health and well-being of the residents. Assistance with the activities of daily living (such as medication management, and assistance with bathing, dressing, grooming, ambulating and toileting) will be available for an additional charge to allow residents to continue to reside in their apartments as they age.

The second phase of the retirement community will provide 190 studio, one bedroom and two bedroom residences for active, independent seniors. Residences will feature full kitchens, washers and dryers, walk-in closets, individual climate controls, with elevators and garage parking. Common areas available to all residents will include a lounge, living room, swimming pool, fitness facility and landscaped courtyards and gardens. Residents of Phase 2 may take advantage of the services and activities offered in Phase 1 for an additional fee. Phase 2 residents will also have priority for residences in Phase 1 if they wish to relocate.

The two phases will combine to offer Milpitas' senior citizens a continuum of care from active, independent living through service-enriched assisted living. Market research indicates that there are no comparable facilities planned in Milpitas or surrounding communities.

Proposed Amendments to the Original DDA

The proposed amendments include:

- Transfer by the Housing Authority at zero cost to the Developer of the 1.94 net-acre Phase One Parcel and the subsequent development of the 199-unit multifamily seniors rental development offering congregate care and assisted living services (with 5 percent or 10 units affordable for 55 years to households whose incomes are at or below 50 percent of the area median),
- Transfer by the Housing Authority at zero cost to the Developer of the 2.86 net-acre Phase Two Parcel for development of 190 apartments for active, independent senior citizens (with 20 percent or 38 units affordable for 55 years to households whose incomes are at or below 50 percent of the area median),
- Recordation of a regulatory agreement against each parcel citing the housing price affordability requirements of both project phases,
- Provision by the Developer of necessary public improvements on the balance of the site, as well as off-site public improvements, to serve these developments,
- Increasing the allowable density by virtue of Parcel A's affordable component pursuant to the California Density Bonus Law, and
- Elimination of the Original DDA's \$7.7 million grant from the Former RDA to close the financing gap for Phase 1.

These amendments are more fully described in Amended DDA³.

Costs of the Agreement to the Housing Authority

The RDA purchased the site for \$12.4 million (\$11.6 million net of demolition and remediation costs) in October 2009, and it is now owned in fee by the Housing Authority, in its capacity as the designated housing successor agency to the RDA. The site will be transferred at zero cost to the Developer pursuant to terms of the amendments to the Original DDA. There will be no further costs to the Housing Authority, nor will there be any additional grants or funding from the Housing Authority.

Estimated Fair Market Value of the Parcels

Based on a review of comparable sales of land for development of residential rental units, it is estimated that the total site currently has a value of \$12.4 million (remediated); an appraisal is underway, but has not been completed as of July 2013.

Estimated Funding Gap and Comparison to Fair Market Value

The Amended DDA's requirement for a senior housing project with 48 very low-income affordable units would not produce financially feasible returns and support fair market value for the land, thus creating a funding gap. The gap, estimated to equal or exceed the estimated \$12.4 million fair market land value, is the basis for the transfer of the land to the Developer at zero cost. The funding gap is due to the subsidy costs for affordable units, costs associated with building senior units adaptable to assisted living as residents "age in place", the added costs of construction wage levels required as a condition to obtain needed financing, and the elimination of the \$7.7 million of prior RDA funding.

Elimination of Blight and Creation of Public Benefits

The conveyance and development of the site eliminates blight and create public benefits:

- **Public Infrastructure** – \$2.5 million of new public infrastructure will be constructed.
- **Housing Plan Goals** – The development will help the City to achieve its Housing Plan goals of producing needed new housing, and encouraging housing diversity and affordability.
- **Affordable Housing** – The Project provides 48 units affordable to households earning no more than 50 percent of AMI, at a total estimated subsidy cost of \$10.6 million.
- **Senior Housing** – 389 units of age-restricted senior housing will be constructed, helping to meet a significant need identified in the City's Housing Plan.
- **Property Tax** – Additional property taxes to the City from this development are estimated to total \$2.1 million in net present value.

³ Amended DDA, [date][reference to document containing detailed amendments]

- **Special Taxes for Maintenance of Parks and Landscaped Medians** – Special taxes paid by the Project are estimated to generate \$1.8 million in net present value.
- **Retail and Other Expenditures in the City** – The 600 to 700 residents are estimated to spend over \$3 million annually (in addition to housing costs) for local taxable retail services, resulting in at least \$30,000 annually of captured sales tax to the City.
- **Construction and Permanent Jobs** – The new development will generate approximately 400 construction jobs.⁴³ Phase 1 is estimated to require about 100 full-time employees.

The benefits described above equal or exceed the value of the property being conveyed at zero cost.

⁴ Estimate of job-years based on \$62 million site and hard construction costs, 40 percent labor cost, average cost per worker of \$60,000 per year. These positions would include a mix of part-time and full-time positions for some portion of the development; assuming a two-year construction period, this represents about 200 full-time equivalent positions per year.

1. INTRODUCTION

This document constitutes the report required pursuant to Section 33433 of the CRL.⁵ Although the subject property is no longer owned by the now-dissolved Milpitas Redevelopment Agency (RDA), Redevelopment Dissolution Law does authorize and direct the Milpitas Housing Authority, current owner of the property as "housing successor" of the former RDA, to dispose of the property. The disposition is to occur in accordance with the requirements of the CRL, which include a requirement that as a "housing asset" the property be used to provide housing with an appropriate mix of affordable units. The CRL further requires that a report be prepared documenting the elements of a sale or lease of real property. The report must include an explanation of the difference between market value and the sale price, and explain why the sale of the property will eliminate blight.

Background

The former RDA of the City of Milpitas, as a part of its effort to achieve affordable housing within its Project Area, acquired 5.94 acres of land ("Parcel A") located in the Midtown Specific Plan area from Bay Stone Developments LLC pursuant to a Purchase and Sale Agreement (PSA)⁶ assigned to the RDA by the Callahan Property Company. The RDA acquired the site using funds deposited in its Low and Moderate Income Housing Fund (Housing Funds). The RDA intended to sell the land, for the development of residential uses, to South Main Senior Lifestyle, LLC (the Developer) subject to terms and conditions as set forth in a disposition and development agreement (the "Original DDA")⁷ entered into between the RDA and the Developer. Along with fee title to Parcel A, the former RDA's right, title and interest in the Original DDA has been assigned and transferred to the Milpitas Housing Authority.

Terms of the Original DDA

The Original DDA, consistent with the terms of the original property acquisition, provided for the RDA to sell a 1.94 net-developable-acre portion (Phase One Parcel) of the 5.94-acre site to the Developer for the purchase price of approximately \$5.022 million upon satisfaction by the Developer of certain pre-construction conditions as set forth in the Original DDA. The remaining 2.86 net developable acres of the site (Phase Two Parcel) would be sold to the Developer at a fair market price and be developed for market rate apartments with no affordability requirements. The balance of the 5.94 gross acre site would remain in public ownership for provision of public streets and improvements.

⁵ Health and Safety Code Section 33000 et seq.

⁶ Purchase and Sale Agreement & Joint Escrow Instructions by Bay Stone Developments, LLC and Callahan Property Company, Inc., April 2009.

⁷ Disposition and Development Agreement by and between the Redevelopment Agency of the City of Milpitas and South Main Senior Lifestyle, LLC, August 2009, as amended by a First Amendment dated October 18, 2011.

The Developer would then, pursuant to the terms of the Original DDA, construct a mixed-income, age-restricted congregate- and assisted-living, senior multifamily residential building containing 180 units on the Phase One Parcel, including 63 units (35 percent of the Phase One Parcel development and 16.2 percent of the total project) to be made available to very low income households (households with incomes not exceeding 50 percent of area median income [AMI]) and low income households (households with incomes not exceeding 80 percent of AMI).

The DDA provided the Developer with \$7.7 million in funding assistance from the Housing Fund to assure long-term affordability of the affordable units in the Phase One Parcel development. The DDA also provided for the Developer, upon satisfaction of specified pre-construction conditions set forth in the DDA, to purchase the adjacent 2.86 net-acre portion of the site (Phase Two Parcel) at a future date at a then-appraised highest and best use fair market value for the purpose of developing market rate multifamily housing project.

The RDA was dissolved⁸ on February 1, 2012 and the City of Milpitas Housing Authority was designated as the RDA's housing successor with respect to housing assets of the RDA. Parcel A is now owned in fee by the Housing Authority and the Original DDA has been assigned and transferred to the Housing Authority.

As a result of the RDA dissolution and significant changes in market conditions since the Original DDA was executed in 2009, the Developer has requested an amendment to the Original DDA. RDA dissolution eliminated the potential for redevelopment tax increment funding, which the original plan assumed, and eliminated the \$7.7 million funding assistance expected from the RDA's Housing Fund. The amendments are needed to achieve a feasible project under these changed conditions; amendments include revisions to the purchase price, the number, affordability levels and development timing of affordable units, the level of public financial assistance (if any), and various other development terms and conditions.

Amendments to the Original DDA

The Housing Authority will convey the 1.94-net-acre Phase One Parcel and the remaining 2.86-net-acre Phase Two Parcel⁹ to the Developer for a purchase price of \$0 for the purpose of developing a continuum of care senior rental housing project with 48 units reserved for very low income households. The DDA does not provide any additional funding assistance, as the \$0 purchase price and other DDA terms assure financial feasibility and the long-term affordability of the 48 very-low income units.

These amendments are summarized in **SECTION 2** of this report and more fully described in the Amended DDA.¹⁰

⁸ The RDA was dissolved pursuant to ABx1 26 (as amended by AB 1484, the "Redevelopment Dissolution Law", which is contained in the California Health and Safety Code.

⁹ Phase One and Phase Two Parcels total approximately 4.8 net acres. The remaining 1.14 acres will contain the right-of-way for various public street, utility, and related infrastructure improvements.

¹⁰ Amended DDA, [date]

Section 33433 Report

Under the Redevelopment Dissolution Law, the Housing Authority is authorized and directed to dispose of Parcel A in accordance with the requirements of the CRL¹¹ that formerly applied to the former RDA. The CRL (Health and Safety Code Section 33000 *et seq.*) provides that a redevelopment agency may sell or lease real property. Section 33433(a) requires that a report be prepared, describing and specifying the proposed transaction agreements and terms, which include:

- (i) The cost to the agency of the agreement, including land acquisition.
- (ii) The estimated value of the land to be conveyed, determined at the highest and best uses permitted under the plan.
- (iii) The estimated value of the land to be conveyed, determined at the use and with the conditions, covenants, and development costs required by the sale. If the actual sale price is less than the value of the land with the foregoing conditions, an explanation is required of the difference.
- (iv) An explanation of why the sale of the property will assist in the elimination of blight.

This document constitutes the report required pursuant to Section 33433 for the transaction set forth in the proposed amendments to the Original DDA.

SECTION 2 of this report describes the proposed transaction and provides a financial analysis of the terms of the transaction's estimates of the property's value. This section provides the basis for comparing the fair market values to the estimated value of the Phase One Parcel and the Phase Two Parcel with the conditions, covenants, and development costs required by the Amended DDA. **SECTION 3** evaluates the justification and explains the determinations for the zero-cost land transfer to support the economically viable and feasible development on the Phase One Parcel and the Phase Two Parcel, given the long-term requirements under the Amended DDA that over 12 percent, or 48 of the total 389 units be occupied as affordable units for households whose incomes are at or below 50 percent of the area median. **SECTION 4** addresses the elimination of blight and creation of other economic benefits. Relevant documents referenced in this report are listed in **APPENDIX A**.

¹¹ Health and Safety Code Section 33000 *et seq.*

2. PROPOSED AGREEMENT FOR PROPERTY CONVEYANCE

Description of the Property

The site to be conveyed by the Housing Authority is located along South Main Street in central Milpitas. The site (containing Assessor's parcels 086-22-027, 086-22-028, 086-22-033, 086-22-034, 086-22-041, and 086-22-042) covers a total of 5.942 gross acres and formerly developed with a hotel, mobile home park, and an auto repair shop. The parcel is surrounded by a variety of urban uses including industrial buildings to the north, auto uses and residential neighborhood to the south, tracks of the Southern Pacific Railroad to the east, and a single-family residential neighborhood to the west, on the other side of South Main Street. As a transitional area characterized by older commercial and industrial development, vacant and underutilized parcels, and various development constraints including the existence of hazardous materials left over from historical industrial uses, the area was included in the City's RDA Project Area. The site is also included within the area covered by the Midtown Specific Plan which designates and has zoned the area located along South Main Street for "medium to high density housing." The City has also approved a development application for the site, thus making it fully entitled for 387 units of multifamily housing.

Proposed Project

Phase 1 of the proposed Project includes a 199-unit multifamily seniors rental development offering congregate care and assisted living services, and will include 10 units affordable to very low-income seniors. Phase 2 consists of 190 apartments for active, independent senior citizens including 38 units affordable to very low-income seniors. The Phase 2 independent living units and their proximity to the Phase 1 Project will help to improve Phase 1's prospects for future tenants. The development will offer a number of amenities typical for senior living projects, and be managed by a recognized, national operator of senior housing projects.

Market Context

The primary market segment targeted by Phase 1 consists of residents within a 10-mile radius of the site which includes portions of Santa Clara County (San Jose) and southern Alameda County (Fremont). Approximately 125,500 residents are 65 years of age or older, out of a total population of 1.26 million within this radius.¹² Of this senior market, an estimated 15 to 20 percent is targeted by the Developer based on age, incomes and their ability to pay market-rate rents. Currently there are about 3,400 units in senior housing projects currently serving this market within the 10-mile radius,¹³ indicating that substantial need and opportunity exist to fill this unmet demand. 75 percent of these projects were built prior to 2001, and offer fewer amenities relative to the proposed project. Occupancy rates at most of these projects currently exceed 95 percent.

¹² Cushman and Wakefield Demographic Comparison Report prepared on April 17, 2013

¹³ SMSL

Development Costs

Development costs are estimated to total \$58.8 million for Phase 1 and \$45.1 million for Phase 2, assuming no land cost. Direct construction costs range from \$115 per square foot to \$125 per square foot for Phases 1 and 2, respectively. Direct costs are increased to account for structured parking for Phase 1, and the impact of payment of "Davis Bacon" wages required by financing for both phases. The project pro forma indicates relatively low contingencies of 3 percent on costs, and 7.5 percent on financing; the current analysis has increased these costs to a total of 10 percent to better reflect cost, financing and market uncertainties at this stage of the process. In total, the development costs fall toward the lower end of the cost range for this type of project.¹⁴

Financing

Approximately 20 percent of development costs are proposed to be funded by equity. The balance will be obtained through loans, notably an FHA loan. The FHA financing is a low cost source of funding, however, it requires that a certain level of construction wages be paid, adding approximately 10 percent to development costs. The developer is also investigating other sources of funding.

Revenues

The proposed rents for the Project fall within a competitive range of comparable properties for similar units, accounting for the new construction and relatively high level of amenities that will be offered at the Project. The amenities in Phase 1 include a fitness facility and pool, which are not offered at comparable facilities in the region.

Summary of Amendments to the Original DDA

The transaction set forth in the proposed amendments to the Original DDA includes:

- Transfer by the Housing Authority at zero cost to the Developer of the 1.94 net-acre Phase One Parcel and the subsequent development of the 199-unit multifamily seniors rental development offering congregate care and assisted living services (with 5 percent or 10 units affordable for 55 years to households whose incomes are at or below 50 percent of the area median),
- Transfer by the Housing Authority at zero cost to the Developer of the 2.86 net-acre Phase Two Parcel for development of a 190 apartments for active, independent senior citizens (with 20 percent or 38 units affordable for 55 years to households whose incomes are at or below 50 percent of the area median),
- Provision by the Developer of necessary public improvements on the balance of the site, as well as off-site public improvements, to serve these developments,

¹⁴ NIC Investment Guide, National Investment Center for the Seniors Housing & Care Industry, Second Edition, 2011; EPS review of other senior projects.

- Increasing the allowable density by virtue of Parcel A's affordable component pursuant to the California Density Bonus Law, and
- Elimination of the Original DDA's \$7.7 million grant from the Former RDA to close the financing gap for Phase 1.

These amendments are more fully described in Amended DDA¹⁵.

Costs of the Agreement to the Housing Authority

The conveyance of the property by the Housing Authority to the Developer will incur no costs to the Housing Authority. The Housing Authority will not be responsible for transfer costs, or any other costs associated with the site demolition, hazardous materials remediation, site preparation, or development of the parcel or any related off-site costs. The seller of the property to the RDA utilized approximately \$800,000 of the sales proceeds to demolish the existing structures and remediate the hazardous materials on the site. The demolition and remediation were completed prior to transfer of title to the former RDA. The Developer will be responsible for all development costs on the private parcels (the Phase One Parcel and the Phase Two Parcel), as well as for all necessary on- and off-site public improvements to support such developments.

The Amended DDA eliminates a RDA grant in the amount of \$7.7 million for the development of the 1.94-net-acre portion of the site as a senior housing project.¹⁶ This grant was necessary for the financial feasibility of the senior housing project. The amendments to the Original DDA provide for financial feasibility and provision of affordable units through the zero-cost transfer of the site to the Developer.

The RDA purchased the site for \$12.4 million (\$11.6 million net of demolition and remediation costs) in October 2009, and it is now owned in fee by the Housing Authority, in its capacity as the designated housing successor agency to the RDA. The site will be transferred at zero cost to the Developer pursuant to terms of the amendments to the Original DDA. As noted above, there will be no further costs to the Housing Authority, nor will there be any additional grants or funding from the Housing Authority.

Estimated Fair Market Value of the Parcels

The PSA executed in 2009 set forth an arms-length purchase price negotiated between a seller and a buyer who are willing, but not under urgent necessity, to complete the transaction, each with full knowledge of the uses and purposes for which the site is reasonably adaptable and available. As such, the \$12.4 million purchase price (\$11.6 million net of demolition and remediation costs) under the PSA represented the fair market value of the property at its highest and best use value at that time. An earlier November 2008 appraisal of the site

¹⁵ Amended DDA, [date][reference to document containing detailed amendments]

¹⁶ Disposition and Development Agreement by and between the Redevelopment Agency of the City of Milpitas and South Main Senior Lifestyle, LLC, (Article IX), August 2009.

determined a fair market value of \$14.8 million.¹⁷ That appraisal was completed five months before the PSA price was negotiated. The higher valuation in the November 2008 appraisal was consistent with the negotiated purchase price under the PSA, in that values continued to decline at a precipitous rate during this period of the national recession and continued real estate market distress.

Subsequent to November 2008, the real estate market continued to decline. Over the past one to two years, markets stabilized and improved as the economy began to recover. Foreclosure rates have declined, and home prices are starting to appreciate as demand increases. Based on a review of comparable sales of land for development of residential rental units, it is estimated that the total site currently has a value of \$12.4 million (remediated); an appraisal is underway, but has not been completed as of July 2013. **APPENDIX C** includes a listing of comparable sales in Milpitas.

The Phase One Parcel's full allocable share of the current estimate of the entire highest and best use fair market value of the site equals approximately \$5,010,000, or 40.4 percent of the estimated fair market value of \$12.4 million for the entire site. The 40.4 percent allocation factor of the overall site value is based on the following. The Phase One Parcel (1.94-net acres) plus the Phase Two Parcel (2.86-net acres) comprise a grand total of 4.80 privately developable acres. (The balance of the 5.94 gross acre site will remain in public ownership for the provision of public streets and improvements.) The Phase One Parcel's portion of this 4.80-acre privately developable acreage is approximately 40.4 percent. This methodology assures that the Phase One Parcel's allocable share of the highest and best use fair market value of the site takes into account not only the purely private parcel's share of the fair market value, but also includes the private parcel's allocable share of the value of the portions of the site which will remain in public ownership and on which will be located public street and other improvements supporting the development. Consequently, a value of \$5,010,000 represents the estimated highest and best use fair market value of the Phase One Parcel.

The remaining Phase Two Parcel represents approximately 59.6 percent of the overall site area net of public streets and improvements. This share, applied to the value of \$12.4 million, produces an allocation of the remaining estimated value to the Phase Two parcel of approximately \$7,390,000.

Estimated Funding Gap for the Development

The Amended DDA, which provides for the conveyance of the Site to the Developer, requires that a senior housing project with 48 low-income units affordable for households whose incomes are at or below 50 percent of the area median be built on the Site. This requirement creates a substantial cost which significantly reduces the value of the land compared to what it would be if it were developed for market-rate residential units, or, stated differently, creates a funding gap between the costs of developing the Site under the terms of the amendments to the Original DDA and the amount of private debt and equity financing that can be reasonably

¹⁷ Appraisal of 1504-1618 South Main Street, Milpitas, California, The Schmidt-Prescott Group, Inc., prepared for Community Banks of Northern California, November 2008.

obtained to pay for development costs while still earning a fair return on such private investment considering the risks and potential returns.

TABLE 1 shows a pro forma financial analysis summary for a senior housing project which indicates that, without the RDA grant previously contemplated, a senior housing project with 48 very low-income affordable units would not produce financially feasible returns and support fair market value for the land. The projected Internal Rates of Return (IRR) are 9 percent and 3.1 percent for Phases 1 and 2 respectively, which is well below feasible return thresholds required to attract financing and justify the development investments and risks.

The table indicates that the value of the land is essentially zero under the conditions and development costs of the seniors housing development with 48 very low-income units. With a zero land cost (i.e., the land cost is offset by a Housing Authority contribution of the land), the Phase 1 IRR is 12.2 percent. This rate of development return falls within a minimum target return of 12 percent to 13 percent for development of a congregate care facility with a mix of independent and assisted living. These rates are consistent with industry trends.¹⁸ This target return represents a greater degree of risk associated with the operations and revenues attributable to this type of project, and a more limited market associated with the congregate care facilities relative to the Phase 2 independent living project. The developer is seeking a 13 percent rate of return as the minimum necessary to attract required equity.

The Phase 2 development shows a return of 8.9 percent, after the land contribution. This is below the Developer's target return of 11 percent; however, that estimated return still falls within the low end of an industry range for senior independent living units, or 500 basis points above a cap rate of 4 to 6 percent.¹⁹ This return could support a feasible project, if future growth in market demand, consistent with likely trends, supports improvement in projected revenues. Cost efficiencies could also help to achieve the Developer's target returns.

¹⁸ NIC Investment Guide, National Investment Center for the Seniors Housing & Care Industry, Second Edition, 2011.

¹⁹ NIC Investment Guide

Table 1 Summary of Pro Forma Analysis

Item	Amount by Phase		
	Phase 1	Phase 2	Total
Costs			
Land Cost	\$5,010,000	\$7,390,000	\$12,400,000
Public Improvements	1,500,000	1,000,000	2,500,000
Construction Costs	36,405,000	27,531,000	63,936,000
Furniture, Fixtures and Equipment	1,500,000	600,000	2,100,000
Indirect Costs	8,879,000	8,513,000	17,392,000
Overhead	6,299,000	4,806,000	11,105,000
Financing and Reserves (1)	<u>8,408,000</u>	<u>5,913,000</u>	<u>14,321,000</u>
Total	\$68,001,000	\$55,753,000	\$123,754,000
Revenue			
Net Operating Income	\$5,088,000	\$2,767,000	\$7,855,000
NOI/Total Cost	7.5%	5.0%	6.3%
Capitalized Value	\$63,600,000	\$46,100,000	\$109,700,000
(less) closing costs	<u>(\$1,590,000)</u>	<u>(\$1,152,500)</u>	<u>(2,742,500)</u>
Net Proceeds	\$62,010,000	\$44,947,500	\$106,957,500
<hr/>			
Net (Proceeds minus Total Costs)	<u>(\$5,991,000)</u>	<u>(\$10,805,500)</u>	<u>(\$16,796,500)</u>
Internal Rate of Return (IRR) (2)	9.0%	3.1%	
<hr/>			
Gap (Authority Land Contribution)	\$5,010,000	\$7,390,000	\$12,400,000
IRR after Contribution (2)	12.2%	8.9%	

(1) Includes working capital, equipment reserves, debt service and lease-up reserves.

(2) Assumes 10-year operating period; return shown is on total investor and developer equity.

IRRs include inflationary increases in revenues and costs.

(3) Contingency included in costs at 10%.

(4) Phase 1 capitalized at 8%, Phase 2 at 6%.

Note: IRR's represent the blended average of returns to investors over time;
actual returns will vary depending on specific allocations of return to each investor,
and future market conditions.

Sources: South Main Senior Lifestyles LLC (v.18-1, 6-2, 7-24); EPS

3. COMPARISON OF FAIR MARKET VALUE AND CONVEYANCE PRICE

The Fair Market Value of the Site, determined at the highest and best uses permitted, is estimated to be \$12.4 million as described in **CHAPTER 2**.

The estimated value of the land to be conveyed, determined at the use and with the conditions, covenants, and development costs required by the sale, is estimated to be zero. This is because the Project, with the additional costs and subsidies required to provide 48 units of housing and services affordable to very-low income households, and costs unique to the construction of senior housing, does not generate sufficient value to provide returns adequate to finance the development, AND yield a residual land value. If the Developer were required to pay for the land, then the costs of development would increase, thereby reducing the returns to a level less than the target returns needed to attract and reimburse equity capital for commensurate risks, as described in the prior chapter.

Impact of RDA Dissolution on Conveyance Price

The dissolution of the RDA eliminated the opportunity to utilize RDA grants funds and tax-exempt bond financing for Phase 1 of the Project. Consequently, the Developer is pursuing the Federal Housing Administration (FHA) 232 financing program. The program offers attractive financing rates, but requires that the developer pay "Davis Bacon" wages, which adds an estimated 10 percent, or \$5.3 million to the cost of the total project.

Impact of Affordable Housing on Conveyance Price

As summarized in **TABLE 2**, the inclusion of 48 units affordable to very low-income households with incomes equal to or less than 50 percent of the area median significantly reduces the potential value of the project. In turn, this reduction directly reduces the residual value of the land compared to market-rate projects, or projects with a smaller number of affordable units with higher affordable prices. Projects that include units affordable to moderate-income households (80-120 percent of area median) have a minimal impact since market rents are generally close to those affordable to moderate-income households at the upper end of the 80-120 percent income range. The value of the affordable housing subsidy is estimated to be \$10.6 million.²⁰

²⁰ See also Appendix B for additional detail of estimates.

Table 2 Total Affordable Housing Subsidy Estimates

Item	Units	Total Capital Subsidy, by Phase ²		
		Phase 1	Phase 2	Total
Continuum of Care				
<u>Assisted Apartments</u>				
Studio	3	(\$866,000)		
1 Bdrm.	0			
Assisted Living Services		(\$98,000)		
<u>Congregate Apartments</u>				
Studio ¹	5	(\$1,444,000)		
1 Bdrm.	2	(\$681,000)		
Independent Living				
Studio	28		(\$5,428,000)	
1 Bdrm.	10		(\$2,058,000)	
TOTAL	48	(\$3,089,000)	(\$7,486,000)	(\$10,575,000)

(1) No market rate studio units proposed in the congregate apartments; for purposes of estimating subsidy, assumed to be same rent as assisted apartments. Market rate rents for Independent Living studios (none proposed) assumed similar ratio relative to other affordable/market rate (about 45%).

(2) Continuum of Care: 8% cap rate
 Independent Living: 6% cap rate

Impact of Senior Housing on Conveyance Price

The original Phase 1 project envisioned a concrete²¹ subterranean garage structure and four stories of wood frame²² construction for the common areas and units. The 2010 building code imposed further restrictions on the ability of limited mobility assisted living (AL) residents to occupy units above the second floor in a project of wood frame construction. Due to the extent of common areas required for a project such as this (dining, kitchen, gym, pool, theater, library, etc.) only 42 percent of the units are located on the first two floors. The Developer is designing the project so that all the units can accommodate AL occupants. The Developer expects initial occupancy to be about 65 percent independent and 35 percent AL, with aging in place resulting in it becoming 50 percent/50 percent over time. As a result, the Developer redesigned the project so that the habitable areas are built with load bearing steel studs and

²¹ Type IA construction

²² Type V construction

concrete decks.²³ This approach enables AL residents to occupy any unit, giving the project much greater flexibility to allow all residents to "age in place" if they choose. The additional cost adds approximately 11 percent, or approximately \$4.9 million, to the construction costs.²⁴

²³ Type IB construction

²⁴ Cost estimates per Sundt Construction, 2012

4. ELIMINATION OF BLIGHT AND CREATION OF PUBLIC BENEFITS

Physical Improvements and Elimination of Blight

As described above, the Housing Authority's land conveyance is necessary for redevelopment of the property. The redevelopment of the property results in the remediation of blight including antiquated, non-conforming development and remediation of hazardous materials located on the site. There currently are no other available means of financing construction of the senior housing project without Housing Authority participation.

Public Infrastructure

In addition to the elimination of blight on the site, including the demolition of existing structures and remediation of hazardous materials, new public infrastructure will be constructed at a total cost of approximately \$2.5 million of direct construction cost. This infrastructure includes new public roads, utilities, sidewalks and landscaping.

Other Public Benefits

In addition to the physical improvements and elimination of blight, development of the site will provide a range of additional public benefits including housing, new tax revenues, jobs and other economic benefits.

Housing Plan Goals

The Project will help the City to achieve its Housing Plan goals as expressed in its General Plan Housing Element²⁵, including:

- Promote New Housing Production
- Encourage Housing Diversity and Affordability

The Housing Element identifies two types of housing needs. The Element indicates that the greatest housing need in Milpitas "stems from low incomes". The other need includes units designed for persons with disabilities.

Affordable Housing

The Project provides a total of 48 units affordable to households earning no more than 50 percent of the Area Median Income (AMI). This represents over 12 percent of the total units. These new units will help to achieve the City's Housing Plan target for construction of 344 Very Low-Income units.²⁶ As described in Section 3, the value of the affordable housing subsidy is estimated to be approximately \$10.6 million.

²⁵ General Plan (GP) Housing Element, Approved by the Milpitas City Council June 15, 2010.

²⁶ GP Housing Element, Table ES.3, Summary of Quantified Objectives, City of Milpitas (2007-2014).

Senior Housing

As reported by the Housing Plan, "There continues to be more demand than supply for affordable senior housing"²⁷. Between 2000 and 2008 the total population of residents over the age of 65 in Milpitas grew by more than 35 percent over that period, a rate significantly higher than the growth rate of the City's non-senior population, and a faster rate than Santa Clara County's senior population. Senior-headed households were more likely to have high housing cost burdens than households in general.

Independent living developments provide one option for seniors to receive needed support services. The Housing Element documents substantial waiting lists at existing affordable independent living developments in Milpitas, "...providing evidence of unmet need."²⁸ Similarly, the Housing Element found a need for more affordably priced residential care facilities providing assisted living services, particularly at the low end of the price scale.

Property Tax

Other public benefits of the transaction include the property tax increment that will be generated which can be utilized to improve City services, or fund capital improvements²⁹.

The site currently generates no property tax to the City. The new development will add over \$85 million of new assessed value, resulting in approximately \$137,000 in annual property tax increment to the City³⁰. Assessed values could increase significantly upon sale and re-assessment of the completed senior housing project; the total capitalized value, or estimated sale value, totals \$110 million, which would generate about \$176,000 of annual property tax to the City (in 2013\$). The net present value of the property taxes to the City totals approximately \$2.1 million.³¹

²⁷ GP Housing Element, pg. 11

²⁸ GP Housing Element, pg. 38

²⁹ For example, through General Fund contributions to capital improvements, made possible through increased property tax, or through property tax increment pursuant to adoption of an Infrastructure Financing District (IFD).

³⁰ Assuming an average City share of 16 percent of each property tax dollar (property tax is 1 percent of assessed value, not including additional assessments, special taxes and debt service).

³¹ Net present value assumes taxes grow 2 percent annually, plus re-assessment upon sale in year 10, discounted at 6 percent annually.

Table 3 Property Tax Estimates

Item	Amount		
	Phase 1	Phase 2	Total
Costs (for property tax purposes)¹			
Land Cost	\$0	\$0	\$0
Site Improvements	1,500,000	1,000,000	2,500,000
Construction Costs	36,405,000	27,531,000	63,936,000
Furniture, Fixtures and Equipment	1,500,000	600,000	2,100,000
Indirect Costs	<u>8,879,000</u>	<u>8,513,000</u>	<u>17,392,000</u>
Subtotal	\$48,284,000	\$37,644,000	\$85,928,000
Property Tax			
<u>Initial Operations (2013\$)</u>			
Total Annual 1%	\$483,000	\$376,000	\$859,000
City's Annual Share @ 16%	\$77,000	\$60,160	\$137,160
<u>Following Sale in Year 10 (2013\$)</u>			
Capitalized Value	\$63,600,000	\$46,300,000	\$109,900,000
Total Annual 1%	\$636,000	\$463,000	\$1,099,000
City's Annual Share @ 16%	\$102,000	\$74,000	\$176,000
<u>Net Present Value of Taxes (30 Years, 6%)³</u>			
Total 1%	\$7,498,000	\$5,573,000	\$13,071,000
City's Share @ 16%	\$1,200,000	\$892,000	\$2,092,000

(1) Does not include finance costs, overhead or profit.

(2) Contingency at 7%; other costs include 3% contingency (financing includes 7.5% contingency).

(3) Assumes 50% of cost in 2015, 2016, 2017 during construction and leaseup, 100% in 2018; sale in 2023

Special Taxes for Maintenance of Parks and Landscaped Medians

The parcels would be required to annex to the City's Mello-Roos Community Facilities District (CFD) 2005-1 which funds direct and incidental costs related to providing park maintenance and street landscape maintenance services.³² **Table 3** summarizes the estimated \$131,000 annual amount that would be generated at the maximum annual tax rates allowed for the CFD.³³ The net present value of these taxes over a 30-year period is \$1.8 million.

³² Resolution No. 7521, 2005.

³³ The City charges the maximum rates, which are increased by the greater of 2 percent or CPI (NPV calculation assumes 2 percent annual increase).

Table 4 Annual Special Tax Estimates

Item	Units	Special Tax /Unit ¹	Total Annual Special Tax, by Phase		
			Phase 1	Phase 2	Total
Continuum of Care					
Market Rate	189	\$359.82	\$68,000		
Very Low-Income ²	10	\$179.90	\$1,800		
Independent Living					
Market Rate	152	\$359.82		\$54,700	
Very Low-Income ²	38	\$179.90		\$6,800	
TOTAL	389		\$69,800	\$61,500	\$131,300
NPV of Total Taxes (30 Years, 6%) ³					\$1,815,000

(1) Based on FY12-13 maximum tax rates.

(2) Very Low-Income households have incomes 50% or less compared to area median.

(3) Tax assumed to begin in 2018, rates increase 2%/year from 2013.

Retail and Other Expenditures in the City

Moreover, the approximately 600 to 700 residents, guests and staff of the new housing and 400 workers who build the project will create demand for goods and services provided by local businesses and thus support local economic development and generate retail sales tax revenue to the City. The 600 to 700 residents are estimated to spend over \$3 million annually in local taxable goods, resulting in at least \$30,000 annually of captured sales tax to the City.³⁴

Construction and Permanent Jobs

The new development will generate approximately 400 construction jobs over the course of development.³⁵ Phase 1 is estimated to require about 100 full-time, ongoing employees once the development is complete and operational. Phase 2, independent living units, will generate some additional employment for building and facility operation and maintenance, and additional services (depending on demand).

³⁴ Based on estimated housing cost (excluding food and services) equal to independent living rents, and rent representing 30 percent of income. Taxable expenditures captured within City estimated as 10 percent of income.

³⁵ Estimate of job-years based on \$62 million site and hard construction costs, 40 percent labor cost, average cost per worker of \$60,000 per year. These positions would include a mix of part-time and full-time positions for some portion of the development; assuming a two-year construction period, this represents about 200 full-time equivalent positions per year.

APPENDIX A: REFERENCES

Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants by and between Redevelopment Agency of the City of Milpitas and South Main Senior Lifestyle, LLC.

Appraisal of 1504-1618 South Main Street, Milpitas, California, The Schmidt-Prescott Group, Inc., prepared for Community Banks of Northern California, November, 2008.

California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.).
Disposition and Development Agreement by and between the Redevelopment Agency of the City of Milpitas and South Main Senior Lifestyle, LLC, August, 2009.

General Plan (GP) Housing Element, Approved by the Milpitas City Council June 15, 2010 NIC Investment Guide, National Investment Center for the Seniors Housing & Care Industry, Second Edition, 2011.

Purchase and Sale Agreement & Joint Escrow Instructions by Bay Stone Developments, LLC and Callahan Property Company, Inc., April, 2009.

APPENDIX B: AFFORDABLE HOUSING COSTS

Table B.1 Affordable Housing Subsidy Estimates per Unit

Item	Units	Market Rent	Affordable Rent	Subsidy/Unit		
				Monthly	Annual	Capitalized ²
Continuum of Care						
<u>Assisted Apartments</u>						
Studio	3	\$3,700	\$1,775	(\$1,925)	(\$23,100)	(\$288,750)
1 Bdrm.	0					
Assisted Living Services		\$1,000	\$783	(\$217)	(\$2,604)	(\$32,550)
<u>Congregate Apartments</u>						
Studio ¹	5	\$3,700	\$1,775	(\$1,925)	(\$23,100)	(\$288,750)
1 Bdrm.	2	\$4,297	\$2,028	(\$2,269)	(\$27,228)	(\$340,350)
<u>Independent Living</u>						
Studio	28	\$1,762	\$793	(\$969)	(\$11,631)	(\$193,844)
1 Bdrm.	10	\$1,873	\$844	(\$1,029)	(\$12,348)	(\$205,800)
TOTAL	48					

(1) No market rate studio units proposed in the congregate apartments; for purposes of estimating subsidy, assumed to be same rent as assisted apartments. Market rate rents for Independent Living studios (none proposed) assumed similar ratio relative to other affordable/market rate (about 45%).

(2) Continuum of Care: 8% cap rate
Independent Living: 6% cap rate

Table B.2 Total Affordable Housing Subsidy Estimates

Item	Units	Total Capital Subsidy, by Phase ²		
		Phase 1	Phase 2	Total
Continuum of Care				
<u>Assisted Apartments</u>				
Studio	3	(\$866,000)		
1 Bdrm.	0			
Assisted Living Services		(\$98,000)		
<u>Congregate Apartments</u>				
Studio ¹	5	(\$1,444,000)		
1 Bdrm.	2	(\$681,000)		
Independent Living				
Studio	28		(\$5,428,000)	
1 Bdrm.	10		(\$2,058,000)	
TOTAL	48	(\$3,089,000)	(\$7,486,000)	(\$10,575,000)

(1) No market rate studio units proposed in the congregate apartments;

for purposes of estimating subsidy, assumed to be same rent as assisted apartments.

Market rate rents for Independent Living studios (none proposed) assumed similar ratio relative to other affordable/market rate (about 45%).

(2) Continuum of Care: 8% cap rate

Independent Living: 6% cap rate

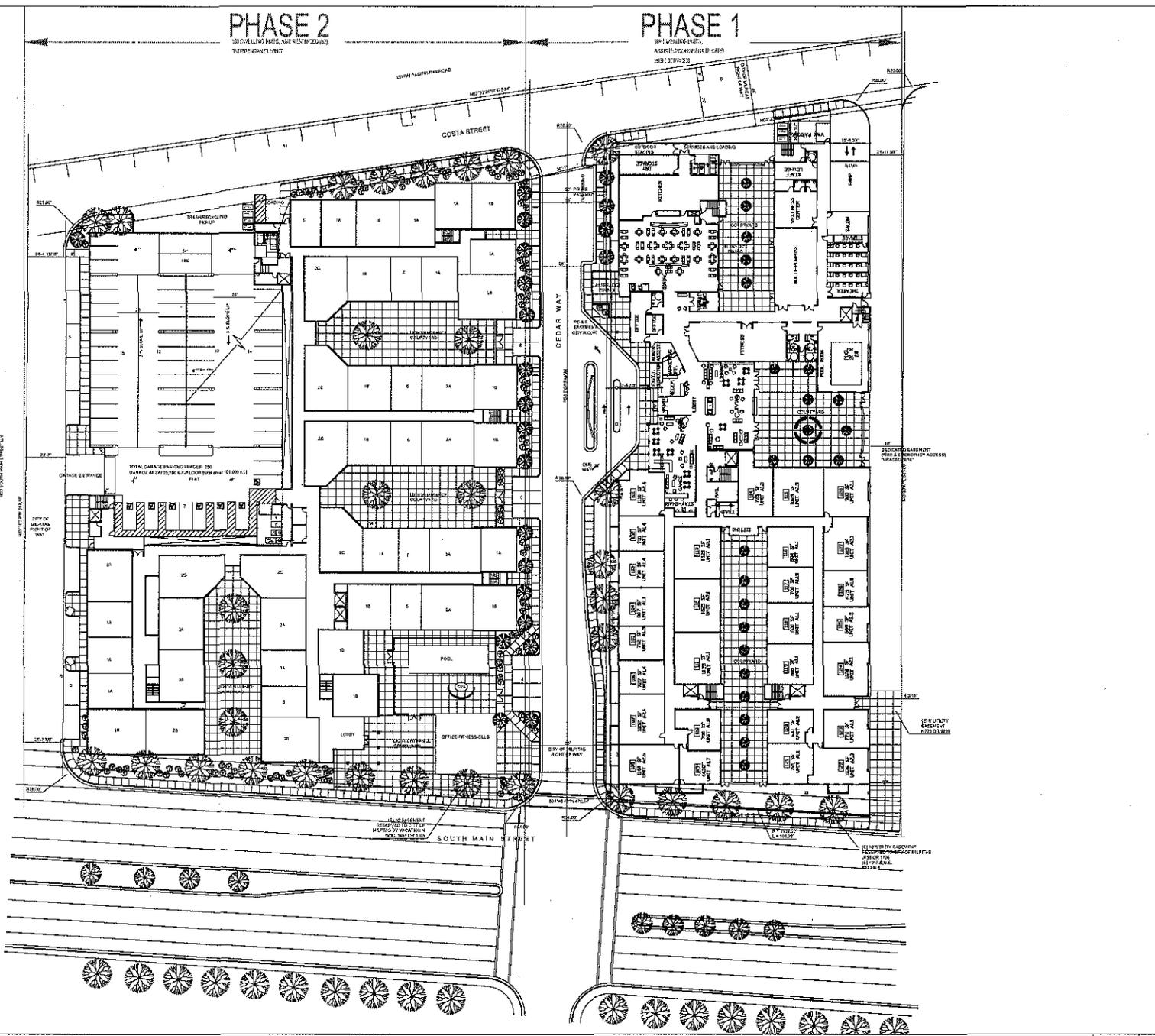
APPENDIX C: SUMMARY OF COMPARABLE LAND SALES

Table C.1
Comparable Land Sales, Milpitas
Review of South Main Street Senior Living Project

Comp No.	Address City	Recording Date	Sale Price	Size Acres	Size Sq. Ft.	Price per Sq. Ft.	Existing Improvements	Planned Land Use	Gen / Specific Plan	Grantor / Grantee	
							Building SF		Zoning		
	Assessor's Parcel Number						Use	Allowable DUA	Document Number		
1	1452-1482 South Main Street Milpitas 086-22-029, 030	Contract 7/11 COE: 2/12	\$4,200,000	1.65	71,873	\$58.44	26,440 3 Service Com'l Bldgs 1974 & 1985 Average	Demo Imprvmnts Assemble for High Density Residential Dev.	MFR-VHD R4-TOD 60 DUA	1452 South Main Street, LLC et al South Main Senior Lifestyles, LLC N/A / City of Milpitas RDA	
2	1201 South Main Street Milpitas 086-16-100	Contract 9/11 COE: 3/12	\$8,000,000	2.83	118,483	\$53.92	Vacant	High Density Residential Dev 204 units	MFR-VHD R4-TOD 60 DUE	Willow Road Investors LLC (Mattesom) Shea Properties N/A	
3	750 E. Capital Avenue Milpitas 086-37-027	Contract 5/11 COE: 4/12	\$8,500,000	5.12	223,027	\$38.11 to \$40.35	9,982 Truck terminal Average	Demo Imprvmnts and Construct High Density Res 437 units	URR R5-TOD 75 DUA	Roadway Express Inc. Community Housing (CR) N/A	
4a	1425 McCandless Drive Milpitas 086-33-093	10/25/11	\$2,320,000	2.58	112,385	\$65.13	39,169 Industrial bldg	Demo Imprvmnts Assemble for Mixed Use Dev	RRMU MXD2 TOD 50 DUA	Mission West Properties LP II The Milpitas Project Owner, LP 2011-21387784 (Integral)	
4b	1315 McCandless Drive Milpitas 086-33-092	10/26/11	\$14,123,000	4.99	217,364	\$64.97	77,587 R&D bldg	Demo Imprvmnts Assemble for Mixed Use Dev Total 1,328 units	RRMU MXD2 TOD 50 DUA	Mission West Properties LP II The Milpitas Project Owner, LP 2011-20932543 (Integral)	
4c	McCandless Drive Milpitas 086-33-094, 095, 098 & 99	04/30/12	\$19,350,000	9.676	421,487	\$45.91		Demo Imprvmnts Assemble for Mixed Use Dev Total 1,328 units	RRMU MXD2 TOD 50 DUA	Mission West Properties LP II The Milpitas Project Owner, LP 2011-20932543 (Integral)	
4d	McCandless Drive Milpitas 086-33-101	12/28/12	\$12,250,000	5.789	252,169	\$48.58		Demo Imprvmnts Assemble for Mixed Use Dev Total 1,328 units	RRMU MXD2 TOD 50 DUA	Mission West Properties LP II The Milpitas Project Owner, LP 2011-20932543 (Integral)	
4e	McCandless Drive Milpitas 086-33-086, 087, 088 & 089	last transfer 8/26/05	no value	12.96	564,538					Mission West Properties LP II	
5	1430-1444 South Main Street Milpitas 086-22-031	02/28/11	\$1,800,000	1.01	43,996	\$40.91	15,344 3 Com'l bldgs	Demo Imprvmnts Assemble for Res Dev	MFR-VHD R4-TOD 60 DUA	Robert M Austin et al Redev. Agency of Milpitas N/A	
6	1504-1620 South Main Street Milpitas 086-22-027, 028, 033, 034, 041, 042	11/18/09	\$12,400,000	5.94	260,489	\$47.60	Vacant	Demo Imprvmnts Hazmat Rem 389 DU Senior	MFR-VHD R4-TOD	Baystone Development South Main Senior Lifestyles, LLC, City of Milpitas Housing Authority N/A	
7	1765 McCandless Drive Milpitas 086-41-019, 020, 021, 022	02/14/12	\$27,227,000	12.33	537,095	\$50.69	Multiple R&D bldgs	Stacked Flat Condos 274 DU	MFR-VHD R4-TOD	Mission West Property LP II DR Horton, Harmony N/A	
8	SWC Technology Drive & McCarthy Ranch Road Milpitas 086-01-041, 042	06/29/07	not available	21.08	918,245		Vacant	Multi-family Rental 374 DU, Townhomes 285 DU	RRMU 50 DUA	Fairfield Residential	
9	SEC South Able & Tasman Drive 1102 S. Able Street Milpitas 086-12-021	11/12/2010	\$10,906,000	5.2	226,512	\$48.15	Vacant	Multi-family Rental 366 DU	MFR-VHD R4-TOD	Lyon Realty Advisors, Centria West	
TOTAL (exc. 4e and 8)			\$121,076,000	57.115	2,484,880	\$48.73 /sqft avg.					
TOTAL Multi-Family only (exc. 4a, 4b, 4e, 7, 8)			\$77,406,000	37.215	1,618,036	\$47.84 /sqft avg.	Subject Site:		\$12,378,000	5.94 acres	

Source: South Main Senior Lifestyles, LLC

APPENDIX D: SITE PLAN



PHASE 2
 150 CHILDS BUILDING, 150 CHILDS BLVD
 MILPITAS, CALIFORNIA

PHASE 1
 150 CHILDS BUILDING, 150 CHILDS BLVD
 MILPITAS, CALIFORNIA

COLLABORATIVE DESIGN ARCHITECTS

Oakland, CA
 9114 LaSalle Avenue
 Oakland
 TEL 510 339-8880
 ARCHITECT'S STAMP
 CONSULTANT'S STAMP
 FAX 510 339-164

MILPITAS SENIOR HOUSING
 1504-1620
 South Main Street
 Milpitas, California

COPYRIGHT © 2010 COLLABORATIVE DESIGN ARCHITECTS INC.
 NOTICE: THIS DRAWING IS THE PROPERTY OF COLLABORATIVE DESIGN ARCHITECTS INC. REPRODUCTIONS OR COPIES OF THIS DRAWING, IN WHOLE OR IN PART, IS PROHIBITED.

SUBMITTALS / REVISIONS		
MARK	DESCRIPTION	DATE
	PROGRESS SET	8-1-13
	PROGRESS SET	8-12-13

KEY PLAN: NTS

PHASE 1 AND 2 SITE PLAN

SCALE: AS NOTED

DATE: 8/1/13

PROJECT NO. 10000

PHASE 1

PHASE ONE AND PHASE TWO SITE PLAN

**SOUTH MAIN SENIOR LIFESTYLES (SMSL)
BENEFITS TO CITY OF MILPITAS
OF PROPOSED AMENDMENTS TO DISPOSITION AND DEVELOPMENT AGREEMENT (DDA)
October 1, 2013**

The proposed amendments to the DDA would produce the following benefits for the City of Milpitas:

1. A financially feasible, vibrant, attractive, amenity-enhanced, integrated senior continuum of care retirement community that will provide rental housing for active independent senior citizens, complemented with activity- and service-enriched housing to promote the health and well-being of seniors needing congregate care and assisted living services.
2. The retirement community will complement and add to the diversity of (rather than compete with) the multifamily housing development currently underway and planned for the Milpitas Transit Area.
3. The retirement community will provide 48 units of rental housing for very low income seniors, helping to meet the City Housing Plan target for construction of 344 very low income units.
4. No contribution of cash from the City/RDA/Housing Authority would be required to promote the development of the affordable housing. In lieu of cash, the Housing Authority would contribute the land to the projects at zero cost.
5. The proposed amendments to the DDA would result in a larger number of 50% AMI units and a lower Total Affordable Subsidy per affordable unit to produce the 50% AMI units than under the current DDA.
6. If the land were not transferred to SMSL for the development of the senior retirement community, the land or the proceeds from the sale thereof must be used for the development of housing with an affordable component.
7. The retirement community would generate an estimated \$2.1 million of revenue for the City from property taxes. The parcel currently generates no property tax revenue, nor would it if it were developed/owned by a non-profit.
8. The retirement community would generate an estimated \$1.8 million of revenue from special taxes for maintenance of parks and landscape medians. The parcel currently generates no such revenue.
9. The 600 – 700 new residents, guests and staff of the retirement community would generate an estimated \$30,000 per year for the City from retail sales taxes.
10. The retirement community would create an estimated 400 construction jobs over the course of development. These construction workers would generate additional retail sales tax revenue for the City.
11. The retirement community would create 100+ full-time, on-site, permanent jobs to provide services to the residents and maintain the projects. Spending by the 600 – 700 new residents, guests and staff of the retirement community and the 400 construction workers would stimulate job growth in the retail/service sectors.
12. The retirement community would pay up to an estimated \$5.7 million to the City for development impact fees.

TABLE 1
SOUTH MAIN SENIOR LIFESTYLES, LLC (SMSL)
COMPARISON OF CURRENT TO PROPOSED DISPOSITION AND DEVELOPMENT AGREEMENT
(DDA)
1504 – 1620 SOUTH MAIN STREET, MILPITAS
October 1, 2013

Impact Area	Current DDA	Proposed Amendments
Type of Housing to be Developed on the Site and Location of Affordable Component	Phase 1: Senior congregate care/assisted living housing with affordable units. Phase 2: Multifamily market rate housing.	A continuum of care senior community consisting of: <ul style="list-style-type: none"> • Phase 1: Senior congregate care/assisted living housing with affordable units. • Phase 2: Senior active, independent living housing with affordable units.
Type of Construction	Type V (wood frame) construction. Has many occupancy restrictions.	Type 1B (100% steel). Allows residents to age in place in their units and receive assisted living services. 100% handicap accessible.
Number of units	387 total units: <ul style="list-style-type: none"> • Phase 1: 180 senior congregate care/assisted living units. • Phase 2: 207 multifamily market rate units. 	389 total units: <ul style="list-style-type: none"> • Phase 1: 199 senior congregate care/assisted living units. • Phase 2: 190 senior active, independent living units.
Population to be served	<ul style="list-style-type: none"> • Phase 1: seniors 62 years of age and older who desire congregate care or assisted living services. • Phase 2: family housing. 	<ul style="list-style-type: none"> • Phase 1: seniors 62 years of age and older who desire congregate care or assisted living services. • Phase 2: seniors 62 years of age and older who are able to live independently and desire amenity-enriched housing with periodic access to meals, activities and services.

Number and mix of affordable units (City Housing Plan target is construction of 344 very low income units.)	<p>63 affordable units (16.3% of total units):</p> <ul style="list-style-type: none"> • 36 very low income units at 50% AMI (9.3% of total units); • 27 low income units at 80% AMI (7% of total units). Rents for 80% AMI units are currently equivalent to market-rate rents and so do not help meet the City's need for affordable housing. • All 63 affordable units are in Phase 1; Phase 2 is 100% market rate with no age or income restrictions. 	<p>48 affordable units (12.3% of total units):</p> <ul style="list-style-type: none"> • 48 very low income units at 50% AMI (12.3% of total units); • 0 at 80% AMI. • Of the 48 very low income units, 10 are in Phase 1 and 38 are in Phase 2.
City/RDA/Housing Authority Financial Assistance (1)	RDA/Housing Authority provides \$7.7 million cash grant (\$213,889 per 50% AMI unit) to Phase 1 to partially offset the financial burden of providing affordable units.	No City/RDA/Housing Authority cash grant. Housing Authority contributes land valued at \$12.4 million (\$258,333 per 50% AMI unit) to partially offset the financial burden of providing affordable units on the site (2).
Tax Credit Subsidy (3)	\$3.2 million	\$0
Total Affordable Subsidy (4)	Total: \$10.9 million. \$302,778/50% AMI unit.	Total: \$12.4 million. \$258,333/50% AMI unit.
Financial Feasibility	Phase 1 project is not financially feasible without additional City/Housing Authority financial assistance, tax-exempt bonds/tax credits and/or a reduction in the number of affordable units.	Phase 1 and 2 projects are financially feasible.
Alternative Use of Land	Housing with an affordable component.	Housing with an affordable component.
Use of Sales Proceeds if Land is Sold to Third Party	Promote development of housing with an affordable component.	Promote development of housing with an affordable component.

Property Tax Revenues	None, until a financially feasible development is approved, financed and constructed. None, if projects are owned by a non-profit entity.	\$2.1 million, if projects are owned by a for-profit entity (5).
Special Taxes for Maintenance of Parks and Landscaped Medians	None, until a financially feasible development is approved, financed and constructed.	\$1.8 million (6).
Retail Sales Tax Revenue	None, until a financially feasible development is approved, financed and constructed.	600 – 700 new residents, guests and staff would spend over \$30 million/year (in addition to housing costs), resulting in at least \$30,000/year of sales tax to the City (7).
Construction and Permanent Jobs	None, until a financially feasible development is approved, financed and constructed.	400 construction jobs over the course of development plus 100+ full-time permanent jobs to operate and maintain the projects plus permanent jobs stimulated by the spending by 600 -700 new residents (8).
Development Impact Fees	None, until a financially feasible development is approved, financed and constructed.	\$5.7 million for Phases 1 and 2 combined (9).
Timing of Land Conveyance	Convey Phase 2 site to SMSL after construction of Phase 1 project is complete.	Convey Parcel A to SMSL upon receipt of Vesting Tentative Map and Final Map for Parcel A and approval of Phase 1 construction plans, financing plan, operator and services plan. Title to Phase 2 reverts to Housing Authority if Phase 2 construction has not commenced within 2 years of completion and stabilized occupancy of Phase 1 (10).

Notes:

1. The amount of the City/RDA/Housing Authority Financial Assistance per 50% AMI unit exceeds the City’s standard of \$160,000 per affordable unit because (1) the City standard was set 7 years ago; and (2) the City standard applies to apartment buildings

and as such is not applicable to a full service retirement community which is more akin to a hotel in its design, construction and operation. The costs to construct and operate SMSL's full service retirement community significantly exceed those of an apartment building because both phases of SMSL's retirement community will feature extensive common areas, Phase 1 will be Type 1B steel construction with subterranean parking and 100% handicap accessible, and the projects will employ a total of more than 100 full-time, on-site employees to provide services to the residents and maintain the properties. The Current Land Value is from the Draft 33433 Report prepared by Economic Planning Systems, Inc. for the City of Milpitas dated August 2013 (the "33433 Report").

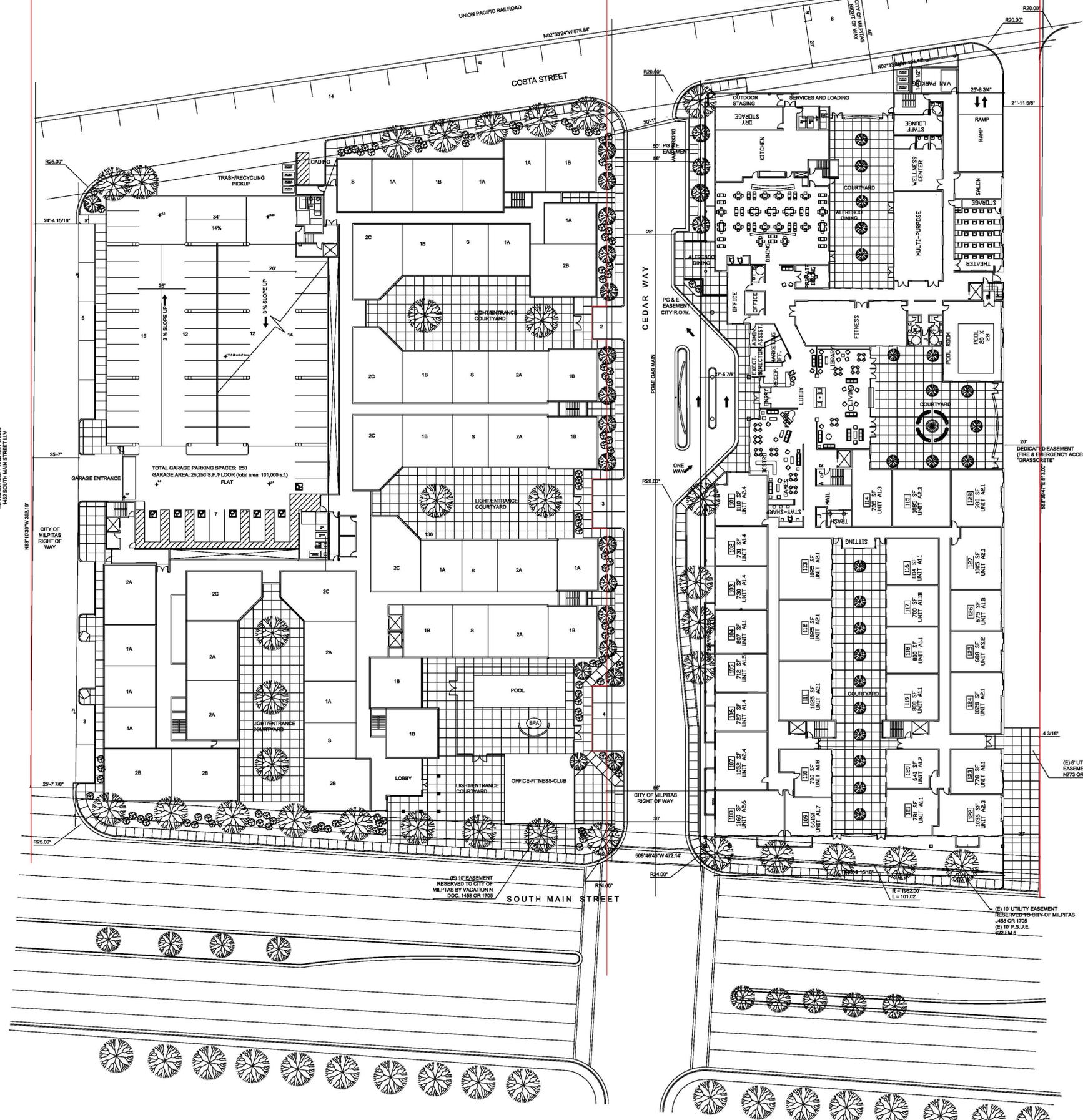
2. The Housing Authority has the statutory authority to contribute the land at zero cost because the "fair reuse value" of Parcel A with the proposed development is zero dollars as documented in the 33433 Report.
3. Tax Credit Subsidy is the estimated total amount of equity that would be contributed to the Phase 1 project from sale of low income housing tax credits to a tax credit investor at a price of \$0.90 per tax credit dollar. Tax Credit Subsidy excludes the \$1.14 million/year interest rate savings subsidy that tax-exempt bonds would produce under normal market conditions (assuming tax-exempt bond interest rates are 250 basis points less than conventional interest rates).
4. Total Affordable Subsidy is the sum of the City/RDA/Housing Authority Subsidy and the Tax Credit Subsidy. This is the total public subsidy required to produce the affordable units. The Proposed Amendments result in a larger number of 50% AMI units and a lower Total Affordable Subsidy per unit to produce these 50% AMI units than would be the case under the Current DDA.
5. The net present value of the taxes the Phase 1 and 2 projects would generate over 30 years, from the 33433 Report, Table 3.
6. The net present value of the special taxes the Phase 1 and 2 projects would generate over 30 years, from the 33433 Report, Table 4.
7. From the 33433 Report, "Retail and Other Expenditures in the City."
8. From the 33433 Report, "Construction and Permanent Jobs."
9. Development Impact Fees are estimated based on the City's 2009 impact fee schedule without downward adjustments/waivers to reflect the reduced usage of public services by the senior residents of the projects and the affordable component of the projects. Payment of Development Impact Fees for Phases 1 and 2 will be deferred until the date each project converts to its permanent financing.
10. Conveyance of the entire Parcel A at this point in time (rather than conveyance of the Phase 2 site after the development of the Phase 1 project is complete per the Current DDA) is necessary to raise debt and equity on favorable terms to fund both projects, attract an operating partner with proven expertise and financial capacity to manage/operate the two-project retirement community, and construct the two projects efficiently and cost effectively. To ensure the delivery of Phase 2 and its affordable units, title to Phase 2 will revert to the Housing Authority if construction of the Phase 2 project has not commenced within 2 years of completion of construction and achievement of stabilized operations for the Phase 1 project.

PHASE 2

190 DWELLING UNITS, AGE RESTRICTED (62),
"INDEPENDANT LIVING"

PHASE 1

199 DWELLING UNITS,
ASSISTED/CONGREGATE CARE
WITH SERVICES



ARCHITECT'S STAMP CONSULTANT'S STAMP

Project Description
MILPITAS SENIOR HOUSING
1504-1620
South Main Street
Milpitas, California

Owner / Applicant:

COPYRIGHT©2012 COLLABORATIVE DESIGN ARCHITECTS INC.
NOTICE: THIS DRAWING IS THE PROPERTY OF COLLABORATIVE DESIGN ARCHITECTS INC. REPRODUCTIONS OR COPYING OF THIS DRAWING, IN WHOLE OR IN PART, IS PROHIBITED.

SUBMITTALS / REVISIONS		
MARK	DESCRIPTION	DATE
	PLANNING ENTITLEMENT	9-12-13

KEY PLAN: NTS

PHASE 1 AND 2 SITE PLAN

SCALE: 1"=30'-0" AS NOTED

DRWN: JRB
APPROV: JRB
29003 CDA PROJECT NO. SHEET NO. **A1.0**