



**MILPITAS CITY COUNCIL
REGULAR MEETING
AGENDA**

TUESDAY, MAY 5, 2015

455 EAST CALAVERAS BOULEVARD, MILPITAS, CA

5:30 P.M. CLOSED SESSION

6:00 P.M. STUDY SESSION

7:00 P.M. PUBLIC BUSINESS

SUMMARY OF CONTENTS

I. CALL TO ORDER/ROLL CALL by the Mayor

II. ADJOURN TO CLOSED SESSION (5:30 p.m.)

CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION

Pursuant to California Government Code Section 54956.9 - City as Defendant

CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9

SCS Development Co. et al. v. City of Milpitas, et al.

Santa Clara County Superior Court case no. 115CV277803

III. CLOSED SESSION ANNOUNCEMENT: 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. STUDY SESSION: CAPITAL IMPROVEMENT PROGRAM FY 2015-2020 (6:00 p.m.)

- 1. Review the Draft 2015-2020 Capital Improvement Program (CIP) Report and Provide Staff with Direction and Comments (Staff Contact: Steven Machida, 408-586-3355)**

V. PLEDGE OF ALLEGIANCE (7:00 p.m.)

VI. INVOCATION (Councilmember Grilli)

VII. APPROVAL OF COUNCIL MEETING MINUTES April 21, 2015

VIII. SCHEDULE OF MEETINGS – COUNCIL CALENDAR May 2015

IX. PRESENTATIONS

- Proclaim May 2015 as National Foster Care/Resource Parent Awareness Month
- Proclaim May 2015 as Older Americans Month
- Proclaim May 2015 as Building Safety Month
- Commend Milpitas High Football Player Jason Scremos

X. 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 item not listed on the agenda, 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 place the item on a future meeting agenda.

- XI. ANNOUNCEMENTS
- XII. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS
- XIII. APPROVAL OF AGENDA
- XIV. 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.

XV. PUBLIC HEARING

- 2. **Continued from April 21, 2015: Conduct a Public Hearing and Adopt a Resolution to Approve Vesting Tentative Map, Conditional Use Permit and Site Development Permit for a 489 Unit Development on 10.47 Acres in Two Structures Subject to Conditions of Approval at 450 Montague Expressway (Staff Contact: Darryl Boyd, 408-586-3287)**

XVI. UNFINISHED BUSINESS

- 3. **Waive Second Reading and Adopt Ordinance No. 38.821 Relating to Public Art Requirements for Private Development Projects (Staff Contact: Adam Petersen, 408-586-3274)**
- 4. **Receive Update of the Odor Control Report (Staff Contact: Steven Machida, 408-586-3355)**

XVII. REPORT OF MAYOR

- * 5. **Consider Mayor's Recommendation for Appointment to the Sister Cities Commission (Contact: Mayor Esteves, 408-586-3029)**

XVIII. NEW BUSINESS

- 6. **Provide Direction Regarding the Policies Governing, and the Content of, the Solid Waste Request for Proposal (Staff Contact: Steven Machida, 408-586-3355)**
- 7. **Receive Report on Water Supply Augmentation and Continue with Work Plan Tasks (Staff Contact: Steven Machida, 408-586-3355)**
- * 8. **Consider Request from American Cancer Society to Waive Fees for Annual Relay for Life Fundraiser at Milpitas Sports Center to be Held June 20-21, 2015 (Staff Contact: Mary Lavelle, 408-586-3001)**
- * 9. **Approve New City Street Light Pole Banner Designs (Staff Contacts: Renee Lorentzen, 408-586-3409, Edesa Bitbadal, 408-586-3052 and Leslie Stobbe, 408-586-3352)**
- *10. **Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended March 31, 2015 (Staff Contact: Emma Karlen, 408-586-3145)**
- * 11. **Receive Financial Status Report for the Nine Months Ended March 31, 2014 (Staff Contact: Emma Karlen, 408-586-3145)**

- * 12. Receive a Report Regarding International Park in Milpitas, and Direct Staff to Conduct Outreach and Prepare Feasibility Study (Staff Contact: Tim Wong, 408-586-3286)

XIX. ORDINANCE

- * 13. Waive the Second Reading and Adopt Ordinance No. 38.822 Permitting Transitional and Supportive Housing in the MXD Zone and Manufactured Housing in the R2 Zone (Staff Contact: Tim Wong, 408-586-3286)

XX. RESOLUTIONS

- * 14. Adopt a Resolution Authorizing the Purchase of One Unmarked Patrol Vehicle from the National Auto Fleet Group for the Not-To-Exceed Amount of \$24,843.73 through a Cooperative Procurement Contract (Staff Contact: Chris Schroeder, 408-586-3161)
- * 15. Adopt a Resolution Approving a Temporary Street Closure on Piedmont Road, Calaveras Road, and Associated Side Streets for the May 12, 2015 Amgen Bicycle Tour of California Event (Staff Contact: Tracy Tam, 408-586-3276)
- * 16. Adopt a Resolution Initiating Proceedings for the Annual Levy and Collection of Assessments and Ordering the Preparation of the Annual Engineer's Report for Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch, Project No. 9492 (Staff Contact: Steve Machida, 408-586-3345)
- * 17. Adopt a Resolution Initiating Proceedings for the Annual Levy and Collection of Assessments and Ordering the Preparation of the Annual Engineer's Report for Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon, Project No. 9493 (Staff Contact: Steve Machida, 408-586-3345)
- * 18. Adopt Resolutions Summarily Vacating a Portion of Old Capitol Avenue (known as White Hole) and Annexing Real Property into Community Facilities District No. 2008-1; Approve Purchase and Sale Agreement, Subdivision Improvement Agreement, Final Map and Improvement Plans for 1315 McCandless for the District 1 Building 1 Development, Project No. 1134 (Staff Contact: Steven Machida, 408-586-3355)

XXI. DEMANDS

- * 19. Authorize the Purchase of Ammunition for the Police Department from San Diego Police Supply for Not-To-Exceed \$45,154.09 (Staff Contact: Chris Schroeder, 408-586-3161)
- * 20. Authorize the Purchase and Installation of 90 Uninterrupted Power Supply Batteries from Stationary Power Systems for the Not-To-Exceed Amount of \$25,693.63 (Staff Contact: Chris Schroeder, 408-586-3161)
- * 21. Authorize Budget Appropriation and Subsequent Payments to Burton Fire and Sutphen Corp. of \$31,017.10 for Fire Ladder Truck Repair (Staff Contact: Steven Machida, 408-586-3355)

XXII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, MAY 19, 2015**

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 / 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 SERVE ON A CITY COMMISSION

Current vacancies on:
Community Advisory Commission
Economic Development Commission (retail)
Sister Cities Commission
Veterans Commission

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 City Council Chambers for all meetings.

AGENDA REPORTS

IV. STUDY SESSION: CAPITAL IMPROVEMENT PROGRAM FY 2015-20 (6:00 p.m.)

1. **Review the Draft 2015-2020 Capital Improvement Program (CIP) Report and Provide Staff with Direction and Comments (Staff Contact: Steven Machida, 408-586-3355)**

Background: The Draft 2015-2020 Capital Improvement Program (CIP) document was prepared by staff and distributed to the City Council. Projects are arranged into six main categories: Community Improvements, Parks, Streets, Water, Sewer, and Storm Drain. The document includes a summary by categories, and individual proposed project descriptions. Previously funded projects are also summarized. The value of capital projects proposed to be budgeted in fiscal year 2015-16 is \$22,421,960.

The Parks, Recreation and Cultural Resources Commission reviewed the Parks projects on March 2, 2015 and recommend those projects for approval by Council. The City Council Finance Subcommittee reviewed the Draft 2015-2020 CIP on March 18 and 25, 2015 and recommended the Council approve it. On April 8, 2015, the Planning Commission reviewed the Draft 2015-2020 CIP document and found it in conformance with the General Plan.

A staff presentation of Draft CIP highlights will be provided at the Council meeting. Based upon Council direction, the Draft CIP will be revised and prepared as the Preliminary CIP document, which will then be presented to Council at the budget hearing in May for approval.

NOTE: in the City Council's agenda packet, there is a memo from the Assistant City Manager responding to several requests for information made at the previous Budget Study Session held on April 7, 2015.

Recommendations:

1. Review the Draft 2015-2020 Capital Improvement Program and provide staff with direction and comments.
2. Provide direction to analyze an increase in sales tax and/or Transient Occupancy Tax ("TOT") as a funding mechanism that would include hiring a consultant to survey voters and conduct public outreach.

XV. **PUBLIC HEARING**

2. **Continued from April 21, 2015: Conduct a Public Hearing and Adopt a Resolution to Approve Vesting Tentative Map, Conditional Use Permit and Site Development Permit for a 489 Unit Development on 10.47 Acres in Two Structures Subject to Conditions of Approval at 450 Montague Expressway (Staff Contact: Darryl Boyd, 408-586-3287)**

Background: The public hearing for the proposed new residential development at 450 Montague Expressway in the Transit Area was continued from the Council meeting of April 21, 2015. A new memo from the Planning staff was prepared to respond to questions from the City Council at the last meeting. The memo is included in the agenda packet.

Attachments

- Memos from Staff + from Lennar responding to questions from 4/21/15 Council meeting
- A. Planning Commission Staff Report, March 25, 2015
 - B. Adopted Planning Commission Resolution 15-003
 - C. Planning Commission Meeting Minutes, March 25, 2015
 - D. Initial Study and Categorical Exemption
 - E. Plan Set
 - F. Parks, Recreation and Cultural Resources Commission material 02/02/15
 - G. Parks, Recreation and Cultural Resources Commission material 03/02/15

- H. Three layout design figures
- I. Draft City Council Resolution
- J. 3 letters of support for project
- K. Correspondence recommending one park name

Recommendations:

- 1. Receive remainder of the developer's presentation.
- 2. Open public hearing to receive comments.
- 3. Move to close the public hearing, following any speakers.
- 4. Select two park names, from among four recommended by the Parks, Recreation and Cultural Resources Commission.
- 5. Per the Planning Commission recommendation, adopt a resolution approving the Vesting Tentative Map No. MT14-0002, Site Development Permit No. SD14-0014, and Conditional Use Permit No. UP14-0023 and Exception to Urgency Ordinance 240.2 for a 489 dwelling unit project located at 450 Montague Expressway and approve two park names.

XVI. UNFINISHED BUSINESS

- 3. Waive the Second Reading and Adopt Ordinance No. 38.821 Relating to Public Art Requirements for Private Development Projects (Staff Contact: Adam Petersen, 408-586-3274)**

Background: On April 7, 2015, the City Council introduced Ordinance No. 38.821 to amend the City's zoning regulations to require public art for private development projects. Council directed that the Ordinance be amended to incorporate three changes:

- 1) If the 1% requirement for installing the art work on the project site cannot be fully satisfied because of the size, location and scale of the art work in relation to the project site, the developer may satisfy the 1% requirement by combination of installing artwork on the project site and contributing the difference between the cost of the installed art work and the remaining one percent amount into the art in lieu fund;
- 2) Residential projects with a minimum of 20% of their units as affordable units as defined in Section XI-10-54.15.D of the Municipal Code are exempt from the public art requirements; and
- 3) Verify the cost accuracy of the proposed art on-site.

With these changes incorporated, Ordinance No.38.821 is ready for second reading and adoption.

- Alternatives:**
- a. Adopt the ordinance as proposed
 - b. Deny the ordinance; or
 - c. Amend the proposed ordinance.

Fiscal Impact: The ordinance will generate funding for the City's Art In-Lieu Fund. This creates a positive fiscal impact that improves the aesthetic environment for the City.

Recommendations:

- 1. Waive the second reading of Ordinance No. 38.821.
- 2. Adopt Ordinance No. 38.821 amending the Milpitas Municipal Code to include provisions relating to public art in private development projects.

- 4. Receive Update of the Odor Control Report (Staff Contact: Steven Machida, 408-586-3355)**

Background: From March 21 through April 12, 2015, the Bay Area Air Quality Management District (BAAQMD) forwarded 91 complaints originating in Milpitas: 44 identified a garbage odor, 5 identified a sewage odor, 40 did not identify an odor source, and 2 identified a mixed

odor source. As of the last Council update, the City's odor reporting website received 40 reported complaints.

Recommendation: Receive the update of the odor control report.

XVII. REPORT OF MAYOR

- * 5. **Consider Mayor's Recommendation for Appointment to the Sister Cities Commission (Contact: Mayor Esteves, 408-586-3029)**

Background: Mayor Esteves recommends the following:

Move Alternate No. 1 Peter Chang up to a voting, regular seat on the Commission that will expire in September 2015.

Newly appoint Mary Llamas as new Alternate No. 1 to a term that will expire in September 2016.

Recommendation: Move up Peter Chang and appoint Mary Llamas on the Sister Cities Commission.

XVIII. NEW BUSINESS

- 6. **Provide Direction Regarding the Policies Governing, and the Content of, the Solid Waste Request for Proposal (Staff Contact: Steven Machida, 408-586-3355)**

Background: The City Engineering department staff is developing a Request for Proposals (RFP) for city-wide solid waste services beginning in September of 2017. The RFP will be structured to include a description of base and optional alternate services. At the City Council meeting, the City's consultant, HF&H Consultants, LLC will present options for, and request decisions regarding, key issues for the RFP and the RFP process including defining service goals, contract structure, key business points, and policies governing the RFP process. A verbal presentation will be given at the Council meeting.

Alternative: One alternative is to delay direction to the consultant and negatively impact the schedule. Another alternative is to provide no direction to the consultant, again negatively impacting the schedule.

Fiscal Impact: None.

Recommendation: Receive a report from staff and consultant HF&H, and then provide direction regarding the policies governing and the content of the solid waste services Request for Proposals.

- 7. **Receive Report on Water Supply Augmentation and Continue with Work Plan Tasks (Staff Contact: Steven Machida, 408-586-3355)**

Background: In response to the California water supply shortage, on August 5, 2014 City Council approved a consultant agreement with Water Solutions, Inc. to perform a feasibility study regarding alternative water supplies. Water Solutions completed the feasibility study of water supply augmentation in these related areas: conservation, recycled water, surface water detention, groundwater wells, water rights acquisition, desalination, water storage capacity, and funding. Findings are discussed briefly in this report. Staff will present a powerpoint presentation at the Council meeting.

Conservation: Water consumption is typically measured in two ways: residential per capita use and gross per capita use. The Milpitas residential population uses 65.6 gallons per day per capita

(meaning person) (gpdpc), which is below the Bay Area average of 79 gpdpc. In addition, it has dropped to 50 gpdpc in recent months due to the conservation efforts of our customers, reflecting our community has responded to the simple and effective conservation measures. The second consumption measurement is a comparison of the City-wide usage divided by the population. City-wide usage includes industrial and irrigation uses. The Milpitas value is 137.6 gpdpc, which is higher than the Bay Area average of 127.1 gpdpc. This indicates a higher percentage of industrial and/or irrigation use than the average community. Similarly, it has dropped to 100 gpdpc in recent months. Additional measures that could be implemented include: replacing “thirsty” plants with drought-tolerant plants/vegetation, encourage use of native landscape called “xeriscape”, weather-based smart irrigation controllers, continued use of rebates for switching to high efficiency appliances, on-site water audits, and increased leak monitoring. However, the implementation costs climb quickly for each incremental conservation effort. Conservation relies on customer behavior to achieve savings and each permanent measure establishes a lower baseline. At some point there is no more ability to reduce demand (demand hardening). Staff notes that the community has responded well to the available conservation programs. The recommendation is to continue ongoing conservation efforts and proceed with the smart meter installation as stated in the Capital Improvement Program.

Recycled Water: Expansion of the recycled water system frees up potable water for human consumption by converting landscape and cooling towers to recycled water. New development within the Transit Area Specific Plan (TASP) is expected to install about 25,000 linear feet of recycled water pipelines for irrigation. Another 70,000 linear feet of recycled water pipelines could be installed to serve industrial cooling towers and common-area landscapes outside of the TASP area. On a regional level, Santa Clara Valley Water District and South Bay Water Recycling (San Jose) recently completed a Master Plan to address reliability and expansion. The future use of recycled water is focused on indirect potable reuse (injection well into the groundwater basin) and direct potable reuse as acceptance by public is realized.

The City recently established recycled water fill stations and implemented recycled water construction meters for dust control and compaction at construction sites. In addition, the City’s first dual-plumb site is undergoing plan check with the Building Department and will be submitted for California Department of Public Health approval. Staff recommends an effort to convert existing irrigation systems and cooling towers adjacent to existing recycled water pipelines to use recycled water and to proceed with expansion of the recycled water system.

Surface Water Detention: The construction of basins to capture rain water or creek flow is subject to lengthy regulations and costly right of way/land costs for potable water. However, implementation of smaller basin for non-potable is feasible. Staff recommends only small scale basins for non-potable use as a later phase.

Groundwater Wells: The south western and south central areas of the City overlays a good groundwater aquifer. The Pinewood Well is located in the prime area for groundwater aquifers within the City of Milpitas. The Curtis Well is also located in a promising area; however to date, preliminary tests have indicated it is not as good as Pinewood Well. Groundwater contains minerals and is harder than the surface water supply that the Milpitas community is accustomed to. Changes in taste and odor are expected to generate complaints. Blending groundwater with surface water can improve the hardness; however ozone treatment is recommended to improve taste and odor. Staff recommends further investigation of this water supply alternative.

Water Rights Acquisition: Water rights are a complicated process with high unknown costs requiring a long time for implementation. Staff recommends water rights acquisition be left to large water suppliers; however a future turnout with Alameda County Water District may be possible.

Desalination: Desalination also has high costs for land and improvements requiring a long time. However, due to Milpitas proximity to the Bay, partnership with a regional water supplier may be evaluated at a later phase.

Additional Storage: Additional storage tanks do not increase water supply and are therefore not recommended as a water supply option.

Funding: The report identifies several possible projects totaling about \$70 million. Funding options include: pay as you go, grants, loans, and bonds.

Discussion: A decision matrix assigns importance factors to criteria such as available water volume, needed infrastructure, issues, operational considerations, effectiveness, reliability, cost, benefits, life cycle, and ease of implementation. This method allows for comparison of alternatives in order to establish priorities. A work plan assigns conceptual costs and provides a schedule for the various projects. Staff recommends continuing with the Smart Meter Installation Project already included in the Capital Improvement Program. In addition, staff recommends proceeding with new projects totaling approximately \$15 million as shown in the table.

Project	Cost
Smart Meter Installation	Capital Improvement Program
Operate existing Pinewood Well and develop Curtis Well	\$4 million
Recycled water extension, segment 1: From Los Coches to Kennedy and Edsel for Cardoza and Foothill Parks	\$6 million
New well	\$3 million
Alameda County Water District water	\$0.1 million
System wide improvements-aging infrastructure field investigation, pressure reducing valves, etc.	\$2 million

The City Council Finance Subcommittee reviewed the report findings at its February 26, 2015 and April 15, 2015 meetings and recommended presentation to the City Council.

California Environmental Quality Act: The study is exempt from CEQA as there will be no physical change to the environment. Additionally, this study is exempt under CEQA Guidelines Section 15262 (Feasibility and Planning Studies).

Alternative: If the City Council does not accept the report, or does not authorize continuation with next steps, the City is unable to pursue additional water supply options.

Fiscal Impact: None, the study is already funded. Staff will pursue grants for project implementation. Council may also consider issuing bonds in conjunction with the water and sewer rate adoption.

Recommendation: Receive a staff report on Water Supply Augmentation, and continue with work plan tasks for conservation, recycled water, and ground water wells.

- * 8. **Consider Request from American Cancer Society to Waive Fees for Annual Relay for Life Fundraiser at Milpitas Sports Center to be Held June 20-21, 2015 (Staff Contact: Mary Lavelle, 408-586-3001)**

Background: On April 13, 2015, the City Clerk received a “Donation or Fee Waiver/Reduction Request Application Form” from American Cancer Society. The request is for the City Council to waive certain City fees for the upcoming annual “Relay for Life” fundraising walkathon to be held on the grounds of the sports playing field at the Milpitas Sports Center in June. The location has been reserved and deposit fees paid toward the costs for site rental. Costs requested to be

waived are \$1,200 for 30 hours rental of the football field plus \$250 for a City Special Event Permit.

Fiscal Impact: \$20,000 was approved and included in the FY 2014-15 City budget for City Council's Unallocated Community Promotions. If the current fee waiver is approved, then \$13,540.25 would be the remaining balance.

Recommendation: Waive \$1,450 in fees for specified City costs related to the annual American Cancer Society's Relay for Life walkathon event at Milpitas Sports Center on June 20-21, 2015.

*** 9. Approve New City Street Light Pole Banner Designs (Staff Contacts: Renee Lorentzen, 408-586-3409, Edesa Bitbadal, 408-586-3052 and Leslie Stobbe, 408-586-3352)**

Background: The City funded and installed promotional or recognition banners along major arterials to celebrate specific City events and programs for the past 17 years. Public banners were first installed around the Civic Center to celebrate the December holiday season in 1998.

The City now has 157 street light poles with hardware to accommodate banner installations located along Calaveras Boulevard from Park Victoria to I-880 and on Main Street from Carlo Street to Curtis Avenue. Currently the City's 60th Anniversary banners are installed. The City's old banners had been on display for seven years when the 60th Anniversary banners were installed in January 2014. When removed, the old banners were faded and torn as the life expectancy of a street banner is approximately four years.

Staff worked with a graphic designer to create a series of five new banners that will continue to celebrate Milpitas' residential, business, recreational and service amenities. This series includes the following themes: Live - Play - Shop - Work - Give. Banners will be used together, creating a vibrant color and message flow for vehicular and pedestrian travelers throughout Milpitas.

Fiscal Impact: None.

Recommendation: Approve new designs for banners to be placed on City streetlight poles.

***10. Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended March 31, 2015 (Staff Contact: Emma Karlen, 408-586-3145)**

Background: In compliance with the State of California Government Code and the City's Investment policy, the City of Milpitas Investment Report for the quarter ended March 31, 2015 is submitted for Council's review and acceptance.

The Portfolio Summary Report included in the Council's packet provides a summary of the City's investments by type. It lists the par value, market value, book value, percentage of portfolio, term, days to maturity and the equivalent yields for each type of investment. The Portfolio Details Report provides the same information for each individual investment in the City's portfolio as of March 31, 2015.

As of March 31, 2015, the principal cost and market value of the City's investment portfolio was \$162,155,260 and \$162,631,657 respectively. When market interest rates increase after an investment is purchased, the market value of that investment decreases. Conversely, when market interest rates decline after an investment is purchased, the market value of that investment increases. If the investments are not sold prior to the maturity date, there is no market risk. Therefore, in accordance with the City's investment policy, all investments are held until maturity to ensure the return of all invested principal.

The City's effective rate of return for the period ended March 31, 2015 was 0.66%. The comparative benchmarks for the same period were 0.27% for LAIF (Local Agency Investment

Fund) and 0.52% for the 12-month average yield of the 2-year Treasury Note. The weighted average maturity of the portfolio was 510 days.

The investment portfolio is in compliance with the City's investment policy. A combination of securities maturing, new revenues, and tax receipts will adequately cover the anticipated cash flow needs for the next six months. Cash flow requirements are continually monitored and are considered paramount in the selection of maturity dates of securities.

The market values of the securities were provided by BNY Mellon, the safekeeping bank of the City's securities. All the securities owned by the City are held in the trust department of BNY Mellon under the terms of a custody agreement.

Three charts are included with the agenda packet that show investment by maturity levels, comparison of the City's portfolio yields to other benchmark yields as well as a trend of the type of securities in the City's portfolio, weighted average maturity and average yield.

Fiscal Impact: None.

Recommendation: Receive the investment report for the quarter ended March 31, 2015.

*** 11. Receive Financial Status Report for the Nine Months Ended March 31, 2014 (Staff Contact: Emma Karlen, 408-586-3145)**

Background: In FY 2014-15, staff projected the total General Fund revenue to be \$67.5 million. Based on the revenues received to date, new information and revenue trend analysis, staff revised the General Fund revenue to be approximately \$2.64 million above the original budget projection. The total revised revenue is estimated to be \$70.14 million. The primary reasons for the increase are improved property tax revenue, Transient Occupancy Tax (TOT) revenue, building permit and inspection fees and higher than expected residual property tax distributions from the Redevelopment Property Tax Trust Fund (RPTTF).

Property tax revenue, excluding the redevelopment property tax distributions, is projected to be 6.6% or \$1.2 million more than budget, reflecting housing market recovery and enrollment of some of the newly constructed properties on the tax roll. The residual property tax distributions from the RPTTF increases \$609,000 more than budget due to improved assessed valuation in the former Redevelopment Agency (RDA) Project Area thus increasing property tax revenue distributions to the taxing entities.

TOT is projected to be \$705,000 above budget. The increase in TOT revenue indicates improvement in both the high-tech and construction industries that contribute to increased hotel occupancy in the area. Permit and inspection revenue generated by the Building department is projected to be about \$301,000 above budget due to increased residential developments citywide, specifically in the Transit Area.

The only revenue that did not meet budget expectation was sales tax revenue. The primary reason for the decrease was due to relocation of a major sales tax generator to another city. Additionally, the purchase of equipment for use that generated use tax revenue by the high-tech industry tends to be volatile. Sales tax revenue has been revised downward by \$940,000.

The General Fund expenditures at the end of March were at 69.6% of the budget appropriations and are below budget. Staff projected that there would be savings from both personnel costs and non-personnel costs that amount to approximately \$2.3 million for the fiscal year.

The City Council adopted a fiscal policy to allocate any General Fund revenue not required to balance the General Fund expenditures to a Capital Improvement Project Fund to address funding deficiency of the Five Year Capital Improvement Plan. As of March 31, 2015, staff

expected \$2.9 million of the General Fund revenue will be available for such purposes. The amount may change or increase by year end. Staff will closely monitor the General Fund budget and report the amount transferred to the General Government Capital Improvement Project Fund to the City Council at year end.

The sewer revenues are on target with budget and no revision is necessary. Water revenues are below budget due to water conservation efforts by the utility customers that impact the amount of water consumption. Staff revised water revenues to be below budget by \$926,000.

Fiscal Impact: None.

Recommendation: Receive the financial status report for the City of Milpitas for the nine months ended March 31, 2014.

*** 12. Receive a Report Regarding International Park in Milpitas, and Direct Staff to Conduct Outreach and Prepare Feasibility Study (Staff Contact: Tim Wong, 408-586-3286)**

Background: On August 19, 2014, the City Council received a report outlining the request by several cultural organizations representing different countries to develop an international park. Organizations evincing interest in a park include a Filipino group, the Indian community, the Korean Language & Culture Foundation, and the Vietnam Neighborhood Association of Milpitas and Berryessa. Staff met with representatives of these organizations and based on these discussions, identified a possible site location. Tom Evatt Park, due to its central and accessible midtown location, was recommended for initial consideration. The City Council directed staff to meet with various City Commissions for review and input, and return to City Council with recommendations.

Based upon City Council direction, staff prepared an International Park concept plan. The conceptual plan identifies equally sized public spaces to accommodate an educational non-political theme of culture, arts, history, architecture, geography, and native plants for each participating international group within the portion of the Tom Evatt Park, east of Main Street. The concept could be expanded to the west side of Main Street dependent on other organizations' participation and interest. The park, east of Main Street, is approximately 0.37 acres, while the portion of the park between Main Street and South Abel Street is approximately 0.93 acres. The park west of Abel Street is 3.118 acres.

On March 2, 2015, staff met with the Parks, Recreation and Cultural Resources Commission (PRCRC) to review the conceptual plan. PRCRC comments were positive regarding repurposing the park for an international theme. Specific comments identified the need to address parking demand for associated international events, and to provide equally sized space for group participation.

On March 26, 2015, staff met with the Sister Cities Commission to review the conceptual plan. Sister City Commission comments were similarly positive to the PRCRC. Their comments also recommended the need to address parking for associated international events and to provide equally sized space for group participation.

Further specific recommendations included:

- Sister City should provide the initial overview review of all proposals, particularly for appropriateness. Commission will serve as a resource, and opportunity to review and recommend to PRCRC.
- PRCRC should have the primary review and recommendation responsibility.
- City Council should be the final decider, especially for non-political appropriateness.
- Should apply universal "Sister City" identification at the site. Add prestige to Sister City
- Overall project concept will help activate Main Street.

- Parking is an issue. Accessibility concern due to parking constraints. Parking opportunity on west side of Main Street using wider areas closer to Abel Street.
- Identify gathering areas within the park.
- Flag Poles per our Flag Ordinance (When representatives are in town).
- South Main Street pedestrian crossing, traffic calming, convertible street, pedestrian beacon.
- On April 1, 2015, staff met with the Community Advisory Commission to review the conceptual plan. Community Advisory Commission comments were similarly positive to the other commissions in repurposing the park for an international theme.

Specific comments received included:

- Concentrate on public outreach program.
- Provide clear steps to the process of participant plans and responsibilities.
- Utilize census data and consider population size for group representation
- Provide playground area for children.
- Include monuments, icons, small replicas, flags, small structures.
- Consider shared common area that everyone can use together rather than boundary areas or delineated areas. This makes it easier for new groups to be added later.
- Provide restroom facilities
- Provide picnic area.

Staff recommends that the City Council receive the Commission input and direct staff to further refine the concept of an International Park. Staff will collaborate with these interested groups to prepare a feasibility study and preliminary plan. Work product will include administrative policies and procedures for the park and specifications for size of designated international group areas within the park.

Alternatives:

- Not to repurpose Tom Evatt Park and have the park continue with its existing use.
- Direct staff to identify alternative park locations.
- Take no further action regarding development of an International Park.

Fiscal Impact: Up to \$50,000 to be reimbursed by participating organizations.

Recommendation: Direct staff to further refine the International Park concept with additional public participation and prepare a feasibility study and a preliminary plan.

XIX. ORDINANCE

- * 13. **Waive the Second Reading and Adopt Ordinance No. 38.822 Permitting Transitional and Supportive Housing in the MXD Zone and Manufactured Housing in the R2 Zone (Staff Contact: Tim Wong, 408-586-3286)**

Background: On April 28, 2015, the City Council introduced Ordinance No. 38.822 to amend the City's Zoning regulations to permit transitional and supportive housing in the Mixed Use (MXD) Zoning District. The Ordinance would also permit manufactured housing in the Residential2 (R2) Zoning District. Ordinance No. 38.820 is ready for a second reading and adoption.

Recommendation: Waive the second reading and adopt Ordinance No. 38.822 amending the Mixed Use zone to permit transitional and supportive housing and the Residential 2 zone to permit manufactured housing.

XX. RESOLUTIONS

*** 14. Adopt a Resolution Authorizing the Purchase of One Unmarked Patrol Vehicle from the National Auto Fleet Group for the Not-To-Exceed Amount of \$24,843.73 through a Cooperative Procurement Contract (Staff Contact: Chris Schroeder, 408-586-3161)**

Background: This purchase will replace an Unmarked Police Vehicle (U12-2010) totaled in an accident. The City of Milpitas received \$24,845.58 in insurance reimbursement from the Association of Bay Area Governments (ABAG) to replace the vehicle. This is a cooperative purchase through the National Joint Powers Alliance (NJPA). Cooperative purchasing through NJPA is specifically authorized pursuant to Municipal Code Section I-2-3.08 “Cooperative Procurement.” The Purchasing Agent reviewed all of the documentation from the National Joint Powers Alliance Request for Proposal #102811 entitled “Passenger Cars, Light Duty, Medium Duty, and Heavy Duty Trucks with Related Accessories” and determined that the underlying purchase was made using competitive bidding procedures at least as restrictive as the City of Milpitas. The price for the vehicles is the same as that offered in the original agreement.

Fiscal Impact: None. Sufficient funding has been allocated through an insurance reimbursement from ABAG.

Recommendation: Adopt a resolution authorizing the purchase of One Unmarked Police Vehicle from the National Auto Fleet Group for the not-to-exceed amount of \$24,843.73 through a cooperative procurement contract in accordance with Milpitas Municipal Code.

*** 15. Adopt a Resolution Approving a Temporary Street Closure on Piedmont Road, Calaveras Road, and Associated Side Streets for the May 12, 2015 Amgen Bicycle Tour of California Event (Staff Contact: Tracy Tam, 408-586-3276)**

Background: Amgen Tour of California is requesting to hold a professional-style bicycle race on Tuesday, May 12, 2015, between the hours of 10:49am and 10:57am on Piedmont Road and Calaveras Road. The promoters anticipate approximately 190 participants. The bike race is programmed to start at approximately 10:45am at the Berryessa Community Center in San Jose and arrive at the Milpitas/San Jose border at 10:49am. The event is leaving the City border at approximately 10:57am. The roads would be closed by Public Works staff and the Milpitas Police Department one hour prior to the race arrival. Public Works staff will provide barricades and the California Highway Patrol (CHP) in conjunction with the Milpitas Police Department will ensure that the barricades will not be breached during the duration of the event. The proposed street closures will be on the following streets: Piedmont Road, Calaveras Road, Landess Avenue, Greenrock Road, Glenview Drive, Seacliff Drive, Shiloh Avenue, Mesa Verde Drive, Bliss Avenue, Petersburg Drive, Yosemite Drive, Uridias Ranch Road, Alviso Adobe Court, and Downing Road. Staff has identified 253 homes that will be inaccessible for approximately one hour during the race. In the event of an emergency, public health and safety will take precedence and the bike race will cease, allowing the emergency service vehicles to pass through. Emergency services will be able to access the closed areas. Conditions will be placed on the special event permit to ensure traffic and pedestrian safety.

Event Security: The applicant proposes a moving traffic control team to lead and follow the race participants as the race is occurring. As attachment D details, CHP officers and Motor Marshals will lead the race and station themselves at the closed intersections while the race participants follow behind. The race doctor, team cars, and cleanup crew will follow the race participants with CHP officers at the end opening the streets after the race has passed through. The traffic control team takes approximately 20 minutes to pass through an intersection.

Outreach: In an effort to provide adequate public notification, the applicant has sent out notices of the event to all affected residents, and they will post notices along the race route prior to the bike race day. Staff has also mailed out public notices informing the affected property owners of a community meeting, which was scheduled on April 30, 2015 from 6:00 to 7:00 PM.

Conclusion: The race will benefit the City by publicizing it as a place to hold special events. The proposed road closures are temporary, and emergency vehicle access is accommodated. Adequate notice has been provided by City staff and the applicant. If the City Council authorizes the street closures, the applicant shall be responsible for the implementation of the Traffic Control Plan and associated City services.

Alternatives:

1. Adopt the Resolution as recommended,
2. Adopt the Resolution as recommended with additional changes directed by the City Council.
3. Deny the temporary street closure request.

Fiscal Impact: None. All associated costs will be paid by the applicant.

Recommendation: Adopt a resolution approving the request from AEG Cycling authorizing temporary street closure of the following streets on Tuesday, May 12, 2015 from 9:49 am to 10:57 am for the Amgen Tour of California bicycle event: Piedmont Road, Calaveras Road, Landess Avenue, Greenrock Road, Glenview Drive, Seacliff Drive, Shiloh Avenue, Mesa Verde Drive, Bliss Avenue, Petersburg Drive, Yosemite Drive, Uridias Ranch Road, Alviso Adobe Court, and Downing Road.

- * 16. **Adopt a Resolution Initiating Proceedings for the Annual Levy and Collection of Assessments and Ordering the Preparation of the Annual Engineer's Report for Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch, Project No. 9492 (Staff Contact: Steve Machida, 408-586-3345)**

Background: Landscaping and Lighting Maintenance Assessment District No. 95-1 (LLMD 95-1) was created in 1995. It provides for the improvement and maintenance of public landscaping, irrigation, and pedestrian lighting along portions of North McCarthy Boulevard and the Ranch Drive gateway between State Route 237 and Dixon Landing Road. In addition, the draft 2015-2020 Capital Improvement Program includes a project for the renovation and upgrade of portions of the District's landscaping and irrigation systems.

The Landscaping and Lighting Act of 1972 requires adoption of a resolution directing preparation of the annual engineer's report evaluating the LLM District maintenance and improvement costs. At subsequent meetings, the City Council will be asked to approve the completed engineer's report and schedule a public hearing for the proposed assessment on June 2, 2015. Upon Council's approval, the assessment for the maintenance and improvement work will be added to the 2015-16 property tax bills of property owners within the boundaries of the District.

Fiscal Impact: None.

Recommendation: Adopt a resolution directing the preparation of the Annual Engineer's Report for LLMD No. 95-1 at McCarthy Ranch.

- * 17. **Adopt a Resolution Initiating Proceedings for the Annual Levy and Collection of Assessments and Ordering the Preparation of the Annual Engineer's Report for Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon, Project No. 9493 (Staff Contact: Steve Machida, 408-586-3345)**

Background: Landscaping and Lighting Maintenance Assessment District No. 98-1 (LLMD 98-1) was created in 1998. It provides for the improvement and maintenance of public landscaping, irrigation, and additional lighting along Sinclair Frontage Road, Los Coches Creek and Berryessa Creek abutting the Sinclair Horizon residential subdivision.

The Landscaping and Lighting Act of 1972 requires Council adoption of the proposed resolution directing preparation of an annual engineer's report evaluating the LLM District's maintenance and improvement costs. At subsequent meetings, Council will be asked to approve the completed engineer's report and schedule a public hearing for the proposed assessment on June 2, 2015. Upon Council's approval, the assessment for the maintenance and improvement work will be added to the 2015-16 property tax bills of the property owners within the boundaries of the District.

Fiscal Impact: None.

Recommendation: Adopt a resolution directing the preparation of the Annual Engineer's Report for LLMD No. 98-1 at Sinclair Horizon.

- * 18. **Adopt Resolutions Summarily Vacating a Portion of Old Capitol Avenue (known as White Hole) and Annexing Real Property into Community Facilities District No. 2008-1; Approve Purchase and Sale Agreement, Subdivision Improvement Agreement, Final Map and Improvement Plans for 1315 McCandless for the District 1 Building 1 Development, Project No. 1134 (Staff Contact: Steven Machida, 408-586-3355)**

Background: On September 7, 2010, the City Council approved a tentative map and conditional use permit for the construction of 2 mixed use buildings including a grocery store and six residential buildings, by Integral Communities, LLC on 23 acres located at 1315-1600 McCandless Drive from Great Mall Parkway to East Penitencia Creek ("District 1" and "District 2" Projects). On March 20, 2012, the City Council subsequently approved a Major Tentative Map, Site Development Permit, and Conditional Use Permit (Resolution No. 8165) to amend the original entitlements and allow the construction of 4 mixed use buildings (934 dwelling units and 87,023 square feet commercial including a grocery store) on 13 acres (called "District 1") and 200 residential townhome units on 10 acres (called "District 2") located at 1315-1600 McCandless with ancillary lots for private streets and public streets. The project is being constructed in multiple phases.

The first phase of the project was the District 2 site consisting of 200 townhomes along with street and trail improvements. Integral Communities, LLC sold the District 2 site to Taylor Morrison. The District 2 phase is under construction and is almost completed.

The next phase of the project is the mixed use building with a grocery store consisting of 371 residential units and 44,943 square feet of commercial space on 5.71 acres located at 1315 McCandless Drive ("District 1, Building 1"). Integral Communities, LLC sold the District 1, Building 1 site to Milpitas – District 1 Associates, LLC, a subsidiary of Lyons Communities that completed the Apex project in the Midtown area of the City. In order to commence with construction for the next phase, the developer needs City Council approval of a final map for District 1 Building 1, approval of a Subdivision Improvement Agreement for construction of the public improvements, and purchase of the White Hole area for retail parking – all as further described below.

Milpitas – District 1 Associates, LLC ("District 1 Associates") submitted a final tract map for the next phase of development in substantial conformance with the approved tentative map and with required supporting documents.

District 1 Associates will construct 371 residential units and 44,943 sf of commercial space on 5.71 acres located at 1315 McCandless Drive (District 1, Building 1). The development has on-site private utilities (potable water, sanitary sewer, storm drain, recycled water, etc.). The public improvements consist of frontage improvements along McCandless Drive and Great Mall Parkway (curbs, gutters, sidewalk, asphalt concrete street section, utility mainlines, utility connections, street lights, landscaping, irrigation, and signal modification at McCandless Drive and Great Mall Parkway, and improvements to the Penitencia Creek Multi Use Trail.

In addition to the final map, the developer also submitted public improvement plans for McCandless Drive and Great Mall Parkway (2-1192) and has executed a subdivision improvement agreement for the project. Staff reviewed the documents and finds that they satisfy the City's requirements for this project. The public improvement plans and final map are available for review in the office of the City Engineer.

District 1 Associates requires the use of a portion of old Capitol Avenue right of way known as the "White Hole" located at the southeast corner of South Main Street at Great Mall Parkway east of Union Pacific Railroad for the fulfillment of certain development parking requirements. The City does not require the use of the "White Hole" area for public right of way and circulation and has not used the White Hole area for more than ten years since the realignment of Capitol Avenue. District 1 Associates has executed a Purchase Sale Agreement for the "White Hole" area for a valuable consideration. In order to transfer the White Hole area, that portion of the right of way must be vacated by the City under State law. An appraisal was completed by the Fillmore Group dated February 18, 2015 on behalf of the developer and the fair market value of the White Hole area (.698 acres) was appraised at \$150,000. The parties have not agreed upon a fair market value at this time. The proposed Purchase and Sale Agreement states that the fair market value of the White Hole will be determined later prior to issuance of any certificate of occupancy (temporary or final). This will allow the construction of the grocery store building to proceed and for the parties to determine the fair market value at a later agreed date. The Purchase Price shall be established by mutually agreed upon appraised value of the property as approved by the City Manager on behalf of the City.

On November 13, 2013, the Milpitas Planning Commission adopted Resolution No. 13-035 finding that the Summary Vacation and Disposition of a portion of Old Capitol Avenue Right-Of-Way (known as "White Hole") is in conformance with the Transit Area Specific Plan and General Plan as required under State law.

District 1 Associates is required to annex the subject property into Community Facilities District 2008-1 (CFD 2008-1) as a condition of the tentative maps approved by the City Council on October 21, 2008 and on October 5, 2010. Council adopted Resolution No. 7816 on January 6, 2009 forming the CFD 2008-1, authorizing the City to annex properties to CFD 2008-1, which will be assessed only for eligible public services, without further public hearing or formal election upon receipt of written consent from the owners. District 1 Associates gave written consent and approval that this property be annexed to CFD 2008-1. District 1 Associates has also agreed that such consent and approval constitutes election to annex to CFD 2008-1 and approval of the authorization for the levy of the special tax on the subject properties.

A Certified Environmental Impact Report for the TASP was previously adopted by the City Council on June 3, 2008 and a Mitigated Negative Declaration for the project was adopted by the City Council on August 3, 2010. Pursuant to Sections 15168 of the CEQA Guidelines, the project was found to be exempt from further CEQA documentation by the City Council on March 20, 2012 because the project is consistent with the certified EIR for the TASP and the Mitigated Negative Declaration for the project. All previous mitigation measures and monitoring and reporting program adopted for the project are still applicable and no new conditions exist that invalidate the previous environmental determination or will not create a significant environment impact that require further analysis under CEQA.

Fiscal Impact: None.

Recommendations:

1. Adopt a resolution for the Summary Vacation of a portion of Old Capitol Avenue ("White Hole")
2. Approve the Purchase and Sale Agreement for "White Hole" property.

3. Adopt a resolution annexing real properties located within Final Tract Map No. 10140 into Community Facility District 2008-1.
4. Approve Subdivision Improvement Agreement between the City of Milpitas and Milpitas – District 1 Associates, LLC for public improvements associated with Final Tract Map No. 10140 (District 1, Building 1).
5. Approve Final Tract Map No. 10140 (District 1, Building 1) and Public Improvement Plans 2-1192 (construction documents for the associated public improvements).

XXI. DEMANDS

- * **19. Authorize the Purchase of Ammunition for the Police Department from San Diego Police Supply for Not-To-Exceed \$45,154.09 (Staff Contact: Chris Schroeder, 408-586-3161)**

Background: The City’s Purchasing Agent worked with Police Department staff to develop an Invitation For Bid 2089 for Police Ammunition. On March 27, 2015 the IFB was advertised in a local newspaper, on the City website and through the Public Purchase website. The bid specified a variety of calibers and quantities for Federal brand ammunition. The bid was released nation wide on Public Purchase. Thirteen companies downloaded the bid but only one submitted a bid; San Diego Police Supply for \$45,154.09. After posting the Notice of Intent to Award (Pending Bid Results), no protest was filed.

Fiscal Impact: None. \$45,154.09 in funds for this purchase are available in the FY 2014-15 Police Department operating budget.

Recommendation: Authorize the purchase of ammunition for the Police Department for the not-to-exceed amount of \$45,154.09 from San Diego Police Supply.

- * **20. Authorize the Purchase and Installation of 90 Uninterrupted Power Supply Batteries from Stationary Power Systems for the Not-To-Exceed Amount of \$25,693.63 (Staff Contact: Chris Schroeder, 408-586-3161)**

Background: The City’s Purchasing Agent worked with Facilities Maintenance staff to develop Invitation For Bid 2095 for purchase and installation of 90 uninterrupted power supply batteries for the Public Works/Police Building. On March 13, 2015, the IFB was advertised in a local newspaper, on the City website and through the Public Purchase website. The bid specified Datasafe batteries model #12HX505-FR or equal. The base bid specified removal and certified disposal of the old batteries and installation of the new batteries. The base bid was for a three-year full replacement warranty. Alternate One added a two year extended warranty. Alternate Two added full not pro-rated replacement plus removal and certified disposal of any failed battery and installation of a new battery at no cost to the City through the end of the five year warranty period. Based on the City’s requirements staff, chose Alternate Two for which there were only three responsive bidders, as listed:

Bidder	Amount
Stationary Power Systems	\$25,693.63
Millenium UPS	\$32,631.66
Power 4 U Inc.	\$31,346.28

Stationary Power Systems was the lowest responsive and responsible bidder. After posting the Notice of Intent to Award (Pending Bid Results), no protest was filed.

Fiscal Impact: None. \$25,693.63 in funds for this purchase are available in the FY 2014-15 Public Works Operating Budget.

Recommendation: Authorize the purchase and installation of 90 uninterrupted power supply batteries in the total amount of \$25,693.63 from Stationary Power Systems.

- * 21. **Authorize Budget Appropriation and Subsequent Payments to Burton Fire and Sutphen Corp. of \$31,017.10 for Fire Ladder Truck Repair (Staff Contact: Steven Machida, 408-586-3355)**

Background: During annual inspection of Ladder Truck TK86, it was determined that the yoke supporting the ladder was leaning causing the firefighter in the basket to be unsafe. The City received the following quotes to repair the damage to the yoke. Both companies are required to be involved in the repair since different segments of the truck and ladder are involved.

Burton Fire	\$11,053.43
<u>Sutphen Corporation</u>	<u>\$19,963.67</u>
Total	\$31,017.10

Alternative: If replacement of the yoke on Ladder Truck TK86 is not completed, the firefighter using the ladder will be exposed to a fall. The truck must be placed out of commission and cannot respond to calls.

Fiscal Impact: As this repair was not budgeted, a budget appropriation from the Equipment Replacement Fund is requested to pay the costs to replace the yoke on the ladder truck.

Recommendations:

- 1) Authorize a budget appropriation from the Equipment Replacement Fund into the Public Works Fleet Maintenance budget.
- 2) Authorize payment of invoices to two vendors: Burton Fire and Sutphen Corporation, totaling \$31,017.10 for Fire Department's Ladder Truck TK86 repairs.

XXII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, MAY 5, 2015**