

**Draft MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Regular Meeting of Milpitas City Council
Date: Tuesday, September 15, 2015
Time: 6:00 PM Study Session / 7:00 PM Open
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

CALL TO ORDER

Mayor Esteves called the meeting to order at 6:02 PM. The City Clerk noted the roll.

PRESENT: Mayor Esteves, Vice Mayor Montano, Councilmembers Barbadillo, Giordano and Grilli

ABSENT: None

STUDY SESSION

Development Proposal for the Serra Center: Planning & Neighborhood Services Director Bill Ekern addressed the City Council explaining that the Serra Center property owners were here to address the City Council with some information about a potential zone change request at Serra Center, while there was no actual project proposal at this time.

Mr. Jeff Rhoads of the Argonaut Co. presented for the property owners.

Mayor Esteves asked about the desire to change zoning: was it to purely residential or to mixed use? Mr. Ekern responded the primary focus has been on residential development rather than the current land use and zoning for industrial/commercial use.

Councilmember Grilli wanted to know why the number was from 500 – 1000 dwellings for residential. Mr. Rhoads said they needed a sizable residential component to make it viable economically, with a mixed use stacked structure most likely.

Councilmember Barbadillo asked if the 10.6 acres (out of the larger total) was only to be redeveloped, would owners leave the remainder as is. Mr. Rhoads replied there were long term lease commitments for currently successful businesses (restaurant and hotels).

Councilmember Giordano described mixed use residential as a new phenomenon in Milpitas and it could be successful.

Councilmember Grilli asked what would be the percentage of residential development to commercial. Mr. Rhoads suggested it might be about 20% retail and 80% residential while there was not actual project proposed at this time yet. Mrs. Grilli remarked that the City Council recently did not allow mixed use in the Town Center and there were concerns for schools, and adding more residential concerned about.

Councilmember Barbadillo commented on remarks previously made at a meeting by the Economic Development Manager about the business needs of the City, referring to bringing in more businesses and working population. Mr. Ekern responded on that point.

Councilmember Giordano noted that Planning Commissioners were positive and favorable to a zoning change when this was brought for discussion. It was always a give-and-take for any development proposal. This could be a beautiful project, as a gateway to the City. She could be in favor of it, adding high quality density residential and was open to a zoning change.

Mayor Esteves thanked the group for coming forward and for being a pioneer, driving development in a “dead” area of Milpitas. Possibly the only way to change that area would be to allow residential in that space.

Vice Mayor Montano asked how this change would benefit surrounding neighborhoods. Mr. Rhoads said amenities added for shopping with a new upscale “downtown” area of Milpitas.

Councilmember Barbadillo agreed a gateway was needed, but how it was presented meant he did not have enough facts. The Council would need input from the school district for example and input from the people.

Councilmember Grilli felt if a project was proposed with an 80/20 mix, she did not understand how it would revitalize the area. She had seen success in neighboring cities of Fremont and San Jose, so lots of commercial was going in around Milpitas. She was not sure it should be residential on this Serra site.

Mayor Esteves invited comments from the audience.

Bob Nunez, Milpitas Unified School District board member, read aloud a letter from the Superintendent and submitted it to the City Clerk. He asked that no change in zoning occur on the Serra site and that the Board continue to work cooperatively with the City on any land use that had an impact on the district.

The Mayor spoke about past actions of City Council to control residential growth into specific areas. The majority of Council here appeared to want to bring this Serra Center concept forward to consider a specific project and zone change, in the future.

The Study Session was ended at 7:20 PM.

City Council then convened in Open Session at 7:20 PM.

PLEDGE

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

INVOCATION

Councilmember Giordano quoted Abraham Lincoln.

MEETING MINUTES

Motion: to approve minutes of September 1, 2015 City Council meeting

Motion/Second: Councilmember Grilli/Councilmember Barbadillo

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

SCHEDULE OF MEETINGS

Motion: to approve the Council Calendars/Schedules of Meetings for September and October 2015, as amended

City Manager Williams announced the following meeting changes:

- 1) Special City Council meeting the following day at 4:30 pm, September 16
- 2) Economic Development Commission scheduled yesterday was canceled
- 3) League of California Cities annual conference would take place from September 30 through October 2, in San Jose. The Mayor, Vice Mayor and some city staff will attend

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

PRESENTATIONS

Mayor Esteves proclaimed Ovarian Cancer Awareness Month for September and the proclamation was accepted by Vicky Michelis.

Mayor Esteves commended Generation Taekwondo of Milpitas members for success at the recent national championships, where more than 10 student participants won medals. He thanked Grand Master Mr. Cruz and presented certificates to the youth members in attendance.

PUBLIC FORUM

Rob Means, 1421 Yellowstone Ave resident, discussed Personal Rapid Transit and provided overhead slides with graphics and layout design with information.

Robert Marini, Milpitas resident, referred to a Finance Subcommittee meeting, and costs for sewerage were not discussed then. He displayed his own chart of costs for bimonthly water and sewage service for single family residences.

Sixteen speakers came to the podium and addressed the City Council with comments on odor problems, opposition to Newby Island, against Republic Services as Milpitas garbage company, rates paid to Republic, and the landfill generally as a public nuisance.

Mayor Esteves responded on two actions by the City: one) a resolution was already adopted by Council declaring the public nuisance; and, 2) a consultant was preparing the RFP to go out for trash collection service. Mayor Esteves remarked on the many speakers about the odor issue and thanked them for attending this meeting and speaking out.

ANNOUNCEMENTS

City Manager Tom Williams announced four employees who were honored the previous week at the City Employees Barbecue at Higuera Adobe Park. Mayor Esteves and City Council thanked and recognized recent winners at the City of Milpitas Employee Recognition: Rising Star Award to Jean Andona from the Police Department; Rookies of the Year Gaby Manzo (Building) and David Sanchez (Recreation), and Employee of the Year Roberto Herrera (Public Works).

Councilmember Giordano asked to adjourn the meeting in memory of Ernie Wolf, a pioneering member of the community who'd recently passed away.

Vice Mayor Montano spoke regarding the Policy Advisory Committee of Santa Clara VTA. That agency planned to launch a new transit pilot program with buses called "VTA Flex" starting in October. She displayed what the vehicles would look like.

**ANNOUNCEMENT OF
CONFLICT OF INTEREST
AND CAMPAIGN
CONTRIBUTIONS**

City Attorney Baum asked City Councilmembers if they had any personal conflicts of interest or reportable campaign contributions. No conflicts or contributions were reported.

APPROVAL OF AGENDA

Motion: to approve the agenda, as submitted

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

CONSENT CALENDAR

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

City Manager Williams requested to move item no. 5 (regulations for the Community Gardens) to consent.

Councilmember Giordano asked to remove item no. 12 (plastic bag ban ordinance) from consent.

Mayor Esteves requested to place item no. 6 (RSRAC workplan) onto consent.

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

- * 2. RFP Ethics Hotline Directed the City Manager to issue a Request for Proposals for a City Ethics Hotline.

- * 4. Commission Appointments Approved the Mayor's recommendation for appointments, as follows:
 - Youth Advisory Commission:**
Re-appointed Commissioners Sabina King, Sahil Sandhu and Crystal Tran to one year terms that will expire in September 2016.

 - Moved Alternate No. 1 Jashandeep Chahal, Alternate No. 2 Claudia Wang, and Alternate No. 3 Ravit Sharma to voting member seats to terms that expire in September of 2016.

 - Moved Alternate No. 4 Christie Maly to Alternate No. 1 to a term that will expire in September of 2016.

 - Newly appointed Emerald Gilana as Alternate No. 2 to a term that will expire in September of 2016.

 - Sister Cities Commission:**
Re-appointed Massoud Arefi to a new 3-year term that will expire in September of 2018.

- *5. PRCRC – Community Garden Rules & Regulations Approved the revised Rules and Regulations for the Cesar E. Chavez Community Garden, per recommendation of the Parks, Recreation and Cultural Resources Commission.

- *6. RSRAC Workplan Approved Recycling and Source Reduction Advisory Commission's 2015-16 Work Plan.

- *11. Restoration of 7% PERS Approved restoration of employer PERS 7% contribution for the City of Milpitas unrepresented employees.

- *13. Resolution Adopted Resolution No. 8501 granting initial acceptance of public improvements for SORA Milpitas (Shea Residential), Tract 10139, Project No. 2718 and approving a reduction in the performance bond, subject to a one-year warranty period and reduction of the faithful performance security to \$240,000.

- *14. Resolution 1. Adopted Resolution No. 8502 adding one Administrative Analyst II position and reclassify an existing Maintenance Custodian Position in the Public Works Department.
2. Approved appropriation of funds from the General Fund in the amount of \$182,000 to fill a vacant unfunded Public Works Manager position in the Public Works Department.

- *15. Resolution Adopted Resolution No. 8503 and directed staff to send appropriate letters expressing the City of Milpitas' opposition to the project and trains carrying crude oil from travelling through the City.

- *16. Amendment to agreement with Santa Clara VTA 1. Approved Amendment No. 8 to the Master Agreement with the Santa Clara Valley Transportation Authority related to the Silicon Valley Rapid Transit Program Berryessa BART Extension Project extending the term to February 28, 2017 and increasing the agreement amount by \$646,100.
2. Approved a budget appropriation of \$300,000 to Project No. 4265 – BART Extension coordination and planning in the CIP.

- *17. Amendment to agreement with Vali Cooper & Associates Approved Amendment No. 4 to the Agreement with Vali Cooper & Associates, Inc. extending the term to October 31, 2016 and increasing compensation in the additional amount of \$310,000 to continue support on the Silicon Valley Rapid Transit Program-Berryessa BART Extension and on the Montague Expressway Widening, Projects No. 4265 and No. 4179.

- *18. Agreement with CSG for Engineering staff Approved a consultant agreement with CSG Consultants, Inc. for Engineering Department staff augmentation services for Capital Improvement Program projects for an annual amount not-to-exceed \$150,000.

Councilmember Grilli was really glad that the Mayor supported the regional effort and study as proposed. She agreed with the Vice Mayor that this was an issue for families all across the South Bay.

Mayor Esteves felt the current rate of pay was not a livable rate for those workers. Large cities had already adjusted the minimum wage, like San Jose, San Francisco and Los Angeles. He supported staff Option 1 (as noted below).

Councilmember Grilli asked if the Mayor had a timeframe on the study to be completed. Mayor Esteves said no but as soon as possible for the conclusion on the study.

Mayor Esteves invited speakers from audience.

Robert Marini, Milpitas resident, asked if these were full time or part time employees that were being discussed. He urged to make a distinction if going out to bid.

Liz Ainsworth, President of the Chamber of Commerce, reported her organization was also looking at this issue. She was glad there would be a study. There was a difference between minimum wage and a "living wage." Members wanted to safeguard their businesses. She requested to meet with the Mayor on this topic to give input.

Tom Valore, Milpitas resident, said people fool themselves when not paying a living wage. The question was, out of whose pocket the funds come from. Taxpayers ultimately paid for benefits that poor people may get from the government, when they did not earn enough to survive. It was best if those who can work to do that on a fair wage.

Voltaire Montemayor, Milpitas resident, was looking into the eyes of the workers who need more money, and they had pride. He was in favor.

Motion: to direct the City Manager to move forward on recommended Option 1 (continue current contract with Varsity, participate in county-wide wage study, and rebid contract) and direct staff to report back on the minimum wage study with recommendation to consider for all outside contracts

Motion/Second: Vice Mayor Montano/Councilmember Grilli

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

Mayor Esteves announced a break at 9:08 PM and returned at 9:21 PM.

NEW BUSINESS

7. Rep. for South Bay Odor Group

City Engineer Steven Machida explained the need for the appointment process for a City representative to serve on the South Bay Odor Stakeholder Group.

Mayor Esteves asked the qualifications to serve. Mr. Machida said the person would need to be a resident and have some awareness of the issues being discussed regarding odor. Mayor Esteves announced this opportunity to the public and encouraged anyone interested to complete a City Commission application and submit it to the City Clerk.

Motion: to authorize the selection process to appoint a public Representative and Alternate to the South Bay Odor Stakeholder Group, and to report back to the City Council with the recommendation for appointments on October 20, 2015

Motion/Second: Vice Mayor Montano/Councilmember Grilli

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

**8. Super Community
Committee Marketing**

Economic Development Manager Edesa Bitbadal reported that Levi Stadium in Santa Clara would host Super Bowl 50 on February 7, 2016. Milpitas and surrounding communities wanted to take advantage of the many visitors coming to the South Bay for the Super Bowl event and to encourage hotel patrons here to dine and shop here too. She listed ideas that would be pursued and a budget of \$35,000 recommended, after several meetings with the Economic Development Commission and local businesses. Funds would cover printing material, website, shuttle service, CBS video, welcome signs, billboard ads and “Milpitas Business Passport” to implement in January, after holidays.

Vice Mayor Montano asked if there would be promotion of the Century movie cinemas at the Great Mall. Staff replied yes and that General Manager of the mall was part of the committee. All entertainment venues would be advertised. The Vice Mayor also suggested ads on the light rail trains. Ms. Bitbadal responded that perhaps large banner ad across the street may be possible.

Mayor Esteves suggested a visitor’s hotline to call since there is no visitor’s bureau in the City. He also requested a marquee sign at City Hall, as a welcoming sign. He wanted to sign a Welcome letter from the Mayor himself to all visitors during the Super Bowl time.

Motion: to receive the oral report from the Economic Development Manager and direct staff to implement the Milpitas Super Community Committee Citywide Marketing Plan including approval of \$35,000 budget

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**9. Update on Sports Center
Fields Project**

City Engineer Steven Machida provided details of the work to accomplish for the major update to the Milpitas Sports Center playing fields, including new synthetic turf for the fields. He brought a sample of the “Field Turf” to display. Staff and the contractor had recognition of the time-critical schedule to have all work done by next year’s July 4th celebration. To expedite design and project delivery for the Sports Fields update, a “design/bid/build” approach would be used to move it along rapidly.

Councilmember Grilli asked lifespan of the turf and he replied 15–20 years maximum.

Councilmember Barbadillo asked questions on costs, and the preliminary cost estimate versus amount in the award of bid. Staff may forego some of the improvements, do it as value engineering as needed, to stay within budget. Additional questions were answered about the budget, projected costs and potential changes.

Vice Mayor Montano asked if “purple pipes” for use recycled water would be used at this project. Mr. Machida replied that staff was working to bring more available use of that water all throughout the city. Ms. Montano recommended decorative signs at the site.

Mayor Esteves further suggested perhaps the use of new public art funds could be used for the signs the Vice Mayor had suggested.

The Mayor also asked questions about protecting the surface during annual Relay for Life walk-a-thon event, as it would be different than how it was handled in the past on dirt field. He urged consideration for maintenance costs too.

Speaker: Voltaire Montemayor, Milpitas resident, said this project was worth it.

Motion: to receive a presentation from the City Engineer and approve the conceptual plan and proceed using Design-Build method for the Milpitas Sports Center Sports Fields Project No. 5104

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**10. Preliminary FY 2014-15
Year End Financial Report**

Finance Director Emma Karlen gave a summary preliminary financial report, starting with the General Fund Revenues and Expenditures, for the end of the FY 2014-15. Revenues were up by \$6.0 million more than budgeted, especially due to an increase in property tax receipts and the former Redevelopment Agency area tax proceeds distribution (RPTTF). Hotel tax revenue (TOT) was significantly higher as well.

On the expenditures side, approximately \$5.4 million in savings was experienced. In particular, salary savings occurred with turnover in staff positions, with vacancies.

Further discussion was held on sales tax revenue, which was very slightly down from the amount projected, and ways to consider increasing it in future budget years.

Ms. Karlen reviewed amounts for the General Fund Undesignated Reserve (aka "Rainy Day" funds of \$13 million (18% reserve) and noted funds available for the CIP.

Speaker: Voltaire Montemayor, Milpitas resident, responded on the actual figures versus the project budgeted revenue. He said that could not always be controlled.

Motion: to receive the preliminary year end financial report for the Fiscal Year ended June 30, 2015

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

ORDINANCE

12. Ordinance No. 287

Councilmember Giordano removed this from consent and referred to an e-mail she had received from a group that was opposed to the plastic bag ban. She wanted to be consistent with her past vote in opposition to the proposed ban. She agreed with the idea to wait until the statewide ballot initiative was voted upon in 2016.

Speakers:

Voltaire Montemayor, Milpitas resident, talked about going to the store without bags and there had been detrimental side effects of a ban but now he saw benefits.

Rob Means, 1421 Yellowstone resident, mentioned the persons who signed the petitions for the statewide ballot measure. He felt some of those may have been duped or misled on what the measure was about. He also talked about corporate money in elections.

(1) Motion: to waive the second reading of Ordinance No. 287

Motion/Second: Councilmember Grilli/Vice Mayor Montano

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

(2) Motion: to adopt Ordinance No. 287 restricting the use of single-use carry-out bags

Motion/Second: Councilmember Grilli/Vice Mayor Montano

Motion carried by a vote of:

AYES: 4

NOES: 1 (Giordano)

RESOLUTIONS

Three resolutions were adopted on consent calendar.

AGREEMENTS

Three items were approved on the consent calendar.

ADJOURNMENT

Mayor/Chair Esteves adjourned the City Council meeting at 11:00 PM in memory of Ernie Wolf.

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