

**Draft MEETING MINUTES  
CITY OF MILPITAS**

**Minutes of:** Joint Meeting of Milpitas City Council and  
Housing Authority Commission  
**Date:** Tuesday, March 1, 2016  
**Time:** 6:00 PM Closed Session / 7:00 PM Open Session  
**Location:** Council Chambers, Milpitas City Hall,  
455 East Calaveras Blvd., Milpitas

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**CALL TO ORDER** Mayor Esteves called the meeting to order at 6:01 PM. City Clerk noted the roll.

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

**ABSENT:** None

**CLOSED SESSION** City Council convened in Closed Session to four litigation matters.

City Council then convened at the dais for the Open Session at 7:24 PM.

**ANNOUNCEMENT** No announcement out of closed session.

**PLEDGE** Boy Scouts Troop No. 92 led the pledge of allegiance.

**INVOCATION** Councilmember Barbadillo offered a prayer to start the meeting.

**MEETING MINUTES** Motion: to approve the minutes of February 16, 2016 City Council meeting

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**SCHEDULE OF MEETINGS** Motion: to approve Council Calendar/Schedule of Meetings for March 2016

City Manager Tom Williams noted a scheduled meeting for the Mayor the Santa Clara Valley Transportation Authority Northeast group on Wednesday, March 2. ON the same date, the City Council's Facilities Naming Subcommittee was scheduled to meet at 4:00 PM

Motion/Second: Councilmember Grilli/Councilmember Giordano

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

**PRESENTATION** Mayor Esteves acknowledged February as Black History Month, as requested by Milpitas Flamekeepers. However, no one was available to accept the proclamation.

**PUBLIC FORUM** Martin Skelson, Milpitas resident, commented about water rates, and letters of protest. He asked Councilmembers to fill in the blanks to indicate how many protest letters each had read.

Michael Tsai, Milpitas resident, felt the Transit Area Specific Plan was a great plan. It showed the city cared about transportation security, and transit oriented development. He quoted various

figures, stressing a need to strengthen public safety with a projection for more residents, and dense development, along with transit needs.

Liz Ainsworth, Milpitas Chamber, announced the 23<sup>rd</sup> annual Crab Feed fund raiser scheduled on Friday, March 4, 2016 at 6:00 PM. See her for tickets.

Voltaire Montemayor, Milpitas resident, talked about lights on some streets in the city and he urged all to be careful.

Rob Means, 1421 Yellowstone resident, talked about Personal Rapid Transit. He showed some information overhead about the additional benefits.

Tom Valore, Milpitas resident, requested one item to come off consent, an amendment to HF&H contract, relative to the solid waste contract.

Robert Marini, Milpitas resident, noticed the City was dealing with RMC a lot - a company that had been dealing with City for many years. He asked for the City to work with a different firm and to put that on an agenda for discussion.

## **ANNOUNCEMENTS**

City Manager Willaims asked the City Engineer to come forward to announce new staff. Mr. Steven Machida introduced the new Assistant City Engineer Ms. Judy Chu, who came to Milpitas from the City of Sunnyvale. Ms. Chu was excited to join the vibrant City of Milpitas and the many projects in Engineering.

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

City Attorney Diaz asked Councilmembers if they had any personal conflicts of interest or reportable campaign contributions. None were reported.

## **APPROVAL OF AGENDA**

Motion: to approve the meeting agenda, as submitted

Motion/Second: Vice Mayor Montano/Councilmember Giordano

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

## **CONSENT CALENDAR**

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

Mayor Esteves requested to remove agenda Item No. 5 (co-sponsor Chamber Barbecue) and Item No. 9 (amendment to agreement with HF&H). Vice Mayor Montano requested to remove Item No. 8 (amendment to agreement with RMC).

Motion/Second: Councilmember Giordano/Councilmember Grilli

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

- \* 1. Odor Report Received the monthly update of the odor control report.
- \* 4. Customer Service Training Received update on staff customer service training for City employees.
- \* 7. Remove Members Removed Rohit Sharma and Lokesh Krishnarajpet as members of the City's Campaign Finance Reform Committee, reducing the total number of Committee members to seven, from nine originally.
- \*10. Award Bid to DataProse Awarded the bid to DataProse Inc. and authorized the City Manager to execute a contract for Utility Bill Printing and Mailing Services for the annual not-to-exceed amount of \$64,000. Authorized the Purchasing Agent to exercise up to four annual renewal options with an annual price increase up to 5% without further City Council action, except for

appropriation of funds.

**NEW BUSINESS**

**2. SFPUC on Water Outlook**

Mr. Steve Ritchie, from the San Francisco Public Utilities Commission, addressed City Council about its water supply, as one of the wholesalers to City of Milpitas.

Mr. Eric Sandler, the CFO for SFPUC, then discussed the Water Supply Agreement and its relation to rates for water. With cities, it was a cost sharing arrangement. He described wholesale contract rate calculations. He concluded his presentation with the announcement of a Wholesale Water Rate public hearing scheduled on May 10, 2016 at 1:30 PM at San Francisco City Hall.

The Mayor and Vice Mayor thanked the PUC staff, and asked several questions.

In response to Councilmember Barbadillo, Mr. Sandler talked about the SFPUC being the most audited government agency in the City. Cost effectiveness always the main concern for an agency wherein no profit was permitted, solely charges for the cost of service.

Councilmember Giordano asked the City Manager if this important discussion could be had in the future, in advance of any change in rates in the future. Mr. Williams replied that sooner rather than later in the future would be valuable.

Vice Mayor Montano urged City staff to provide information (on the power point slides on the City website, as was presented by SFPUC staff.

Mayor Esteves invited comments from the audience.

Robert Marini, Milpitas resident, discussed the percentage that the rates increased versus the cost of water costs increased, as just displayed by SFPUC. He asked if San Jose as a customer was charged the same amount as Milpitas. Mr. Sandler replied that the rate charged for wholesale water was the same for every customer.

Rob Means, 1421 Yellowstone, heard the City Manager say that the City had been undercharging over the past few years, and now was trying to catch up, and charge fair rates including the increases.

Tom Valore, Milpitas resident, thanked the presenters for giving a reliable rate quality service of good, clean, safe water. He hoped that enough was being done to maintain reliability of the infrastructure to deliver high quality water.

Motion: to accept the oral report from the SFPUC representatives and direct staff to post the presented information on the City’s website

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**3. Update on Sports Fields**

City Engineer Steven Machida gave a status update to the Council on the Milpitas Sports Center Sports Fields Project No. 5104. The newly resigned playing fields surrounding Cardoza Park were being totally revamped, and he provided pictures of the construction work presently well underway by contractor O.C. Jones & Sons Construction Inc.

Vice Mayor Montano asked about how staff would restrict items that people try to bring onto the fields on July 4, in order to protect it. Recreation Services Manager Renee Lorentzen addressed what Recreation staff did to limit items on July 4 in the past and to strengthen it in future.

Comments from the audience members:

Robert Marini, Milpitas resident, wanted to know how much the project cost, the cost per square foot and the total project cost.

Mr. Machida replied the total cost of the project was \$3.4 million but he did not have the exact cost of the turf at this meeting (and could provide it later).

Motion: to receive the staff report and presentation on the status of the Sports Fields improvements project

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**5. Chamber Barbecue**

This item was removed from consent, and so Mayor Esteves asked for a breakdown of the exact costs, for the fee waiver that the Chamber of Commerce sought for its International Barbecue event in May.

Acting Planning Director Fleming responded to his concerns. \$17,656 was the new revised total of those costs, while staff did not have those in particular at the time the agenda was published. Staff could provide exact breakdown of the costs to the City Council later.

Mayor Esteves suggested that the waived costs should not be higher than \$18,000 estimated in the staff's recommendation. He did not want to allow a return to City Council on this matter.

The Mayor had questions for the Chamber of the total budget of the International Barbecue event. Chamber President Liz Ainsworth came forward to say it would cost about \$65,000 total for the weekend event. The Mayor said he did want to get a report of the entire budget for the event, with the City as co-sponsor.

Councilmember Giordano asked the Chamber to announce date of event, which was over the weekend of Saturday, May 21 and Sunday, May 22 (prior to Memorial Day).

Motion: to approve the City of Milpitas co-sponsorship of Milpitas Chamber of Commerce's International BBQ and Festival event in an amount not to exceed \$18,000 (with no return for any additional amount)

Motion: Mayor Esteves/Vice Mayor Montano

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

**6. Possible Ballot Measure**

Mayor Esteves described recent approval by a City Council ordinance to not allow any residential development in the Town Center zone. He wanted to propose a ballot measure for voters to secure this decision, with no change to the zoning except by voters in the future (not to be changed by a future City Council). Cost would be a consideration to have a ballot measure in June versus November this year. Maybe more input from the people would be valuable, also.

Councilmember Giordano thought the amount of hours more than four would involve checking all legal issues and the City Attorney agreed with that. She would respect the majority of the City Council, even though she was opposed to the ordinance adopted last year. Input from the public was important so she would support having a vote on this topic.

Councilmember Grilli supported the concept while she did not see urgency of having it in June. She would like staff to have more time to analyze it and more input from the community. She would support it for November if it was legally okay.

Vice Mayor Montano agreed with approving more than four hours of staff time. She supported having the ballot measure in November, and if it could “piggyback” on another ballot measure already scheduled.

City Manager Tom Williams replied that the past ballot measures T and Z were already going to voters in November. This meant there would be economy of scale with having any ballot measure added in the fall, when the City’s municipal election was scheduled.

Mayor Esteves asked about a possible park-related measure on the ballot and a petition. Mr. Williams responded that matter could be placed on a future Council agenda.

Motion: to approve staff effort to research the ordinance related to Town Center zoning, then to bring this subject for approval of a ballot measure possibly in the November 2016 election

Motion/Second: Councilmember Grilli /Councilmember Giordano

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

City Manager Tom Williams commented that staff would bring an item on the status of the parcel at 230 N Main St. on a future City Council meeting agenda.

## AGREEMENTS

### 8. Amendment to Agreement with RMC

Vice Mayor Montano wanted some background information and an overview of the item.

City Engineer Steve Machida described this project as building a new sewer main across 880 to Marilyn Drive. It was not possible to use a typical construction method, so it required significant design planning. After interviews, RMC was deemed to be the most experienced and qualified firm to handle the many complications to the project, where a bore-and-jack method would be used.

Councilmember Giordano left the dais at 9:26 PM.

Motion: to approve Amendment No. 1 to the agreement with RMC Water and Environment Inc. in the amount of \$55,000 for Marylinn Drive Sanitary Sewer Replacement, Projects No. 6115 and No. 6116

Motion/Second: Vice Mayor Montano/Councilmember Grilli

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

### 9. Amendment to Agreement with HF&H

Resident Tom Valore spoke to the Council and remarked on way the RFP for solid waste services was structured. The consultant had said one thing, while the resident had other concerns. He did not understand why more funds kept going to the contract for this consultant’s services. His concern was for the taxpayer getting maximum benefit in this process, to which he objected.

Councilmember Giordano returned to the dais at 9:29 PM.

City Manager Tom Williams reviewed how this appropriation and contract was structured, to be brought to the City Council in phases of the project. Council was then requested to

approve spending for each phase, as was on the agenda at this meeting.

Councilmember Giordano commented that the City had done this for other large expenditure projects too, such as the strategic plan.

Motion: to approve a budget appropriation in the amount of \$200,000 from the Solid Waste Fund to CIP No. 3401, and, approve Amendment No. 3 to the consultant agreement with HF&H Consultants for solid waste procurement services in the amount of \$200,000

Motion/Second: Councilmember Giordano/Vice Mayor Montano

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

**JOINT MEETING**

**CITY COUNCIL AND HOUSING AUTHORITY**

Call to Order & Roll Call

The joint meeting of the City Council and the Milpitas Housing Authority Commission was opened at 9:34 PM with all members present.

Approve Agenda & Consent

City Attorney Chris Diaz noted a correction on Recommendation No. 2 to authorize the Mayor (not the City Manager) to execute the Joint Powers Authority agreement.

Motion: to approve the agenda, while removing the one item from consent for discussion

Motion/Second: Vice Mayor Montano/Councilmember Giordano

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

11. Adopt Joint Resolution

Vice Mayor Montano asked about this action, and the advantages to action tonight.

Finance Director Russell Morreale explained the administrative action needed relative to the water bonds that were anticipated to be issued in July or later in the next fiscal year. Adoption of the recommended resolution would establish the new Milpitas Municipal Financing Authority for bond issuance.

Motion: to adopt Joint Resolution No. 8526/HA 18 of the Milpitas City Council and the Milpitas Housing Authority authorizing the execution of a joint exercise of powers agreement related to the Milpitas Municipal Financing Authority; and, to authorize the Mayor to execute the Joint Exercise of Powers Agreement for the new Milpitas Municipal Financing Authority

Motion/Second: Vice Mayor Montano/Councilmember Grilli

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

**ADJOURNMENT**

The joint meeting was adjourned at 9:37 PM.

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