

**MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Special Meeting of the Milpitas City Council
Date: Wednesday, May 15, 2019
Time: 6:00 PM
Location: Barbara Lee Senior Center, Denny Weisgerber Room,
40 N. Milpitas Blvd., Milpitas

ROLL CALL

Vice Mayor Dominguez called the meeting to order at 6:00 PM and City Clerk Mary Lavelle called the roll.

PRESENT: Vice Mayor Dominguez, Councilmembers Montano, Nuñez and Phan

ABSENT: Mayor Tran

PUBLIC FORUM

Steve Castanemi, a resident since 1966, was with the Building Trades Council for 38 years. He'd served as a business representative in various counties, including Santa Clara County. He supported skilled labor and project labor agreements (PLA), with an overall concern for safety. No PLA contract project had ever failed and he urged City Council to approve a city-wide PLA.

Councilmember Nuñez had knowledge of voting for PLAs by a School Board. He inquired if that was different for the City of Milpitas. He assumed it was mentioned due to a project on the agenda and asked for the topic to be on a future agenda.

Councilmember Montano assumed the City had that. City Engineer Steve Erickson came forward to explain that the City had a signed Project Labor Agreement in the past for the Milpitas Library construction project, while it did not have a blanket one for all projects.

David Bini, executive director of the Building & Construction Trades Council, spoke representing its members some of whom lived in Milpitas. He wanted to have community workforce agreement (CWA) between the City and the Council, as already existed with the School District.

Steve Sedell, resident, spoke of support for the Trades Council, to help people live decent lives with a living wage. He was familiar in the past with the International Teamsters. Also, he lived near Los Coches Street and would be happy to work with the City to persuade businesses to beautify their landscaping.

Voltaire Montemayor, resident, attended a meeting on the budget and spoke of unassigned versus unfunded items that were not budgeted yet. He was concerned for parks and budget priorities.

Darren Compton spoke in favor of a community workforce agreement here in Milpitas, and he'd lived and worked in Santa Clara County all his life. He worked as a business agent for Bricklayers. A CWA would provide targeted local hires and provide meaningful careers to the next generation.

Kevin White, a Milpitas High alum, spoke in favor of a workforce agreement to help Milpitas to grow, and he could talk to the high school kids who don't go to college. He was an apprentice and it helped him to do well.

Will Smith, a business representative for International Brotherhood of Electrical Workers, represented 3,500 members in Santa Clara County. He told his personal story in support of a CWA. He had five children at a young age. With IBEW, he was able to have a good career without a college education, and had a trade to support his family.

Patrick McKenzie, a life long resident of Milpitas, was a current apprentice with IBEW, which was a great opportunity for him. He encouraged the City to have a CWA.

1. Public Hearing and Master Fee Schedule

Interim Finance Director Jane Corpus presented the proposed master fee schedule, in support of what was introduced at the April 30 City Council meeting. She reviewed that development services fees and non-development service fees were proposed to be updated. She identified changes based on comments that Council had provided at the prior meeting. Assistant City Manager Ashwini Kantak presented a proposed customer assistance program, as Council had requested. Four levels were based on eligibility, with levels 1 – 3 tied to income and hardship; and level four tied to safety. She went through the criteria for each level.

Councilmember Montano asked about “centralized administration of program” and if that meant hiring a new person, or simply using current staff. Ms. Kantak replied, at budget discussion, the Council would hear a request to re-classify one existing staff. Recreation Director Renee Lorentzen answered what “institutionalized” was defined as, by state terms.

Councilmember Nuñez wanted to know if Recreation programs were included in the assistance program, such as After the Bell. Ms. Lorentzen said it would be covered.

Mr. Nuñez inquired about the open enrollment for 30-60 days, rather than all year long. Ms. Kantak replied that staff could manage the program efficiently that way. There was concern to allow residents who need this to be able to apply at all times, so as to ensure missing deadlines would not disallow needy family or children.

Councilmember Phan asked the source of funding, and staff replied the General Fund. On types of hardship, he envisioned those with housing needs, such as those being evicted or if the rent raised too high that they can't afford it. Use funds from Housing Authority or General Fund for that purpose. He wanted help given to those who need to find a new job or new place to live. Staff responded that this discussion on a subsidy as described was related to specific City fees.

Deputy City Manager Steve McHarris addressed Level 4 related to Building & Planning Fees. There could be help offered to those installing water heaters, furnace or A/C replacements with a City permit required.

Councilmember Nuñez asked about a temporary hardship category. He asked if other jurisdictions had this. Deputy Public Works Director Elaine Marshall explained how staff looked at a program in Pennsylvania for this category.

Vice Mayor Dominguez commented on Accessory Dwelling Units (ADUs) and affordable levels, units being added to affordable housing stock, and the application review fee of \$2608. She urged putting in language to make sure no profit was made, and that the fee was covered.

Councilmember Nuñez noted - in an article on a city in Southern California - that it would review fees for any unit that would add ADUs to its stock of housing, particularly for low income residents.

Councilmember Phan did not recommend waiving the planning fee on ADU pre-application review unless it was for an affordable unit.

Next, the Vice Mayor re-opened the Public Hearing for speakers:

Dan Boatwright from Castleright Companies was building a project on Main Street. He was concerned for fees on water meters at his project. He wanted fairness for future residents who would live at his project. While the developer would not be paying the identified fees, future residents would. This was regarding the flow of water and fee charged to customers. His concern was for a proportional fee to be charged, as a matter of fairness.

Steve Sedell, Milpitas resident, lived in a community of 83 homes. Most come from other countries and were not comfortable with inspectors coming in to their homes. So people put in 220/240 electric units for washer/dryer without

permits. They needed to protect homeowners by having a Building Inspector to come to the house for that purpose, for safety. Add a water pressure gauge to the list of items for a subsidy and include outlets in garages for re-charging vehicles.

Councilmember Montano stated she thought Homeowners Associations would manage going to the city on such items, as Mr. Sedell had mentioned.

Voltaire Montemayor thanked the City Council and management staff, and supported these programs.

(1) Motion: to close the public hearing

Motion/Second: Councilmember Nuñez/Councilmember Montano

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

Councilmember Montano did not see a lot that should be on the list, for example Community Garden sites (page 32) under Recreation. Recreation Director Lorentzen talked about the plots at the garden. Ms. Montano wanted more people to have more access to garden plots of different sizes.

Councilmember Nuñez noticed, at the front of the master fee schedule, the complaint driven fees (e.g. animal violations). He asked if Community Services Officers would be handling those complaints. Police Chief Armando Corpuz replied that code enforcement would handle those topics. Building Director Sharon Goei explained that three full time employees were in her office conducting code enforcement presently. Ms. Montano wanted status quo on these fees but they could be studied and evaluated in the coming year.

Councilmember Montano inquired about community garden fees, and if there would be someone to check income levels. She asked about child care fees and if those would be included. Staff said “After the Bell” (after school care program) fees were included in the fee schedule and budget.

(2) Motion: to adopt Resolution No. 8873 approving the City of Milpitas Master Fee Schedule and Fee Schedule Changes for Fiscal Year 2019-20

Motion/Second: Councilmember Nuñez/Councilmember Montano

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

(3) Motion: to bring the Master Fee Schedule on an annual basis as part of the budget process with an escalation to reflect increases in staff costs

Motion/Second: Councilmember Nuñez/Councilmember Phan

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

(4) Motion: to direct staff to bring back a resolution on recommended assistance programs

Motion/Second: Councilmember Nuñez/Councilmember Phan

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

Councilmember Nuñez felt that the Matrix studies did not necessarily match what was in the budget - to be discussed later - so he did not want to vote on accepting those studies but rather to wait until item no. 3.

2. Fire Station No. 2 Replacement Project

City Engineer Steve Erickson provided an overview of plans for the major overhaul and re-build of Fire Station No. 2 on Yosemite Drive. The project would require staff and facilities to be moved to a temporary location in modular buildings when an updated building would be constructed.

Finance Consultant Jim Steele identified funding options for funding the project to rebuild this \$20.7 million project. He described various terms on bond financing, over various scenarios. He explained going to voters with a Special or a General Tax, requiring 2/3 vote. Staff recommended 20- or 30-year bond issuance for funding this one project, without needing to place a ballot measure before voters.

Councilmember Nuñez inquired if all Fire Stations were going to have community rooms, after this project. Fire Chief Sherrard said this one (Fire Station 2) would have one, but all stations did not presently. Mr. Nuñez noticed that five year payback was not one of the bond financing terms, as school districts had been doing recently. More discussion was held on the financing strategy. He did not want to add additional expense with added interest on this financing.

It was noted that community rooms were very useful space for the public, and a good way for citizens to interact with government away from City Hall.

Councilmember Montano felt that people were tired of paying taxes, so she urged not to go out for a bond to voters.

Vice Mayor Dominguez invited any speakers on this item.

Voltaire Montemayor, resident, felt the fire station was a very important facility in Milpitas, all were in ideal locations around the City.

Steve Sedell, resident, supported first responders in all respects. He was curious as to what degree the new structure would be earthquake resistant, since responders needed to get out in their vehicles rapidly after an earthquake or other disaster.

(1) Motion: to approve the schematic design/conceptual plan for replacement of Fire Station No. 2, Project No. 3447

Motion/Second: Councilmember Montano/Councilmember Nuñez

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

(2) Motion: to direct staff on a funding plan for this project (Option 1) for replacement of Fire Station No. 2, Project No. 3447, to finance \$13 million to fund the gap in project funding, over a 20 year period

Motion/ second: Councilmember Nuñez/Councilmember Montano

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

3. Discussion of FY 2019-20 Budget and 5-Year CIP

City Manager Julie Edmonds-Mares provided an introduction and of the process for the Council to discuss the proposed FY 2019-20 budget and 2019-2024 Capital Improvement Program. Assistant City Manager Ashwini Kantak described the various sections of the budget, the letter of transmittal, the plan for presentation by each of four City Service Areas (“CSAs”) and explanation of reserves.

Public Information Officer Jennifer Yamaguma reported on efforts completed for community outreach to and engagement with residents, businesses, employees and others surrounding budget issues and the seven City Council priorities.

Economic Development Director Alex Andrade gave a detail rich economic profile of the city. He described growth projections anticipated through 2040.

Next, Interim Finance Director Jane Corpus reported in much detail on budget figures, including anticipated revenues and expenditures for the coming fiscal year. She also displayed for the Council a positive five year General Fund forecast for FY 2020-2024.

PUBLIC SAFETY

Fire Chief Brian Sherrard presented accomplishments of the Fire and Police Departments in FY 2018-19.

Police Chief Armando Corpuz described proposed service enhancements in the next Fiscal Year for police and fire, including the addition of Community Service Officers (CSOs), and staffing for the new ambulance.

Councilmember Montano asked if there would be social workers as the CSOs for help with domestic violence calls that police received. The Police Chief responded with resources offered for assistance with that identified service need.

Vice Mayor Dominguez asked if there could be “gender lens” training for Police Officers. The Police Chief replied that officers go through all kinds of POST certified training.

Councilmember Phan felt there should be social workers hired in general, for the City.

Chief Corpuz listed \$1.98 million in personnel requests for the Police and Fire Departments.

Councilmember Nuñez inquired about overtime costs for the Fire Department including a new amount requested for the new ambulance (\$630,000). He asked the Police Chief what explicitly the CSOs were going to do in the Police Department and the Chief said he could write a memo through the City Manager on CSO duties.

Mr. Nuñez had not voted against any line staff or equipment. But he had heard from the community that the City was getting “top heavy.” For support staff (an analyst and executive assistant were requested), he would not support those. He referred to studies done, and the Police Chief said the personnel studies presented last month did identify a need for administrative staff.

Vice Mayor Dominguez would support a request for an analyst for Police. Lots of grants were available out there, and could be applied for with an analyst hired, to seek and obtain those funds. She fully supported having CSOs.

COMMUNITY DEVELOPMENT

Deputy City Manager Steve McHarris reviewed accomplishments for FY 2018-19, significantly the two Matrix studies regarding Development Services assessment and review and fee study. He identified six proposed service enhancements.

Councilmember Montano wanted “art” added to Beautification in the Community Beautification Program.

Councilmember Phan spoke on the Matrix study related to the development review process. Increasing fees should be tied to service being provided. He asked questions about particular items in Matrix study. Mr. Phan recommended funding the Fire Protection Engineer position as noted in Matrix. Fire Marshal Albert Zamora identified recent additional staffing in his unit over the past 1.5 years. Building Director Sharon Goei responded to Mr. Phan’s question on staffing for the Trak-It software administration.

Councilmember Montano asked about consultant support for land use economic development strategies and Mr. Andrade responded about his office's effort and plans to select a consultant for that project.

Councilmember Nuñez proposed temporary staff for the Sister Cities program, as he was interested in the trade component. He was looking forward to results of the study or evaluation, as recommended. He asked about Main Street and the idea of downtown development. He asked about development strategies for opportunity sites for \$75,000.

Councilmember Montano inquired about "Better Block" community engagement projects. Mr. Andrade explained what those could be, along Main Street in Milpitas.

Vice Mayor Dominguez was excited about what's being done in Economic Development. She commented on services for homeless, and funding through a non-profit or maybe hiring a direct outreach worker or case manager. It was critical to know the number of homeless individuals in Milpitas. She wanted that internal position. She asked about what the Principal Planner would do while concerned for the cost of \$222,000. Planning Director Ned Thomas responded, describing the role of the higher level planner in his department.

Councilmember Nuñez referred to the policy role of the City Council, and if that what was the Principal Planner would specifically work on. Councilmember Phan talked about policy making versus planning, and stated he was happy to support the Planner position requested.

Councilmembers commented on the Sister Cities program, what could be done and what the plan for the part-time staff to evaluate the program would do in the coming fiscal year.

Councilmember Phan did not support \$14,000 to Milpitas Food Pantry from the Housing Funds. Perhaps that could be accomplished from the General Fund.

Vice Mayor Dominguez mentioned a new program like AmeriCorps where there existed an extension program in Milpitas, with a new funding opportunity.

City Manager Edmonds-Mares reviewed with the City Council what follow-up for two CSAs was needed, at 10:07 PM.

COMMUNITY SERVICES & SUSTAINABLE INFRASTRUCTURE

Public Works Director Tony Ndah reviewed major accomplishments of this service area. Ms. Kantak listed the proposed service enhancement, focused on infrastructure and maintenance of existing facilities.

At 10:20 PM, two Councilmembers left the room and Vice Mayor Dominguez called for a 5 minutes break in the meeting, which re-started at 10:27 PM.

Councilmember Nuñez, regarding on new vehicles for \$565,000, asked about electric charging stations and if the new vehicles were going to be electric vehicles, and staff replied yes. Mr. Nuñez asked if the Senior Administrative Analyst (as Solid Waste Program Manager) was a new position or due to another being eliminated. Staff replied it was new.

LEADERSHIP & SUPPORT SERVICES

Ms. Kantak displayed proposed budget increases for staff and non-personnel in the City Manager's office, Finance, Human Resources and Information Services departments.

Councilmember Nuñez asked about increased costs in the City Attorney office. He referred to an increase due to work requested by Council for that office's services so he would like to learn details of that work in the Attorney's office, to be knowledgeable. He further inquired why two Special Projects Assistants were requested, one each in Human Resources and Finance.

Mr. Nuñez commented on request for a Management Fellow, as he never heard of that title here before. He asked staff to bring back what that position would do. Staff had done well obtaining grants in the past year, so he wanted to hear a lot more about the Grant Writer position, as well as job specifications for the Employee Relations Officer. For the City

Council office, he felt the Administrative Assistant should be at a higher level and report to City Council directly. He wanted to expand the role of the City Attorney, in regards to policy setting to assist the Council.

Councilmember Phan was unclear on a Special Projects Associate for Human Resources, and expressed concern about a Limited Term Management Fellow position.

Vice Mayor Dominguez wanted to see objectives and job descriptions for new positions on the list. She supported an Administrative Assistant for the City Council to get the help needed.

Councilmember Phan suggested to consider a separate contract for Council Assistant (or Analyst). He wanted to see more opportunities for professional development for all staff, supported by funding.

Public comment on budget:

Voltaire Montemayor, resident, gave his opinion on public safety, to give them what they need. On personnel needed for functions, try best to budget for those positions.

Vice Mayor Dominguez encouraged the public in the community to stay engaged. She stated the City Council would move the report and discussion about reserves to a later date.

Motion: to receive the staff presentation on the new Fiscal Year 2019-20 budget and Capital Improvement Program, and direct staff to prepare the budget as discussed during this meeting, and to move reserves discussion to a later meeting

Motion/Second: Councilmember Nuñez/Councilmember Phan

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

ADJOURNMENT Vice Mayor Dominguez adjourned the special meeting at 11:00 PM.

The foregoing minutes were approved by Milpitas City Council on June 4, 2019.

Mary Lavelle
Milpitas City Clerk