



JOINT MEETING OF THE MILPITAS CITY COUNCIL AND HOUSING AUTHORITY

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-3122

对中国人来说，请用 408-586-3263

Para sa Tagalog, tumawag sa 408-586-3051

Para español, llame 408-586-3232

AGENDA

TUESDAY, JUNE 5, 2018

455 EAST CALAVERAS BOULEVARD, MILPITAS, CA

5:30 P.M. (CLOSED SESSION)

7:00 P.M. (PUBLIC BUSINESS)

Please note: Councilmember Garry Barbadillo will participate by telephone conference from Grand Wailea Resort, 3850 Wailea Alanui Dr., Wailea, HI 96753

SUMMARY OF CONTENTS

I. CALL JOINT MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

II. ADJOURN TO CLOSED SESSION (5:30 PM)

(a) CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING

Pursuant to California Government Code Section 54957.6

City Negotiator: Liz Brown

Employee Group: International Association of Fire Fighters

Under Negotiation: Wages, Hours, Benefits, and Working Conditions

(b) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(d)(1)

Tom Williams v. City of Milpitas, et al. - American Arbitration Case No. 01-17-0003-5823

(c) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(d)(1)

Tom Williams v. City of Milpitas, et al. - Santa Clara County Superior Court Case No. 17CV309235

(d) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(d)(1)

First Amendment Coalition v. City of Milpitas – Santa Clara County Superior Court Case No. 17CV310994

(e) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

County Sanitation District 2-3, West Valley Sanitation District, Burbank Sanitary District, Cupertino Sanitary District, and City of Milpitas v. City of San Jose, City of Santa Clara Santa Clara County Superior Court Case No. 18CV325480

III. CLOSED SESSION ANNOUNCEMENT: Report on action taken in Closed Session, if required per Government Code Section 54957.1, including the vote or abstention of each member present

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

V. INVOCATION (Vice Mayor Grilli)

VI. PRESENTATIONS

- Proclaim June as *Parks and Recreation Month*
- Present certificates to four Fire Explorers
- Present certificates to Spring 2018 Community Emergency Response Team (CERT) graduates

VII. PUBLIC FORUM

Those in the audience are invited to address City 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 spoken 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. Council may instruct the City Manager to place the item on a future meeting agenda.

VIII. ANNOUNCEMENTS

IX. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

X. APPROVAL OF AGENDA

XI. CONSENT CALENDAR (Items No. 1 through No. 17)

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 City Councilmember, 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.

1.	Accept Schedules of Meetings/City Council Calendar June 2018
2.	Approve City Council Meeting Minutes for May 10, 12 and 15, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)
3.	Waive the Second Reading and Adopt Ordinance No. 198.5 Regarding Bingo Game Licensing (Staff Contact: Renee Lorentzen, 408-586-3409)
4.	Adopt Three Resolutions Listing and Amending Fringe Benefits for 1) Limited Service (Temporary) Employees, 2) Seasonal (Temporary) Employees, and 3) City Council (Staff Contact: Liz Brown, 408-586-3086)
5.	Adopt a Resolution Calling for the General Municipal Election on November 6, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)

6.	Adopt a Resolution Approving the Sole Source Purchase of a FARO Focus 360 S70 3D Digital Mapping Laser Scanner from FARO Technologies, Inc. for an Amount Not to Exceed \$65,319.82 (Staff Contacts: Chris Schroeder, 408-586-3161 and Sean Heneghan, 408-586-2435)
7.	Adopt a Resolution Certifying Election Results and Adding Tract No. 10432 to Community Facilities District 2008-1 (Annexation No. 16); Approve Final Map Tract No. 10432; and Approve and Authorize the City Manager to Execute the Subdivision Improvement Agreement for a Mixed Use Development at 720 Montague Expressway (Staff Contact: Steve Erickson, 408-586-3301)
8.	Adopt a Resolution Granting Final Acceptance of Public Improvements and Approve Release of Improvement Security for the Faithful Performance for the Harmony Subdivision at 1765 McCandless Drive by D.R. Horton Bay, Inc. (Staff Contact: Steve Erickson, 408-586-3301)
9.	Adopt a Resolution Awarding a Contract to Granite Construction Company and Authorize Director of Engineering/City Engineer to Execute Contract Change Orders for the Street Resurfacing 2018, Projects No. 4287 and No. 4283 (Staff Contact: Steve Erickson, 408-586-3301)
10.	Approve Amendment No. 7 to the Software Support and Maintenance Service Agreement with Cayenta and Authorize City Manager to Execute for the Financial and Utility Billing System in an Amount Not to Exceed \$28,500 and a Total Not to Exceed \$168,284, and Extend the Term Through June 30, 2019 (Staff Contact: Chris Schroeder, 408-586-3161)
11.	Authorize the City Manager to Execute a Three-Year Agreement with the City of San Jose for Animal Control Services (Staff Contact: Tim Wong, 408-586-3286)
12.	Approve Amendment No. 4 to the Consulting Services Agreement with RMC Water & Environment for the Recycled Water Pipeline Extension, Project No. 7118, Extending the Agreement Term to June 30, 2020 (Staff Contact: Tony Ndah, 408-586-2602)
13.	Authorize the City Manager to Execute the Fee Reimbursement Agreement for a Mixed Use Development at 765 Montague Expressway by Lago Vista Milpitas, LLC (Staff Contact: Steve Erickson, 408-586-3301)
14.	Approve and Authorize the City Manager to Execute Amendment No. 1 to the Agreement with Verde Design, Inc. to Increase Compensation in the Additional Amount of \$240,000 for Design Services for Restroom/Snack Shack Building Renovation for Sports Center Skate Park, Project No. 5111 (Staff Contact: Steve Erickson, 408-586-3301)
15.	Approve Project Plans and Specifications, and Authorize Advertisement for Bid Proposals for Street Resurfacing Project 2018, Phase II, Projects No. 4287 and No. 4291 (Staff Contact: Steve Erickson, 408-586-3301)
16.	Award the Bid and Authorize the City Manager to Execute a Contract with Edelman Corporation for Purchase and Installation of a Police Department Security Camera System for an Amount Not to Exceed \$79,239.90 (Staff Contacts: Chris Schroeder, 408-586-3161 and Kevin Moscuzza, 408-586-2412)

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| 17. | Receive Recommendations of the City Council Subcommittee on Commissions, and Approve Recommendations to Mayor for Appointment to Three City of Milpitas Commissions (Contacts: Councilmembers Nuñez, 408-586-3023 and Phan, 408-586-3032) |
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XII. PUBLIC HEARINGS The following items No. 18 - 26 scheduled for discussion

- 18. Conduct a Public Hearing and Adopt a Resolution Confirming the Assessment and Ordering the Levy for the Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch for Fiscal Year 2018-19 (Staff Contact: Steve Erickson, 408-586-3301)
- 19. Conduct a Public Hearing and Adopt a Resolution Confirming the Assessment and Ordering the Levy for the Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon for Fiscal Year 2018-19 (Staff Contact: Steve Erickson, 408-586-3301)
- 20. Conduct a Public Hearing and Adopt a Resolution for the Summary Vacation of an Existing Street Easement and Public Service and Utility Easement at 1646 Centre Pointe Drive (Staff Contact: Steve Erickson, 408-586-3301)
- 21. Conduct a Public Hearing and Adopt a Resolution for the Summary Vacation of an Existing Water Line Easement at 1 Hanson Court (Staff Contact: Steve Erickson, 408-586-3301)
- 22. Conduct a Public Hearing and Adopt a Resolution Approving the Time Extension Permit for a Tentative Map, Site Development Amendment Permit, and Conditional Use Permit for Construction of a 250' 4" tall, 23-story Mixed Use Building at 600 Barber Lane – Landmark Towers (Staff Contact: Krishna Kumar, 408-586-3276)

XIII. REPORT OF MAYOR

- 23. Per Request of Mayor Tran, Consider Approving More than 4 Hours of Staff Time to Respond to a Need for Traffic Calming Program (Contact: Mayor Tran, 408-586-3029)

XIV. ORDINANCE

- 24. Waive First Reading and Introduce Ordinance No. 41.12 to Amend Section I-500-1.14 of the Milpitas Municipal Code Authorizing an Increase in Compensation to Planning Commissioners as Directed (Staff Contacts: Christopher Diaz, 408-586-3044 and Bradley Misner, 408-586-3273)

XV. RESOLUTIONS

- 25. **CITY COUNCIL AND HOUSING AUTHORITY**
Adopt Four Resolutions Approving the Fiscal Year 2018-19 Gann Appropriations Limit, Approving the Fiscal Year 2018-19 Operating Budget and the 2018-2023 Capital Improvement Program for the City of Milpitas and the Milpitas Housing Authority, Amending the Classification Plan for Budgetary Reclassifications and Position Authorizations and Amending the City's Fiscal Policies as Those Relate to Reserves (Staff Contact: Will Fuentes, 408-586-3111)
- 26. Adopt Three Resolutions Amending the City of Milpitas Classification Plan to 1) Adjust Salaries for Under Market Positions on the City-wide Classification and Compensation Study, 2) Establish New Classifications for the FY 2018-19 Budget,

**and 3) Adjust Salary Ranges of Unrepresented Management Employees and
Authorize Fringe Benefits (Staff Contact: Liz Brown, 408-586-3086)**

**XVI. REPORTS OF MAYOR & COUNCILMEMBERS – from the assigned Commissions, Committees
and Agencies**

XVII. ADJOURN JOINT MEETING

NEXT SPECIAL CITY COUNCIL MEETING
TUESDAY, JUNE 12, 2018

NEXT REGULAR CITY COUNCIL MEETING
TUESDAY, JUNE 19, 2018

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: cdiaz@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

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, please 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

XI. CONSENT CALENDAR

1.	Accept Schedule of Meetings/City Council Calendar for June 2018 <u>Recommendation:</u> Receive and accept Council calendar of meetings for June 2018. Note any changes or additions, if needed. <u>Attachment:</u> June 2018 Calendar
2.	Approve City Council Meeting Minutes of May 10, 12, and 15, 2018 (Staff Contact: Mary Lavelle, 408-586-3001) <u>Recommendation:</u> Move to approve the May 10, 12, and 15, 2018 City Council meeting minutes. <u>Attachments:</u> a) Draft meeting minutes May 10, 2018 b) Draft meeting minutes May 12, 2018 c) Draft meeting minutes May 15, 2018
3.	Waive the Second Reading and Adopt Ordinance No. 198.5 Regarding Bingo Game Licensing (Staff Contact: Renee Lorentzen, 408-586-3409) <u>Background:</u> Ordinance No. 198.5 was introduced following the waiving of the first reading beyond the title at the May 15, 2018 City Council meeting. This ordinance would update the City's Bingo Game regulations to adjust the bingo licensing application process and operating conditions as well as ensure compliance with California Penal Code Section 326.5. The ordinance would also increase the bingo license fee to \$50 per year as provided by state law. The updated ordinance also provides the opportunity, with Council approval, for a bingo licensee to operate more than one day per week, with proceeds used for charitable purposes and limits prizes to \$500 consistent with statutes regulating bingo. <u>Fiscal Impact:</u> The increased projected revenue from a new Bingo License fee is currently unknown. <u>Recommendation:</u> Waive the second reading and adopt Ordinance No. 198.5 to amend Bingo Game Licensing regulations. <u>Attachment:</u> Ordinance No. 198.5
4.	Adopt Three Resolutions Listing and Amending Fringe Benefits for: 1) Limited Service (Temporary) Employees, 2) Seasonal (Temporary) Employees, and 3) City Council (Staff Contact: Liz Brown, 408-586-3086) <u>Background:</u> The City of Milpitas City Council authorizes changes to benefits periodically through negotiations with the bargaining units. Some employees though, such as those which are temporary, are not represented by formal bargaining units. There are two different categories of temporary employees in the City of Milpitas: 1) <i>Limited Service (Temporary) Employees</i>, or “temporary with benefits” employees. This category of temporary employees receives full benefits, with the exception of representation by a bargaining unit. Limited Service Temporary Employees are

currently restricted to working in the Engineering, Building and Safety, and Planning Departments.

- 2) ***Seasonal (Temporary) Employees***, or “temporary without benefits” employees. This group of individuals receive salary and only state or federally mandated benefits, such as the California paid sick leave for part-time employees.

The resolutions, if adopted by City Council, will continue previously established benefits for these two categories of employees since they are again not represented by any bargaining group.

Additionally, in 2016, the City Council authorized implementation or reinstatement of the prior benefit package that had been granted to the City Council by resolution. This is an election year and staff would like documentation by the way of an attached resolution that clarifies and memorializes the existing benefit package available to elected officials.

Fiscal Impact: No additional cost impacts. All benefit costs for Limited Service (Temporary) Employees, Seasonal (Temporary) Employees, and City Council are included in the FY 2018-19 Proposed Budget.

Recommendation: Adopt three resolutions listing and amending fringe benefits for 1) Limited Service (Temporary) Employees, 2) Seasonal (Temporary) Employees and 3) City Councilmembers.

Attachments: Three City of Milpitas Resolutions and Exhibits

5.

Adopt a Resolution Calling for the General Municipal Election on November 6, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)

Background: Milpitas Municipal Code Title I, Chapter 200 Section 1.00 provides for the municipal election to be held on the same day as the statewide General Election. The statewide California Gubernatorial General Election is scheduled this year on Tuesday, November 6. A Resolution has been drafted calling for the municipal election on Tuesday, November 6, 2018 for the purpose of electing one Mayor and two members of the City Council. The resolution also requests consolidation of the Municipal Election with the statewide General Election and requests provision of election services from the Santa Clara County Registrar of Voters.

In June 2006, the Milpitas City Council adopted Resolution No. 7597 relating to Candidates’ Statements of Qualifications printed in the sample ballot for municipal elections. This resolution sets forth the total number of words permitted in a Candidate’s Statement (200) and that the candidate is responsible for the cost of printing and mailing the statement as well as the translation into minority languages. Also, the Federal Voting Rights Act requirements apply to Santa Clara County and mandate that election materials be made available in four minority languages - Chinese, Spanish, Tagalog and Vietnamese - in addition to English, since 2002. This summer, candidate filing will open on July 16 and close on August 10.

Fiscal Impact: None. Funds are budgeted in the City Clerk’s FY 2018-19 budget for the biennial City election. The County of Santa Clara Registrar will invoice the City after the election is concluded for all related costs.

Recommendation: Adopt a resolution calling a General Municipal Election for the City of Milpitas on Tuesday, November 6, 2018, requesting consolidation with the statewide gubernatorial election and requesting election services from the Santa Clara County Registrar of Voters.

Attachment: Resolution

6.

Adopt a Resolution Approving the Sole Source Purchase of a FARO Focus 360 S70 3D Digital Mapping Laser Scanner from FARO Technologies, Inc. for an Amount Not to Exceed \$65,319.82 (Staff Contacts: Chris Schroeder, 408-586-3161 and Sean Heneghan, 408-586-2435)

Background: On February 6, 2018, the Milpitas City Council approved the 2018 Citizen Options for Public Safety (COPS) Grant which included the purchase of a 3D digital mapping laser scanner. The Milpitas Police Department spent several months conducting research into and evaluating 3D digital mapping laser scanners from various companies. A 3D digital mapping laser scanner will enhance and update the Police Department's ability to document, photograph, capture and process traffic fatalities, homicides, officer involved shootings, suicides, and the ability to present enhanced work products to prosecutors for use in courtroom testimony.

The Department closely evaluated the six crime scene scanners currently available on the market, including the FARO Focus 360 S70, Riegl VZ-400, Topcon GLS-2000M, Trimble TX8, Z&F Imager 5010C and Leica ScanStation PS30. The Police Department was aided in this process by a comprehensive nationwide study conducted in January of 2016 by the National Institute of Justice, a bureau of the U.S. Department of Justice, Office of Justice Programs, entitled a "Landscape Study on 3D Crime Scene Scanning Devices" which detailed and compared all of the relevant features and price of the six aforementioned manufacturers of crime scene scanning devices. It was determined that the FARO Focus 360 S70 was the best solution and best value for the police department based upon: the number of callouts, types of incidents, as well as being a multi-purpose device that will be utilized by different units within the Milpitas Police Department. FARO is also the only company that combines the unit, software, court room certified training, maintenance, and calibration in one package, including bullet trajectory and blood spatter analysis as part of its forensic software.

The cost will include the FARO Focus 360 S70 Digital Mapping Laser Scanner, all needed supplemental equipment, tripod, onsite training of up to 6 operators on the unit, all software, 4 day online training class for the software for up to 20 operators, 3 year extended maintenance agreement (4 years total) and a 3 year software agreement (4 years total).

After a good faith review conducted by the Police Department, the Purchasing Agent determined, pursuant to Municipal Code section I-2-3.09 "Sole Source Procurement," that FARO Technologies, Inc. is the only source for the FARO Focus 360 S70 3D Digital Mapping Laser Scanner, and is the only scanner that fully meets all the needs of the Police Department.

Fiscal Impact: None. The 2018 Citizen Options for Public Safety (COPS) grant of \$115,378 will fully cover the cost of this purchase.

Recommendations:

- 1) Adopt a resolution approving the sole source purchase of a FARO Focus 360 S70 3D Digital Mapping Laser Scanner from FARO Technologies, Inc. for an amount not-to-exceed \$65,319.82.
- 2) Allow the City Attorney to negotiate final Purchase Order terms and conditions as may be necessary.

Attachments: a) Resolution and b) quote from FARO Technologies Inc.

7.

Adopt a Resolution Certifying Election Results and Adding Tract No. 10432 to Community Facilities District 2008-1 (Annexation No. 16); Approve Final Map Tract No. 10432; and Approve and Authorize the City Manager to Execute the Subdivision Improvement Agreement for a Mixed Use Development at 720 Montague Expressway (Staff Contact: Steve Erickson, 408-586-3301)

Background: On August 2, 2016, the City Council approved a Vesting Tentative Map (MT15-0010), Conditional Use Permit (UP15-0015) and Site Development Permit (SD15-0010) to allow for the construction of 216 dwelling units, 10,555 square feet of retail, leasing office and residential amenity space and associated site improvements on 2.35 acres located at 720 Montague Expressway within the Transit Area Specific Plan (TASP). This project is known as Lantana and the developer is S&B Milpitas, LLC (Developer).

The final map for the development is now complete and ready for approval by the City Council. The City Engineer has examined the final map for Tract No. 10432 and determined that the map is substantially the same as the previously approved Vesting Tentative Map, and finds that it conforms to all requirements of the State of California Subdivision Map Act, and Milpitas Municipal Code (MMC). The Developer has offered dedications to the City for public use, such as public street, public sidewalk and public service and utility, as shown on the final map. Staff recommends the City Council approve the final map and to accept the dedications, subject to completion and acceptance of improvements.

The final map for Tract No. 10432 is subject to annexation to the Community Facilities District No. 2008-1 (CFD 2008-1). The City has on file a Certificate of Registrar of Voters from the County of Santa Clara certifying that there are no registered voters residing within the boundaries of the proposed CFD Annexation No. 16 for this development. The Developer is the sole property owner, and on June 1, 2018, the property owner was scheduled to vote on agreeing to the proposed Annexation No. 16.

The City Engineer has reviewed the public improvement plans (E-PI17-0008) and is recommending the City Council approve the Subdivision Improvement Agreement for the development to allow for the construction of public improvements that will be accepted by the City upon completion. Public improvements to be constructed include asphalt concrete pavement, signing and striping, curb and gutter, sidewalk, driveway approach, utility services, landscaping and other miscellaneous items of work identified on the improvement plans. The Developer has executed the Subdivision Improvement Agreement and provided improvement securities to guarantee completion of required public improvements.

California Environmental Quality Act: Approval of final subdivision map is a ministerial action exempt from CEQA pursuant to Section 15268(b)(3). Approval of the Subdivision Improvement Agreement implements this project for which CEQA review has already been completed per adopted Resolution No. 8509 adopting an addendum to the previously certified Transit Area Specific Plan Environmental Impact Report.

Fiscal Impact: Adding Tract No. 10432 to the CFD No. 2008-1 would allow the City to levy special taxes to properties within Tract No. 10432, in order to fund for public services within TASP.

Recommendations:

- 1) Adopt a resolution certifying election results and adding Tract No. 10432 to Community Facilities District 2008-1 (Annexation No. 16); and
- 2) Approve Final Map Tract No. 10432, acceptance of all offers of dedications as stated and depicted on the final map upon completion and acceptance of improvements; and

- 3) Approve and authorize the City Manager to execute the Subdivision Improvement Agreement between the City of Milpitas and S & B Milpitas, LLC.

Attachments:

- a) Resolution
- b) Final Map Tract 10432
- c) Agreement for Completion of Public Improvements (Subdivision Improvement Agreement)

8. Adopt a Resolution Granting Final Acceptance of Public Improvements and Approve Release of Improvement Security for the Faithful Performance for the Harmony Subdivision at 1765 McCandless Drive by D.R. Horton Bay, Inc. (Staff Contact: Steve Erickson, 408-586-3301)

Background: On April 4, 2017, the City Council adopted Resolution No. 8651 granting initial acceptance of public improvements (Public Improvement Plan No. 2-1162) for Tract No. 10137 and 10159 for the Harmony Subdivision located at 1765 McCandless Drive by D.R. Horton Bay, Inc. (Developer). The Developer has completed the corrective work on public improvements following completion of the one-year warranty, and the project and related improvements including utilities, streets, sidewalks, and walking trail are ready for final acceptance.

California Environmental Quality Act: Granting final acceptance of public improvements and releasing improvement security for faithful performance are not considered projects under CEQA as there will be no direct, or reasonably foreseeable indirect physical change in the environment.

Fiscal Impact: None

Recommendation: Adopt resolution granting final acceptance of public improvements for the Harmony Subdivision project, Tract No. 10137 and 10159, Public Improvement Plan No. 2-1162 and release of remaining faithful performance security.

Attachment: Resolution

9. Adopt a Resolution Awarding a Contract to Granite Construction Company and Authorize Director of Engineering/City Engineer to Execute Contract Change Orders for the Street Resurfacing 2018, Projects No. 4287 and No. 4283 (Staff Contact: Steve Erickson, 408-586-3301)

Background: On March 2, 2018, the City Council approved the plans and specifications and authorized the advertisement for construction bid proposals for the Street Resurfacing 2018, Projects No. 4287 and No. 4283 (collectively referred to herein as the "Project"). The Project will include pavement repair and resurfacing, installation of Americans with Disabilities Act ("ADA") compliant sidewalk ramps, sidewalk, curb, and gutter replacement on the following street segments:

- 1) Escuela Parkway between Milpitas Boulevard and Jacklin Road
- 2) Los Coches Street between Milpitas Boulevard and Hillview Drive
- 3) Yosemite Drive between Milpitas Boulevard and Park Victoria Drive
- 4) Vista Way
- 5) Wrigley Way
- 6) Calle Oriente
- 7) Traughber Street between Park Victoria Drive and Wool Drive
- 8) Wool Drive between Traughber Street and Kennedy Drive
- 9) Kennedy Drive between Wool Drive and Park Victoria Drive

The Engineer's Estimate for the Project is \$3,500,000. The Project was advertised in the local newspaper and bid opening occurred on May 17, 2018. Three sealed bid proposals were received. Bid pricing ranged from \$3,473,693 to \$3,945,180. The lowest responsible bidder submitting a responsive bid in the amount of \$3,473,693 is Granite Construction Company. No bid protests were filed with the City in regards to this Project.

Staff recommends the City Council award a contract to Granite Construction Company for a total contract amount of \$3,473,693. There are sufficient funds available within the Project budget to award and construct this Project.

As was previously approved for the successful completion of recent projects with tight completion schedules, staff is requesting the use of the same change order policy (copy of policy is included in the Council agenda packet). This policy allows for the timely completion of the Project, while addressing the need to respond swiftly to construction conditions and approving necessary change orders in order to limit potential claims or risk to the City. The construction contingency established for this Project is \$521,054; approximately 15% of the total contract value. The change order authority is not anticipated to exceed this amount and would not require an additional appropriation.

Alternative: Denial of this request would result in not moving forward to construct the needed Project improvements.

California Environmental Quality Act: This Project is categorically exempt under Section 15301 of the California Environmental Quality Act guidelines for maintenance of existing facilities.

Fiscal Impact: None. Adequate funds are available in the Project budget for construction.

Recommendations:

1. Adopt a resolution awarding a contract to Granite Construction Company, as the lowest responsible bidder submitting a responsive bid, for the 2018 Street Resurfacing Project in the amount of \$3,473,693.
2. Authorize the Director of Engineering/City Engineer to execute contract change orders for the Project in an aggregate amount not to exceed the construction contingency of \$521,054.

Attachments:

- a) Resolution
- b) Bid Summary
- c) Change Order Policy

10.

Approve Amendment No. 7 to the Software Support and Maintenance Service Agreement with Cayenta and Authorize the City Manager to Execute the Amendment for the Financial and Utility Billing System for an Amount Not to Exceed \$28,500 and a Total Not to Exceed \$168,284, and Extend the Term Through June 30, 2019 (Staff Contact: Chris Schroeder, 408-586-3161)

Background: In 2015, the City of Milpitas entered into an agreement with Cayenta to implement a wireless Beacon Meter Reading Interface for the City of Milpitas, which is the basis of the City's utility billing system. Cayenta is the developer of the software, and there is no other source for support and maintenance of this application.

The City Council approved Amendment No. 6 on November 7, 2017 to fund changes to Cayenta utility billing system and remove garbage billing functionality from the software as garbage billing is now conducted by Milpitas Sanitation. The funding requested in

Amendment No. 7 will continued improvements to the City's system and allowed for additional information to be gathered. Under Amendment No. 7, funds will be used to add functions to the Cayenta system that will give staff a more accurate accounting of water volume and revenue. This will help assist staff with planning throughout the year and provide valuable insight for the required state reports.

City Council is requested to allocate an additional \$28,500 to fund Phase Two of the continued improvements to the reporting functionality of the Cayenta system and extend the term period through June 30, 2019.

Fiscal Impact: None. Funds for this purchase are available the Finance Department Fiscal Year 2017-18 operating budget.

Recommendation: Approve amendment No. 7 to the agreement with Cayenta for Software Support and Maintenance Services and authorize the City Manager to execute it, for the financial and utility billing system for an amount not to exceed \$28,500, with a total agreement amount not to exceed \$168,284 and extend the term period through June 30, 2019.

Attachment: Amendment No. 7 to Agreement with Cayenta

11.

Authorize City Manager to Execute Three-Year Agreement with the City of San Jose for Animal Control Services (Staff Contact: Tim Wong, 408-586-3286)

Background: Since July 1, 2001, the City of San Jose has provided the City of Milpitas with Animal Control Services. These services include field services, sheltering, medical services, monthly reporting and animal licensing for Milpitas residents. The San Jose Animal Shelter Facility is located at 2750 Monterey Road, near the County Fairgrounds. The proposed Animal Control Services agreement is a three-year contract from July 1, 2018 until June 30, 2021 for a total amount of \$1,212,138. The cost of the services on an annual basis is:

FY 2018-19	\$392,170
FY 2019-20	\$403,935
<u>FY 2020-21</u>	<u>\$416,053</u>
TOTAL	\$1,212,138

The Agreement proposes an annual 3% increase for the services.

Animal Control Services Provided

- Field Services-Pick up dead and injured animals, confining stray animals, response to emergency calls, investigating complaints, respond to police assistance;
- Response Time Performance Standards-Priority 1, 2, 3 and 4 calls, and responding to after business hour calls;
- Sheltering Services-Sheltering abandon, impounded, lost or stray animals, quarantine of biting animals, rabies testing of suspect animals, provisions for surrender and claim animals of abandoned, lost or stray, euthanization and disposal of abandoned, lost or stray animals;
- Medical Services-Provisions for veterinarian services 24 hours per day to treat and provide veterinarian care to stray, injured or sick animals;
- Dead Animals Services-Pick up dead animals between the hours of 5:00 p.m. and 7:00 p.m. (Note: During the hours of 7:00 a.m. to 5:00 p.m. City of Milpitas Public Works staff provides services related to dead animals.)

The City of San Jose provides the City of Milpitas with monthly reports regarding the number of calls for service, response time to the calls and the number of animals taken to

the shelter. To date, staff has not received any complaints regarding animal control services provided by the City of San Jose.

Included in the Council's agenda packet is a copy of the Animal Control Services agreement with the City of San Jose.

Alternatives to City of San Jose Animal Control Services

Since the Humane Society Silicon Valley (HSSV) has its facility located nearby in Milpitas, staff has explored the possibility of bringing Animal Control staff "in-house" and partnering with HSSV to provide animal services instead of contracting with the City of San Jose. However, it appears that working with HSSV would be cost prohibitive. Staff will continue discussions with HSSV explore other areas where the City can partner with HSSV.

Fiscal Impact: \$1,212,138 over a three year time period (FY 2018-21) in which approximately \$75,000 to \$90,000 will be cost recovery from the license fees.

Recommendation: Authorize the City Manager to execute a three-year service contract by agreement with the City of San Jose for Animal Services in the amount of \$1,212,138 for fiscal years 2018-21.

Attachment: Agreement for Animal Services

12.

Approve Amendment No. 4 to the Consulting Services Agreement with RMC Water & Environment for the Recycled Water Pipeline Extension, Project No. 7118, Extending the Agreement Term to June 30, 2020 (Staff Contact: Tony Ndah, 408-586-2602)

Background: As part of the City's efforts to respond to the state's ongoing drought, the City in 2015 instigated preliminary steps to determine the feasibility of expanding the City's existing recycled water system east of I-680 to meet recycled water demands and reduce potable water use. On June 16, 2015 the City entered into a consulting services agreement with RMC Water & Environment, Inc. for professional services related to conceptual design, environmental compliance (CEQA) and grant funding applications for the recycled water system pipeline extension project. The Project involves the evaluation of five phases extending the existing recycled water system easterly across I-680.

Due to the complexity of the Project feasibility and funding, and the interests of the multiple stakeholders (South Bay Water Recycling, Santa Clara Valley Water District, State Water Resources Control Board Division of Drinking Water, golf courses, Santa Clara County Parks Department, School District, Caltrans, and others) the Project is an on-going effort and as a result, the contract with RMC Water & Environment, Inc. has been granted several extensions. On May 5, 2016, the parties entered into Amendment No. 1 to extend the term of the Agreement through December 31, 2016. On November 15, 2016, the parties entered into Amendment No. 2 to extend the term of the Agreement through December 31, 2017. On December 1, 2017, the parties entered into Amendment No. 3 to extend the term of the Agreement through June 30, 2018. This amendment proposes to extend the expiration of the contract from June 30, 2018 to June 30, 2020 with the other terms to remain in effect.

California Environmental Quality Act: The Amendment is not a "Project" under CEQA as its execution will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Fiscal Impact: None. There are sufficient funds in the Project budget, and no additional appropriation is requested.

Recommendation: Approve Amendment No. 4 to the consulting services agreement with RMC Water & Environment, Inc. for the Recycled Water Pipeline Extension Project.

Attachment: Amendment No. 4

13.

Authorize the City Manager to Execute the Fee Reimbursement Agreement for a Mixed Use Development at 765 Montague Expressway by Lago Vista Milpitas, LLC (Staff Contact: Steve Erickson, 408-586-3301)

Background: On June 17, 2014, a previous City Council conditionally approved a Major Vesting Tentative Map (MT13-0006), Conditional Use Permit (UP13-0011) and Site Development Permit (SD13-0012) to allow for the construction of 381 apartment units and 8,100 square feet of commercial and office space and associated site improvements on 5.6 acres located at 765 Montague Expressway within the Transit Area Specific Plan (TASP) area.

Projects within the TASP area are required to pay TASP Development Impact Fees (TASP Fee) to be used for design and construction of certain public facilities and improvements within the TASP area. The total TASP Fee for this project is estimated to be \$11,750,051. Pursuant to the conditions of approval for this project, the developer is also required to design and construct new curb and gutter, sidewalk, driveway approaches, curb ramp, retaining walls and street trees along the east side of Falcon Drive between Great Mall Drive and Montague Expressway, which would otherwise be financed by the TASP Fee and these improvements would serve more than the developer's property within the TASP area. The developer will be reimbursed for the actual cost to construct the new public improvements, which is estimated to be \$1,297,000.

A Fee Reimbursement Agreement is proposed to allow for the reimbursement against the TASP Fee paid by the developer for construction of public facilities and improvements, and the Fee Reimbursement Agreement has been reviewed by the City Attorney as to form.

California Environmental Quality Act: This project is included within the area evaluated as part of the TASP Environmental Impact Report, SCH#2006032091, which was certified by the City Council on June 3, 2008. On June 17, 2014, the City Council found that the project is categorically exempt from further environmental review pursuant to Section 15168(c)(2) of CEQA. Additionally, execution of the agreement is not considered a project under CEQA as there will be no direct or reasonably foreseeable indirect physical change in the environment.

Fiscal Impact: The fee reimbursement for the public improvements would be funded by the TASP Fee. The actual amount of the reimbursement will be based upon the actual cost for design and construction of the improvements. The estimated reimbursement amount is \$1,297,000, and staff will return to the City Council for approval of a budget appropriation once the improvements have been completed and the final cost of design and construction have been determined.

Recommendation: Authorize the City Manager to execute the Fee Reimbursement Agreement with Lago Vista Milpitas, LLC for reimbursement of the actual cost of new public improvements to be constructed along Falcon Drive.

Attachments:

- a) Fee Reimbursement Agreement
- b) Subdivision Improvement Agreement

14.

Approve and Authorize the City Manager to Execute Amendment No. 1 to the Agreement with Verde Design, Inc. to Increase Compensation in the Additional Amount of \$240,000 for Design Services for Restroom/Snack Shack Building Renovation for Sports Center Skate Park, Project No. 5111 (Staff Contact: Steve Erickson, 408-586-3301)

Background: The design and construction of Sports Center Skate Park, Project No. 5111 (“Project”) is in the approved 2017-2022 Capital Improvement Program. This Project provides for the design and construction of a new skate park to be located at the Milpitas Sports Center Complex between the parking lot and the newly renovated sports fields. The design for the new skate park has started and it will include hardscape skate structures, lighting, landscaping and irrigation, and amenities.

As requested by Council during the April and May 2018 CIP and budget hearings, staff has included the renovation of the sports center snack shack/restroom building with the Skate Park Project. Combining the two projects will expedite the renovation of the Restroom/Snack Shack Building. Improvements to the Restroom/Snack Shack Building may include electrical, mechanical and plumbing upgrades, interior/exterior repairs and upgrades, and ADA and other code related improvements.

Staff negotiated a scope of work and fee for the Restroom/Snack Shack Building design services for a not to exceed amount of \$240,000, which is considered reasonable for the work involved. Staff recommends the approval of Amendment No. 1 to the Agreement with Verde Design, Inc. to perform these additional services. Approval of the first amendment to the agreement brings the total amount to \$610,000.

Alternate: Not proceeding with this work will result in not moving forward with the design and construction of the Project.

California Environmental Quality Act: The Restroom/Snack Shack Building renovations are exempt from CEQA (Public Resources Code §§21000, *et seq.*, as further governed by the Guidelines for CEQA, 14 CCR §§15000, *et seq.*) pursuant to the Class One categorical exemption (14 CCR §15301) because they relate to the repair of “existing facilities” with no expansion of existing use.

Fiscal Impact: None. Sufficient funds are available in the Project budget for this amendment.

Recommendation: Approve and authorize the City Manager to execute Amendment No. 1 to the Agreement with Verde Design Inc. to increase the Agreement amount by \$240,000 for Design Services for the Restroom/Snack Shack Building renovation associated with the Sports Center Skate Park, Project No. 5111.

Attachment: Amendment No. 1

15.

Approve Project Plans and Specifications, and Authorize Advertisement for Bid Proposals for Street Resurfacing Project 2018, Phase II, Projects No. 4287 and No. 4291 (Staff Contact: Steve Erickson, 408-586-3301)

Background: Plans and specifications for the Street Resurfacing Project 2018, Phase II, Projects No. 4287 and No. 4291 have been completed. The work will include the repair and resurfacing of roadway pavement, installation of Americans with Disability Act (ADA) compliant sidewalk ramps, and sidewalk, curb, and gutter repairs on South Hillview Drive between Los Coches Drive and Yosemite Drive and on South Main Street between Curtis Avenue and Corning Avenue.

The Engineer's Estimate for the construction work is \$1,500,000. A copy of the project plan title sheet is included in the Council's agenda packet, and the complete set of plans and specifications are available for review in the office of the Engineering Director/City Engineer.

California Environmental Quality Act: The project is categorically exempt under CEQA Article 19 Section 15301 for maintenance of existing public streets.

Fiscal Impact: None. Sufficient funds are available in the project budget.

Recommendation: Approve plans and specifications, and authorize advertisement for bid proposals, for the Street Resurfacing 2018, Phase II, Projects No. 4287 and No. 4291.

Attachment: Plan Title Sheet

16.

Award the Bid and Authorize the City Manager to Execute a Contract with Edelman Corporation for Purchase and Installation of a Police Department Security Camera System for an Amount Not to Exceed \$79,239.90 (Staff Contacts: Chris Schroeder, 408-586-3161 and Kevin Moscuzza, 408-586-2412)

Background: On February 27, 2018, staff sent out a Request for Proposal (RFP) for the purchase and installation of a Police Department Security Camera System to replace the old system that had reached the end of its useful life. Purchasing worked closely with the Police Department and Information Services to develop the bid package for the RFP. Services under the contract include dismounting and disposing of the old security cameras in various locations in and outside of the Police Building and replacing them with 13 new cameras. Cameras 2 through 7 will monitor the outside of the building. Camera 9 (sound equipped) and camera 10 will monitor the front lobby. Camera 11 will monitor the Community Room, while cameras 1 and 12 will monitor the Sally Port and camera 13 will monitor the Holding Cell hallway. The system also includes two 40" monitors, one mounted in Dispatch and one mounted in the Watch Commander's area. The system supports five workstations and comes with a 192 Terra Bite Raid 6 Archive Server, a 16 port network switch and a Blue-Ray DVD R/W Burner.

The RFP was advertised through Public Purchase. 549 vendors were notified of the bid, 95 downloaded the bid package, and 7 submitted bids of which one was disqualified. The Proposals were evaluated by a committee of four: the Information Services Telecom Manager, the Information Services Operations Manager, a Police Captain/Technical Services Division and a Police Lieutenant/Investigations Division. The committee scored the proposals based on five criteria including the Cover letter, Company Profile, Execution Plan, Personnel Assigned, References and Proposed Compensation.

The recommendation for award to Edelman Corporation is based on the offering that is considered to be the best value and most advantageous to the City. It is anticipated that it will take approximately three to six weeks to install the system. The proposed purchase also includes training and five years of software support. As there may be unknown obstacles to installation, particularly where the cabling is concerned, a 10% contingency has been added to the cost of the project. After posting the Notice of Intent to Award, no protest was received.

Fiscal Impact: None. Funds are available from the Police Department operating budget.

Recommendation: Award the bid and authorize the City Manager to execute the contract with Edelman Corporation for the purchase and installation of a Police Department Security Camera System for an amount not to exceed \$79,239.90.

Attachment: Contract with Edelman Corp.

17.

Receive Recommendations of the City Council Subcommittee on Commissions, and Approve Recommendations to Mayor for Appointment to Three City of Milpitas Commissions (Contacts: Councilmembers Nuñez, 408-586-3023 and Phan, 408-586-3032)

Background: The City Council Subcommittee on Commissions – consisting of Councilmembers Nuñez and Phan - was formed on December 19, 2017 to review and recommend applicants to serve as new Commissioners for final approval by the Mayor and Council; and to recommend any changes to the existing roster of City Commissions. Per the direction of Council, recommendations to the Mayor on the appointments and reappointments of Commissioners will come from one Subcommittee member and the Commission Council Liaison, with exception of the Planning Commission, which will come from the Subcommittee.

Subcommittee members have reviewed and previously made recommendations for the Mayor's final appointment on the following Commissions: Economic Development; Library; Parks, Recreation and Cultural Resources; and, Telecommunications. The Subcommittee's final recommendations for Council approval are upcoming and will include a recommended roster of City Commissions as well as the consideration of a new Commissioner Handbook.

The following appointments are recommended for final appointment by the Mayor and approval by the City Council:

Arts Commission

Move current Alternate No. 2 Christina Driggers into a vacant seat with a term to expire in October 2020.

Newly appoint John Agg to serve as Commissioner with a term to expire in October 2020.
Newly appoint David Flashner to serve as Alternate No. 2 with a term to expire in October 2021.

Veterans Commission

Newly appoint Edward Smythe into a vacant seat with a term to expire in February 2019.

Youth Advisory Commission

Current members:

Reappoint Claudia Wang as Commissioner with a term to expire in September 2018.
Reappoint Christie Maly as Commissioner with a term to expire in September 2018.
Reappoint Ravit Sharma as Commissioner with a term to expire in September 2018.
Move current Alternate Member No. 4 Isaac Chang into a vacant Commission seat with a term to expire in September 2018.

New appointments:

Newly appoint Aavani Sree as Commissioner with a term to expire in September 2018.
Newly appoint Carl Cerezo as Commissioner with a term to expire in September 2018.
Newly appoint Andrew Dinh as Commissioner with a term to expire in September 2018.
Newly appoint Saniya Shrotiya as Commissioner with a term to expire in September 2018.
Newly appoint Aruna Doreswamy as Commissioner with a term to expire in September 2018.

Newly appoint Saili Karkare to serve as Alternate No. 1 with a term to expire in September 2018.

Newly appoint Yugam Satija to serve as Alternate No. 2 with a term to expire in September 2018.

Newly appoint Fengyi Huang to serve as Alternate No. 3 with a term to expire in September 2018.
Newly appoint Meghana Ambalathingal to serve as Alternate No. 4 with a term to expire in September 2018.

Copies of all applications on file with the City Clerk for the three Commissions are included in the agenda packet for Council consideration.

Recommendation: Receive update and recommendations above from the City Council Subcommittee on Commissions, and move to approve appointments to the Arts Commission, Veterans Commission and Youth Advisory Commission.

Attachment: Commission applications

XII. PUBLIC HEARINGS The following items No. 18 – 26 scheduled for discussion

18. Conduct a Public Hearing and Adopt a Resolution Confirming the Assessment and Ordering the Levy for the Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch for Fiscal Year 2018-19 (Staff Contact: Steve Erickson, 408-586-3301)

Background: Landscaping and Lighting Maintenance Assessment District No. 95-1 (LLMD 95-1) maintains and improves public landscaping, irrigation systems, and pedestrian lighting along portions of McCarthy Boulevard and the Ranch Drive gateway between State Route 237 and Dixon Landing Road. On May 15, 2018, the City Council adopted Resolution No. 8770 approving the Annual Engineer's Report, and adopted Resolution No. 8771 declaring its intention to levy and collect assessment for Fiscal Year 2018-19 for the Landscaping and Lighting Maintenance Assessment District No. 95-1.

An annual public hearing is necessary to adopt the Annual Engineer's Report to provide funds for the District. The total assessment of \$341,836.86 and is below the maximum rate per square foot for FY 2018-19.

Fiscal Impact: None. The assessment provides the required funding for the administration and maintenance of the District.

Recommendations:

1. Open the public hearing, receive any comments, and move to close the hearing following any testimony.
2. Adopt a Resolution confirming the assessment and ordering the levy for Landscaping Maintenance Assessment District No. 95-1 (McCarthy Ranch) for Fiscal Year 2018-19.

Attachments: a) Resolution and b) Annual Report

19. Conduct a Public Hearing and Adopt a Resolution Confirming the Assessment and Ordering the Levy for the Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon for Fiscal Year 2018-19 (Staff Contact: Steve Erickson, 408-586-3301)

Background: Landscaping and Lighting Maintenance Assessment District No. 98-1 (LLMD 98-1) maintains and improves public landscaping, irrigation systems, and a walking path along portions of Sinclair Frontage Road and Los Coches Creek abutting the Sinclair Horizon residential subdivision.

On May 15, 2018, the City Council adopted Resolution No. 8772 approving the Annual Engineers Report, and adopted Resolution No. 8773 declaring its intention to levy and

collect assessment for Fiscal Year 2018-19 for the Landscaping and Lighting Maintenance Assessment District No. 98-1.

An annual public hearing is necessary to adopt the Annual Engineer's Report to provide funds for the district. The total assessment of \$42,010.44 and it is below the maximum rate per lot for FY 2018-19.

Fiscal Impact: None. The assessment provides the required funding for the administration and maintenance of the District.

Recommendations:

1. Open the public hearing, receive any comments, and move to close the hearing following any testimony.
2. Adopt a Resolution confirming the assessment and ordering the levy for Landscaping Maintenance Assessment District No. 98-1 (Sinclair Horizon) for Fiscal Year 2018-19.

Attachments: a) Resolution and b) Annual Report

20. Conduct a Public Hearing and Adopt a Resolution for the Summary Vacation of an Existing Street Easement and Public Service and Utility Easement at 1646 Centre Pointe Drive (Staff Contact: Steve Erickson, 408-586-3301)

Background: On May 3, 2016, the City Council conditionally approved Site Development Permit (SD15-0012), Conditional Use Permit (UP15-0016) and Vesting Tentative Map (MT15-0011) to allow for the development of two mixed use buildings consisting of 694 dwelling units with 36,500 square feet of commercial space located at 1646 Centre Pointe Drive, within the Transit Area Specific Plan (TASP) area. Project conditions require that a portion of the existing Centre Pointe Drive street easement and a portion of the existing public service utility easement be vacated to accommodate the new building and the ultimate street configuration for a tee intersection at Centre Pointe Drive and new Baja Rose Street.

As shown on Exhibits A & B titled Street Vacation and 6' Public Service Utility Easement (PSUE) Reservation Portion of Centre Pointe Drive, 2,334 square feet of street easement area is to be vacated, and a new 6-foot PSUE will be reserved along the property frontage for public utilities. Also as shown on Exhibits C & D titled Public Service Utility Easement Vacation, 1,226 square feet of PSUE easement area is to be vacated.

Pursuant to California Streets and Highways Code Sections 8330(a) & (b), the City Council may summarily vacate a street or highway that has been superseded by relocation. Ultimate right of way for Centre Pointe Drive has been dedicated and all utilities located within the existing street easement have been relocated.

Pursuant to California Streets and Highways Code Sections 8333, the City Council may summarily vacate a public service and utility easement that has been superseded by relocation and no other public facilities are located within the easement. All existing utilities located within the existing public service and utility easement have been relocated.

Pursuant to California Streets and Highways Code Sections 8335, once the Resolution of Summary Vacation including Exhibits A, B, C & D is adopted by the City Council and recorded with the County of Santa Clara Recorder's Office, the existing easements will be vacated and no longer exist and the new 6' Public Service Utility Easement as shown on the respective Exhibit A & B will be created.

California Environmental Quality Act: This project is included within the area evaluated as part of the TASP Environmental Impact Report, SCH#2006032091, which was certified

by the City Council on June 3, 2008. On May 3, 2016, the City Council found that the project is categorically exempt from further environmental review pursuant to Section 15168(c)(2) of CEQA.

Fiscal Impact: None.

Recommendations:

- 1) Conduct a public hearing and move to close it, following any comments.
- 2) Adopt a resolution for the summary vacation of an existing street easement and public service and utility easement, and reserve a 6' public service utility easement at 1646 Centre Pointe Drive; and
- 3) Direct the City Clerk to have recorded a certified copy of the adopted Resolution, including Exhibits A, B, C and D, attested by the City Clerk under seal, with the County of Santa Clara Recorder.

Attachment: Resolution with Exhibits

21. Conduct a Public Hearing and Adopt a Resolution for the Summary Vacation of an Existing Water Line Easement at 1 Hanson Court (Staff Contact: Steve Erickson, 408-586-3301)

Background: On October 28, 2015, the Planning Commission conditionally approved Site Development Permit (SD14-0019), Conditional Use Permit (UP14-0020) and Environmental Impact Assessment (EA15-0004) to allow for demolition of an existing industrial site and construction of a 98,390 square foot self-storage facility with a 2,360 square foot office and manager's unit, associated site improvements, and a future 35,500 square foot expansion at 1 Hanson Court.

Project conditions require relocation of an existing on-site public water main to accommodate the configuration of the new buildings. The water main has been relocated and the existing 15' foot wide water line easement as shown on Exhibit A & B is no longer needed and should be vacated.

Pursuant to California Streets and Highways Code Sections 8333, the City Council may summarily vacate a public service easement that has been superseded by relocation and that has no other public facilities located within the easement. A new Water Line Easement will be dedicated for the relocated water main alignment.

Pursuant to California Streets and Highways Code Sections 8335, once the Resolution of Summary Vacation including Exhibits A & B, are adopted by the City Council and recorded with the County of Santa Clara Recorder's Office, the existing water line easement will no longer exist.

California Environmental Quality Act: In accordance with the California Environmental Quality Act (CEQA), an Initial Study and Mitigated Negative Declaration was prepared per Section 15070(b) of CEQA. It was determined that with mitigation no significant environmental impacts would result from implementation of the proposed project. On October 28, 2015, the Planning Commission adopted a resolution certifying that this project is in compliance with the requirements of CEQA and also adopted a Mitigation Monitoring and Reporting Program (MMRP), which includes mitigation measures that would reduce the potentially significant impacts to less than significant levels. No changes to the project or its circumstances have occurred and no new information has become available since adoption of the project environmental documents that would require preparation of additional environmental documentation.

Fiscal Impact: None.

Recommendations:

1. Conduct a public hearing and move to close it, following any comments.
2. Adopt a resolution for the summary vacation of an existing water line easement at 1 Hanson Court.
3. Direct the City Clerk to have recorded a certified copy of the adopted Resolution, including Exhibits A & B, attested by the City Clerk under seal, with the County of Santa Clara Recorder.

Attachment: Resolution with Exhibits

22. Conduct a Public Hearing and Adopt a Resolution Approving the Time Extension Permit for a Tentative Map, Site Development Amendment Permit, and Conditional Use Permit for Construction of a 250' 4" tall, 23-story Mixed Use Building at 600 Barber Lane – Landmark Towers (Staff Contact: Krishna Kumar, 408-586-3276)

Background: The application concerns the Landmark Towers project, approved by the City Council in 2016, to be located at 600 Barber Lane. The applicant is requesting a 24 month time extension for the project due to delays in securing project financing.

The applicant initiated a request for a time extension of the above-referenced permits via e-mail on January 23, 2018. The applicant submitted a letter formalizing the request on March 15, 2018. A formal application for a time extension was filed on April 16, 2018. On April 16, 2018, the applicant submitted a form that memorialized and further formalized the extension request, which was then given the title of Time Extension Permit no. TE18-0002.

With respect to the delays in project financing, the applicant previously had solidified financing with an investor in China. Due to some difficulty in transferring capital out of the country and changes in regulations for EB-5 investment policies, the applicant had to seek and secure financing from a different investment bank. A letter of explanation was also submitted by the applicant for the time extension request (Attachment F). The applicant now believes financing readily can be secured, so that the project can move forward within the timeframe the requested extensions would provide.

The project was previously recommended for approval by the Planning Commission (February 24, 2016) and approved by the City Council on April 5, 2016. As approved, the project consisted of a 22-story mixed-use building including two 19-story residential towers and approximately 50,000 square feet of commercial, retail and office uses on an approximately three-acre parcel. It is the staff's assumption that this project is within the Milpitas Unified School District.

Fiscal Impact: A positive contribution to the City's General Fund for community benefits, see Letter of explanation.

Recommendations:

1. Conduct a public hearing, take public comment, and close the public hearing.
2. Adopt a resolution approving the Time Extension Permit No. TE18-0002 for a Tentative Map (P-MT15-0003), Site Development Amendment Permit (P-SA15-0001), and Conditional Use Permit (P-UP15-0007) for the construction of a 250' 4" tall, 23-story (previously approved at 279' 6" tall/22-story) mixed use building on an approximately three acre parcel located at 600 Barber Lane.

Attachments:

- a) draft City Council Resolution
- b) City Council Resolution No. 8534

- c) Planning Commission Staff Report 05-09-2018
- d) Planning Commission Resolution No. 18-011
- e) Planning Commission meeting minutes 05-09-2018
- f) Letter of Extension Request 03-15-2018
- g) Letter of Explanation for Time Extension Request and Benefits Information 04-19-18

XIII. REPORT OF MAYOR

23. **Per Request of Mayor Tran, Consider Approving More than 4 Hours of Staff Time to Respond to a Need for Traffic Calming Program (Contact: Mayor Tran, 408-586-3029)**

Recommendation: Hear request of Mayor Tran. If desired, move to approve more than four hours of staff time to work on a program for traffic calming in Milpitas.

Attachment: None

XIV. ORDINANCE

24. **Waive First Reading and Introduce Ordinance No. 41.12 to Amend Section I-500-1.14 of the Milpitas Municipal Code Authorizing an Increase in Compensation to Planning Commissioners, as Directed (Staff Contacts: Christopher Diaz, 408-586-3044 and Bradley Misner, 408-586-3273)**

Background: Pursuant to Milpitas Municipal Code I-500-1.14, Compensation for Attending Meetings, the City of Milpitas Planning Commission receives a compensation in the amount of \$25.00 for attending any regularly or specially scheduled Planning Commission meetings.

On April 25, 2016, the Milpitas City Council voted to authorize an increase in compensation for each Commissioner attending Planning Commission meetings, from \$25 per meeting to \$100 per meeting. The Council meeting minutes are provided in the agenda packet for reference.

Although Council indicated an increase in the compensation in 2016, a formal ordinance amending the municipal code must be adopted for the increase to be implemented. On May 15, 2018, the City Council again discussed this issue and directed staff to return on June 5, 2018 with an ordinance to increase Planning Commissioners' compensation. If the ordinance is introduced on June 5, Council could consider it for second reading and adoption on June 19, making the ordinance effective 30 days following adoption.

Fiscal Impact: The net increase to the City budget would be a maximum of \$14,400, assuming 24 Planning Commission meetings per year and full attendance of seven Commissioners plus one alternate member at a rate of \$100 per meeting.

Recommendation: to waive the first reading beyond the title and introduce Ordinance No. 41.12, amending amend Milpitas Municipal Code I-500-1.14 increasing the compensation provided to Planning Commissioners for attending Commission meetings, to an amount as directed.

Attachments:

- a) Ordinance No. 41.12
- b) City Council meeting minutes April 25, 2016

XV. RESOLUTIONS

25. **CITY COUNCIL AND HOUSING AUTHORITY**

Adopt Four Resolutions Approving the Fiscal Year 2018-19 Gann Appropriations Limit, Approving the Fiscal Year 2018-19 Operating Budget and the 2018-2023 Capital Improvement Program for the City of Milpitas and the Milpitas Housing Authority, Amending the Classification Plan for Budgetary Reclassifications and Position Authorizations and Amending the City's Fiscal Policies as Those Relate to Reserves (Staff Contact: Will Fuentes, 408-586-3111)

Background: On March 7, 2018 the City Council participated in a Study Session for the 2018-23 Capital Improvement Program (CIP). And on April 10, 2018, the City Council participated in a Study Session for the Fiscal Year (FY) 2018-19 Operating Budget. During the April Study Session, Council provided staff with direction on both the Operating Budget and CIP and requested several changes. Confirmation of that direction was given by Council to staff at the May 1, 2018 regular City Council meeting and re-confirmed during the May 10, 2018 budget hearing. Staff incorporated Council requested changes into both the Operating Budget and CIP documents being considered.

Note these changes to the Operating Budget since the May 10 budget hearing:

- **ADD After the Bell (ATB) Program at New Mattos Elementary School:** The new Mattos Elementary School will be opening August 2018 and the Milpitas Unified School District (MUSD) has requested the ATB program to serve the needs of its students. The Milpitas Recreation and Community Services Department is able to provide this service and anticipates that this program will be cost neutral due to fee income generated.
- **ADD Reclassification of Chief Building Official to Building and Safety Director:** At mid-year FY 2017-18, the Building and Safety Department received approval to reclassify the Building and Safety Director position to Chief Building Official. After careful consideration and analysis, it was thought that this would generate a larger candidate pool for the recently vacated position resulting from the retirement of a long-term staff member. Nevertheless, after a successful recruitment, staff has identified highly qualified and experienced candidates that can fully meet the job specifications of the Building and Safety Director position. Thus, to complete and ensure a successful recruitment, staff wishes to reclassify the Chief Building Official position back to Building and Safety Director at an added cost of \$53,000.

City Council and Housing Authority is asked to adopt four resolutions:

- 1) Approve the Fiscal Year 2018-19 GANN Appropriations Limit
- 2) Approve the Fiscal Year 2018-19 Operating Budget and the 2018-2023 Capital Improvement Program for the City of Milpitas and the Milpitas Housing Authority
- 3) Amend the Classification Plan to Reflect Reclassifications and Adjust the Number of Positions from the Authorized Position List.
- 4) Amend Fiscal Policies as they Relate to Reserves.

A resolution amending the Classification Plan to establish new classifications and make title changes for the FY 2018-19 Proposed Budget is considered below (agenda item no. 26.)

As is standard City policy and practice, the Council is also requested to approve a list of requests for staff and elected officials to travel out of state in FY 2018-19.

Fiscal Impact: The total Proposed FY 2018-19 Operating Budget for City of Milpitas and the Milpitas Housing Authority, for all funds including debt service, will be \$191,109,583.

The total Five-Year 2018-2023 Capital Improvement Program (CIP) will be \$315,007,017; with \$43,867,480 being requested in year one (FY 2018-19).

Recommendations: to adopt four resolutions:

- (1) Approving the Fiscal Year 2018-19 Gann Appropriations Limit
 - (2) City Council and Housing Authority approving the Fiscal Year 2018-19 Operating Budget and the 2018-2023 Capital Improvement Program for the City of Milpitas and the Milpitas Housing Authority
 - (3) Amending the Classification Plan for Budgetary Reclassifications and Position Authorizations
 - (4) City Council amending the City's Fiscal Policies as they Relate to Reserves; and,
- (5) to approve requests for staff and elected officials to travel out of state in FY 2018-19.

Attachments:

- a) Resolution – approve Gann Limit
- b) Joint Resolution – adopt Budget and CIP
- c) Resolution - amend Classifications
- d) Resolution – updating Fiscal Policies
- e) List of Out of State Travel by Employees
- f) Proposed FY 2018-19 Budget
- g) Capital Improvement Program

26. Adopt Three Resolutions Amending the City of Milpitas Classification Plan to 1) Adjust Salaries for Under Market Positions on the City-wide Classification and Compensation Study, 2) Establish New Classifications for the FY 2018-19 Budget, and 3) Adjust Salary Ranges of Unrepresented Management Employees and Authorize Fringe Benefits (Staff Contact: Liz Brown, 408-586-3086)

Background: The City sent out a Request for Proposals for a Comprehensive City-wide Classification and Compensation study to evaluate all non-sworn positions, as identified in applicable Memorandums of Understanding. The City entered into contract with Ralph Andersen and Associates in September 2016.

Ralph Andersen and Associates consultants met with Human Resources Department staff, with the City's management team, with the bargaining groups, and with interested employees to discuss the study, hold "briefing sessions" or kick-off meetings, and answer questions. Employees completed Job Analysis Questionnaires and the consultants conducted on-site interviews with employees in December 2016 and provided draft job descriptions in April 2017. Human Resources has been working with employee groups over the last six months to finalize the updates to job descriptions based on additional feedback from employees.

The City and bargaining units agreed upon 12 outside agencies that would be used for comparisons. The agencies were selected based on population size, budget, proximity to Milpitas, and similar services offered. The bargaining units all agreed to use the same comparable agencies. The City received draft compensation study results in July 2017, with updates provided in April 2018.

The study identified several classifications within the City that were paid "below market" or below the average for salary and benefits of the comparable agencies. The Milpitas City Council identified the Classification and Compensation Plan implementation as a budget priority at the April 10, 2018 budget study session. Staff proposes increasing the salary ranges for those classifications identified as below market to the average of the comparable agencies. The increases that are proposed in the attached resolution do not reflect additional increases that have been negotiated by the bargaining units and have a total

compensation cost impact of \$516,000. City Council was previously presented a cost estimate of \$472,000, but after additional staff analysis of total compensation impacts, the final cost estimate is \$516,000; a variance of \$44,000. The incremental variance has been added to the Proposed Budget for FY 2018-19 with limited impact.

In addition to implementing the Comprehensive City-wide Classification and Compensation study, staff also requests adding several new position titles which are included within the Proposed Budget for FY 2018-19, but are not existing positions on the City's Classification Plan. These include:

- Assistant Fire Marshal
- Community Services Engagement and Inclusion Administrator
- Public Information Officer
- Environmental and Regulatory Compliance Specialist
- Senior Information Analyst/ Developer
- Assistant Chief of Police
- Customer Services Supervisor
- Economic Development Coordinator
- Transportation and Traffic Manager
- Payroll Specialist

And lastly, City Council authorizes benefit packages for unrepresented management classifications. Unrepresented management has not had an update to its benefit package in a number of years. In order to ensure that all benefits have been approved and authorized by City Council, the Human Resources Department is requesting approval of the existing benefits in addition to several modifications which align with nearby jurisdictions. In addition to the changes to benefits for the unrepresented management, a 3% salary increase for the unrepresented exempt management classifications was included in the Proposed Budget for FY 2018-19 and the Five-Year Forecast. This increase, which has a total compensation cost of \$294,000, will correspond to increases for non-sworn classifications represented by the MEA, Mid-Con and ProTech bargaining units. Staff recommends these increases to mitigate potential compaction issues within the unrepresented management classifications and represented employees.

Fiscal Impact: Total compensation cost impacts for the City-wide Classification and Compensation Study equal \$516,000 in year one and are contained within the Proposed Budget for FY 2018-19. Additionally all costs for newly established position titles are contained within the Proposed Budget for FY 2018-19. And lastly, total compensation cost impacts for salary increases to unrepresented management employees are \$294,000 in year one and are contained within the Proposed Budget for FY 2018-19.

Recommendation: Adopt three resolutions amending the City of Milpitas Classification Plan to:

- 1) adjust salaries for under market positions on the City-wide Classification and Compensation Study,
- 2) establish new classifications for the FY 2018-19 budget, and
- 3) adjust salary ranges of unrepresented management employees and authorize fringe benefits.

Attachments: Three Resolutions with Exhibits

XVI. REPORTS OF MAYOR & COUNCILMEMBERS – from the assigned Commissions, Committees and Agencies

XVII. ADJOURN JOINT MEETING