REGULAR MEETING OF THE MILPITAS CITY COUNCIL AGENDA

TUESDAY, MAY 2, 2017

455 EAST CALAVERAS BLVD, MILPITAS, CA
6:00 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)

SUMMARY OF CONTENTS

I. CALL TO ORDER/ROLL CALL by the Mayor (6:00 p.m.)

II. ADJOURN TO CLOSED SESSION

(a) CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING
Pursuant to California Government Code Section 54957.6
City Negotiators: Tom Williams, Tina Murphy
Employee Group: Milpitas Employees Association
Under Negotiation: Wages, Hours, Benefits, and Working Conditions

(b) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
Pursuant to Government Code Section 54956.9(d)(4) – City as Plaintiff

(c) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
Pursuant to Government Code Section 54956.9(d)(2) – City as Defendant

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

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

V. INVOCATION (Councilmember Nuñez)

VI. SCHEDULE OF MEETINGS – COUNCIL CALENDAR May 2017

VII. PRESENTATIONS

- Proclaim May 2017 as *Mental Health Month*
- Proclaim May 2017 as *Building & Safety Month*
- Proclaim Affordable Housing Week for May 12 – 19, 2017
- Proclaim Public Service Recognition Week for May 7 – 13, 2017
- Proclaim Economic Development Week for May 7 – 13, 2017

VIII. PUBLIC FORUM

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an item not listed on the agenda, no response is required from City staff or the Council and no action can be taken. However, the Council may instruct the City Manager to place the item on a future meeting agenda.

IX. ANNOUNCEMENTS

X. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

XI. APPROVAL OF AGENDA

XII. CONSENT CALENDAR (Items with asterisks*)

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a member of the City Council, member of the audience, or staff requests the Council to remove an item from or be added to the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

XIII. APPROVAL OF COUNCIL MEETING MINUTES – April 18, 2017

XIV. PUBLIC HEARING

1. **Conduct Public Hearing and Introduce Ordinance No. 293 Restricting Expanded Polystyrene (EPS) Foam Food Ware Use and Adopt the Policy Restricting EPS Foam Food Ware Use at City Facilities and at City-Sponsored Events (Staff Contact: Leslie Stobbe, 408-586-3352)**

XV. UNFINISHED BUSINESS

2. **Approve Mid-Year Budget Appropriations Follow Up for the Fiscal Year 2016-17 Capital Improvement Program Budget (Staff Contact: Jane Corpus, 408-586-3125)**

3. **Per Request of Vice Mayor Grilli, Consider Request for More Than 4 Hours of Staff Time to Study and Return with an Ordinance Related to Wage Theft (Contact: Vice Mayor Grilli, 408-586-3031)**

4. **Approve Amendment No. 7 to the Consulting Services Agreement with Vali Cooper & Associates, Inc. to Extend the Term to January 31, 2018 and Increase the Compensation in the Additional Amount of $303,000 to Continue Support on the Silicon Valley Rapid Transit Program Berryessa Extension (SVBX) Project and Montague Expressway Widening Project, CIPs No. 4265 and No. 4179 (Staff Contact: Steve Chan, 408-586-3324)**

* 5. **Continue Milpitas Sports Center Artificial Turf Field Access Discussion (Staff Contact: Renee Lorentzen, 408-586-3409)**

* 6. **Receive the Monthly Update of the Odor Control Report (Staff Contact: Greg Chung, 408-586-3355)**

XVI. REPORT OF COUNCILMEMBER

7. **Per Request of Councilmember Nuñez, Receive Information on Silicon Valley Clean Energy Program (Contact: Councilmember Nuñez, 408-586-3023)**

XVII. NEW BUSINESS

* 8. **Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended March 31, 2017 (Staff Contact: Jane Corpus, 408-586-3125)**

* 9. **Receive Financial Status Report for the Nine Months Ended March 31, 2017 (Staff Contact: Jane Corpus, 408-586-3125)**

***10. Accept Donation of $3,000 to the Milpitas Fire Department for Office of Emergency Services and Appropriate Those Funds to the Office of Emergency Services for Purchase of a Shaker Trailer - an Emergency Preparedness Educational Tool (Staff Contact: Toni Charlop, 408-586-2801)**

XVIII. RESOLUTION

***11. Adopt a Resolution Authorizing Sole Source Purchase of a RapidView IBAK Closed Circuit Television All-In-One Sewer Inspection Vehicle for the Public Works Department from Jack Doheny Companies for $337,528 (Staff Contacts: James Levers, 408-586-2648 and Chris Schroeder, 408-586-3161)**

XIX. AGREEMENT & BID

***12. Approve Project Plans and Specifications, and Authorize Advertisement for Bid Proposals for Daniel Court Water Main and Services Replacement Projects No. 7110 and No. 7131 (Staff Contact: Steve Erickson, 408-586-3301)**

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

XXI. ADJOURNMENT

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

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. Phone 408-586-3040

All City Council agendas and related materials can be viewed online here: www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Current Vacancies on
Arts Commission
Community Advisory Commission
Economic Development Commission
Emergency Preparedness Commission
Parks, Recreation and Cultural Resources Commission
Telecommunications Commission

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall. Contact the City Clerk's office at 408-586-3003 for more information.

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at 408-586-3001 or send an e-mail to mlavelle@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings in that facility.

XIV. PUBLIC HEARING

1. Conduct Public Hearing and Introduce Ordinance No. 293 Restricting Expanded Polystyrene (EPS) Foam Food Ware Use and Adopt the Policy Restricting EPS Foam Food Ware Use at City Facilities and at City-Sponsored Events (Staff Contact: Leslie Stobbe, 408-586-3352)

Background: EPS is a petroleum-based, lightweight plastic material commonly used in a molded foam form as take-out food service ware by retail food vendors. Styrene, a component of EPS foam, was added to the list of chemicals known by the State of California to cause cancer by the Office of Environmental Health Hazard Assessment and as identified by the National Toxicology Program in April 2016. EPS is difficult and uneconomical to handle and recycle, especially if soiled by food. It easily breaks down into smaller pieces in the environment, making it difficult to clean up, and is often mistaken for food and ingested by birds and marine wildlife.

Two regional studies quantify the problems of EPS food ware in the local environment (both included with the Council agenda packet):

1. Bay Area Stormwater Management Agencies Association (BASMAA) - San Francisco Bay Area Stormwater Trash Generation Rates, prepared by EOA, Inc. in 2014 summarizes monitoring conducted in 2010-11 of trash in storm drains to establish baseline trash generation rates. Results indicate that "EPS food ware is roughly 6% of trash (by volume) observed in storm drains."

2. Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) - Storm Drain Trash Monitoring and Characterization Project Technical Report, prepared by EOA, Inc. 2016, summarizes the results of monitoring conducted in 2015-16 to evaluate whether reductions in EPS foam food ware and single-use carry-out bags have decreased. Results indicate that "there was a 74% decrease in the volume of EPS food service ware observed in the 53 sites in common between this Project and the BASMAA Trash Generation Rates Study (BASMAA 2014). This large decrease coincides with ordinances that have been adopted throughout most of the Santa Clara Valley."

Milpitas' Trash Reduction Efforts

On April 26, 2011, the Recycling & Source Reduction Advisory Commission (RSRAC) recommended the City develop an EPS ordinance as a low cost alternative to reduce environmentally harmful trash in local creeks and to meet litter reduction requirements based upon the Expanded Polystyrene Food Service Take-Out Container Study. On April 15, 2014, the City Council authorized staff to begin implementation of the Long-Term Trash Load Reduction Plan (Plan) as required by the Municipal Regional Stormwater Permit (MRP). On January 24, 2017, RSRAC recommended that the City also adopt an internal policy restricting EPS use on City property and at City-sponsored events. On April 25, 2017, the RSRAC recommended the City Council adopt an ordinance restricting the use of extended polystyrene (EPS) foam food ware take-out containers.

The MRP applies to 76 municipalities (cities, towns and counties) and flood control agencies (water districts) that discharge stormwater to San Francisco Bay. An updated MRP (Order R2-2015-0049) became effective on January 1, 2016. The MRP requires Permittees to demonstrate the following reductions in trash discharged from storm drain systems: 70% by July 2017; 80% by July 2019; and "No Visual Impact Equivalent" by July 2022. To establish a baseline for the City of Milpitas, the City developed a trash generation map that provides an estimate of the amount of trash discharged into the stormwater conveyance system, local creeks and channels. Additionally, the City developed and submitted the Plan listing trash load reduction actions that the City will implement between 2014 and 2022 to address mandated trash load reductions. This

Plan, presented to the City Council on April 15, 2014, includes but is not limited to these trash control actions:

- Installation and maintenance of full trash capture treatment devices in the City's storm drain system and channels.
- Enhanced inspections of businesses to ensure trash is managed properly and areas are litter free.
- Online outreach to residents and people working in Milpitas, including printed and electronic information of best management practices for businesses.
- Adoption of single-use carry-out bag Ordinance No. 287 effective January 1, 2016.
- Introduction of an ordinance restricting EPS foam food service ware and recommendation of City policy to restrict the use of consumer EPS products ("clamshells," plates and cups) at City facilities and events.

As a result of implementing the above actions, except the EPS ordinance, the City can reasonably expect a 70% trash reduction from stormwater in July 2017. In an effort to achieve the 80% compliance target by July 2019, staff recommends implementation of the proposed EPS ordinance and to increase the number of creek cleanups conducted by the City.

Community Outreach

To prepare the draft ordinance, a survey and meeting announcement were mailed to 376 food establishments, placed in the Chamber of Commerce's newsletter *Panorama*, and emailed to Chamber members. Results of that outreach and a summary of comments received will be presented at the public hearing. In addition, staff attended meetings with the California Restaurant Association on March 23, 2017 and with the Milpitas Chamber of Commerce Board on April 6, 2017. Further, staff has researched the viability of business cooperatives that provide reduced costs for container alternatives. This information can be provided to food establishment owners and managers as part of the outreach plan.

Proposed Actions

The proposed ordinance would prohibit all food vendors from providing EPS foam disposable food service ware to customers. This would include "take out" containers as well as the use of EPS foam disposable food ware for on-site consumption. Staff recommends the new ordinance become effective on July 1, 2018 to allow sufficient time for food establishments to deplete current inventories and for the outreach effort.

In addition, staff recommends establishing a policy that would prohibit use of EPS foam food ware at all City facilities, City-managed concessions, City-sponsored events and for any food vendors doing business with the City and by private persons at City rental facilities.

California Environmental Quality Act: The ordinance is exempt from CEQA pursuant to CEQA Guidelines Sections 15307 (actions by a Regulatory Agency for protection of the natural resources) and 15308 (actions by a Regulatory Agency for Protection of the Environment) because it is intended to reduce EPS litter and thereby reduce the risk of harm to aquatic wildlife and improve water quality in the Milpitas creeks and the Southern San Francisco Bay.

Alternative: If the Council does not adopt Ordinance No. 293 restricting the use of EPS foam disposable food service ware, the City faces non-compliance of meeting mandatory litter control requirements under its stormwater permit and to reduce environmentally harmful trash in storm drains and creeks.

Fiscal Impact: Adoption of the EPS ordinance would cost approximately $9,500 during FY 2017-18 to conduct outreach targeted to local food establishments ($5,500) and to conduct additional creek cleanups ($4,000). $9,500 is included in the proposed FY 2017-18 budget for Council's approval at a later date.

Adoption of the EPS policy would cost approximately an additional $730 annually for the Senior Center's Lunch Program to use EPS alternatives.

Recommendations:

1. Open the public hearing to receive comments.
2. Move to close the Public Hearing, following any comments from the public.
3. Waive the first reading beyond the title of Ordinance No. 293, following a reading of the title by the City Attorney.
4. Introduce Ordinance No. 293 restricting the use of EPS foam food ware.
5. Adopt a City policy restricting EPS foam food ware use at City facilities and at City-sponsored events.

Attachments:

a) Ordinance No. 293 for first reading
b) Policy to Restrict Expanded Polystyrene (EPS) Foam Food Ware Use at City Facilities
c) Food Establishment Stakeholder Survey
d) Survey Letter to Food Establishments
e) EPS Save the Date notice 4-12-17 meeting
f) Long-Term Trash Load Reduction Plan & Assessment
g) Stormwater Trash Generation Rates Final Report
h) Storm Drain Trash Monitoring & Characterization Project Technical Report
i) Expanded Polystyrene Food Service Take-Out Container Study
j) EPS Study Appendices
k) Letter Opposing ordinance - American Chemistry Council

XV. UNFINISHED BUSINESS

2. Approve Mid-Year Budget Appropriations Follow Up for the Fiscal Year 2016-17 Capital Improvement Program Budget (Staff Contact: Jane Corpus, 408-586-3125)

Background: At the City Council meeting on April 4, 2017, staff brought the mid-year appropriations for approval and Council directed staff to bring three capital projects recommended for mid-year appropriations to the scheduled community meeting on April 6. The capital projects were discussed at the community meeting with no objections.

The requested budget appropriations are deemed necessary at mid-year for the following budget for capital projects:

Capital Improvement Program (CIP) projects:

1. **Create a CIP Project for the purchase of a MedEvac Emergency Rescue Vehicle and a corresponding storage structure. The cost of $406,465 would be funded from the General Government CIP fund.** As occurs in all communities, in Milpitas first responders must be prepared to mitigate all potential threats to residents and critical infrastructures. The most serious threats may include natural disasters, violent crime, criminal mass casualty events such as active shootings, or other acts of terrorism. The majority of criminal offenders arrested in this community over the past few years do not have a Milpitas address. The current ease of transit through Milpitas via two major interstate highways, State Route 237 and Montague Expressway is certainly a contributing factor. And the ease and convenience of transit into Milpitas will be greatly enhanced when BART begins revenue service later this calendar year. To effectively plan and prepare, the City's exposure to crime must be viewed from a broad, regional perspective. The Milpitas Police Department maintains a highly trained Special Weapons and Tactics (SWAT) Team of fifteen (15) officers and sergeants to respond to high risk critical incidents. In addition to the previously mentioned threats, the SWAT Team is tasked with responding to all incidents requiring tactics and capabilities which exceed that of the average police officer on patrol, including hostage situations,

barricaded armed suspects, serving high-risk search and arrest warrants, or any incident involving suspects known to be violent and armed.

The Police Department does not have a reliable vehicle to protect the team and endangered citizens from ballistic and projectile attacks and enable SWAT officers the ability to treat injured citizens and/or bring medically trained professionals into danger areas with reasonable safety. The MedEvac is a complete tactical vehicle/ambulance with hardened walls and blast proof windows that protect passengers from high caliber ballistic and projectile attacks, which allows the SWAT Team to deploy directly into "hot zones." The vehicle provides advanced life saving features, such as space for two emergency litters (rescue baskets), adjustable overhead lighting, medical supply storage, IV hookups, and two jumbo oxygen tanks that will allow the team to provide aid and transport the critically wounded. The vehicle also has four-wheel drive capability to allowing staff to work off road or maneuver through road debris that may exist during a natural disaster. The vehicle can fit up to 10 SWAT Team members or up to 20 civilians in need of rescue from violent incidents or natural disasters. In order to extend the useful life of the MedEvac Emergency Rescue Vehicle, it should be stored indoors. Due to its size, it could not be stored in any existing facilities, so a dedicated storage structure is needed. The estimated cost of materials, labor, etc. for the storage structure is $25,000.

2. **Create a CIP Project for the purchase of an Interactive Learning Objectives (MILO) Range Theatre 180 System. The cost of $99,279 would be funded from the Equipment Replacement Fund ($83,204) and the General Government CIP fund ($16,075)**. The Milpitas Police Department maintains a highly trained police force and is often confronted with split-second decision-making when dealing with highly stressful critical incidents. In 2001, the Milpitas Police Department purchased and installed the Range 2000, which is an interactive range simulation system as part of the Firearms Training Program. Due to age, the Range 2000 system is now antiquated and several of its key components are no longer functional. The MILO Range Theatre System is an upgraded interactive video training simulator, similar to the Range 2000, and comes equipped with hundreds of scenarios. It is a comprehensive solution that is designed to allow trainers the ability to give presentations, conduct interactive testing and assessment and provide immersive hands-on scenario based exercises with detailed debriefings. It also provides training in the application of the use of force and the escalation/de-escalation during crisis situations.

3. **Increase budget appropriation in the amount of $200,000 for CIP No. 4273 Street Landscape Irrigation using one-time General Fund revenue from the sale of the McCandless property**. These funds will be used to purchase additional power equipment, vehicles and irrigation supplies necessary for Public Works staff to properly maintain and manicure the street landscaping medians and streetscapes. Due to the drought the City's landscape and irrigation systems need additional attention and restoration, this equipment will allow staff to most effectively and efficiently transport crews and equipment to the various locations to complete restoration of existing streetscape locations. As a result this appropriation will improve City streetscapes overall appearance, reduce irrigation leaks associated with disrepair irrigation systems and allow for more effective removal of nuisance weeds. Equipment and supplies purchases will include: two Ford F-250 Crew Cab with Utility box and lift gate, one Ford F-150 Regular Cab, one Big Tex 70SR dump trailer, dump trailer and various power tools. Staff requests these funds prior to next fiscal year to ensure ample attention prior to the start of summer season.

Fiscal Impact: The net impacts (use of funds) to the various requests noted above is as follows: Equipment Replacement Fund $83,204; General Government CIP Fund $422,540.

Recommendation: Approve the additional Fiscal Year 2016-17 mid-year budget appropriations as itemized in this report (and on Budget Change Form in agenda packet).

Attachments

a) Table
b) Budget Change Form

3. Per Request of Vice Mayor Grilli, Consider Request for More Than 4 Hours of Staff Time to Study and Return with an Ordinance Related to Wage Theft (Contact: Vice Mayor Grilli, 408-586-3031)

Background: At the April 4 City Council meeting, the Vice Mayor reported that she and Councilmember Phan had met with the Wage Theft Coalition of Santa Clara County recently. They both wish to request that the Council consider adopting a wage theft ordinance for the City of Milpitas. The topic was listed on the agenda for April 18, but not heard and was continued to this date.

Recommendation: Authorize staff to spend more than four hours of time to study the issue of wage theft in Milpitas, and direct the City Attorney to return to City Council with a wage theft ordinance for adoption.

Attachment: Report from Wage Theft Coalition

4. Approve Amendment No. 7 to the Consulting Services Agreement with Vali Cooper & Associates, Inc. to Extend the Term to January 31, 2018 and Increase the Compensation in the Additional Amount of $303,000 to Continue Support on the Silicon Valley Rapid Transit Program Berryessa Extension (SVBX) Project and Montague Expressway Widening Project CIPs No. 4265 and No. 4179 (Staff Contact: Steve Chan, 408-586-3324)

Background: On August 3, 2010, the City entered into a Master Agreement with the Santa Clara Valley Transportation Authority (VTA) for reimbursement of City work on the Silicon Valley Berryessa Extension (SVBX) project (BART). The Master Agreement allows reimbursement of City consultant costs for support services.

On November 20, 2013, the City entered into a consulting services agreement with Vali Cooper & Associates, Inc. in the amount of $19,760 to provide support services for the SVBX project through June 30, 2014. On January 21, 2014, the parties entered into Amendment No. 1 to increase the compensation by $75,000 to continue the support services. On June 3, 2014, the parties entered into Amendment No. 2 to increase the compensation by $158,240 and extended the term. On December 16, 2014, the parties entered into Amendment No. 3 to increase the compensation by $300,000 and extend the term through September 30, 2015. On September 15, 2015, the parties entered into Amendment No. 4 to increase the compensation by $310,000 and extend the term through October 31, 2016. On September 20, 2016, the parties entered into Amendment No. 5 to increase the compensation by $230,000 and extend the term through February 28, 2017. On February 1, 2017, the parties entered into Amendment No. 6 to extend the term through August 30, 2017.

Several phases of the SVBX work are in progress simultaneously, including relocation of existing utilities, installation of new utilities, track installation, parking garage, roadway, frontage, and station construction. The Montague Expressway Widening Project is scheduled to begin shortly and will also require engineering support services. Staff recommends Amendment No. 7 with Vali Cooper & Associates to perform additional services by continuing their support with the SVBX project through the end of April 30, 2018. Staff has negotiated a fee for these services not to exceed $303,000. Approval of this agreement amendment brings the total agreement amount with Vali Cooper to $1,396,000.

Fiscal Impact: None. Consultant expenses and City staff labor are reimbursable under the VTA Master Agreement for CIP No. 4265. Work performed on the Montague Expressway Widening

Project is charged to CIP No. 4179. Sufficient funds are available in the project budgets for these services.

Recommendation: Approve Amendment No. 7 to the agreement with Vali Cooper & Associates extending the term to January 31, 2018 in the additional amount of $303,000 for the Silicon Valley Berryessa (BART) Extension Project No. 4265 and Montague Expressway Widening Project No. 4179.

Attachment: Amendment No. 7 to Agreement with Vali Cooper & Associates, Inc.

*** 5. Continue Milpitas Sports Center Artificial Turf Field Access Discussion (Staff Contact: Renee Lorentzen, 408-586-3409)**

Background: On March 21, 2017, the City Council requested that staff return to the Council with information and data in regards to the impact on the Milpitas Sports Center Artificial Turf Field outdoor facility, should general public use be implemented. The Council requested information brought back include impact costs for additional staff and maintenance, affects to the lifespan of the turf, and the impacts of animals on the artificial material.

City staff spoke with several members of the public and youth sports organizations about access to the Milpitas Sports Center Artificial Turf fields and have scheduled a community meeting on Wednesday, May 24, 2017 at 6:30 PM to gather feedback on the current use and general public interest in the use of the space in formal setting. Feedback at this community meeting will provide additional information for staff's recommendation to City Council on this item.

Fiscal Impact: None

Recommendation: This topic will be continued to the June 6, 2017 City Council meeting.

Attachment: None

*** 6. Receive the Monthly Update of the Odor Control Report (Staff Contact: Greg Chung, 408-586-3355)**

Background: From March 10 through April 6, 2017, the Bay Area Air Quality Management District (BAAQMD) forwarded 118 complaints originating in Milpitas. 52 complaints identified a garbage odor, 3 complaints identified a sewage odor, 61 complaints did not identify an odor source, and 2 identified multiple odor sources. As of the last Council update, the City's odor reporting website has received 34 reported complaints.

California Environmental Quality Act: The item is exempt from CEQA as there will be no physical change to the environment.

Recommendation: Receive the monthly update of the odor control report.

Attachment: None

XVI. REPORT OF COUNCILMEMBER

7. Per Request of Councilmember Nuñez, Receive Information on Silicon Valley Clean Energy Program (Contact: Councilmember Nuñez, 408-586-3023)

Recommendation: Hear report of Councilmember Nuñez, who requested to have a report to the City Council from representatives of Silicon Valley Clean Energy.

Attachment: None

XVII. NEW BUSINESS

*** 8. Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended March 31, 2017 (Staff Contact: Jane Corpus, 408-586-3125)**

Background: In compliance with the State of California Government Code and the City's Investment policy, the City of Milpitas Investment Report for the quarter ended March 31, 2017 is submitted for the Council's review and acceptance.

The Portfolio Summary Report included in the Council's packet provides a summary of the City's investments by type. It lists the par value, market value, book value, percentage of portfolio, term, days to maturity and the equivalent yields for each type of investment. The Portfolio Details Report provides the same information for each individual investment in the City's portfolio as of March 31, 2017.

As of March 31, 2017, the principal cost and market value of the City's investment portfolio was $233,428,207 and $233,001,818 respectively. When market interest rates increase after an investment is purchased, the market value of that investment decreases. Conversely, when market interest rates decline after an investment is purchased, the market value of that investment increases. If the investments are not sold prior to the maturity date, there is no market risk. Therefore, in accordance with the City's investment policy, all investments are held until maturity to ensure the return of all invested principal.

The City's effective rate of return for the period ended March 31, 2017 was 1.00%. The comparative benchmarks for the same period were 0.82% for LAIF (Local Agency Investment Fund) and 0.94% for the 12-month average yield of the 2-year Treasury Note. The weighted average maturity of the portfolio was 416 days.

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

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

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

Fiscal Impact: None

Recommendation: Receive the investment report for the quarter ended March 31, 2017.

Attachments
a) Table and 3 graphs
b) Portfolio Management Summary and details

*** 9. Receive Financial Status Report for the Nine Months Ended March 31, 2017 (Staff Contact: Jane Corpus, 408-586-3125)**

Background: This interim financial report places a focus on the City's major operating funds, including General, Water and Sewer. As of March 31, 2017, the General Fund received approximately $62.4 million in total revenue. This amount is $13.8 million more than the

revenues received for the same period in FY 2015-16 primarily due to the $7.2 million reimbursement for the purchase of the property sold to the Milpitas Unified School District. Other areas of increases were in property tax, the RPTTF distributions and sales tax revenue. Property tax revenue was up by about $1.0 million over last year due to continued assessed values growth and new construction impact. RPTTF revenue was up by about $1.1 million over last year due to the sale of two properties in the Successor Agency and the $1.1 million represents the City's share of the sale. Sales tax revenue was up by about $3.9 million from the same period last year. Staff anticipates that the overall General Fund revenue will be on track with the budget projection.

Overall City departments' expenditures for the nine month period were moderately below budgets at about 69.06% in contrast to 70.6% in the prior year. As noted, the City Attorney's office and Fire Department are slightly over their budgets due to charges that are reimbursable from third parties. A budget adjustment will be done at year end for monies received from developers for expenditures incurred by the City Attorney's office and monies received from the State of California for Fire Department overtime that was reimbursed for mutual aid.

Putting general revenues and expenditure projections together displays a balanced equation at the end of the year. With that said, cost and budgetary control remain key in maintaining a sound fiscal plan for this year and as the City moves forward.

Water and Sewer funds remains within the expected patterns in terms of revenue.

Fiscal Impact: None

Recommendation: Receive the financial status report for the nine months ended March 31, 2017.

Attachment: 3rd Quarter Revenues and Expenditure reports for FY 2016-17

***10. Accept Donation of $3,000 to the Milpitas Fire Department for Office of Emergency Services and Appropriate Those Funds to the Office of Emergency Services for Purchase of a Shaker Trailer - an Emergency Preparedness Educational Tool (Staff Contact: Toni Charlop, 408-586-2801)**

Background: The Milpitas Office of Emergency Services (OES) is running the kids' area of the Milpitas Chamber of Commerce 2017 International BBQ Festival. In the children's area, Milpitas OES wishes to provide a "Shaker Trailer" to teach the community about earthquake safety and preparedness. This year's children's area will have a focus on Emergency Preparedness Education in a fun, interactive setting that both children and their parents can learn from. Milpitas OES sought donations to assist with the cost of this unique educational tool.

Fiscal Impact: None.

Recommendation: to accept an anonymous donation of $3,000 to the Milpitas Fire Department to be deposited into the City's General Fund and appropriate the funds to the Fire Dept. Office of Emergency Services budget for the purchase of a shaker trailer from Big Shaker Enterprises LLC.

Attachment: Budget Change Form

XVIII. RESOLUTION

***11. Adopt a Resolution Authorizing Sole Source Purchase of a RapidView IBAK Closed Circuit Television All-In-One Sewer Inspection Vehicle for the Public Works Department from Jack Doheny Companies for $337,528 (Staff Contacts: James Levers, 408-586-2648 and Chris Schroeder, 408-586-3161)**

Background: Currently, more than 173 miles of sanitary sewer pipeline are owned and maintained by the City of Milpitas. The State Water Resources Control Board Order No. 2006-0003-DWQ requires sanitary sewer operators to develop a rehabilitation and replacement plan to identify and prioritize system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. The program should include regular visual and TV inspections of manholes and sewer pipes, and a system for ranking the condition of sewer pipes and scheduling rehabilitation. Consistent with this order, the City of Milpitas Sanitary Sewer Management Plan section 4.3 states that the City shall establish a Closed Circuit Television (CCTV) program for assessing sanitary sewer pipelines.

Consistent with the City of Milpitas Sanitary Sewer Management Plan, and after evaluating multiple CCTV all-in-one sewer inspection vehicles on the market, including Envirosight, CUES, Pipe Vision, and RapidView IBAK, Public Works staff determined that the RapidView IBAK CCTV all-in-one sewer inspection vehicle best met the requirements of the Milpitas CCTV program. The Public Works Department recommends purchase of one complete RapidView IBAK CCTV all-in-one sewer inspection vehicle from Jack Doheny Companies. Subject to Milpitas Municipal Code Section I-2-3.09 Sole Source Procurement, the Purchasing Agent has determined that Jack Doheny Companies is the sole distributor in California of RapidView IBAK vehicles and products, and RapidView IBAK is the only manufacturer to offer such unique features, as the Orion® and Orpheus 2.0® zoom pan and tilt cameras, the only cameras upgradable to PANORAMO 360 degree digital pipe line scanning capability, T66 small camera and T76 large camera steerable tractors with anti-tilt compensation, BS7 vehicle mounted control panel for all systems, 2-axis high strength cable connections rated to 2,000 pounds and a ten year spare parts guarantee. RapidView IBAK also invented the sewer camera in 1957.

The RapidView IBAK CCTV all-in-one sewer inspection vehicle is mounted on a Ford E450 chassis and includes one Orion® and one Orpheus 2.0® zoom pan and tilt camera, one T66 small camera and one T76 large camera steerable tractor with anti-tilt compensation, BS7 vehicle mounted control panel for all systems, KW505 synchronized power reel with boom light, computer hardware, and Pipeline Assessment Certification Program (PACP) inspection software.

Fiscal Impact: None. Sufficient funding is available in the Capital Improvement Program Project No. 6119 for this purchase.

Recommendation: Adopt a resolution authorizing the purchase of one RapidView IBAK CCTV all-in-one sewer inspection vehicle from Jack Doheny Companies through a sole source purchase pursuant to Milpitas Municipal Code Section I-2-3.09 in the amount of $337,528.00.

Attachment: Resolution

XIX. AGREEMENT & BID

*12. Approve Project Plans and Specifications, and Authorize Advertisement for Bid Proposals for Daniel Court Water Main and Services Replacement Projects No. 7110 and No. 7131 (Staff Contact: Steve Erickson, 408-586-3301)

Background: Plans and specifications for the Daniel Court Water Main and Service Replacement Projects No. 7110 and No. 7131 have been completed. This project will provide for replacement of approximately 1,100 linear feet of 6-inch diameter asbestos cement pipe (ACP) water main, including replacement of water services, meters, and fire hydrants on both legs of Daniel Court.

The existing main, service laterals, and fire hydrants were installed in the early 1980s. Due to age and the type of pipe material, the pipe is now brittle and problematic requiring frequent repairs to

correct leaks and line breaks. Recent emergency repairs are resulting in a loss of water and service outage which is an inconvenience for customers.

Estimated cost of construction is approximately $800,000. A copy of the front cover of the project specifications is included in the Council's agenda packet and a complete set of the contract documents is available for review in the office of the City Engineer.

Alternative: Denial of this request would result in continuous emergency repairs and inconvenience to customers.

California Environmental Quality Act: The project is exempt under Section 15301 (Existing Facilities) of the CEQA Guidelines.

Fiscal Impact: Adequate funds are available in the project budget.

Recommendation: Approve the project contract documents for Daniel Court Water Main and Service Replacement Projects No. 7110 and No. 7131 and authorize advertisement for bid proposals.

Attachment: Plan Title Sheet

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

XXI. ADJOURNMENT

NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, MAY 16, 2017

NEXT SPECIAL COUNCIL MEETING – BUDGET HEARING
THURSDAY, MAY 18, 2017