MEETING MINUTES
CITY OF MILPITAS

Minutes of:	**Joint Meeting of Milpitas City Council and the Housing Authority**
Date:	**Tuesday, April 17, 2018**
Time:	**5:30 PM Closed Session** **7:00 PM Open Session**
Location:	**Council Chambers, Milpitas City Hall, 455 East Calaveras Blvd., Milpitas**

CALL TO ORDER

Mayor Tran called the joint meeting to order at 5:31 PM. City Clerk Mary Lavelle called the roll.

PRESENT: Mayor Tran, Councilmembers Nuñez and Phan

ABSENT: Councilmember Barbadillo and Vice Mayor Grilli were absent at roll call. Both joined the meeting for the Closed Session.

Vice Mayor Grilli participated by telephone conference from Tucson, Arizona. She joined the meeting by speaker conference after the Announcements agenda item.

CLOSED SESSION

City Council convened in Closed Session to discuss litigation and other matters, as listed on the agenda. City Attorney Diaz stated the Mayor recused himself from item (c) on the Closed Session agenda.

City Council then convened in Open Session at 7:13 PM with four members present.

ANNOUNCEMENT

City Attorney Chris Diaz stated there was no reportable action out of Closed Session.

PLEDGE

Milpitas Fire Explorers presented the flags and led the pledge of allegiance.

INVOCATION

None

PRESENTATION

Mayor Tran proclaimed May 6–12, 2018 as *Public Service Recognition Week,* accepted by a group of City employees, including Human Resources Director Tina Murphy.

The Mayor next recognized Black Cat Comics store on Main Street, in advance of celebrating *Superman Day* on Wednesday, April 18 at the time of the 1000th issue of the beloved comic book. Owners of the store came forward to accept the Mayor's recognition, stating they had been in business for more than 15 years at their shop in Milpitas.

PUBLIC FORUM

Voltaire Montemayor, Milpitas resident, showed strength from Superman, it was a special group for pledge of allegiance, spoke of talented people in the City and thanked them.

Tapish Kumar and Anirudh Joshi, Milpitas residents, representing the Brahma Kumaris group of Silicon Valley on S. Abel Street serving the South Bay, invited all on June 2 (Santa Clara) or June 3 (San Ramon) to hear a special motivational speaker, Sister Shivani.

ANNOUNCEMENTS

Councilmember Phan was happy about Superman Day, and also wanted to recognize "super women" too. While it was 80 years since Superman was established, there was still a long way to go for gender equality.

Councilmember Phan requested for the next Council agenda to consider writing a letter to the Santa Clara District Attorney to expunge records of those who had previously been convicted of petty non-violent offenses.

Councilmember Nuñez thanked the City Manager for names sent over to the County Supervisor's offfice for a gathering on April 28 regarding firearms and safety. This was to train the trainers, put together persons to come back to the community and later have an event hosted here in Milpitas on this current topic concerning safety overall, including at the soon to open BART station.

Councilmember Barbardillo personally thanked the Fire Department for its recent urgent and effective response to his family member. He was appreciative of the fast service.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

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

All votes would be necessary by roll call since Vice Mayor Grilli was on the telephone.

APPROVAL OF AGENDA

Motion: to approve the meeting agenda, as submitted

Mayor Tran said he agreed to move up agenda items no. 12 and no. 13 to be heard earlier.

Motion/Second: Councilmember Nuñez/Councilmember Phan

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

CONSENT CALENDAR

Mayor Tran and Councilmember Phan requested to add agenda item no. 14 (Amendment to Agreement with VTA) to consent.

Motion: to approve the Consent Calendar, including agenda items numbered 1 – 10 and 14

Motion/Second: Councilmember Phan/Councilmember Nuñez

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

* 1. Council Calendar	Accepted City Council calendars for April and May 2018.
* 2. Meeting Minutes	Approved City Council meeting minutes of March 29 and April 3, 2018.
* 3. Approve Mayor's Travel	Authorized out-of-state travel for Mayor Tran to attend the annual US Conference of Mayors meeting in Boston, MA June 8-11, 2018 for a total amount not to exceed budgeted City Council Conferences/Meeting allocation of $5,000.
* 4. Resolution	Adopted Resolution No. 8763 granting initial acceptance of Light Rail Median Landscaping Project No. 2001 and authorize reduction of the performance bond to $183,531 which shall be in effect for the duration of the one-year warranty period and granting authorization to the Director of Engineering/City Engineer to issue the notice of final acceptance and release the performance bond after the one-year warranty without further City Council action.
* 5. Resolution	Adopted Resolution No. 8764 to transfer a total of $667.67 in unclaimed checks and credits, per the list generated by the City's Finance Department, to the General Fund in accordance with Standard Operating Procedure No. 26-1.
* 6. Resolution	Adopted Resolution No. 8765 certifying election results and adding a parcel map for the Senior Lifestyles residential development into Community Facilities District 2005-1 (Annexation No. 19).
* 7. Resolution	Adopted Resolution No. 8766 authorizing the City Manager to execute a two-year agreement with the California Highway Patrol for joint use of the Weapons Firing Range for a total amount of $43,200.

* 8. Resolution	Awarded the bid and authorized the City Manager to execute the contract with ArborPro to provide a City-Owned Tree Survey and Report for the not-to-exceed amount of $100,000.
* 9. Agreement with Consultant – TASP update	Approved and authorized the City Manager to execute an agreement with Nelson\Nygaard in the amount of $59,945 for the Transit Area Specific Plan Update, Project No. 2006.
*10. Terminate Agreement	Approved terminating the Participating Agency Agreement between County of Santa Clara and City of Milpitas providing for administration of the Unified Hazardous Waste and Hazardous Materials Management Program, and authorized the City Manager to sign, subject to approval as to form by the City Attorney.

NEW BUSINESS

11. General Plan Advisory Committee members

Planning Director Brad Misner explained this follow-up item to the March 29 study session on the update to the General Plan process. Certain Councilmembers expressed interest to serve on the GPAC and possibly to add additional members.

Mayor Tran said perhaps the Council should look to the Land Use Subcommittee first.

Councilmember Phan said the Land Use Subcommittee had been eliminated, as per the Subcommittee on Commissions. He asked the Planning Director if Council was recommending specific people at this meeting. Mr. Misner said Council could recommend sectors of the community, or specific people, and a process to get new members on GPAC and bring that forward to the Council.

If Council wanted to participate, one or two Councilmembers could be appointed. Or, one option could be to notice a special City Council meeting, if a majority wanted to attend or participate. Councilmember Phan would like to forward names of people who expressed interest.

Mayor Tran asked for the record about the Subcommittee on Commissions but not a Subcommittee on Subcommittees. The City Manager responded that the Council Subcommittee had reviewed the list of City Council Subcommittees, while action had been delayed to a future meeting.

Councilmember Nuñez asked Mr. Misner to send the names of who was on the current GPAC and wanted to know how they were selected. He suggested the meetings be posted, as there was a great interest on the part of City Councilmembers to be there. Whatever two might be selected, there would be three or more at meetings. All who show interest should be able to come. He asked staff to indicate if certain expertise of the membership was needed.

Mayor Tran said he supported Councilmember Nuñez's comments and he had an open door policy.

Direction to staff was based on the above, as discussed. Mr. Misner noted that one GPAC meeting was scheduled in July, while Councilmember Nuñez said it was fine to have a meeting in July. No vote was taken.

12. SCVWD Charge Analysis

This topic was the first one heard for discussion.

This matter was a follow up to the March 21 meeting held at the Santa Clara Valley Water District. Public Works Director Tony Ndah introduced District Director Richard Santos and staff Darren Taylor, Chief Financial Officer of the water district, who gave a brief presentation. He started with information on well owners and why they paid the District to pump water. Mr. Taylor discussed key water supply projects of the District. He reviewed the schedule regarding public hearings on the rates and charges, wherein the average increase would be $3.92 per month per household for FY 2019.

Councilmember Nuñez asked about a designation of "north county" for those increases. Mr. Taylor defined those areas and that there were two sets of rates for north and south. Most cities were in north county area and much unincorporated areas were in south.

Mayor Tran allowed comments from the audience next.

Voltaire Montemayor, Milpitas resident, spoke of geologic areas, concern for Anderson Dam, spillways, flow toward the bay, worry about effect on Milpitas, and safety of water supply.

Robert Marini, Milpitas resident, asked if groundwater was recycled water. He noticed Milpitas did not charge $4 or more for recycled water as it used to. He knew the fee should be $3.83 for recycled water.

Santa Clara Valley Water District Director Richard Santos thanked the City Council for the opportunity to work together with the City on important water system issues.

Mayor Tran thanked Mr. Santos and Mr. Taylor. No vote was taken.

13. City Water Rate Study

Public Works Director Tony Ndah provided preliminary water rates study results along with the consultant from Bartle Wells, who was present. He gave some statistics and information about the city's water utility and how it operated throughout the City safely. All must consider the cost of water to purchase it wholesale, and the operations and maintenance expense to safely provide water. The City's reserve policy must be met. Mr. Ndah discussed how rates were affected by numerous components and challenges.

Next, Mr. Doug Dove from the consulting firm further reviewed the draft study, based on preliminary findings. He stated there were anticipated rate increases over the next five years, based on what the District had presented. He described the Low Income Rate Assistance (LIRA), which was tied to the PG&E Care program. 3,500 customers were enrolled in the PG&E program presently. Mr. Dove described a warranty program by National League of Cities.

Mr. Dove displayed a proposed meter charge schedule, going from $9.72 to $11.12 for a basic single family home. Capital surcharge would go from $1.30 to $1.60 over the next five years. Two tiered rate options were possible: a uniform tier rate or a multi-tiered rate (two tiers). He displayed comparative cost/rates to nearby water agencies and a summary of options.

Mr. Ndah explained that he and the consultant were present to provide information and answer questions. In the future would be the next steps related to water rates, returning next month to seek direction from the Council on which rate structure to pursue. A Public Hearing for water rates was tentatively scheduled for August 7.

Mayor Tran invited comments from the audience.

Robert Marini, Milpitas resident, said there was no discussion of funds moved out from the water fund to the General Fund. He mentioned timecards and timekeeping (re: cost allocation). He remarked on recycled water projects and the fee for that product per HCF. It was lower in the proposed rates while he felt the recycled water fee should be much more.

Voltaire Montemayor, Milpitas resident, said the previous speaker was very good. Comparison of San Francisco v. Santa Clara was a 5% increase. He was still lucky compared to other cities.

Tom Valore, Milpitas resident, said one recommendation of the Water Rates Task Force was to collect information on direct costs, and to see if those were collected appropriately (for water expenses). Also, study indirect costs and how those were applied. He had an aversion to tiered rates, believing all customers should pay the same rate for the same product.

Mayor Tran asked staff if any direction was needed. Mr. Ndah said no, only comments, which staff would take in while planning to return to Council in May.

Mayor Tran was happy with two-tiered rates, liked the programs proposed. He noted the special rate for water at Ed Levin County Park. He wondered when that would end and urged staff to take a second look at that, and try to benefit homes and residents.

The Mayor asked about personnel costs for water service. He asked to look at personnel, and e-mail that to him with an organization chart and list of all positions. He asked about recycled water pipelines, location, and which ones were funded. He asked staff about water meters and correct functioning and about how service was given to residents/customers on meters. What about staggering CIP projects to spread out costs further, to keep rates from increasing?

Councilmember Nuñez said cost allocation was brought up before. So, he wanted to know if a study was being done and by what time. Mr. Ndah replied that was under way (CAP study). Mr. Nuñez asked about the budget process, relative to this water rate change.

The City Manager explained the City would use reserves for the water utility (in the proposed budget), until any decision was made by Council on water rates in the future. The public follows closely and would have a lot of input on rates. Mr. Nuñez asked about the City's bond rating.

Councilmember Phan spoke on tiered rates and if that would conform with Proposition 218. The consultant said yes. On an alternate method of preparing rates (Options slide), he asked if there were any avenues for Public-Private partnerships. Staff could explore those.

Councilmember Barbadillo wanted to know how long each contract was with each provider. Mr. Ndah indicated many more years on both contracts. Mr. Barbadillo asked about minimum "take or pay" as required by SFPUC. He refuted some of the rates proposed, that seemed lower than other projects he'd seen. He recommended finding other sources of funding for the water service and was concerned for the end consumer of the product.

Councilmember Nuñez would second what Mr. Barbadillo said. The following day was a meeting at League of California Cities in Sacramento. He asked if anyone was going from Public Works to seek funds for grants for water service. Federal efforts to seek funds was also helpful. Mr. Nuñez emphasized that people needed to ask or chase funds to get the dollars (for grants to the City).

Mayor Tran thanked City staff and Mr. Dove for their presentation. No vote was taken.

NEW BUSINESS

***14.** Amendment No. 13 to Master Agreement with VTA

Approved Amendment No. 13 to the Master Agreement between the Santa Clara Valley Transportation Authority and City of Milpitas and authorized payment of costs not to exceed $838,100 to VTA for City Utility Infrastructure Upgrades Montague Widening Project No. 4179.

REPORTS

Councilmember Nuñez thanked Council for putting him on the Ad Hoc South Flow Arrivals Committee, as he now noticed approach of airplanes to San Jose Airport coming over Milpitas. With two meetings left, he felt there would be enough votes to have a No vote on that issue.

Councilmember Barbadillo had attended a recent meeting of the VTA Policy Advisory Council. He spoke of a project funded by Measure B and to seek the funding for intersections along 237. VTA urged him to work with staff to apply for the funds.

Councilmember Phan said he and Mr. Nuñez went to a court hearing on Monday, on open government.

ADJOURNMENT

Mayor Tran adjourned the joint meeting at 9:48 PM.

The foregoing minutes were approved by Milpitas City Council on April 17, 2018.

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Mary Lavelle, Milpitas City Clerk