



SPECIAL MEETING OF THE MILPITAS CITY COUNCIL BUDGET STUDY SESSION

CITY OF MILPITAS - NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Milpitas City Council has been called. It is scheduled for Tuesday, January 26, 2021 at 5:30 PM via teleconference/zoom webinar only (no physical meeting space). You may watch the Council meeting without providing public comment by accessing it via links here.

Meeting shall be livestreamed - Go to:

Facebook: <https://www.facebook.com/CityofMilpitas/>

YouTube: <https://www.ci.milpitas.ca.gov/youtube>

Web Streaming: <https://www.ci.milpitas.ca.gov/webstreaming>

AGENDA

**TUESDAY, JANUARY 26, 2021
MILPITAS CA
5:30 PM**

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-3122

Para sa Tagalog, tumawag sa 408-586-3051

Para español, llame 408-586-3232

PUBLIC COMMENT INSTRUCTIONS

Oral public comments may be provided live during the City Council meeting by first registering for the zoom meeting in advance by providing email address (not disclosed) and a name. Here is the link to register for this meeting only:

Register for this January 26 special meeting here:

https://ci-milpitas-ca-gov.zoom.us/webinar/register/WN_REERMOPESleX8X5X-Q71QQ

After you register online, you will receive a confirmation email containing information about joining the webinar.

A link will be sent to you to join the City Council meeting in order to give your comments. All registered meeting attendees who wish to speak must click on the “raise hand” icon when the Mayor calls for public comments. If participating by calling in on your phone, dial *9 to use the “raise hand” feature, and when you are called upon, hit *6 to unmute your phone. Your phone number will be displayed in the live meeting. The Mayor or staff will call the speakers to begin.

All comments provided shall be limited to three minutes or less as determined by the Mayor. All members of the public will be limited to one comment per agenda item, and one comment for non-agenda items. The online written comment form previously used is no longer available for public comment.

MILPITAS CITY COUNCIL CODE OF CONDUCT

- Be respectful and courteous (words, tone, and body language).
- Model civility.
- Avoid surprises.
- Praise publicly and criticize privately.
- Focus on the issue, not the person.
- Refrain from using electronic devices while on the Council dais.
- Disclose conflicts of interest and affiliations related to agenda items.
- Separate governing from campaigning.
- The Council speaks with one voice after making policy on issues.
- Respect the line between policy and administration.
- Council will hold one another accountable to comply with this Code of Conduct.

CALL TO ORDER and ROLL CALL by Acting City Clerk (5:30 PM)

ADJOURN TO CLOSED SESSION

The City Council will take any public comments on the closed session topic prior to adjournment into closed session.

a) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to California Government Code Section 54957

Position: City Manager

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.

PLEDGE OF ALLEGIANCE

PUBLIC FORUM

Those interested are invited to address the City Council on the agenda item listed below only, by using the “raise hand” in the Zoom webinar online (see instructions on page 1). Speakers may state their name and city of residence for the record, and limit spoken remarks to three minutes, or less, at the discretion of the Mayor.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

READING OF THE CITY COUNCIL CODE OF CONDUCT

APPROVAL OF AGENDA

LEADERSHIP AND SUPPORT SERVICES

- 1.** Approve and Authorize the City Manager to Enter into a Side Letter to Amend the Memorandum of Understanding between the City and the International Association of Fire Fighters (IAFF) (Staff Contact: Jeannine Seher, 408-586-3086)

Recommendation: Approve and authorize the City Manager to enter into a side letter agreement with the IAFF to extend the existing labor agreement through June 30, 2024; eliminate a 4% salary increase scheduled for July 2021; and provide for salary increases of 2% each for January 2023 and January 2024.

FISCAL YEAR (FY) 2021-22 BUDGET STUDY SESSION

- 2.** Receive a staff presentation on the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast and provide feedback on desired service levels to inform the FY 2021-22 Budget development (Staff Contact: Ashwini Kantak, 408-586-3053 and Walter C. Rossmann, 408-586-6131)

Recommendation: Receive information via staff presentation on the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast and provide feedback on desired service levels to inform the FY 2021-22 budget development.

ADJOURNMENT (10:30 PM)

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 City agencies exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and 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 City website. City Council agendas and related materials can be viewed online: 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 408-586-3003 or send an e-mail to pcaronongan@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve and Authorize the City Manager to Enter into a Side Letter to Amend the Memorandum of Understanding between the City and the International Association of Fire Fighters (IAFF)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	1/26/2021
Staff Contact:	Jeannine Seher, Director of Human Resources, 408-586-3086
Recommendation:	Approve and authorize the City Manager to enter into a side letter agreement with the IAFF to extend the existing labor agreement through June 30, 2024; eliminate a 4% salary increase scheduled for July 2021; and provide for salary increases of 2% each for January 2023 and January 2024.

Background:

In 2018, the City and the International Association of Firefighters (IAFF), through good faith labor negotiations, negotiated a successor Memorandum of Understanding (MOU), which delineated the wages, hours terms and conditions of employment for all employees of the bargaining unit, effective July 1, 2018 through June 30, 2022. The provisions of this labor agreement included salary increases during the term of the agreement, including a provision for a 4% base salary increase effective with the beginning of the first full pay period in July 2021. The MOU is a binding agreement and absent agreement between the City and IAFF to do otherwise, the City is obligated to adhere to the previously negotiated provisions, despite the current fiscal constraints brought about by the Pandemic.

When the City adopted the terms of the 2018-2022 MOU, it did so under extremely different circumstances than that which the City faces today. Today, the City of Milpitas faces a structural deficit due to the global pandemic of COVID-19. Significant revenue shortfalls from the loss of both Sales and Transient Occupancy Tax (TOT) have been realized and are expected to continue per the Initial Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast previously scheduled for the November 17, 2020 City Council meeting.

Analysis:

To address the impact of these challenges, the parties, sharing a mutual philosophy that working together is the best way to successfully maneuver through these challenging times, came together to explore cost saving alternatives. As a result of those discussions, a tentative agreement has been reached and the membership of the IAFF has voted to ratify changes to their existing MOU.

The agreement reached in the side letter makes the following changes:

Terms of Agreement: The term of the MOU shall be extended through June 30, 2024.

Salaries: The 4% base salary increase effective the first full pay period in July 2021 is eliminated. A 2% base salary increase shall be provided effective the first full pay period in January 2023 and a 2% base salary increase shall be provided effective the first full pay period in January 2024.

Policy Alternative:

Alternative: Maintain the existing 4% salary increase as specified in the MOU.

Pros: Will provide a previously committed benefit to City employees in the IAFF bargaining unit.

Cons: The City is facing a structural deficit. The elimination of the pay raise specified above is an action that assists in the effort to bridge that gap.

Reason for Not Recommending: Providing a 4% salary increase is not a prudent course of action in light of the pandemic and resulting impacts on the economy and the City's fiscal situation. The IAFF bargaining unit is willing and has voted to ratify the changes to their MOU, which is a significant gesture to addressing the City's structural deficit. Additionally, elimination of the raises provides cost savings that will mitigate the impact of the structural budget deficit without reducing services to the community.

Fiscal Impact:

The Initial Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast assumes a 4% salary increase for IAFF effective July 4, 2021 consistent with the current MOU between the City and IAFF. Thereafter, the Forecast assumes a 3% increase effective July 2022 and July 2023. The recommended action is estimated to reduce anticipated cumulative expenditures by approximately \$2.6 million between July 4, 2021 until June 30, 2024 in comparison to Forecast assumptions as detailed in the table below.

	Incremental Saving	Cumulative Saving
FY 2021-22	(602,823)	(602,823)
FY 2022-23	(322,349)	(925,171)
FY 2023-24	(182,217)	(1,107,388)
Total	(1,107,388)	(2,635,382)

The savings for FY 2021-22 and thereafter will be incorporated into the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast scheduled to be presented on January 26 as part of the Preliminary City Council FY 2021-22 Budget Study Session and the development of the FY 2021-22 Proposed Budget scheduled for release early May 2021.

California Environmental Quality Act:

Approval of the recommendation is not an activity defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15061(b) (3) and 15378(b)(4) either because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and/or because the action is financial and/or administrative and does not directly impact the environment.

Recommendation:

Approve and authorize the City Manager to enter into a side letter agreement with the IAFF to extend the existing labor agreement through June 30, 2024; eliminate a 4% salary increase scheduled for July 2021; and provide for salary increases of 2% each for January 2023 and January 2024.

Attachment:

Side Letter to MOU with IAFF

**Side Letter Agreement
Between
International Association of Fire Fighters (IAFF)
And
The City of Milpitas
Regarding MOU Extension and Elimination of July 2021 Salary Increase**

The City of Milpitas is facing a structural deficit; and due to the global pandemic of COVID-19, faces a significant revenue shortfall from the loss of both Sales and Transient Occupancy Tax (TOT). To help mitigate the impact of these challenges, the parties share a mutual philosophy that working together is the best way to successfully maneuver through these challenging times.

The IAFF's existing labor agreement, which expires on June 30, 2022, includes a salary increase of a 4% salary increase in July 2021. Given the City's current economic condition, the parties recognize the fiscal problems associated with timing and amount of this raise, and hereby agree as follows:

Terms of Agreement

This side letter shall be effective upon ratification and approval by the members of the IAFF and upon approval by the City of Milpitas.

The term of this MOU shall be extended from the effective date through June 30, 2024.

Salaries

Section 32.00 Salary shall be amended to eliminate the 4% base salary increase effective the first full pay period in July 2021, and amended as follows:

SECTION 32.00 - SALARY

32.01 July 2018 Salary Schedule Increase: Effective the first full pay period in July 2018 (starting July 8, 2018), the Salary Schedule previously in effect shall be increased by 5%. The revised Salary Schedules are attached as Appendix "A-1" and are hereby incorporated by this reference as though set forth in full herein.

32.02 July 2019 Salary Schedule Increase: Effective the first full pay period in July 2019 (starting July 7, 2019), the Salary Schedule previously in effect shall be increased by 4%. The revised Salary Schedules are attached as Appendix "A-2," and are hereby incorporated by this reference as though set forth in full herein.

32.03 July 2020 Salary Schedule Increase: Effective the first full pay period in July 2020 (starting July 5, 2020), the Salary Schedule previously in effect shall be increased by 4%. The revised Salary Schedules are attached as Appendix "A-3" and are hereby incorporated by this reference as though set forth in full herein.

32.04 ~~July 2021 Salary Schedule Increase: Effective the first full pay period in July 2021 (starting July 4, 2021), the Salary Schedule previously in effect shall be increased by 4%. The revised Salary Schedules are attached as Appendix "A-4" and are hereby incorporated by this reference as though set forth in full herein.~~ January 2023 Salary Increase: Effective the first full pay period in January 2023, the Salary Schedule previously in effect shall be increased by 2%. The revised Salary Schedules attached as Appendix "A-4" and hereby incorporated by this reference as though set forth in full herein.

32.05 January 2024 Salary Increase: Effective the first full pay period in January 2024, the Salary Schedule previously in effect shall be increased by 2%. The revised Salary Schedules are attached as Appendix "A-5" and are hereby incorporated by this reference as though set forth in full herein.

The Salary Schedule attached to the MOU as Appendix A4 reflecting this raise shall also be deleted as follows:

~~Salary Schedule~~
~~Effective July 4, 2021~~

Job Classification	Monthly Range	
Entry Firefighter	\$8,750.58	- \$9,100.60
Entry Firefighter /Paramedic	\$9,800.65	- \$10,192.67
Fire Battalion Chief	\$13,235.13	- \$18,529.17
Fire Battalion Chief—40 Hour	\$13,235.13	- \$18,529.17
Fire Captain	\$11,583.02	- \$14,016.77
Fire Engineer	\$10,213.91	- \$12,352.49
Fire Engineer/Paramedic	\$11,404.69	- \$13,799.91
Fire Prevention Inspector	\$11,695.97	- \$14,154.02
Fire Protection Engineer	\$11,695.97	- \$14,154.02
Firefighter	\$9,546.00	- \$11,540.43
Firefighter Trainee	\$8,414.02	- \$8,414.02
Firefighter/Paramedic	\$10,656.66	- \$12,890.43
Firefighter/Paramedic Trainee	\$9,423.70	- \$9,423.70
Hazardous Materials Inspector	\$11,695.97	- \$14,154.02

Salary Schedule
Effective first full pay period in January 2023

<u>Job Classification</u>	<u>Monthly Range</u>	
<u>Entry Firefighter</u>	<u>\$8,582.30</u>	<u>- \$8,925.59</u>
<u>Entry Firefighter /Paramedic</u>	<u>\$9,612.17</u>	<u>- \$9,996.66</u>
<u>Fire Battalion Chief</u>	<u>\$12,980.61</u>	<u>- \$18,172.84</u>
<u>Fire Battalion Chief - 40 Hour</u>	<u>\$12,980.61</u>	<u>- \$18,172.84</u>
<u>Fire Captain</u>	<u>\$11,360.27</u>	<u>- \$13,747.21</u>
<u>Fire Engineer</u>	<u>\$10,017.49</u>	<u>- \$12,114.95</u>
<u>Fire Engineer/Paramedic</u>	<u>\$11,185.37</u>	<u>- \$13,534.53</u>
<u>Fire Prevention Inspector</u>	<u>\$11,471.05</u>	<u>- \$13,881.83</u>
<u>Fire Protection Engineer</u>	<u>\$11,471.05</u>	<u>- \$13,881.83</u>
<u>Firefighter</u>	<u>\$9,362.43</u>	<u>- \$11,318.50</u>
<u>Firefighter Trainee</u>	<u>\$8,252.21</u>	<u>- \$8,252.21</u>
<u>Firefighter/Paramedic</u>	<u>\$10,451.73</u>	<u>- \$12,642.53</u>
<u>Firefighter/Paramedic Trainee</u>	<u>\$9,242.48</u>	<u>- \$9,242.48</u>
<u>Hazardous Materials Inspector</u>	<u>\$11,471.05</u>	<u>- \$13,881.83</u>

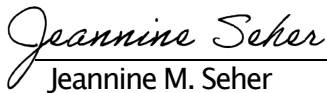
Salary Schedule
Effective first full pay period in January 2024

<u>Job Classification</u>	<u>Monthly Range</u>	
<u>Entry Firefighter</u>	<u>\$8,753.95</u>	<u>- \$9,104.10</u>
<u>Entry Firefighter /Paramedic</u>	<u>\$9,804.42</u>	<u>- \$10,196.60</u>
<u>Fire Battalion Chief</u>	<u>\$13,240.22</u>	<u>- \$18,536.30</u>
<u>Fire Battalion Chief -40 Hour</u>	<u>\$13,240.22</u>	<u>- \$18,536.30</u>
<u>Fire Captain</u>	<u>\$11,587.48</u>	<u>- \$14,022.16</u>
<u>Fire Engineer</u>	<u>\$10,217.84</u>	<u>- \$12,357.25</u>
<u>Fire Engineer/Paramedic</u>	<u>\$11,409.08</u>	<u>- \$13,805.22</u>
<u>Fire Prevention Inspector</u>	<u>\$11,700.47</u>	<u>- \$14,159.47</u>
<u>Fire Protection Engineer</u>	<u>\$11,700.47</u>	<u>- \$14,159.47</u>
<u>Firefighter</u>	<u>\$9,549.68</u>	<u>- \$11,544.87</u>
<u>Firefighter Trainee</u>	<u>\$8,417.25</u>	<u>- \$8,417.25</u>
<u>Firefighter/Paramedic</u>	<u>\$10,660.76</u>	<u>- \$12,895.38</u>
<u>Firefighter/Paramedic Trainee</u>	<u>\$9,427.32</u>	<u>- \$9,427.32</u>
<u>Hazardous Materials Inspector</u>	<u>\$11,700.47</u>	<u>- \$14,159.47</u>

Existing MOU

All of the other terms of the Memorandum of Understanding remain in full force and effect.

For the City of Milpitas:

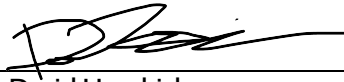


Jeannine M. Seher
Human Resources Director

1/27/2021

Date

For the IAFF:



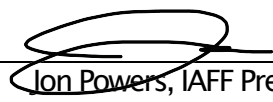
David Hendrickson

January 11, 2021

Date

Steven McHarris
City Manager

Date



Jon Powers, IAFF President

January 11, 2021

Date



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive a staff presentation on the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast and provide feedback on desired service levels to inform the FY 2021-22 Budget development
Category:	Leadership and Support Services
Meeting Date:	01/26/2021
Staff Contact:	Ashwini Kantak, 408-586-3053 and Walter C. Rossmann, 408-586-3111
Recommendation:	Receive a staff presentation on the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast and provide feedback on desired service levels to inform the FY 2021-22 Budget development.

Background:

In January, the Council kicks-off the annual budget process with the preliminary budget study session. At the study session, staff presents the preliminary ten-year General Fund Financial Forecast, the budget community engagement plan, reports on accomplishments, workplans and operational challenges by Community Service Areas, and requests prioritization of additional workplan items.

Due to the economic and fiscal crisis, staff agendaized the Initial Preliminary FY 2022-2031 Ten-Year General Fund Financial Forecast (Forecast) for the November 17, 2020 Council Meeting. This initial Forecast was based on up to six months of revenue data since the onset of the economic crisis brought about by the pandemic. Additionally, staff rolled over the FY 2020-21 service level as approved in the FY 2020-21 Adopted Budget with updated costs. The initial Forecast projected a \$9.2 million shortfall for FY 2021-22, a \$6.7 million shortfall for FY 2022-23 with a structural deficit of \$4.1 million.

Analysis:

Consistent with past years, staff will set the stage of the Preliminary FY 2021-22 Budget Study Session with the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast (see attached). Based on new revenue information, wage concessions from the public safety unions and the Unrepresented employee group, funding shifts, and other expenditure reductions, which do not impact the current service level provided to the community, staff projects a \$7.5 million shortfall for FY 2021-22 and \$4.1 million for FY 2022-23 with a structural deficit of \$4.0 million for the next two years. Per the Council approved COVID-19 Response Strategies and Guidelines, the structural deficit needs to be eliminated within the next two fiscal years.

After the presentation of the Forecast, staff will summarize budget strategies taken so far and currently contemplated to combat the fiscal crisis including budget reduction considerations by CSA to eliminate the structural deficit over the next two fiscal years. Since the majority of the General Fund expenditures are personnel costs (86%), these budget considerations focus heavily on reducing staffing levels across CSAs.

Staff will also present Council with topline results from the community survey and seek feedback from the Council on desired service levels, in the context of current budget reduction considerations. This will inform the development of a proposed balanced budget and eliminate the structural deficit by FY 2022-23 while preserving the most important services and programs. The Study Session is not intended to discuss specific budget proposals or position reductions but is in fact a key first step in the budget process to allow staff to better understand priorities from the Council and community and to develop a balanced budget that is

responsive to these needs.

City Council Requests

In preparation of eminent staff level reductions, consistent with the Council approved COVID-19 Response Strategies and Guidelines, staff instituted a hiring freeze except for essential positions needed to deliver critical services to the community and to respond to the pandemic and its economic and financial impact. Holding positions vacant has impacted service delivery across the organization and reduced capacity to respond to Council Agenda item requests received during City Council meetings.

Therefore, during the final portion of the Study Session, staff seeks feedback on Council Agenda item requests recently referred by Council consensus. In preparation for this discussion, attached, please find a list of Council Agenda item requests.

Based on a request by Councilmember Chua and direction from the full Council at the January 19th Council Meeting, the agenda item requests are categorized by the four-hour staff time rule and identify the responsible department(s) and City Council priority area(s). Since many of these requests have not yet been discussed in detail, staff has made an attempt to note alignment with Council priority areas to the extent possible, but recognize that these will need to be updated based on input from the Councilmembers making the specific requests. Council priority areas for requests submitted via the agenda item request forms to the past Rules Subcommittee have been noted in the list. Additionally, in the attached list, staff is presenting all Council requests by topic, Councilmember requestor, date of request, staff involvement beyond four hours, department lead, Council priority area and item status.

The items have been grouped into four categories differentiated by level of effort and status of the agenda request as outlined below:

Group 1 – Items that have not been initiated; will require more than four hours of staff time; and may require additional funding or resources.

Group 2 – Items that have not been initiated but will require less than 4 hours of staff work

Group 3 – Items that are currently underway and/or already included in workplan

Group 4 – Items that have been completed or withdrawn

During the study session, staff will bring forward Group 1 items (listed on the spreadsheet) for discussion with the Council and will seek Council feedback with the following questions:

1. Which items would Council like staff to bring back for prioritization in March, with additional information on estimated costs and resource needs?
2. Which items, if any, would Council like to defer to FY 2022-23 given the City's fiscal situation and reduced staff capacity?
3. Which items, if any, would Council like to not pursue at this time given the City's fiscal situation and reduced staff capacity?

For items that Council would like additional information on, staff will develop cost estimates and resource requirements and bring forward to Council in March, for prioritization. Based on the direction from the prioritization session, staff will further evaluate funding and resource impacts on existing services, if any, and will bring those forward as part of the Proposed FY 2021-2022 Budget study session in May.

Fiscal Impact:

Not applicable

Recommendation:

Receive a staff presentation on the Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast and provide feedback on desired service levels to inform the FY 2021-22 Budget development

Attachment:

Preliminary FY 2022-31 Ten-Year General Fund Financial Forecast
List of Agenda Item Requests

	Preliminary 10-Year FY 2022 to 2032 General Fund Financial Forecast					
	Adopted Budget	Amended Budget As of January 26, 2021	Preliminary Base Budget	Forecast	Forecast	Forecast
	FY 20-21	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Revenues						
Property Taxes	\$ 36,872,241	\$ 36,872,241	\$ 38,757,840	\$ 40,299,944	\$ 42,544,750	\$ 44,162,907
Sales & Use Tax	\$ 28,371,951	\$ 23,303,100	\$ 25,534,900	\$ 26,577,196	\$ 27,299,582	\$ 27,933,418
Sales Tax - Measure F		\$ 1,203,117	\$ 6,152,000	\$ 6,471,904	\$ 6,801,971	\$ 6,999,228
Transient Occupancy Tax	\$ 13,452,683	\$ 4,100,000	\$ 9,052,601	\$ 10,387,861	\$ 11,166,951	\$ 11,446,124
Licenses, Permits & Fines	\$ 9,907,120	\$ 9,399,120	\$ 9,147,696	\$ 10,533,403	\$ 11,893,409	\$ 12,927,665
Charges for Services	\$ 7,814,500	\$ 6,172,500	\$ 5,398,069	\$ 5,541,771	\$ 5,730,169	\$ 5,911,482
Franchise Fees	\$ 5,514,787	\$ 5,514,787	\$ 5,395,649	\$ 6,298,550	\$ 5,775,317	\$ 5,964,054
Use of Money and Proper	\$ 1,364,000	\$ 1,000,000	\$ 500,000	\$ 525,000	\$ 535,500	\$ 546,210
Other Taxes	\$ 1,196,860	\$ 1,196,860	\$ 1,144,681	\$ 1,167,949	\$ 1,191,868	\$ 1,216,457
Intergovernmental	\$ 808,597	\$ 2,920,259	\$ 692,000	\$ 692,000	\$ 692,000	\$ 692,000
Other Revenues	\$ 258,000	\$ 260,500	\$ 320,000	\$ 335,360	\$ 351,534	\$ 361,377
Operating Transfers In	\$ 7,013,990	\$ 7,013,990	\$ 6,987,971	\$ 7,399,489	\$ 8,067,179	\$ 8,675,327
Use of Reserves	\$ 4,475,259	\$ 4,475,259				
Total Sources	\$ 117,049,988	\$ 103,431,733	\$ 109,083,407	\$ 116,230,427	\$ 122,050,230	\$ 126,836,249
EXPENDITURES						
Salaries	\$ 55,475,560	\$ 55,475,560	\$ 55,570,043	\$ 56,914,414	\$ 58,513,753	\$ 60,410,026
Benefits	\$ 39,007,603	\$ 39,007,603	\$ 37,766,222	\$ 38,844,509	\$ 40,803,759	\$ 43,039,514
Services & Supplies	\$ 22,018,441	\$ 22,642,346	\$ 21,635,658	\$ 22,347,248	\$ 22,983,290	\$ 23,889,898
Debt Services	\$ -	\$ -	\$ 1,012,800	\$ 1,196,800	\$ 1,228,000	\$ 1,257,200
Capital Outlay	\$ 248,384	\$ 248,384	\$ 248,384	\$ 247,348	\$ 254,274	\$ 261,393
Operating Transfers Out	\$ 300,000	\$ 300,000	\$ 300,000	\$ 800,000	\$ 800,000	\$ 800,000
Total Uses	\$ 117,049,988	\$ 117,673,893	\$ 116,533,107	\$ 120,350,319	\$ 124,583,076	\$ 129,658,031
Net Operating Results	\$ -	\$ (14,242,160)	\$ (7,449,700)	\$ (4,119,892)	\$ (2,532,846)	\$ (2,821,782)

	Preliminary 10-Year FY 2022 to 2032 General Fund Financial Forecast						
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32
Revenues							
Property Taxes	\$ 45,842,741	\$ 47,586,606	\$ 49,396,947	\$ 51,276,302	\$ 53,227,307	\$ 55,252,698	\$ 57,355,316
Sales & Use Tax	\$ 28,525,119	\$ 29,098,760	\$ 29,826,229	\$ 30,571,885	\$ 31,336,182	\$ 32,119,586	\$ 32,922,576
Sales Tax - Measure F	\$ 7,181,208	\$ 7,360,738	\$ 7,544,757	\$ 7,733,376	\$ -	\$ -	\$ -
Transient Occupancy Tax	\$ 11,732,278	\$ 12,084,246	\$ 12,446,773	\$ 12,820,176	\$ 13,204,782	\$ 13,600,925	\$ 14,008,953
Licenses, Permits & Fines	\$ 13,371,275	\$ 13,869,364	\$ 14,386,279	\$ 14,894,694	\$ 15,421,316	\$ 15,966,802	\$ 16,531,828
Charges for Services	\$ 6,080,226	\$ 6,266,564	\$ 6,458,688	\$ 6,653,197	\$ 6,854,909	\$ 7,060,585	\$ 7,271,123
Franchise Fees	\$ 6,159,887	\$ 6,363,073	\$ 6,551,380	\$ 6,770,086	\$ 6,996,981	\$ 7,232,365	\$ 7,476,552
Use of Money and Proper	\$ 557,134	\$ 573,848	\$ 591,064	\$ 608,796	\$ 627,059	\$ 645,871	\$ 665,247
Other Taxes	\$ 1,241,735	\$ 1,267,721	\$ 1,294,434	\$ 1,321,895	\$ 1,350,125	\$ 1,379,145	\$ 1,408,978
Intergovernmental	\$ 692,000	\$ 692,000	\$ 692,000	\$ 692,000	\$ 692,000	\$ 692,000	\$ 692,000
Other Revenues	\$ 371,496	\$ 381,897	\$ 392,591	\$ 403,583	\$ 414,883	\$ 426,500	\$ 438,442
Operating Transfers In	\$ 9,245,031	\$ 9,874,190	\$ 10,168,853	\$ 10,459,861	\$ 10,762,268	\$ 11,032,422	\$ 11,411,036
Use of Reserves							
Total Sources	\$ 131,000,130	\$ 135,419,007	\$ 139,749,995	\$ 144,205,851	\$ 140,887,812	\$ 145,408,899	\$ 150,182,051
EXPENDITURES							
Salaries	\$ 62,236,389	\$ 64,116,800	\$ 66,052,867	\$ 68,046,242	\$ 70,098,631	\$ 72,211,788	\$ 74,387,519
Benefits	\$ 44,838,299	\$ 46,991,365	\$ 49,174,820	\$ 51,263,552	\$ 53,507,649	\$ 55,736,556	\$ 58,337,029
Services & Supplies	\$ 24,481,316	\$ 25,381,717	\$ 26,037,408	\$ 26,989,480	\$ 27,671,945	\$ 28,696,478	\$ 29,384,321
Debt Services	\$ 1,289,400	\$ 1,374,400	\$ 1,440,000	\$ 1,446,800	\$ 1,442,000	\$ 1,441,000	\$ 1,448,600
Capital Outlay	\$ 268,712	\$ 276,236	\$ 283,971	\$ 291,922	\$ 300,096	\$ 308,499	\$ 317,136
Operating Transfers Out	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Total Uses	\$ 133,914,116	\$ 138,940,518	\$ 143,789,066	\$ 148,837,996	\$ 153,820,321	\$ 159,194,321	\$ 164,674,605
Net Operating Results	\$ (2,913,986)	\$ (3,521,512)	\$ (4,039,070)	\$ (4,632,145)	\$ (12,932,509)	\$ (13,785,422)	\$ (14,492,554)

City Council Priorities



Community Wellness and Open Space

Continue to provide parks and amenities for people of all ages and abilities to enjoy higher levels of physical and mental health.



Economic Development and Job Growth

Continue to strengthen our economic foundations that support community prosperity and opportunity while ensuring a sustainable and livable city.



Environment

Promote a sustainable community and protect the natural environment.



Governance and Administration

Continue to streamline processes for enhanced service and remain committed to long-term fiscal discipline and financial stewardship.



Neighborhoods and Housing

Continue to explore innovative approaches to incentivize affordable housing projects, collaborate with key stakeholders to care for our most vulnerable populations, and support and engage neighborhoods through dedicated programs and services.



Public Safety

Continue to invest in police and fire protection, in partnership with our community.



Transportation and Transit

Continue to seek and develop collaborative solutions to meet the transportation challenges facing our community and our region.

MILPITAS CITY COUNCIL AGENDA ITEM REQUESTS

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 1 – Items that have not been initiated; will require more than four hours of staff time; and may require additional funding or resources.							
1	Return of Worker Recall Protection	Dominguez	1/19/2021	Yes	CMO, CAO		Target date for discussion 3/2/2021
2	Vaccine distribution plan - add testing locations and expedite mass vaccine distribution	Phan	1/19/2021	Yes	CMO, Fire		Discuss at a future Council meeting
3	Discuss impacts fees for Midtown	Montano	1/5/2021	Yes	CMO, Planning, Engineering, Finance		Work on Specific Plan anticipated to start in summer 2021
4	Amend Accessory Dwelling Units (ADU) ordinance to address unpermitted ADUs	Chua	1/5/2021	Yes	Planning, Building/ Housing		Target date: 3/16/2021
5	Revise Community Garden Strategy	Dominguez	1/5/2021	Yes	Rec. & Comm. Services		Target date: 3/2/2021
6	Pollination protection	Dominguez	1/5/2021	Yes	CMO		Target date: 2/2/2021
7	Schedule and host a "Milpitas Business Expo" in late 2021	Chua	12/15/2020	Yes	Econ. Dev.		Target date for event in late 2021
8	Form "Beautify Milpitas" subcommittee - for a future Task Force or Commission	Chua	12/15/2020	Yes	CMO, PW		Similar to item 20 - work to be initiated after the pandemic

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 1 – Items that have not been initiated; will require more than four hours of staff time; and may require additional funding or resources.							
9	Amend ordinance to remove affordable housing in-lieu fee	Chua	12/15/2020	Yes	Building/ Housing, CAO		Agendized on 1/5/21, CC direction to agendize for further meeting.
10	Consider "Old Town" Main St. revitalization, funding, economic dev., improve area	Montano	12/15/2020	Yes	CMO, Planning, Engineering, Finance		Same as item 3 - plan to initiate work on this plan in summer 2021
11	Ordinance to ban vaping in the City	Montano	12/15/2020	Yes	Planning, Rec. & Comm. Services, CAO		Similar to item 23
12	Economic Development Corporation (EDC)	Montano	12/15/2020 and 01/05/2021	Yes	CMO, Econ. Dev.		Target date: 1/26/2021
13	Propose building height limits in area east of Milpitas Blvd.	Tran	12/15/2020	Yes	Planning		Target date for Council discussion mid 2021
14	Review City policy on speed bumps	Tran	12/15/2020	Yes	Engineering		To be brought to Transportation Subcommittee
15	Consider satellite consular offices (post Covid)	Montano	6/2/2020	Yes	CMO		To be brought forward post COVID
16	Establish a Day Worker Program	Montano	6/16/2020	Yes	CMO		Mayor & Vice Mayor to brainstorm in future

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 1 – Items that have not been initiated; will require more than four hours of staff time; and may require additional funding or resources.							
17	Discuss a "safety first" or other event in lieu of National Night Out (per CAC)	Phan (Nuñez)	10/20/2020	Yes	Building/ Housing, Police		On 1/15, voted to 2021 @ Public Safety month, new Police Chief
18	Consider naming "Milpitas Hills"	Dominguez	10/20/2020	Yes	Econ. Dev.		To Econ. Dev. Commission first. Return later to City Council
19	Discussion/staff report on Beautify Milpitas, graffiti abatement, resources	Montano	6/30/2020	Yes	CMO, PW		8/18/20: Directed staff to develop program requiring min. staff resource & return to CC
20	Consider change in term limits for Mayor + Councilmembers	Montano	6/16/2020	Yes	CMO, CAO		8/4/2020: Voted 3 -2 to pursue in 2021, after 2020 election
21	Community Workforce Agreement (PLA)	Nuñez	2/18/2020	Yes	CMO, CAO, Engineering		8/4/2020: directed staff to come to Council with negotiated agreement, will need further
22	No on possible ban on vaping, yes on restricting smoking in multi-unit bldgs	Montano	1/7/2020	Yes	Planning, Rec. & Comm. Services, CAO		Ordinance pending. Discussed 3/03/2020 Affirmed 6/02/2020

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 2 – items that have not been initiated but will require less than 4 hours of staff time							
23	Update on trash problems in homeless camps	Chua	1/19/2021	No	PW	  	Staff will provide Info Memo; Info Memo sent 1/24/2021
24	BMR Homes sub-lease option during COVID-19	Chua	1/19/2021	No	CAO, Building and Housing		Staff will provide Info Memo
25	PG&E power outage plan presentation to Council	Tran	1/19/2021	No	CMO		To be agendized for a future meeting
26	Update on planning grant for ADU marketing.	Chua	1/5/2021	No	Planning		Target date: 3/16/2021
27	Establish "ADU Mondays"	Chua	1/5/2021	No	Planning, Building/ Housing		Target date: 3/16/2021
Group 3 – items that are currently underway and/or already included in workplan							
28	Emergency power resources during COVID-19	Phan	1/19/2021	N/A	Recreation, Fire		Staff is working on this
29	Plan to put utility fines into a fund to help small businesses in the City	Montano	12/15/2020	N/A	Finance		Target date: 2/2/21

MILPITAS CITY COUNCIL AGENDA ITEM REQUESTS

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 3 – items that are currently underway and/or already included in workplan							
30	Performance Evaluation (Contract) of City Attorney	Tran	1/5/2021	N/A	Council, CAO		For 2/2/2021 closed session item
31	Postponement (not waiver) of City business fees towards spring	Tran	1/5/2021	N/A	Finance		Target date: 2/2/2021
32	Discussion of Minute Man as City's image, when City branding comes back	Phan	8/18/2020	N/A	CMO		Discuss when report on "Community Identify and Brand Study" is on CC agenda in 2021
33	Bring back update report & discuss status of playing fields for girls' softball in Milpitas	Dominguez	10/20/2020	N/A	CMO, Recreation		To City/Schools Subcomm. then CC. See C. Montano 10/14 Bobby Sox softball memo
34	Require implicit bias training for City Council, Commissioners & staff	Dominguez	6/16/2020	N/A	HR		Approved 8/18/2020
35	Responsible Construction Ordinance	Phan	2/4/2020	N/A	CAO, Building and Housing		8/4/2020: City Atty shall return with draft Ord.
36	Request for Dumpster Days	Tran	1/7/2020	N/A	PW		5/12/2020 in FY 2020-21 budget. At 1/5/21 Council meeting, Mayor requested for program to roll out in spring

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 3 – items that are currently underway and/or already included in workplan							
37	Consider Community Museum and Park on Main St.	Nuñez, Phan	8/20/2019	N/A	CMO		to Rules 8/23/2019; linked to item 77, in progress status refers to potential land acquisition
Group 4 – items that have been completed or withdrawn							
38	Form a Historical Commission	Montano	6/2/2020	N/A			Already part of PRCRC. Commission discussed on 01-05-2021, no change
39	Opportunity to share ideas for US census & on City "sponsored" events	Dominguez	9/1/2020	N/A			12/01: remove census topic, move events to CC retreat 2021; at 1/12 retreat Council direction to cease
40	Update "My Milpitas" App for COVID-19 information	Phan	1/5/2021	N/A			Updated App to provide links
41	Expedite process for Measure F Oversight Committee	Chua	12/15/2020	N/A			Staff explained planned process, appts. to be brought to Council in Feb. 2021
42	Report from staff on 2nd federal stimulus package - action plan on funds	Chua	12/15/2020	N/A			Info Memo sent to Council on 12/23/2020
43	Form a Homelessness Task Force	Tran	12/15/2020	N/A			Approved by Council on 1/5/21

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 4 – items that have been completed or withdrawn							
44	Consider change in Commission structure, on term limits	Tran	12/15/2020	N/A			Completed on 1/19/2021
45	Consider adding state certification NEC for electrical work done in the City (safety)	Dominguez	6/30/2020	N/A			Not needed, staff is certified
46	Mayor shall recommend a Milpitas resident to serve on VTA Bike Committee	Dominguez	11/17/2020	N/A			12/15/20: resident Kristal Caidoy appointed to VTA BPAC
47	Vote on County 2020-2025 Plan to end Homelessness	Dominguez	11/17/2020	N/A			12/1/20 adopted Resolution in support
48	Revisit contract provisions of executive staff (CM + CA) best working environment	Phan	11/10/2020	N/A			Discussed @ Closed Session 11/17/2020
49	Revisit CC Housing Subcommittee, consider dismantling ; bring items to Council	Dominguez	11/10/2020	N/A			12/01/20: Did not vote to eliminate Subcommittee
50	Emergency request to cap rents on small businesses (tenants) in Milpitas	Dominguez	10/6/2020	N/A			On 12/01/20. Not supported
51	Discuss budget reductions in next FY with input from residents, employees	Nuñez	10/6/2020	N/A			On 10/20/2020, to 11/10, 11/17

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 4 – items that have been completed or withdrawn							
52	Discuss potential litigation - re: govts' action on Jamboree-Project Homekey	Tran	10/6/2020	N/A			Multiple Closed Sessions - Oct. 2020
53	Resolution on financial status of the City, steps to be taken	Nuñez	8/18/2020	N/A			Resolution adopted 9/01/2020
54	Read "Code of Conduct" aloud prior to each City Council meeting	Montano	6/2/2020	N/A			Approved 8/18/2020. City Attorney began this practice 9/01/20
55	Celebrate Mexican Independence Day annually on September 16	Montano	6/2/2020	N/A			Approved on consent 8/18/2020
56	Discussion of campaign finance reform and/or Open Government Ordinance	Phan	6/30/2020	N/A			Withdrawn @ 8/4/2020 CC meeting
57	List of city charges/costs that could be waived for small businesses	Dominguez	6/16/2020	N/A			6/30/2020 info memo
58	Emergency item for next agenda: extend tenant eviction protections	Dominguez	6/16/2020	N/A			Withdrawn, covered by other govt
59	Discussion on possible tax measures	Tran, Phan	4/21/2020	N/A			Done on 5/15/2020

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 4 – items that have been completed or withdrawn							
60	Support for Laura's Law	Phan	2/4/2020	N/A			Supported @ 5/19/2020 council meeting
61	Resolution in support of elimination of discrimination v. women	Dominguez	1/7/2020	N/A			5/19/2020 Reso. Adopted 8/04/2020 Ord. adopted
62	Adopt Resolution similar to County's re: xenophobia, discrimination	Dominguez	4/21/2020	N/A			Added to the consent calendar and adopted Resolution on 5/5/2020
63	Support community distribution of masks	Dominguez	4/7/2020	N/A		 	Councilmembers supported at the 4/21/2020 Special Council meeting
64	Proclamation and support for face coverings	Montano	4/7/2020	N/A		 	4/21/2020. CC directed City Manager to issue regs
65	Establish Milpitas coronavirus testing site	Phan	4/7/2020	N/A		 	Completed
66	Discuss having 4th of July parade	Nuñez	2/18/2020	N/A		 	No longer under discussion
67	Parade for MHS Trojans Football	Tran, City Manager	1/21/2020	N/A			1/28/2020

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 4 – items that have been completed or withdrawn							
68	Report on speed cameras like Fremont (radar displays) - no enforcement	Phan	1/7/2020	N/A			1/28/2020, 3/24/2020, 4/14/2020
69	Street/traffic calming update	Nuñez	1/7/2020	N/A			3/3/2020
70	Report on parking in The Pines	Nuñez	1/7/2020	N/A			2/18/2020
71	Info. on new SB 50 (housing, transit bill)	Phan	1/7/2020	N/A			Sent memo to City Council
72	Establish Railroad quiet zone	Tran, Montano	9/17/2019	N/A		  	Received City Engineer Report on 11/17/2020
73	Rename portion of Dixon Landing Rd., as Barack Obama Boulevard	Nuñez, Phan	8/20/2019	N/A		 	Deferred indefinitely
74	Maintain Dagupan, P.I. as a Sister City	Tran, Montano	9/17/2019	N/A		 	Approved the renewed MOU continuing the Sister City relationship on 12/17/2019

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

No.	Topic	Requested By	Date Requested	Requires more than 4 hours of additional staff time	Department/ Office	Council Priority Area(s)	Status
Group 4 – items that have been completed or withdrawn							
75	Add Green Bike Lanes	Tran, Montano	9/17/2019	N/A			Included in CIP
76	Rename Augustine Park to include "Sunnyhills"	Tran, Montano	9/17/2019	N/A			Approved on 2/4/2020
77	Community Theatre, perhaps with MUSD	Nuñez, Phan	8/20/2019	N/A			Discussed @ CIP Study Session on 4/14/2020; councilmembers asked outdoor amphitheater to be placed into the tail end of 5 year CIP
78	Policy for Proclamations and Commendations	Nuñez, Phan	8/20/2019	N/A			Withdrawn 6/2/2020
79	Policy for Social Media	Nuñez, Phan	8/20/2019	N/A			Withdrawn 6/2/2020; policy already approved by Council