



REGULAR MEETING OF THE MILPITAS CITY COUNCIL

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

AGENDA

TUESDAY, APRIL 16, 2019

COUNCIL CHAMBERS, 455 E. CALAVERAS BLVD., MILPITAS, CA

5:30 PM (CLOSED SESSION)

7:00 PM (PUBLIC BUSINESS)

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

ADJOURN TO CLOSED SESSION

(a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(d)(2) – 2 matters

(b) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

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

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

(c) CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING

Pursuant to California Government Code Section 54957.6

City Negotiator: Liz Brown, Human Resources Director

Employee Groups: International Association of Fire Fighters, Milpitas Police Officers Association, Professional and Technical Group, Mid-Management and Confidential Group, and Milpitas Employees Association, and all unrepresented City employees

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

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

INVOCATION

PRESENTATION

- Proclaim *National Public Safety Telecommunications Week* for April 14-20, 2019

PUBLIC FORUM

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

ANNOUNCEMENTS

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

APPROVAL OF AGENDA

CONSENT CALENDAR

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

C1. Receive City Council calendars of meetings for the months of April and May 2019 (Staff Contact: Mary Lavelle, 408-586-3001)

C2. Approve City Council meeting minutes of April 2, 2019 (Staff Contact: Mary Lavelle, 408-586-3001)

Recommendation: Approve meeting minutes for the April 2, 2019 City Council meeting.

C3. Adopt a Resolution to Release Unclaimed Checks Per the City of Milpitas Standard Operating Procedures (Staff Contact: Cristina Benninghouse, 408-586-3136)

Recommendation: Adopt a Resolution to transfer a total of \$801.30 in unclaimed checks and credits, per the list generated by the City's Finance Department, to the General Fund in accordance with the City of Milpitas Standard Operating Procedure No. 26-1.

C4. Adopt a Resolution Authorizing the Purchase of Oracle Database Enterprise Software from Mythics through a Cooperative Procurement Contract by Region 4 Educational Services Center (Staff Contact: Mike Luu, 408-586-2706)

Recommendation: Adopt a resolution authorizing the Purchasing Agent to make a cooperative purchase of Oracle Database Enterprise Software from Mythics (OMNIA Partners) for the initial cost for the software and first year's software update license and support of \$100,000.84, and to exercise the four years of contract renewal options for an additional amount of \$79,639.27, for a grand total amount not to exceed \$179,640.

C5. Adopt a Resolution Approving Sole Source Purchase of Axon Body Worn Cameras, Conducted Electrical Weapons with Associated Equipment and a Supplementary Subscription to Evidence.com for the Police Department and Approving Amendment No. 1 to the Agreement with Axon Enterprises, Inc. for the Sole Source Purchase (Staff Contacts: Lt. John Torrez, 408-586-2408 and Chris Schroeder, 408-586-3161)

Recommendation: Adopt a resolution approving the sole source purchase of Axon body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com for a total three-year cost of \$85,734.83 and approving Amendment No. 1 to the Agreement with Axon Enterprises, Inc. for said sole source purchase, thereby increasing the agreement amount of \$444,982.03 by \$85,734.83 for a new total agreement amount not to exceed \$530,716.86.

- C6. Adopt a Resolution Approving the Sole Source Purchase of a Neutral Output-Discharge Elimination System (NO-DES) Water Main Flushing Truck and Accessories for a Not-to-Exceed Amount of \$509,580.77 and Authorizing the City Manager to Execute the Purchase, Sale and Security Agreement with NO-DES required to Complete the Purchase (Staff Contact: Tony Ndah, 408-586-2602)**

Recommendation: Adopt a resolution approving the sole source purchase of a Neutral Output-Discharge Elimination System (NO-DES) water main flushing truck and accessories from NO-DES, Inc. for an amount not to exceed \$509,580.77, and authorizing the City Manager to execute the NO-DES Purchase, Sale and Security Agreement required to complete the purchase.

- C7. Approve Two Construction Contracts with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood and Robert E. Browne Parks (Staff Contacts: Chris Schroeder, 408-586-3161 and Tony Ndah, 408-586-2602)**

Recommendations:

- 1) Approve construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood Park for an amount not to exceed \$157,600, and authorize the Public Works Director to negotiate and execute contract change orders in the aggregate not to exceed \$23,640.
- 2) Approve construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Robert E. Browne Park for an amount not to exceed \$162,100, and authorize the Public Works Director to negotiate and execute contract change orders in the aggregate not to exceed \$27,860.

- C8. Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project (Staff Contacts: Steve Chan, 408-586-3324 and Steve Erickson, 408-586-3301)**

Recommendation: Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project, subject to any minor and clarifying revisions deemed necessary by the City Attorney.

- C9. Authorize Agreement with Fireworks & Stage FX America for Annual Fireworks Shows (Staff Contacts: Chris Schroeder, 408-586-3161 and Renee Lorentzen, 408-586-3409)**

Recommendations:

- 1) Authorize the City Manager to execute the Agreement with Fireworks & Stage FX America for Annual Fireworks Shows for the amount of \$26,500.
- 2) Authorize the Purchasing Agent to exercise the options per the terms of the agreement.

- C10. Receive a Report on Emergency Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department and Authorize Payment of the Invoice Associated with the Purchase (Staff Contact: Chris Schroeder, 408-586-3161)**

Recommendation: Receive a report from the Purchasing Agent for the Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department, and authorize payment of invoices from LN Curtis & Sons for purchase of Nomex Wildland protective clothing.

PUBLIC HEARING

- 11. Conduct a Public Hearing and Consider Introduction of Ordinance No. 38.833 Amending Milpitas Municipal Code Title XI, Chapter 10, Sections 2, 4, 13 and 57 Relating to Accessory Dwelling Units (Staff Contact: Rozalynne Thompson, 408-586-3278)**

Recommendations:

- 1) Open the public hearing and move to close the hearing following any comments.
- 2) City Attorney shall read aloud the title of Ordinance No. 38.833.
- 3) Move to waive the first reading beyond the title and introduce Ordinance No. 38.833 amending Milpitas Municipal Code (Zoning Text) Title XI, Chapter 10 for a zoning text amendment in Section 2 (“Definitions”), Section 4 (“Residential Uses”), Section 13 (“Special Uses”), and Section 57 (“Applications”) complying with Government Code Sections 65852.2 and 65852.22, to further encourage the production of accessory dwelling units in the City of Milpitas.
- 4) Determine that the Municipal Code (zoning) amendment is statutorily exempt from California Environmental Quality Act pursuant to CEQA Guidelines Section 15282(h).

COMMUNITY DEVELOPMENT

- 12. Receive an Update and Presentation from Santa Clara Valley Transportation Authority Staff on Bay Area Rapid Transit Extension Project and Montague Expressway Pedestrian Overcrossing Project (Staff Contacts: Steve Chan, 408-586-3324 and Steve Erickson, 408-586-3301)**

Recommendation: Receive update and presentation from Valley Transportation Authority staff on Bay Area Rapid Transit (BART) Extension and Montague Expressway Pedestrian Overcrossing Projects.

- 13. Receive Presentation Related to the Draft Report on the Evaluation of the Development Review Process and the Draft Report on the Development Review Cost of Services (User Fee) Study (Staff Contact: Steve McHarris, 408-586-3059)**

Recommendation: Receive a presentation related to evaluation of the Development Review Process and Development Review Cost of Services (User Fee) Study completed by Matrix Consulting Group.

PUBLIC SAFETY

- 14. Receive Fire Department Standards of Cover Briefing (Staff Contact: Rick Frawley, 408-586-2424)**

Recommendation: Receive Fire Department Standards of Cover briefing completed by Citygate Associates.

LEADERSHIP AND SUPPORT SERVICES

- 15. Approve Standardized Bylaws for All City of Milpitas Commissions (except Planning Commission) (Staff Contacts: Renee Lorentzen, 408-586-3409 and Chris Diaz, 405-586-3041)**

Recommendation: Approve standardized Bylaws for all City of Milpitas Commissions, with exception of the Planning Commission.

- 16. Discuss Formation of a City Council Agenda Subcommittee and provide direction to staff on next steps (Staff Contact: Ashwini Kantak, 408-586-3053)**

Recommendation: Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on next steps.

- 17. Approve Recommended Revisions to the City’s Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01 (Staff Contact: Jane Corpus, 408-586-3125)**

Recommendation: Approve revised Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01, for City of Milpitas employees and City officials.

REPORTS OF MAYOR & COUNCILMEMBERS - from the assigned Commissions, Committees and Agencies

18. Consider Recommendations for Appointments to the Milpitas Planning Commission and Additional Appointments by the Mayor to Six Commissions (Contact: Mayor Tran, 408-586-3029)

Recommendations:

1. Receive Mayor and Councilmember recommendations for appointments to the Planning Commission, and consider confirming two appointments.
2. Receive Mayor's recommendations and approve appointments to the Arts Commission; Economic Development & Trade Commission; Parks, Recreation and Cultural Resources Commission; Public Safety & Emergency Preparedness Commission; Science Technology & Innovation Commission; and the Veterans Commission.

NEXT AGENDA PREVIEW

19. Receive Preview List of Next Regular City Council Meeting Agenda for May 7, 2019 (Staff Contact: Mary Lavelle, 408-586-3001)

ADJOURNMENT

NEXT REGULAR CITY COUNCIL MEETING:
May 7, 2019

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review. For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: cdiaz@ci.milpitas.ca.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to 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. City Council agendas and related materials viewed online here: www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp
(select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

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

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

Item Attachment Documents:

- C1. Receive City Council calendars of meetings for the months of April and May 2019 (Staff Contact: Mary Lavelle, 408-586-3001)**

March 2019						
S	M	T	W	T	F	S
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Milpitas City Council Calendar

April 2019

May 2019						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 7:00 PM -Parks, Recreation & Cultural Resources Commission (AP)	2 5:30 PM -Closed Session 7:00 PM -City Council	3 1:00 PM -Santa Clara VTA Monthly - Northeast Group (RT) 5:30 PM -Veterans Commission (RT) 7:00 PM -Community Advisory Commission (BN)	4 5:00 PM -Milpitas Chamber of Commerce Board (CM) 5:30 PM -Santa Clara VTA Board of Directors (RT)	5 3:00 PM -Community Development Roundtable @Community Center	6
7	8 4:00 PM -Economic Development & Trade Commission (KD)	9	10 12:00 PM -SCVWD Water Commission (CM) 4:30 PM -City Council Finance Subcommittee (RT/CM) 7:00 PM -Silicon Valley Clean Energy Board of Directors (BN) (Cupertino) 7:00 PM -Planning Commission	11 4:00 PM -Treatment Plant Advisory Committee (CM) 4:00 PM -Santa Clara VTA Policy Advisory Committee (KD) 7:00 PM -Youth Advisory Commission (AP) 7:00 PM -Cities Assoc of SCC (CM)	12	13
14	15 7:00 PM -Science, Technology, & Innovation Commission (BN)	16 5:30 PM -Closed Session 7:00 PM -City Council	17 7:00 PM -Energy & Environmental Sustainability Commission (BN)	18 11:30 AM -South Bay Odor Stakeholders Group (BN) 6:00 PM -Community Input on Annual Budget @ Senior Center	19 9:00 AM -VTA Board of Directors workshop (RT) 2:00 PM -VTA Safety, Security, Transit Planning & Ops Comm. (RT)	20 10:00 AM -Brunch with Bunny @ Senior Center
21	22	23 1:30 PM -Senior Advisory Commission (AP)	24 5:30 PM -SCC Recycling & Waste Reduction Commission (AP) 7:00 PM -Planning Commission	25 8:00 AM -Community Development Roundtable @Community Center	26	27 11:00 AM Commissioners' Annual Luncheon 
28	29 6:30 PM -Comprehensive County Expressway Planning Study (RT) (San Jose)	30 ?:00pm -City Council Study Session - Fees				

April 2019						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

June 2019						
S	M	T	W	T	F	S
	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Milpitas City Council Calendar

May 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 2:00 PM -Santa Clara VTA Monthly Briefing - Northeast Group (RT) (Santa Clara) 7:00 PM -Community Advisory Commission (BN)	2 5:30 PM -Santa Clara VTA Board of Directors (RT) 5:30 PM -Milpitas Chamber of Commerce Board (CM)	3	4
5	6 7:00 PM -Parks, Recreation & Cultural Resources Commission (AP)	7 7:00 PM -City Council	8 4:30 PM -City Council Finance Subcommittee (RT/CM) 7:00 PM -Planning Commission 7:00 PM -Silicon Valley Clean Energy Board of Directors (BN) (Cupertino)	9 4:00 PM -Santa Clara VTA Policy Advisory Committee (KD) 4:00 PM -Treatment Plant Advisory Committee (CM) (San Jose) 7:00 PM -Cities Assoc of SCC (CM) 7:00 PM -Youth Advisory Commission (AP)	10	11
12	13 4:00 PM -Economic Development and Trade Commission (KD)	14	15	16 6:30 PM -Bay Area Water Supply Conserv Agency (Oak Room - San Mateo Main Library) 7:00 PM -Public Safety and Emergency Preparedness Commission (KD)	17	18
19	20 7:00 PM -Science, Technology, and Innovation Commission (BN) 7:00 PM -Library and Education Commission (CM) (Milpitas Public Library)	21 7:00 PM -City Council	22 7:00 PM -Planning Commission	23 12:00 PM -Terrace Gardens Board of Directors (BN)	24	25
26	27 7:00 PM -Arts Commission (CM)	28	29	30	31	

Item Attachment Documents:

- C2. Approve City Council meeting minutes of April 2, 2019 (Staff Contact: Mary Lavelle, 408-586-3001)**

Draft **MEETING MINUTES**
CITY OF MILPITAS

Minutes of:	Regular Meeting of Milpitas City Council
Date:	Tuesday, April 2, 2019
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 meeting to order at 5:30 PM. City Clerk Mary Lavelle called the roll. PRESENT: Mayor Tran, Vice Mayor Dominguez and Councilmember Nuñez ABSENT: Councilmembers Montano and Phan were absent at roll call. Both arrived in Closed Session.
CLOSED SESSION	City Council convened in Closed Session to discuss two matters listed on the agenda. City Council convened at the dais for the Open Session regular agenda at 7:00 PM.
ANNOUNCEMENT	City Attorney Chris Diaz stated there was nothing to report out of Closed Session.
PLEDGE	The pledge of allegiance was led by Boy Scouts from Troop No. 92.
INVOCATION	Mayor Tran invited a pastor from Sunnyhills Church to offer a prayer to start the meeting.
PUBLIC FORUM	Robert Marini, resident, referred to his request for information regarding water rates. Tom Height from the office of Congressman Ro Khanna, and another staff member, looked forward to working with Milpitas on issues of concern, including odor monitoring. Next town hall in Milpitas would be in June. Councilmember Montano asked for the location of the Congressman's office, and it was at 3150 Delacruz Blvd. in Santa Clara. Allyson McDonald, resident, invited all to a Sunnyhills Neighborhood Association breakfast meeting on upcoming Saturday. Rob Means, 1421 Yellowstone resident, played an audio recording of a Congressman speaking in Washington, DC regarding the President. Voltaire Montemayor, resident, said to respect everyone and to have some ground rules. Hien La, Sunnyhills Apartments resident, thanked the City Council for support in the past to Sunnyhills tenants. She was concerned about their long term residence situation and continued to seek help. Suraj Viswanathan wanted to honor Ms. Lori Lighthood who became the first African American LGBT person elected Mayor of a large U.S. city, Chicago, IL on this date.
ANNOUNCEMENTS	Councilmember Phan thanked City staff and all those who showed up to the celebration of the life of civil rights leader Cesar Chavez on Sunday. He asked staff to bring to City Council an item to have a discussion on gun control.

**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. By roll call, none were reported.

APPROVAL OF AGENDA

Motion: to approve the meeting agenda, as amended

City Manager Julie Edmonds-Mares stated staff requested to defer discussion of item no. 11 (Fire Department standards of coverage) and to move that topic to the next agenda.

Motion/Second: Councilmember Nuñez/Councilmember Montano

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

CONSENT CALENDAR

Motion: to approve the consent calendar including agenda items no. 1-3 and 6

Councilmember Phan requested to move item no. 9 onto consent.

Councilmember Montano requested to remove item no. 5 and Councilmember Nuñez requested to pull item no. 4.

Motion/Second: Councilmember Phan/Councilmember Montano

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

*** 1. Council Calendars**

Accepted City Council calendar for April 2019.

*** 2. Meeting Minutes**

Approved City Council meeting minutes of March 12 and 19, 2019.

*** 3. Adopt Resolution**

Adopted Resolution No. 8858 awarding a construction contract and authorized the City Manager to execute the contract with JJR Construction, Inc., in the amount of \$660,063 for ADA Curb Ramp Transition Project and authorize the Engineering Director/City Engineer to negotiate and execute contract change orders in an aggregate amount not to exceed \$132,000 for the project.

4. COPS Grant

Assistant Police Chief Kevin Moscuza answered questions from Councilmembers Montano and Nuñez about the annual COPS grant process and allocation of funds towards specific Police Department services and equipment needs.

Motion: to accept the 2019 Citizen Options for Public Safety Grant in the amount of \$113,782 and approve a budget amendment

Motion/Second: Councilmember Nuñez/Councilmember Montano

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

**5. VTA RFP for police
services**

Police Chief Armando Corpuz came forward to describe the City's response to a Request for Proposals issued by Valley Transportation Authority (VTA) for law enforcement services around the new Bay Area Rapid Transit (BART) station in Milpitas, when it opens. His comments were in response to inquiry from Councilmembers Montano, Nuñez, Phan and Dominguez.

Motion: to authorize the Milpitas Police Department to respond to the Santa Clara Valley Transportation Authority's Request for Proposal S19032 to provide supplemental law enforcement services at the Milpitas BART station campus at 1755 S. Milpitas Boulevard

Motion/Second: Councilmember Montano/Vice Mayor Dominguez

Motion carried by a vote of:

AYES: 5

NOES: 0

Councilmember Nuñez asked if there would be reimbursement to the City for its response by the Fire Department at the new Milpitas BART station. City Manager Edmonds-Mares said that staff certainly could follow up on that, along with other agencies, and report back.

Councilmember Montano asked about a Memorandum of Understanding with Santa Clara Valley Transportation Authority and other agencies, requested a copy of intergovernmental agreements.

* 6. Out of State travel

Approved out of state travel to Arizona for three members of the Milpitas Police Department's Honor Guard so they may participate in funeral services for retired Police Lieutenant Steven Petrakovitz, with costs paid out of the Police Department budget.

PUBLIC HEARING

7. Time Extension – 1316 So. Main Street development

Planning Director Ned Thomas introduced Senior Planner Michael Fossati on the time extension request from the applicant for a condo development at 1316 South Main Street. The project had been approved by City Council on December 6, 2016, and a request for extension was filed in September of 2018 and heard by the Planning Commission in December.

Sal Caruso, project architect and applicant, explained that they were diligently moving ahead on this project. Timelines for the project were reviewed for the City Council.

Mayor Tran invited public comments.

Rob Means, resident, commented on the changed times for developments such as this one, with a much busier economy couple with high demand for housing.

Voltaire Montemayor, resident, commented favorably on this project.

(1) Motion: to close the public hearing, following two speakers

Motion/Second:

Councilmember Phan/Councilmember Montano

Motion carried by a vote of:

AYES: 5

NOES: 0

Councilmember Montano remarked that she did not favor this project when it came to City Council in 2015, and had opposed it then due to parking issues, including tandem parking.

Staff reported that the project changed ownership since it was first approved.

Some discussion was held concerning "projects in the pipeline" and finding clarity from staff on that. Planning staff answered questions about the history on this and other development projects submitted prior to affordable housing and public art requirements adopted by City Council.

City Attorney Chris Diaz suggested that Council could add an agenda item in the future to have additional discussion on related topics to this project.

Mayor Tran stated he would vote no on this since the timeline already expired. Times had changed since the project first came to the City.

Councilmember Nuñez saw a news article about the City of San Jose charging one flat fee for its impact fee, in order to speed up the approval process. For anything to make this process faster, Milpitas should take a look at that, he strongly urged.

(2) Motion: to adopt Resolution No. 8860 approving the Time Extension (Permit No. TE18-

0003) for a Site Development Permit (SD14-0021), Site Development Permit Amendment (SA18-0002), Conditional Use Permit(UP14-0022), and Vesting Tentative Map (MT14-0005) to develop a four-story, 18-unit residential condominium building, up to 52 feet in height on vacant 0.4-acre parcel at 1316 South Main Street

Motion/Second: Councilmember Phan/Councilmember Nuñez

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

Councilmember Montano voted in favor based on funding provided for affordable housing and public art, as offered by the applicant for this project.

COMMUNITY DEVELOPMENT

8. Tenant Protection Task Force

Building & Housing Director Sharon Goei addressed Council with history on the formation of the Tenant Protection Task Force, comprised of representatives from tenants/residents and landlord/owner communities in Milpitas. The two groups met from September 2018 through February 2019. She also described the Sunnyhills Apartments complex, where residents participate in the HUD Section 8 housing voucher program.

Housing Administrator Robert Marsallam defined various terms, explained the Project Sentinel non-profit organization and its role on housing matters in the City, and cases it handled in Milpitas. He described education of tenants and listed landlord core values. Mr. Marsallam listed peer cities, and policies each has on rent control or just cause eviction policies.

Ms. Goei listed three recommendations for Council's consideration at this meeting:

1. Receive a staff report
2. Direct the City Manager to increase Project Sentinel contract by \$10,000
3. Give feedback to staff on any Task Force issues or core values

Councilmember Phan asked if the City had any financial stake in Project Sentinel and staff said no. That non-profit provided contractual services to the city and residents here.

Mayor Tran noted the number one effort at this meeting was for City Council to hear from residents and speakers. There were many people in the audience wishing to address the Council on this item, and speaking time was limited to one minute.

Speakers

Paul, resident, was very concerned about rent control and just cause eviction. He mentioned the policy in San Francisco.

Greg Haas, resident, manage rental properties for owners and served on the Task Force. Here was a societal problem, not something for small property owners to solve housing challenges. He did not support rent control, as in Oakland and Mountain View.

Juliette Gomez, resident, mentioned rent control and did not want dictatorship on her property if she needed to move out of the city in future. Have a healthy conversation, and improve living conditions.

Suraj Viswanathan, resident, spoke about rent control and referred to a Stanford University study. He felt tenants really win when there is rent control, while owners and developers do not win. Renters rights' would be better.

Christina Garavalian, of the Santa Clara County Association of Realtors, spoke in defense of the rights of property owners and to expand housing for all residents of the Bay Area, to address the housing affordability crisis. Don't place additional burdens on housing providers.

Anil of the California Apartment Association, felt rent control and just cause eviction rules were detrimental to rental housing owners, and thus for tenants. Urged Council to reject those choices.

Neal Collins, President of Santa Clara County Association of Realtors, said rent control only makes the housing situation worse, and other comments.

Pastor Mize, of Milpitas Pastors Fellowship, read a letter with concern expressed for homeless residents and more protections for renters in the city. He said to work together with landlords, and don't let money be the prime motivator in housing.

Brian Nichols of San Jose, was fortunate to live in a rent controlled apartment in that city, and it allowed stability for him to study and participate.

Ruben Nelson, age 87 years old, read aloud a letter on how rent control helped him.

Hien La, Sunnyhills Apartments resident, said lots of people believed in tenants. She was concerned for the rent and raising it by landlords.

Matthew Warren of Law Foundation of Silicon Valley, was part of the Task Force, felt Milpitas needed strong protection for tenants. He wanted to see ordinances for the City Council to vote on and the City needed to pass an urgency ordinance.

Sandy Perry from the Affordable Housing Network of SCC, referred to a crisis for renters in California. Stand up for those rights knowing rent control is a form of regulation to help tenants.

Ms. Hernandez, of a tenant rights coalition in San Jose, spoke on behalf of Milpitas tenants who were often working class families. They need rent control.

Leonardo spoke on how rental rules affected his community. He was not a homeowner or renter. Rent increases have hurt families he knew.

Carlos Salcedo, principal at Randall Elementary School, was speaking for himself. He felt discrimination against lower income tenants hurt students in Milpitas. Protect children's rights.

Mr. Bustamante, from an organization in San Jose, was disappointed in the staff report to City Council. Here was opportunity to help the majority of the community with policies.

Ana Marcos, (with translator), representing families in Milpitas, spoke of the need to protect families and those who rent in this city, and needed housing for workers here.

Holly spoke in favor of renters/tenants protection and to stop evictions.

Maria Vasquez, 30 year resident of Milpitas, supported the community and culture of "we" with concern for unfair eviction of students.

Yolie Garcia, homeowner in Milpitas, was in favor of tenant protections and was concerned about the 251 homeless students in the public schools in Milpitas.

William Au, resident, was in favor of rent control for families and was concerned about recent increases in rent in Milpitas. Set up rent control ordinance as soon as possible.

Rev Emilio Salzone could not fully understand rental control until he experienced a rent increase himself. He was sad over this situation.

Christopher Talman, San Jose resident, lived in a rent control unit in that city. Tenant protections and rent control were needed soon.

Monica, Selwyn Drive resident and married with five children, knew tenant protections, just cause eviction, and rent control were needed in Milpitas.

Chim Chee Ma, resident of Fremont, talked about non-binding rental review program, with 42 cases in front of a board there.

Huascar of Silicon Valley at Home noted that on rental housing, there was a need to ensure protections via just cause eviction rules.

Larry Chu, age 82 and a landlord for 40 years, raised rents gradually over the years. He felt beautification of areas was also important. Puts money back in to apartment units.

Alice spoke of being a victim of just cause eviction and abuse of her family's property in Oakland. Tenants set the property on fire.

Asa, of Silicon Valley renters rights coalition and other groups, spoke of desire of all families and a need for fair rents. She wanted action taken by City Council by emergency ordinance.

Allyson McDonald, resident, submitted a stack of letters from tenants to City Council, seeking support for tenant protections. She mentioned that single family homes or townhouses cannot be included in protections. Action now was needed by City Council.

Ken was against rent control for tenant rights.

Rob Means, homeowner, spoke of power and greed. Power was with the property owners not renters and there was a need to balance the scales a bit.

Rich, homeowner in Milpitas, mentioned an article in the news where Milpitas was near the top as place to raise a family.

A man, Yo Win, spoke of offering rental property to a family in Milpitas, stating he would not rent it out again if there was rent control.

A woman was in support of what's going on. Strongly need rent control and just cause eviction.

Robert Bessler, spoke of the effects of rent increase on his family. His mother worked 14 hours per day at multiple jobs, due to continuing rent increases every year.

Tiffany Vu spoke in concert with low income families who needed protections, by ordinance in Milpitas, to protect tenants.

Voltaire Montemayor, resident, said he goes for both sides.

Sandy, resident of Fremont, owned a small property in Milpitas.

Lu, a property owner from San Jose, said rent control and just cause eviction was not a solution.

Christian Alonzo, of Eco California and an organizer, stood in solidarity with tenants in Milpitas due to the housing crisis, and a need for urgency ordinance.

A man said the data was incorrect and spoke about his immigrant family.

Cindy managed some apartments here, and believed the majority in Milpitas were homeowners. She urged Council to be fair and make good decision based on the housing market.

A woman asked Council to consider facts in the Project Sentinel report.

A man, homeowner in Milpitas, felt rent control was bad, noting that in San Francisco, it had resulted in reverse actions.

A man speaking in Chinese language, said before rental control, there was a need to pay

mortgage and care about one's property. Rent control was not the only way to fix the problem, to add housing supply.

A woman homeowner said to protect both sides in this debate.

A man resident asked to consider an ordinance on rent control.

A woman said her family had a small building in Oakland, and needed to be concerned about all, renters and tenants. Spoke about a train going nowhere.

Chris Miller, a new homeowner in Milpitas, urged all to avoid fearmongering. City needed to care about tenants and landlords. Do more than what staff recommended, he said.

Victor, a homeowner in Milpitas, said if all were living in a moral and just society, there would not be arguing over this issue. People were hurting, so he prayed for Council to do the right thing.

A woman homeowner in Milpitas said this was the City's economic problem. The City needed to provide jobs to residents. City needed a balance of jobs and housing.

A woman, small housing provider, spoke about a recent eviction case she went through. Problem was that tenant did not pay the rent so just cause eviction would be more drama.

Public comments concluded at 9:57 PM. Mayor Tran thanked all the speakers.

Mayor Tran said he would need more time to further analyze what's the best decision. There would be a need to go through legal processes to make change and have the best process.

Councilmember Nuñez noted Council did have a chance to pass any urgency ordinance at this meeting, as confirmed by the City Attorney, since it was not on the agenda. He thanked the Task Force for its work over several months. He did not see any inventory, while he felt City staff could help people find homes. He thought about Community Development Block Grant funding and needing a way to help, along with the School District.

Vice Mayor Dominguez thanked the speakers. She felt the City Council could not wait any more, needed to help families, time for urgent action, supporting the \$10,000 for Project Sentinel. Need holistic approach with holistic approach and clear transparency. She asked why the City did not yet have just cause eviction and income discrimination ordinance. She wanted to give and receive feedback on Code Enforcement in the holistic plan, and see a system of enforcement. She urged working more with Project Sentinel including maybe to offer a confidential hotline.

Councilmember Montano thanked staff for hard work and the two teams that met on these housing topics. Council needed comprehensive information on this comprehensive matter. Some tenants do not know their rights. She referred to need for a Housing Commission and urged creation of a "lifeline" similar to PG&E. She supported more money for Project Sentinel.

Councilmember Nuñez agreed with Ms. Montano, and would love the City to buy Sunnyhills Apartments, as she suggested when thinking out of the box.

Councilmember Phan felt this was a broad agenda item, with a lot for further study and information while making progress on housing needed in Milpitas. He was concerned about rent control and implementing that. City needed a program to help supplement rent, as a form of assistance to help tenants in Milpitas. He needed more education on these issues.

Deputy City Manager Steve McHarris addressed Mr. Phan in reply to some of his remarks, and questions.

Councilmember Phan then moved the staff recommendations No. 1 and No. 2.

Councilmember Montano would like a map, showing apartments throughout the City. She urged working with Project Sentinel and landlords to get some really good data, and to find out if and how City Council can help residents.

Councilmember Phan said to focus on tangible things. This topic would take a lot of effort since it was a dense issue.

Vice Mayor Dominguez said this was an educational pathway. She walked throughout around streets in the City. She asked staff to confirm that the Task Force concluded, and Mr. McHarris said yes. The Vice Mayor felt Council's one job was to make policy.

Motion: to approve staff recommendations numbers 1 and 2

1. Receive staff report on the Tenant Protection Task Force.
2. Direct the City Manager to increase the Project Sentinel contract by \$10,000 for more outreach and engagement, with a focus on pre-eviction services, and to return to City Council with budget proposals to enhance tenant protection services and improved data analytics.

Motion/Second: Councilmember Phan/Councilmember Nuñez

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

COMMUNITY SERVICES

* 9. Resolution for Purchase & Sale of 1831-1841 Tarob Ct. This item was approved on consent.

Adopted Resolution No. 8859 authorizing City Manager to execute a Purchase and Sale Agreement and all related closing documents for property at 1831-1841 Tarob Court (APN 086-036-030) within the Transit Area Specific Plan (TASP) to accommodate extensions of South Milpitas Boulevard and Sango Court, and approved a budget amendment.

10. Library Funding

Recreation Services Director Renee Lorentzen reported to City Council on a staff and Library Advisory Commission request for expending current FY 2018-19 funding towards Milpitas Library direct services. One item that the Library sought was a GoGoBiblio vehicle, and also funding for additional library service open hours on Friday evenings from 7 to 9 PM.

Councilmember Montano commented on serving as liaison to Library Advisory Commission and as the representative from the Council to the County Library Joint Powers Authority Board. She supported these additional services for the busiest library in the county JPA.

Councilmember Nuñez wanted to know how many more people would be served with \$58,359 for Friday evenings. He further asked Ms. Lorentzen to explain the funding request.

Chris Brown, Deputy County Librarian, came forward to report that a survey of library patrons responded with those recommended hours. Cupertino was only other library that had those Friday hours, added very recently.

Councilmember Nuñez favored keeping library hours funding support as currently provided. For expanding hours, he would rather see other cities' libraries offering those hours and see if it was useful. He would like to see all other needs in the city and consider the \$355,431 (for GoGoBiblio vehicle) request alongside with all others.

Mayor Tran said he piggybacked on Councilmember Nuñez' comments. He recommended extra Friday hours maybe only in the summer time, to reduce costs. Maybe only have library open until 8:00 PM closing.

Councilmember Phan wanted to get some numbers on people checking out books at the library. Mr. Brown reported a 9% increase in borrowing materials since the City added funding for more hours. Mr. Phan wanted to know if that increase was for youth and he asked questions about the

GoGoBiblio.

The City Manager offered a recommendation on this funding proposal and to come back to Council. This would include Council approving an extra hour on Friday in the summer, to reach out to school district on what was the value, if they would partner with the city and to come back to City Council with that information.

Councilmember Nuñez wanted a partnership with Milpitas Unified School District, and maybe with county or other government agency partners. He was fine with the program and idea of it.

Vice Mayor Dominguez wanted to know where the school district stood on this issue. She was not sure she favored the cost for the vehicle.

A motion was then offered to approve staff recommendation No. 3, while Councilmember Nuñez would investigate a partnership with school district or other governments, and determine at budget time the evaluation of the vehicle

Approve No. 1

Approve No. 2 as pilot program for summer time hours only, late Friday hours

Motion:

- 1) Approve funding of \$160,624 to maintain Milpitas Library current open hours and direct staff to incorporate this action into the City's Fiscal Year 2019-20 Operating Budget.
- 2) Approve funding an additional two hours per week on Friday evenings in the summer from 7:00 PM – 9:00 PM for an additional amount to be determined. Following evaluation of the service, directed staff to bring back to Council incorporating this funding into FY 2019-20 budget.
- 3) Directed staff to explore funding for a "GoGoBiblio" program using alternative strategies including but not limited to: internal staffing model; seeking, securing and leveraging of internal and external resources; and securing partnerships with Milpitas Unified School District and/or other agencies. Staff would report back to City Council once data was made available, with data to be shared during the Council budget study session next month

Motion/Second:

Councilmember Nuñez/Vice Mayor Dominguez

Motion carried by a vote of:

AYES: 5

NOES: 0

Note that staff would ask the County library staff to identify the summer date ranges for Friday Library evening hours starting on July 1, 2019 and corresponding associated costs since the projected amount would be less than \$58,369 (amount noted in staff report).

Council decided to end the meeting following this item and did not complete the last three agenda items.

PUBLIC SAFETY

11. Fire Dept. Standards

Item was removed from the agenda.

LEADERSHIP

12. Council Subcommittee

This item was not heard.

REPORT

13. Commission Appointment

This item was not heard.

NEXT AGENDA

14. Preview next agenda

Did not review preview list for April 16, 2019 City Council agenda.

ADJOURNMENT

Mayor Tran adjourned the meeting at 11:35 PM.

*Meeting minutes respectfully drafted and submitted by
Mary Lavelle, City Clerk*

Item Attachment Documents:

C3. Adopt a Resolution to Release Unclaimed Checks Per the City of Milpitas Standard Operating Procedures (Staff Contact: Cristina Benninghouse, 408-586-3136)

Recommendation: Adopt a Resolution to transfer a total of \$801.30 in unclaimed checks and credits, per the list generated by the City's Finance Department, to the General Fund in accordance with the City of Milpitas' SOP No. 26-1.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Release of Unclaimed Checks Per the City of Milpitas' Standard Operating Procedure (SOP) No. 26-1
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	4/16/2019
Staff Contact:	Cristina Benninghouse, 408-586-3136
Recommendation:	Adopt a Resolution to transfer a total of \$801.30 in unclaimed checks and credits, per the list generated by the City's Finance Department, to the General Fund in accordance with the City of Milpitas' SOP No. 26-1.

Background:

According to the City of Milpitas' Standard Operating Procedure (SOP) No. 26-1, which conforms with California Government Code Section 50055, unclaimed checks of less than \$15, or any amount if the depositor's name is unknown, which remain unclaimed for more than one year may be transferred to the General Fund by authorization of the City Council. The sum total of the amount subject to write off is an extremely low percentage of the City's total accounts payable payments. The recommended action will increase General Fund revenues by \$801.30 in FY18-19.

A list of unclaimed checks and credits of less than \$15, which remain unclaimed for more than one year, is included as Exhibit A to the Resolution to Release Unclaimed Checks in the Council's agenda packet materials. The checks and credits listed are no older than February 2018, and this action brings the matter, including all credits, up to date through the current year.

Analysis:

The City of Milpitas' SOP No. 26-1 aims to provide the proper mechanism to take possession of long standing unclaimed checks in accordance with government statutes and to ensure the propriety of the related accounting transactions. Unclaimed checks of less than \$15, or any amount if the depositor's name is unknown, which remain unclaimed for more than one year, may be transferred to the General Fund by authorization of the City Council.

Fiscal Impact:

The recommended action will increase General Fund revenues by \$801.30 in FY18-19.

California Environmental Quality Act:

Not applicable.

Recommendation:

Adopt a Resolution to transfer a total of \$801.30 in unclaimed checks and credits, per the list generated by the City's Finance Department, to the General Fund in accordance with City of Milpitas' Standard Operating Procedure No. 26-1.

Attachments:

Resolution

Exhibit A – Finance Operation Accounts Unclaimed Checks/Credits of less than \$15 and one year or older.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS
RELEASING UNCLAIMED CHECKS AND CREDITS**

WHEREAS, the checks and credits on the list attached hereto as **Exhibit A** have been outstanding and unclaimed for more than one year; and

WHEREAS, the amounts on the checks and credits on the list attached hereto as **Exhibit A** are each less than \$15, or for an amount in which the depositor's name is unknown.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The total amount of \$801.30 of the unclaimed checks and credits on the list attached hereto as **Exhibit A** shall be transferred to the General Fund in FY18-19, in accordance with Section 50055 of the California Government Code.

PASSED AND ADOPTED this on _____ day of _____, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Rich Tran, Mayor

APPROVED AS TO FORM:

Christopher J. Diaz, City Attorney

Exhibit A

FINANCE OPERATION ACCOUNTS UNCLAIMED CHECKS/CREDITS

- Amount Less Than \$15.00
- No Later than February 2018

Date	Check No.	Amount
8/18/2017	366713	\$ 4.86
7/14/2017	365986	\$ 6.09
4/7/2017	363930	\$ 6.77
4/7/2017	363860	\$ 6.77
4/14/2017	364003	\$ 6.77
6/9/2017	365068	\$ 6.77
8/4/2017	366330	\$ 6.77
4/14/2017	364113	\$ 7.50
8/4/2017	366492	\$ 9.13
8/11/2017	366678	\$ 9.13
8/18/2017	366781	\$ 9.13
8/18/2017	366805	\$ 9.13
9/8/2017	367187	\$ 9.13
9/8/2017	367230	\$ 9.13
9/15/2017	367363	\$ 9.13
9/15/2017	367426	\$ 9.13
9/22/2017	367523	\$ 9.13
9/22/2017	367534	\$ 9.13
7/7/2017	365679	\$ 10.00
7/7/2017	365677	\$ 10.00
8/4/2017	366493	\$ 10.00
9/15/2017	367335	\$ 10.27
8/4/2017	366331	\$ 11.00
6/9/2017	365066	\$ 11.25
4/14/2017	363995	\$ 11.77
5/5/2017	364412	\$ 11.77
5/5/2017	364443	\$ 12.50
10/27/2017	368133	\$ 13.86
10/27/2017	368293	\$ 13.86
10/27/2017	368132	\$ 13.86
10/27/2017	368233	\$ 14.32
10/27/2017	368271	\$ 14.32
10/27/2017	368230	\$ 14.32
10/27/2017	368285	\$ 14.32
10/27/2017	368152	\$ 14.32
8/25/2017	367016	\$ 14.48
1/26/2018	369684	\$ 14.79
CHECKS - SUBTOTAL:		\$ 384.61

Exhibit A

RECREATION ACCOUNTS UNCLAIMED CHECKS/CREDITS

- Amount Less Than \$15.00
- No Later than February 2018

Date	Amount	Date	Amount	Date	Amount
Jan 6, 2015	\$ 3.57	Jan 26, 2015	\$ 8.01	Jul 31, 2015	\$ 8.63
Jan 6, 2015	\$ 3.57	Jan 26, 2015	\$ 8.22	Jun 16, 2015	\$ 8.63
Jan 6, 2015	\$ 3.57	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 16, 2015	\$ 8.63
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jun 4, 2018	\$ 9.00
Jun 13, 2015	\$ 3.90	Aug 3, 2015	\$ 8.63	Jul 15, 2015	\$ 10.00
Jan 26, 2015	\$ 4.63	Aug 3, 2015	\$ 8.63	Apr 28, 2014	\$ 10.00
Jun 27, 2016	\$ 5.00	Aug 4, 2015	\$ 8.63	Jan 6, 2015	\$ 10.10
Mar 24, 2015	\$ 5.00	Aug 4, 2015	\$ 8.63	Feb 18, 2015	\$ 11.25
Mar 24, 2015	\$ 5.00	Aug 4, 2015	\$ 8.63	Feb 18, 2015	\$ 11.25
Mar 4, 2015	\$ 5.00	Aug 4, 2015	\$ 8.63	Feb 18, 2015	\$ 11.25
Jul 17, 2015	\$ 6.00	Aug 4, 2015	\$ 8.63	Mar 18, 2015	\$ 11.29
Jun 13, 2015	\$ 6.36	Aug 4, 2015	\$ 8.63	Mar 18, 2015	\$ 11.29
Jan 26, 2015	\$ 7.14	Aug 4, 2015	\$ 8.63		
Jan 6, 2015	\$ 7.14	Aug 4, 2015	\$ 8.63		

CREDITS - SUBTOTAL: \$ 416.69

UNCLAIMED CHECKS/CREDITS - GRAND TOTAL: \$ 801.30

Item Attachment Documents:

C4. Adopt a Resolution Authorizing the Purchase of Oracle Database Enterprise Software from Mythics through a Cooperative Procurement Contract by Region 4 Educational Services Center (Staff Contact: Mike Luu, 408-586-2706)

Recommendation: Adopt a resolution authorizing the Purchasing Agent to make a cooperative purchase of Oracle Database Enterprise Software from Mythics (OMNIA Partners) for the initial cost for the software and first year's software update license and support of \$100,000.84, and to exercise the four years of contract renewal options for an additional amount of \$79,639.27, for a grand total amount not to exceed \$179,640.00



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	A Resolution of the City Council of the City of Milpitas Authorizing the Purchase of Oracle Database Enterprise Software from Mythics through a Cooperative Procurement Contract by Region 4 Educational Services Center, a Division of the Texas State Department of Education
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	4/16/2019
Staff Contact:	Mike Luu, 408-586-2706
Recommendation:	Adopt a resolution authorizing the Purchasing Agent to make a cooperative purchase of Oracle Database Enterprise Software from Mythics for the initial cost for the software and first year's software update license and support of \$100,000.84, and to exercise the four years of contract renewal options for an additional amount of \$79,639.27, for a grand total amount not to exceed \$179,640.00

Background:

The City requires Oracle Database Software to store financial information and utility billing information. Oracle database is an enterprise ready server for storing and managing large amount of data in a multiuser environment. The City has been using Oracle Database Software for the last twenty years to store and process information. The database software is the backend software being used by many applications to store and process information. Currently, Oracle Database Software required by the Police Records Management (RMS), finance and human resources, and utility billing systems. This request is purchase additional licenses to be in compliance with Oracle current licensing model.

The City of Milpitas Municipal Code Section I-2-3.08 ("Cooperative Procurement") specifically authorizes the Purchasing Agent to make such purchases based on an agreement or cooperative purchasing program entered into by a public agency, as defined by Government Code Section 6500, regardless of whether the City is a named party to the agreement or an actual participant in such a program, provided that the underlying purchase was made using competitive negotiation or bidding procedures at least as restrictive as the City's, and that the supplies or general services purchased must be the same and be offered at the same price as the supplies and general services subject to the agreement or program.

The Cooperative Purchasing Network (TCPN) was a cooperative purchasing organization. On July 28, 2015, TCPN was acquired by National Intergovernmental Purchasing Alliance (National IPA), another cooperative purchasing organization. On August 16, 2017 National IPA formed OMNIA Partners, a shared services and supply chain optimization company dedicated to government, which began operation on January 1, 2019. Each contract in the OMNIA Partners cooperative contract portfolio has been competitively solicited by a lead public agency. Neither OMNIA Partners nor any of the aforementioned cooperatives conduct solicitations; rather, they partner with various public agencies in soliciting cooperative contracts. All contracts previously solicited, issued and awarded by lead public agencies remain in full force and effect in accordance with their respective contract terms and conditions. The City of Milpitas is a member of OMNIA Partners cooperative purchasing organization by virtue of its membership with National IPA, effective September 26, 2012, and is assigned participation number 1036843.

On August 28, 2014, Region 4 Education Services Center (ESC) issued on behalf of itself, other government agencies, non-profits, and all members of TCPN, Request for Proposal (RFP) #14-17. As a result of that solicitation, Region 4 ESC awarded to Mythics contract No. R141801 entitled "Oracle Products and Related

Services,” which includes Oracle Database Enterprise Software. Region 4 Education Services Center (Region 4 ECS), a division of the Texas State Department of Education, meets the definition of a public agency as defined by Government Code section 6500. OMNIA Partners has contract No. R141801 available through its cooperative purchasing organization to all of its public agency members.

Pursuant to the contract between Region 4 ESC and Mythics, the initial cost of the software and first year’s software update license and support is \$100,000.84. The contract includes two (2) two-year options to extend. If extended, the cost of software update license and support for years two through five increases linearly by the estimated CPI Index of 4% per year, for a total five-year contract amount of \$179,640.11. The Purchasing Agent has reviewed all of the documentation related to RFP #14-17 and contract #R141801 awarded to Mythics by Region 4 ESC, and has determined that the contract is current through December 31, 2019, and that the underlying purchase was made using competitive bidding procedures at least as restrictive as those of the City of Milpitas, and that the price for the software is the same as that offered in the original contract.

Analysis:

Like most applications, the financial system and utility billing applications require a database server to store information. The Oracle database server manages transactions and provides data for reporting. The Oracle database server was originally purchased and installed to work with the financial system and utility billing system through a competitive bidding process. With advancement in processing power on computer hardware, Oracle has since changed the way the database server is licensed. The current licensing model is based on the number of processors on each server with an unlimited number of databases created. Currently the City has license for 2 processors with Oracle. With Oracle new licensing model, the City needs to purchase additional licenses to meet licensing requirement and be able to install the database software on current available hardware. The limit on the number of databases will be on hardware resources. This procurement request is to purchase additional licenses for a perpetual Oracle Database Enterprise Edition with 4 processors. In total, City will have licenses for 6 processors.

Policy Alternatives:

The alternative is not to not adopt the resolution and not proceed with the newer license model.

Pros: The City will save \$100,000.84 and future software update license and support costs and continue to use existing licenses.

Cons: The City’s use of the existing license will not meet Oracle’s new licensing model.

Reason not recommended: The current Oracle database server is running on old hardware which will need to be replaced. Hardware vendors are no longer making servers that will meet the City’s existing Oracle licenses. The licenses will need to be upgraded to meet minimal server specifications available.

Fiscal Impact:

The initial cost of \$100,000.84 will be funded from the 2017-2019 CIP 3435. Future software upgrade and support maintenance costs will be budgeted in the Information Services Department Budget.

California Environmental Quality Act:

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, this action does not qualify as a “project” for the purpose of CEQA as this action has no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Recommendation:

Adopt a resolution authorizing the Purchasing Agent to make a cooperative purchase of Oracle Database Enterprise Software from Mythics for the initial cost for the software and first year’s software update license and support of \$100,000.84, and to exercise the four years of contract renewal options for an additional amount of \$79,639.27, for a grand total amount not to exceed \$179,640.00.

Attachments:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AUTHORIZING THE PURCHASE OF ORACLE DATABASE ENTERPRISE SOFTWARE FROM MYTHICS THROUGH A COOPERATIVE PROCUREMENT CONTRACT BY REGION 4 EDUCATION SERVICES CENTER, A DIVISION OF THE TEXAS STATE DEPARTMENT OF EDUCATION

WHEREAS, the City requires Oracle Database Software to store financial information and utility billings information; and

WHEREAS, Municipal Code Section I-2-3.08 (“Cooperative Procurement”) specifically authorizes the Purchasing Agent to make such purchases based on an agreement or cooperative purchasing program entered into by a public agency, as defined by Government Code Section 6500, regardless of whether the City is a named party to the agreement or an actual participant in such a program, provided that the underlying purchase was made using competitive negotiation or bidding procedures at least as restrictive as the City’s, and that the supplies or general services purchased must be the same and be offered at the same price as the supplies and general services subject to the agreement or program; and

WHEREAS, Region 4 Education Services Center (Region 4 ECS), a division of the Texas State Department of Education, meets the definition of a public agency as defined by Government Code section 6500; and

WHEREAS, The Cooperative Purchasing Network (TCPN) was, as its name suggests, a cooperative purchasing organization. On July 28, 2015, TCPN was acquired by National Intergovernmental Purchasing Alliance (National IPA), another cooperative purchasing organization. On August 16, 2017, National IPA formed OMNIA Partners, a shared services and supply chain optimization company dedicated to government, which began operation on January 1, 2019. Each contract in the OMNIA Partners cooperative contract portfolio has been competitively solicited by a lead public agency. Neither OMNIA Partners nor any of the aforementioned cooperatives conduct solicitations; rather, they partner with various public agencies in soliciting solid cooperative contracts. All contracts previously solicited, issued and awarded by lead public agencies remain in full force and effect in accordance with their respective contract terms and conditions; and

WHEREAS, the City of Milpitas is a member of OMNIA Partners cooperative purchasing organization by virtue of its membership with National IPA, effective September 26, 2012, and is assigned participation number 1036843; and

WHEREAS, on August 28, 2014, Region 4 ESC issued on behalf of itself, other government agencies, non-profits, and all members of TCPN, Request for Proposal (RFP) #14-17. As a result of that solicitation, Region 4 ESC awarded to Mythics contract No. R141801 entitled “Oracle Products and Related Services,” which includes Oracle Database Enterprise Software; and

WHEREAS, OMNIA Partners has contract No. R141801 available through its cooperative purchasing organization to all of its public agency members; and

WHEREAS, pursuant to the contract between Region 4 ESC and Mythics, the initial cost of the software and first year’s software update license and support is \$100,000.84. The contract includes two (2) two-year options to extend. If extended, the cost of software update license and support for years two through five increases linearly by the estimated CPI Index of 4% per year, for a total five-year contract amount of \$179,640.11; and

WHEREAS, the Purchasing Agent has reviewed all of the documentation related to RFP #14-17 and contract #R141801 awarded to Mythics by Region 4 ESC, and has determined that the contract is current through December 31, 2019, and that the underlying purchase was made using competitive bidding procedures at least as restrictive as those of the City of Milpitas, and that the price for the software is the same as that offered in the original contract.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has duly considered the full record before it, which may include but is not limited to such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The City Purchasing Agent is authorized to purchase Oracle Database Enterprise software from Mythics for the initial cost for the software and first year's software update license and support of \$100,000.84. Upon extension of the contract between Region 4 ESC and Mythics, the Purchasing Agent is authorized to exercise the four option years, for an additional amount of \$79,639.27. The total amount authorized is \$179,640.11, per Quotation No. LS-DBEE-MIL-22719 from Mythics, attached hereto as **Exhibit A**. This is a cooperative procurement through OMNIA Partners' contract portfolio, relying on a solicitation conducted by Region 4 ESC.

PASSED AND ADOPTED this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Rich Tran, Mayor

APPROVED AS TO FORM:

Christopher J. Diaz, City Attorney

Item Attachment Documents:

- C5. Adopt a Resolution Approving Sole Source Purchase of AXON Body Worn Cameras, Conducted Electrical Weapons with Associated Equipment and a Supplementary Subscription to Evidence.com for the Police Department and Approving Amendment No. 1 to the Agreement with AXON Enterprises, Inc. for the Sole Source Purchase

Lt. John Torrez, 408-586-2408 and Chris Schroeder, 408-586-3161

Recommendation:

Adopt a Resolution approving the sole source purchase of AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com for a total three-year cost of \$85,734.83 and approving Amendment No. 1 to the Agreement with AXON Enterprises, Inc. for said sole source purchase, thereby increasing the Agreement amount of \$444,982.03 by \$85,734.83 for a new total Agreement amount not to exceed \$530,716.86.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Approving Sole Source Purchase of AXON Body Worn Cameras, Conducted Electrical Weapons with Associated Equipment and a Supplementary Subscription to Evidence.com for the Police Department and Approving Amendment No. 1 to the Agreement with AXON Enterprises, Inc. for the Sole Source Purchase
Category:	Consent Calendar-Public Safety
Meeting Date:	4/16/2019
Staff Contact:	Lt. John Torrez, 408-586-2408 and Chris Schroeder, 408-586-3161
Recommendation:	Adopt a Resolution approving the sole source purchase of AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com for a total three-year cost of \$85,734.83 and approving Amendment No. 1 to the Agreement with AXON Enterprises, Inc. for said sole source purchase, thereby increasing the Agreement amount of \$444,982.03 by \$85,734.83 for a new total Agreement amount not to exceed \$530,716.86.

Background:

On May 6, 2008, City Council approved the standardization of TASER International conducted electrical weapons (tasers/stun guns) and accessories as the brand of choice for the City of Milpitas Police Department, pursuant to Municipal Code Section I-2-3.13. Since March of 2007, Milpitas Police Department has purchased 47 conducted electrical weapons and supplies, parts and training from TASER International.

On December 30, 2011, and June 28, 2013, the Police Department purchased body worn cameras from WatchGuard. These body worn cameras are at their end of life and no longer available or supported by the manufacturer. Many of the cameras have become unreliable, failed for unknown reasons, and have hardware components that have broken due to wear and tear and are no longer supported by the manufacturer.

Between January 15, 2015, and June 1, 2016, the Police Department conducted testing and evaluation of the following body worn cameras: WatchGuard Vista, VieVu LE4, Coban Echo, Reveal ES2-X2L, MobileView, and the TASER International Axon Body 2 and Axon Flex 2. The TASER International body worn cameras rated the highest by the officers that tested and evaluated them. The "Officer Safety Plan" package provided by TASER International includes the newest model conducted electrical weapons as part of the package, along with the TASER International body worn cameras. Both the conducted electrical weapons and body worn cameras use the Evidence.com cloud-based storage system. The ability to have one vendor for both platforms will ensure a quicker response to any equipment issues and replacement items.

TASER International is the only known entity that manufactures and distributes this type of body-worn camera and the conducted electrical weapon, both of which use the Evidence.com platform. No other vendor or manufacturer offers the same or similar products with the Evidence.com platform for purchase, thereby justifying the sole-source nature of these products. On May 19, 2015 and December 6, 2016, the City Council approved the Milpitas Police Department to accept Citizen Option for Public Safety (COPS) grant funds to purchase TASERS and wearable cameras.

On February 7, 2017, the City Council approved the sole-source purchase of body worn cameras and conducted electrical weapons with associated equipment and the Evidence.com by way of a Master Services and Purchasing Agreement in the amount of \$444,982.03 over five years.

On April 5, 2017, Taser International formally changed its business name to AXON Enterprises, Inc. to reflect the evolution of the company from a weapons manufacturer to a full solutions provider of cloud and mobile software, connected devices, wearable cameras, and conducted electrical weapons. Milpitas Police Department requires the sole-source purchase of additional AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com to accommodate an increase in staffing and maintain a sufficient surplus in the event of damage or malfunction.

Analysis:

On February 7, 2017, City Council approved the purchase of 65 Axon body worn camera (BWC) units, 65 electronic conductive devices (Tasers), and 65 taser cameras. The 65 units were deployed in June of 2017 to the 58 sworn staff assigned to patrol services. Seven units were held in reserve as immediate replacements for lost, damaged or malfunctioning units. Since that time, the Milpitas Police Department's number of sworn staff has increased. To accommodate the increase in staffing and to broaden the deployment of BWC units to the Detectives assigned to the Criminal Investigations Unit, the Milpitas Police Department wishes to purchase an additional 15 AXON BWC units and conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com with COPS Grant funding and the Police Department's operating budget.

Policy Alternative:

Alternative 1: Not adopt the resolution to approve the purchase of additional AXON BWCs, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com.

Pros: No additional City funds would be expended for the purchase or ongoing maintenance of AXON BWCs, conducted electrical weapons with associated equipment.

Cons: Approximately 15 Milpitas Police Officers would be working without BCWs. Body worn cameras have supported police operations in memorializing statements and been beneficial in collecting evidence related to police performance and conduct. The use of BCWs helps to support or refute claims of misconduct and, therefore, helps to reduce City liability.

Reason not recommended: AXON BWCs are fully integrated into police operations and the use of this technology will continue to help in gathering evidence in both criminal and civil cases.

Fiscal Impact:

The purchase of 15 sets of AXON BWCs, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com for the current Agreement year at \$16,350.01 will be funded from existing monies in the 2017 COPS Grant. The remaining two years of the Agreement will be funded from the Police Department's operating budget at a fiscal impact of \$34,692.41 per year. The total fiscal impact, which includes the \$16,350.01 from COPS Grant 2017, is \$85,734.83 over the course of three years. The FY 19-20 Police operating budget has \$108,149 for the in-field camera program, which is an increase of \$24,173 from the FY 18-19 budget. Additional costs currently estimated at \$10,519 will be absorbed in the Police Department's FY 19-20 operating budget.

California Environmental Quality Act:

By the definition provided CEQA Guidelines Section 15378, this action does not qualify as a "project" for the purpose of CEQA as this action has no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Recommendation:

Adopt a Resolution to approve the sole-source purchase of additional AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com, for a total three-year cost of \$85,734.83, and approving Amendment No. 1 to the Agreement with AXON Enterprises, Inc. for said sole source purchase, thereby increasing the Agreement amount of \$444,982.03 by \$85,734.83, for a new total Agreement amount not to exceed \$530,716.86.

Attachments:

Resolution
Amendment No. 1 to the Agreement with Axon Enterprises
Exhibit A AXON Enterprises, Inc. Quotation

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING THE SOLE-SOURCE PURCHASE OF BODY WORN CAMERAS, CONDUCTED ELECTRICAL WEAPONS WITH ASSOCIATED EQUIPMENT, AND A SUBSCRIPTION TO EVIDENCE.COM FROM AXON ENTERPRISES, INC., AND APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 1 TO THE AGREEMENT WITH AXON ENTERPRISES, INC., FOR THE SOLE-SOURCE PURCHASE IN THE AMOUNT OF \$85,734.83, FOR A NEW TOTAL NOT-TO-EXCEED AGREEMENT AMOUNT OF \$530,716.86

WHEREAS, section I-2-3.09 of the Milpitas Municipal Code authorizes the City Council to award contracts without competition when the Purchasing Agent determines that there is only one source for the required supply or service; and

WHEREAS, on May 6, 2008, Council approved the standardization of TASER International conducted electrical weapons (tasers/stun guns) and accessories as the brand of choice for the City of Milpitas Police Department, pursuant to Municipal Code Section I-2-3.13. Since March of 2007, the City of Milpitas Police Department has purchased 47 conducted electrical weapons including supplies, parts and training from TASER International; and

WHEREAS, on December 30, 2011, and June 28, 2013, the Milpitas Police Department purchased body worn cameras from WatchGuard. These body worn cameras are at their end of life and no longer available or supported by the manufacturer. Many of the cameras have become unreliable, failed for unknown reasons, and have hardware components that have broken due to wear and tear; and

WHEREAS, between January 15, 2015, and June 1, 2016, the Milpitas Police Department conducted testing and evaluation of the following body worn cameras: WatchGuard Vista, VieVu LE4, Coban Echo, Reveal ES2-X2L, MobileView, and the TASER International Axon Body 2 and Axon Flex 2; and

WHEREAS, the TASER International body worn cameras rated the highest by the officers that tested and evaluated them; and

WHEREAS, the “Officer Safety Plan” package provided by TASER International includes the newest model conducted electrical weapons (tasers/stun guns) as part of the package, along with the TASER International body worn cameras. Both the conducted electrical weapons and body worn cameras use the Evidence.com cloud-based storage system. The ability to have one vendor for both platforms will ensure a quicker response to any equipment issues and replacement items; and

WHEREAS, TASER International is the only known entity that manufactures and distributes this type of body-worn camera and the conducted electrical weapons, both of which use the Evidence.com platform, and no other vendor or manufacturer offers the same or similar products with the Evidence.com platform for purchase, thereby justifying the sole-source nature of these products; and

WHEREAS, on May 19, 2015, and December 6, 2016, the City Council approved the City of Milpitas Police Department to accept Citizen Option for Public Safety Grant (COPS) funds to purchase TASERS and wearable cameras; and

WHEREAS, TASER International body worn cameras will replace obsolete and outdated body worn cameras currently in use, in addition to updating or replacing the conducted electrical weapons; and

WHEREAS, on February 7, 2017, the City Council approved the sole-source purchase of body worn cameras, conducted electrical weapons with associated equipment and a subscription to Evidence.com, and the City entered into a five-year Master Services and Purchasing Agreement (the “Agreement”) for the total purchase in the amount of \$444,982.03; and

WHEREAS, the original Agreement pricing included \$109,847.23 for all products and a one-year subscription to Evidence.com, and an annual fee of \$83,783.70 for years two through five of the Agreement for continued service with Evidence.com. The total cost of Agreement including tax and shipping was \$444,982.03 over five years.

WHEREAS, on April 5, 2017, TASER International formally changed its business name to AXON Enterprises, Inc., to reflect the evolution of the company from a weapons manufacturer to a full solutions provider of cloud and mobile software, connected devices, wearable cameras, and conducted electrical weapons; and

WHEREAS, the Milpitas Police Department requires the sole source purchase of AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com; and

WHEREAS, the current sole-source purchase and execution of Amendment No. 1 to the Agreement will provide the Milpitas Police Department with 15 new sets of the AXON body worn cameras, conducted electrical weapons with associated equipment, and a supplementary subscription to Evidence.com for the remaining three years of the Agreement, at a total cost of \$85,734.83.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The City Council hereby approves the sole-source purchase of AXON body worn cameras, conducted electrical weapons with associated equipment and a supplementary subscription to Evidence.com, for a total three-year cost of \$85,734.83.
3. The City Council hereby approves Amendment No. 1 to the Agreement with AXON Enterprises, Inc., for said sole source purchase, thereby increasing the Agreement amount of \$444,982.03 by \$85,734.83 for a new total Agreement amount not to exceed \$530,716.86.

PASSED AND ADOPTED this ____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED AS TO FORM:

APPROVED:

Christopher J. Diaz, City Attorney

Rich Tran, Mayor

ATTEST:

Mary Lavelle, City Clerk



AMENDMENT NO. 1 TO THE AGREEMENT
WITH
AXON ENTERPRISES, INC.
FOR
THE SOLE SOURCE PURCHASE OF BODY WORN CAMERAS, CONDUCTED
ELECTRICAL WEAPONS WITH ASSOCIATED EQUIPMENT, AND A
SUPPLEMENTAL SUBSCRIPTION TO EVIDENCE.COM

This Amendment No. 1 is entered into this ___ day of _____, 2019, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "City") and AXON Enterprises, Inc., a Delaware corporation (hereafter referred to as "Vendor"). City and Vendor are jointly referred to hereinafter as the "Parties."

RECITALS:

WHEREAS, on May 6, 2008, the Milpitas City Council approved the standardization of TASER International, Inc., conducted electrical weapons (tasers/stun guns) and accessories as the brand of choice for the City of Milpitas Police Department, pursuant to Municipal Code Section I-2-3.13. Since March of 2007, the City of Milpitas Police Department has purchased forty seven (47) conducted electrical weapons, including supplies, parts and training from TASER International; and

WHEREAS, on February 24, 2017, the City entered into a Master Services and Purchasing Agreement with TASER International, Inc., effective December 31, 2016, for body worn cameras, conducted electrical weapons with associated equipment, and a subscription to Evidence.com, a cloud-based storage solution ,for a total five (5) year cost of Four Hundred Forty Four Thousand Nine Hundred Eighty Two Dollars and Three Cents (\$444,982.03) (the "Agreement"); and

WHEREAS, on April 5, 2017, **TASER International, Inc.**, formally changed its business name to **AXON Enterprises, Inc.**, to reflect the evolution of the company from a weapons manufacturer to a full solutions provider of cloud and mobile software, connected devices, wearable cameras, and conducted electrical weapons; and

WHEREAS, the Milpitas Police Department requires the Sole Source Purchase of 15 AXON Enterprises, Inc., body worn cameras, 15 conducted electrical weapons with associated equipment, and a supplemental subscription to Evidence.com, a cloud-based storage solution.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the Parties agree to amend the Agreement as follows:

1. Increase the total contract amount from **Four Hundred Forty Four Thousand Nine Hundred Eighty Two Dollars and Three Cents (\$444,982.03)** by **Eighty Five Thousand Seven Hundred Thirty Four Dollars and Eighty Three Cents (\$85,734.83)** for a new total contract amount Not-to-Exceed **Five Hundred Thirty Thousand Seven Hundred Sixteen Dollars and Eighty Three Cents (\$530,716.86)** for the sole source purchase of 15 body worn cameras, 15 conducted electrical weapons with associated equipment, and a supplementary subscription to Evidence.com, a cloud-based storage solution, as set forth in

Exhibit A – AXON Enterprises, Inc. Quotation No. Q199765-43510.933CM,
attached hereto.

2. All other provisions of the Agreement not amended by this
Amendment No. 1 shall remain in full force and effect.

APPROVED BY:

CITY OF MILPITAS

Approved By:

Julie Edmonds-Mares
City Manager

Effective Date

Approved As To Form:

Christopher J. Diaz
City Attorney

Approved As To Scope:

Jane Corpus
Interim Director of Financial Services

Approved As To Content:

Armando Corpuz
Chief of Police

AXON ENTERPRISES, INC.

Signature

Name

Title

Date

EXHIBIT A



Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737

Q-199765-43551.996CM

Issued: 03/27/2019

Quote Expiration: 04/30/2019

Account Number: 105711

Start Date: 05/01/2019
Payment Terms: Net 30
Delivery Method: Fedex - Ground
Contract Number: 00010392

SALES REPRESENTATIVE

Chris Morton
Phone: (206) 310-6165
Email: cmorton@axon.com
Fax:

PRIMARY CONTACT

John Torrez
Phone: (408) 586-2408
Email: jtorrez@ci.milpitas.ca.gov

SHIP TO

John Torrez
Milpitas Police Dept. - CA
1275 N. Milpitas Boulevard
Milpitas, CA 95035
US

BILL TO

Milpitas Police Dept. - CA
1275 N. Milpitas Boulevard
Milpitas, CA 95035
US

Year 1 (Est. Ship Date 4/1/2019)

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Axon Plans & Packages					
85130	OFFICER SAFETY PLAN YEAR 1 PAYMENT	15	1,308.00	0.00	0.00
85115	OFFICER SAFETY PLAN CEW TRUE UP PAYMENT	15	500.00	180.27	2,704.05
Hardware					
74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	15	499.00	499.00	7,485.00
74020	MAGNET MOUNT, FLEXIBLE, AXON RAPIDLOCK	15	0.00	0.00	0.00
74021	MAGNET MOUNT, THICK OUTERWEAR, AXON RAPIDLOCK	15	0.00	0.00	0.00
11553	SYNC CABLE, USB A TO 2.5MM	15	0.00	0.00	0.00
74008	AXON DOCK, 6 BAY + CORE, AXON BODY 2	3	1,495.00	1,495.00	4,485.00
70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	3	42.00	42.00	126.00
11004	WARRANTY, 4 YEAR, X26P	15	0.00	0.00	0.00
70116	SPPM, SIGNAL CONNECTED BATTERY PACK, X2/X26P	15	0.00	0.00	0.00
22013	KIT, DATAPORT DOWNLOAD, USB, X2/X26P	1	200.00	199.95	199.95
11501	RIGHT-HAND HOLSTER, X26P, BLACKHAWK	14	0.00	0.00	0.00
11504	LEFT-HAND HOLSTER, X26P, BLACKHAWK	1	0.00	0.00	0.00
26810	TASER CAM, TCHD	15	570.00	0.00	0.00
26763	WARRANTY, 4 YEAR, TASER CAM HD	15	150.00	0.00	0.00
26762	KIT, USB DOWNLOAD, TASER CAM HD	1	18.00	0.00	0.00

Year 1 (Est. Ship Date 4/1/2019) (Continued)

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware (Continued)					
11002	BLACK X26P CEW, HANDLE	15	0.00	0.00	0.00
				Subtotal	15,000.00
				Estimated Shipping	0.00
				Estimated Tax	1,350.01
				Total	16,350.01

Year 2

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Axon Plans & Packages					
85131	OFFICER SAFETY PLAN YEAR 2 PAYMENT	15	1,308.00	2,121.86	31,827.90
				Subtotal	31,827.90
				Estimated Tax	2,864.51
				Total	34,692.41

Year 3

Item	Description	Quantity	List Unit Price	Net Unit Price	Total (USD)
Axon Plans & Packages					
85132	OFFICER SAFETY PLAN YEAR 3 PAYMENT	15	1,308.00	2,121.86	31,827.90
				Subtotal	31,827.90
				Estimated Tax	2,864.51
				Total	34,692.41

Grand Total	85,734.83
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Discounts (USD)

Quote Expiration: 04/30/2019

List Amount	89,474.00
Discounts	10,818.20
Total	78,655.80

**Total excludes applicable taxes*

Summary of Payments

Payment	Amount (USD)
Year 1 (Est. Ship Date 4/1/2019)	16,350.01
Year 2	34,692.41
Year 3	34,692.41
Grand Total	85,734.83

Notes

This quote is co-termed with quote Q-61512 (executed contract #00010392). Year one has been pro-rated to 11.5 months to align with agency annual billing dates. This has been done according to an anticipated ship date range of 4/1/2019-4/15/2019. The end date of these subscriptions is subject to change if the ship/start date changes.

Axon BWC hardware contained in this quote will be covered under the Technology Assurance Plan (a.k.a. Taser Assurance Plan) and will be eligible for 1 replacement at the same time as the equipment originally deployed on this existing contract as determined by quote Q-61512.

Officer Safety Plan Includes:

- Evidence.com Pro License
- Upgrades to your purchased AXON cameras and Docks at years 2.5 and 5 under TAP
- Extended warranties on AXON cameras and Docks for the duration of the Plan
- Unlimited Storage for your AXON devices and data from the Evidence Mobile App
- One TASER CEW of your choice with a 4 year extended warranty (5 years total of warranty coverage)
- One CEW holster and battery pack of your choice
- 40 GB of included storage for other digital media
- Additional terms apply. Please refer to the Evidence.com Master Service Agreement for a full list of terms and conditions for the Officer Safety Plan.

Axon's Sales Terms and Conditions

This Quote is governed by the MSPA between Axon and Milpitas Police Department with an effective date of December 31, 2016. Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature: _____ **Date:** _____

Name (Print): _____ **Title:** _____

PO# (Or write N/A): _____

Please sign and email to Chris Morton at cmorton@axon.com or fax to

Thank you for being a valued Axon customer. For your convenience on your next order, please check out our online store buy.axon.com

Quote: Q-199765-43551.996CM

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Item Attachment Documents:

- C6. Adopt a Resolution Approving the Sole Source Purchase of a Neutral Output-Discharge Elimination System (NO-DES) Water Main Flushing Truck and Accessories for an amount Not to Exceed \$509,580.77 and Authorizing the City Manager to Execute the Purchase, Sale and Security Agreement with NO-DES required to Complete the Purchase (Staff Contact: Tony Ndah, 408-586-2602)**

Recommendation: Adopt a resolution approving the sole source purchase of a Neutral Output-Discharge Elimination System (NO-DES) water main flushing truck and accessories from NO-DES, Inc. in an amount not to exceed \$509,580.77, and authorizing the City Manager to execute the NO-DES Purchase Sale and Security Agreement required to complete the purchase.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Approving the Sole Source Purchase of a Neutral Output-Discharge Elimination System (NO-DES) Water Main Flushing Truck and Accessories for an amount Not to Exceed \$509,580.77 and Authorizing the City Manager to Execute the Purchase, Sale and Security Agreement with NO-DES required to Complete the Purchase.
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Tony Ndah, 408-586-2602
Recommendation:	Adopt a resolution approving the sole source purchase of a Neutral Output-Discharge Elimination System (NO-DES) water main flushing truck and accessories from NO-DES, Inc. in an amount not to exceed \$509,580.77, and authorizing the City Manager to execute the NO-DES Purchase Sale and Security Agreement required to complete the purchase.

Background:

As part of the FY 2018-19 Budget, Council approved funds in the Public Works operating budget for the purchase of a Neutral Output-Discharge Elimination System (NO-DES) water main flushing truck. This Resolution seeks Council authorization for the sole source purchase of the NO-DES truck.

Water distribution systems are used to transport potable water to residents and businesses throughout the City. As the numerous pipes underground age over the years, they can deteriorate over time and lead to poor water quality. Water quality indicators for this are: low disinfectant residual, color, odor and turbidity (measurement of particles which are used to indicate water clarity).

Flushing has long been the accepted practice that water utilities use to alleviate this problem. Flushing is also required to maintain the City's permit and remain in compliance with the State Water Control Board. As a result of traditional open hydrant flushing operations, approximately 664,900 gallons of potable water are sent into the street and flow into the storm drain annually. Not only is this a waste of potable water, discharging flushed water to the storm drain is becoming increasingly difficult due to new State and Federal regulations and the City's water conservation efforts.

Flushing consists of opening and closing valves and fire hydrants to remove the lower quality water from the pipes. Flushing at velocities greater than 5 feet per second (fps) has a dual advantage as it also "scours" the pipes and removes any biofilm that may be present. This technique is very effective for "cleaning" the water distribution system piping, but comes at a cost due to wasting thousands of gallons of water per individual flushing event.

The Public Works Department endeavors to reduce water loss due to the required flushing of the water distribution system and this NO-DES unit will help achieve this goal. The NO-DES system is unique in its ability to flush lines and return potable water back into the system with minimal loss. Staff estimates approximately 4.5 million gallons of water could be saved every year by creating an ongoing NO-DES flushing program.

Analysis:

The Public Works Department over the years has experienced an increased need to flush the main water lines and hydrants throughout the 200 miles of pipe running throughout the City. The traditional method to accomplish this job was to open the hydrant and let the water flow down the storm drain. This method results in the loss of thousands of gallons per flush and gives the community the impression the City is not being conscientious with water resources.

Instead of wasting the water flowing out of the fire hydrants as a result of flushing, the NO-DES process utilizes a trailer mounted pump, filter and optional re-chlorinating system which circulates the water within specific sections the water distribution system. The NO-DES unit is connected with large hoses between two fire hydrants and creates a temporary "loop" in the water distribution system.

A pump on the unit circulates water at predetermined velocities where it passes through a series of filters to remove "stirred up" sediment and particulate matter. Disinfectant can be added to further improve water quality and ensure its safety: something current flushing methods cannot achieve. Inline turbidity meters indicates when desired clarity levels are met, taking the guess work out of knowing when the flushing has achieved its purpose.

The result is improved water quality, increased disinfectant residuals and conservation of water. Very little water is lost with the NO-DES process, therefore NPDES discharge issues are eliminated. Flushing from this NO-DES unit can be done without requiring sections of the distribution system to be completely shut down or to lose water pressure in areas in close proximity to the discharges. The system also enables staff to monitor the quality of the water during flushing operation and determine when sufficient flushing has been performed. It reduces or eliminates the need to dechlorinate flushed water that would otherwise be sent to the storm drain. Finally, after flushing is completed, staff would be able to analyze the debris captured by the filter, providing useful information for water system operations and planning.

The NO-DES system is proprietary equipment produced by NO-DES, Inc., which is the sole-source vendor. In comparison to the NO-DES water main flushing system, there are other flushing systems on the market that have similar features; however, the comparable systems do not meet the needs of the Public Works department. The other systems are only designed to remove debris and sediment build-up inside the pipes. The NO-DES unit is designed to remove sediment, as well as filter and chlorinate the water, which ensures a higher level of water quality for the end user. In addition, many of the other systems use open fire hydrants flushing, where water is flushed through a hydrant outlet and into gutters, resulting in a loss of stored water. The NO-DES system is unique in its ability to flush lines and return potable water back into the system with minimal loss.

Accordingly, staff is requesting an exemption from the competitive selection process. The NO-DES System offers the following benefits over traditional flushing methods.

- Eliminates most of the water waste associated with conventional flushing
- Removes particulates, bio-film, iron, and manganese
- Elimination of NPDES related fees and fines
- No property damage or clean-up costs, due to flooding
- Allows flushing of mains after main repairs to avoid contamination
- Controlled flow and reduced damage to distribution system - no water hammer, pipe/lining erosion
- Lowered labor costs due to smaller crew and reduced set-up time
- De-chlorination not required
- Seen as an environmentally friendly initiative

Policy Alternative:

Alternative 1: City Council does not adopt the resolution and does not approve the purchase.

Pros: City does not spend funds on a NO-DES truck system.

Cons: City will continue traditional hydrant flushing and discharging flushed potable water into the storm drain.

Reason not recommended: By continuing the current practice for flushing the water distribution system, the City estimates sending at least 665,900 gallons of water into the streets and into storm drains annually. The NO-DES system is highly effective in conserving water when compared to traditional flushing methods by allowing water to be flushed from the distribution system, filtered, disinfected, and returned back to the distribution system with minimal or no water loss. In addition, the creation of an ongoing NO-DES flushing program will demonstrate the City's leadership in water conservation efforts.

Fiscal Impact:

The total cost for the purchase of the NO-DES truck system, including awning, filter box, replacement filter bags, employee training, delivery, delivery/fright, and tax is \$509,580.77. \$400,000 has been budgeted in the Public Works Department's FY 2018-19 budget, and the additional \$109,580.77 will be absorbed in anticipated savings in the department's Utility Operations and Maintenance Division.

The impact to other operational programs as a result of this action will be approximately \$11,739.80 per year for the cost of replacement filters for the NO-DES system, which will be absorbed in the Public Works Department's operating budget.

California Environmental Quality Act:

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, this action does not qualify as a "project" for the purpose of CEQA as this action has no potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Recommendation:

Adopt a resolution approving the sole source purchase of one Neutral Output-Discharge Elimination System (NO-DES) water main flushing truck and accessories from NO-DES, Inc. for an amount not to exceed \$509,580.77, and authorizing the City Manager to execute the NO-DES Purchase, Sale and Security Agreement required to complete the purchase.

Attachments:

1. Resolution + Exhibit A, NO-DES Purchase, Sale and Security Agreement for Equipment
2. NO-DES Price Quotation # 1124 dated 12/27/18
3. Sole Source Letter from NO-DES Inc. dated 01/08/2019
4. City of Milpitas Sole Source Request Form

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING THE
SOLE SOURCE PURCHASE OF A NEUTRAL OUTPUT-DISCHARGE ELIMINATION SYSTEM
(NO-DES) WATER MAIN FLUSHING TRUCK SYSTEM TO IMPROVE WATER
CONSERVATION AND WATER QUALITY, AND AUTHORIZING THE CITY MANAGER TO
EXECUTE A PURCHASE, SALE AND SECURITY AGREEMENT WITH NO-DES, INC., FOR
THE SOLE SOURCE PURCHASE FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$509,580.77**

WHEREAS, Section I-2-3.09 of the Milpitas Municipal Code authorizes the City Council to award contracts without competition when the Purchasing Agent determines that there is only one source for the required supply or service; and

WHEREAS, the Public Works Department is committed to maintaining the practice of water conservation and the NO-DES system will help achieve that goal. Water distribution systems are used to transport potable water to residents and businesses throughout the City. As the numerous pipes underground age over the years, they can deteriorate over time and lead to poor water quality. Flushing has long been the accepted practice that water utilities use to alleviate this problem. Flushing is also required to maintain the City's permit and remain in compliance with the State Water Control Board; and

WHEREAS, the NO-DES system is unique in its ability to flush water lines and return potable water back into the system with minimal loss. The result is improved water quality, increased disinfectant residuals and conservation of water. Staff estimates approximately 4.5 million gallons of water could be saved every year by creating an ongoing NO-DES flushing program. The system also enables staff to monitor the quality of the water during flushing operation and determine when sufficient flushing has been performed. It reduces or eliminates the need to dechlorinate flushed water that would otherwise be sent to the storm drain. Finally, after flushing is completed, staff would be able to analyze the debris captured by the filter, providing useful information for water system operations and planning; and

WHEREAS, the cost of this purchase will include a single 200 PSI NO-DES Water Main Flushing Truck, optional awning, replacement filter bags, employee training, delivery, freight and tax; and

WHEREAS, the Public Works Department has researched alternative products and has come to the conclusion that the NO-DES solution is the only system of its kind and is the best value over the other possible options. In comparison to the NO-DES water main flushing system, there are other flushing systems on the market that have similar features; however, the comparable systems do not meet the needs of the Public Works department. The other systems are only designed to remove debris and sediment build-up inside the pipes. The NO-DES unit is designed to remove sediment, as well as filter and chlorinate the water, which ensures a higher level of water quality for the end user. In addition, many of the other systems use open fire hydrants flushing, where water is flushed through a hydrant outlet and into gutters, resulting in a loss of stored water. The NO-DES system is unique in its ability to flush lines and return potable water back into the system with minimal loss. After conducting a good faith review of the available sources and pursuant to Milpitas Municipal Section I-2-3.09, the City's Purchasing Agent has determined that NO-DES, Inc., is the only source for a NO-DES Water Main Flushing Truck system that meets the City's requirements.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference; and
2. The City Council hereby approves the sole source purchase of the NO-DES Water Main Flushing Truck, which includes optional awning, replacement filter bags, employee training, delivery, freight and tax, in an amount not to exceed \$509,580.77, and authorizes the City Manager, or designee, to execute the Purchase, Sale and Security Agreement with NO-DES, Inc., a copy of which is attached hereto as **Exhibit A**,

PASSED AND ADOPTED this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Richard Tran, Mayor

APPROVED AS TO FORM:

Christopher J. Diaz, City Attorney

EXHIBIT A

PURCHASE, SALE & SECURITY AGREEMENT FOR EQUIPMENT BETWEEN NO-DES, INC. AND CITY OF MILPITAS

THIS PURCHASE, SALE, and SECURITY AGREEMENT (the "Agreement"), is entered into this ____ day of March, 2019 ("Execution Date"), by and between NO-DES, Inc., a New Mexico corporation with its principal office located at 68 Hermanos Loop, Los Lunas, New Mexico 87031 (hereinafter "Seller"), and the City of Milpitas, an incorporated municipality with its principal office located at 455 E. Calaveras Blvd., Milpitas, California 95035 (hereinafter "Buyer").

WHEREAS, Seller is in the business of selling and servicing water filtration equipment for flushing municipal water systems; and

WHEREAS, Buyer desires to purchase such equipment.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained therein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed and covenanted by and between the parties to this Agreement, under seal, as follows:

I. EQUIPMENT

1.1 Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, a single 200 psi NO-DES Truck Flushing Unit which is more specially described in the attached Schedule "A" (hereinafter the "Equipment"), which is incorporated herein by this reference. As detailed in said schedule, the Equipment shall be built upon a Freightliner Diesel Chassis (the "Vehicle") which shall be ordered in accordance with Sections 3.1 and Article IV of this Agreement.

1.2 The Equipment shall conform to the specifications set forth in Schedule "A." Seller, however, reserves the right as it may deem necessary or appropriate, to modify or change internal components of the Equipment prior to delivery, provided that such modifications or changes are not material in nature or adversely affect the performance or reliability of the Equipment.

II. PURCHASE PRICE & PAYMENT TERMS

2.1 The purchase price for the Equipment shall be FOUR HUNDRED THIRTY-NINE THOUSAND NINE HUNDRED EIGHTY-THREE DOLLARS (\$439,983.00) (the "Purchase Price"). The Purchase Price does not include any applicable state or local taxes or the cost for training, delivery, freight, options or any consumables.

2.2 Taxes. Buyer is responsible for payment of all applicable state and local taxes related to the purchase of the Equipment. If Buyer is tax-exempt under the applicable state tax laws, Buyer shall forward proof to Seller within thirty (30) days of its execution of this Agreement.

2.3 Payment Terms. The Purchase Price shall be paid by Buyer as follows:

a) An initial payment of TWO HUNDRED NINETEEN THOUSAND NINE HUNDRED NINETY-ONE DOLLARS AND FIFTY CENTS (\$219,991.50) due with the execution and delivery of this Agreement to Seller; and

b) TWO HUNDRED NINETEEN THOUSAND NINE HUNDRED NINETY-ONE DOLLARS AND FIFTY CENTS (\$219,991.50), which is the balance of the Purchase Price, due upon delivery of the Equipment in accordance with the Delivery terms contained in Section III of this Agreement.

2.4 All payments shall be paid by Buyer in the form of cash, check, certified funds or wire transfer to a bank account designated by the Seller. If Buyer makes payment by non-certified check, Seller shall not begin manufacturing the Equipment and/or deliver same until the check is honored by the drawee bank or other financial institution and the payment is remitted to Seller's bank.

2.5 Any additional equipment, products or options which are not expressly included in this Agreement and which Buyer desires to purchase from Seller, must be quoted and agreed to by the parties, in writing.

III. DELIVERY

3.1 Seller shall order the truck chassis specified in Schedule A within one (1) week of its receipt of this Agreement executed by the Buyer along with the initial payment required under Section 2.3(a) of this Agreement. The estimated delivery date for the Equipment shall be one hundred twenty (120) days from Seller's receipt of the truck chassis, but in no event later than two hundred forty (240) days from the Execution Date. Should Seller be unable to deliver the Equipment within said two hundred forty (240) day period, Buyer may, upon written notice to Seller, terminate this Agreement and thereafter be entitled to a refund of the initial payment it provided to Seller pursuant to Section 2.3(a) of this Agreement.

3.2 Seller shall deliver the Equipment to Buyer at the following location (the "Delivery Location"):

City of Milpitas - Public Works Department
Attn: Glen Campi
1265 North Milpitas Blvd
Milpitas, California 95035

3.3 In addition to the Purchase Price, there shall be a charge for the delivery of the Equipment to the Delivery Location in the amount of \$7,100.00 (the "Delivery Charge"). Buyer shall be invoiced separately for the Delivery Charge, full payment of which will be due within thirty (30) days of Buyer's receipt. Any change to the Delivery Location by Buyer after the execution of this Agreement shall be subject to additional delivery charges, an estimate of which shall be provided by Seller upon written request.

3.4. Buyer shall have the greater of: (i) five (5) business days from the date of delivery; or (ii) the conclusion of the initial training provided under Article VI of this Agreement provided Buyer does not delay the commencement of the initial training by more than one week after delivery, to inspect the Equipment and confirm it is in compliance with the technical requirements of this Agreement, including those contained in Schedule "A." Any rejection of the Equipment must be in writing and specify in detail the basis of Buyer's rejection. Buyer shall be deemed to have "accepted" the Equipment if it fails to reject same within the time period and on the conditions set forth in this Section 3.4.

IV. TITLE; SECURITY AGREEMENT

4.1 Buyer hereby authorizes Seller to purchase on its behalf the Vehicle(s) described in Schedule "A," title to which shall be placed in Buyer's name at time of purchase.

4.2 Until the Purchase Price is paid by Buyer in full, Seller shall retain a first priority lien and purchase money security interest in the Vehicle(s) and Equipment, including any replacements, additions, and improvements or proceeds resulting from any disposition thereof, as well as any insurance proceeds resulting from any damage or destruction thereof.

V. RISK OF LOSS

5. All risk of loss or damage to the Equipment shall pass and be assumed by the Buyer upon Seller's delivery of the Equipment to the Buyer at the location specified in this Agreement. If the Equipment fails to conform to the Agreement so as to give a right of rejection herein, the risk of loss of the Equipment shall remain with the Seller until the defect is cured. Buyer shall provide Seller with proof that the Equipment is insured at time of delivery.

VI. TRAINING

6.1 Formal training on the Equipment's operation is essential to ensure the safety of the water system it is used on and is therefore required. Seller shall provide up to five (5) days of training on the operation of the Equipment to employees designated by the Buyer at an additional cost of \$7,850.00. Training shall take place in Buyer's operating area and shall run for five (5) contiguous business days with each day consisting of up to eight (8) hours of training. Any additional training requested by Buyer shall be billed separately at a rate of \$50.00/hour plus any applicable expenses the cost of which shall be agreed upon by the parties at the time training is requested. Any refusal by Buyer to participate in said training shall be considered a material

breach of this Agreement and Seller shall have the right to withhold delivery of the Equipment without penalty until such time Buyer agrees to have its employees properly trained by Seller.

6.2 The training to be provided by Seller in accordance with this Agreement shall consist of review of Standard Operating Procedures, including field demonstrations of said procedures, as well as observation of trainees use of the Equipment in the field. Seller shall provide Buyer with a copy of the operations manual at the time of delivery.

6.3 Buyer shall be invoiced for all training services provided under this Agreement, full payment of which will be due within thirty (30) days of Buyer's receipt of the invoice.

VII. CONSUMABLES

7.1 Buyer acknowledges that it is aware that the Equipment requires periodic replacement of various components in order for it to function in accordance with the specifications provided for in Schedule "A" (hereinafter "Consumables"). These Consumables consist of materials, parts and other items which are designed to be replaced periodically, including without limitation, hoses, filters, seals, lubricants and other expendable items.

7.2 Following transfer of title to and risk of loss of the Equipment from Seller to Buyer, the ongoing maintenance of the Equipment, including the replacement of all Consumables, are the Buyer's responsibility. Buyer shall replace all Consumables as the need arises, but in no case shall it fail to do so within the time periods recommended by Seller's standard operating procedure which will be provided with the delivery of the Equipment. All costs associated with the replacement of the Consumables, including material and labor, shall be the Buyer's responsibility. Buyer shall also be responsible for the replacement of any Consumables used during the initial training provided under Article VI of this Agreement provided the Equipment is accepted.

7.3 During the Warranty Period, as defined in Section 8.1 below, Buyer may purchase from Seller or its designated third-party provider, at its then current prices, any Consumables needing replacement. Any damage to the Equipment caused by the use of inferior Consumables purchased from non-designated third parties shall void the warranty provided in Article VIII of this Agreement.

VIII. LIMITED WARRANTY

8.1 For a one (1) year period from date of Buyer's acceptance of the Equipment (the "Warranty Period"), Seller warrants that the Equipment provided to Buyer pursuant to this Agreement shall be free from defects in material, manufacturing workmanship, and title, and that the Equipment will operate in conformance with the specifications set forth in Schedule "A." Buyer shall be entitled to all applicable manufacturers' product warranties associated with the goods and Equipment purchased pursuant to the terms of this Agreement. This warranty is non-transferable and is limited to the original Buyer.

8.2 To enable Seller to properly administer the Warranty, Buyer shall (i) promptly notify Seller of any claim hereunder, and (ii) provide Seller with the opportunity to inspect and test parts claimed by Buyer to be defective.

8.3. Except as provided below, Seller's obligation under this warranty is limited to, at Seller's option, repairing or replacing the Equipment or defective part at Seller's or Buyer's facility. Buyer shall be responsible for the transport and delivery of the Equipment or defective part to Seller for repair and/or replacement unless the problem or defect was due to defect in materials and/or workmanship and covered by this Limited Warranty, in which event Seller will reimburse Buyer for the reasonable cost of freight to ship same. Seller reserves the right to utilize refurbished mechanical parts or products in performing repairs, which may include reconditioned assemblies, provided they do not adversely affect the operation or reliability of the Equipment and it is otherwise commercially reasonable to do so.

8.4 The Limited Warranty provided under this Agreement shall not apply to any Equipment or part delivered to and accepted by Buyer: (i) which has been used or operated in a manner inconsistent with the use intended by Seller as set forth in Schedule "A"; or (ii) modified, repaired, or tampered with in a manner which adversely affects its operation or reliability; or (iii) damaged because of accident, neglect, improper maintenance, abuse or misuse by anyone other than Seller's personnel; or (iv) was installed by Buyer after delivery of the Equipment or (v) is considered a "Consumable" as that term is defined under this Agreement.

8.5 Use of non-Seller (or non-manufacturer) approved service, accessories, parts, devices or consumables in connection with the Equipment, or any other failure by Buyer to comply with Seller or manufacturer requirements or recommendations concerning the Equipment or its maintenance, including the proper storage and use of Consumables, shall void the Limited Warranty provided under this Agreement and all of Seller's obligations regarding same hereunder.

8.6 Provision of repair, service, replacement or upgrade parts or service under the Limited Warranty will not trigger a new Warranty Period for the Equipment or for the parts, and shall be subject to warranty under the original one (1) year Warranty Period.

8.7 THE WARRANTY PRINTED ABOVE IS THE ONLY WARRANTY APPLICABLE TO THIS PURCHASE. ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND THOSE ARISING FROM COURSE OF DEALING ARE DISCLAIMED. BUYER HEREBY DISCLAIMS ANY RELIANCE OR INDUCEMENT BASED UPON ANY EQUIPMENT BROCHURES, LITERATURE, ON-LINE CONTENT OR OTHER WRITTEN OR VERBAL STATEMENTS OR DESCRIPTIONS WITH RESPECT TO THE EQUIPMENT, EXCEPT TO THE EXTENT SUCH STATEMENTS OR DESCRIPTIONS ARE EXPRESSLY SET FORTH IN THIS LIMITED WARRANTY.

8.8 It is understood and agreed that Seller's liability and Buyer's sole and exclusive remedy under this warranty is to the repair or replacement of defective Equipment or part(s) without charge. Defective material will only be replaced after Seller has inspected the part in question and determined that such part is in fact defective. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR SIMILAR DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE, INABILITY TO USE THE PRODUCT OR OTHER ASSOCIATED PRODUCTS/EQUIPMENT, THE COST OF SUBSTITUTE EQUIPMENT, AND CLAIMS BY THIRD PARTIES) RESULTING FROM THE USE OF THE EQUIPMENT.

IX. LIMITATIONS OF REMEDIES

9.1 IN NO EVENT SHALL EITHER PARTY OR ANY PARENT OR AFFILIATED COMPANY OF SUCH PARTY BE LIABLE TO THE OTHER PARTY, FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF REVENUE OR PROFITS, DOWN TIME, LOST-PRODUCTION, LOSS OF USE OF EQUIPMENT OR ANY ASSOCIATED PARTS, AND/OR DEFECTS IN BUYER OR SELLER'S OUTPUT, MATERIALS, WORK PRODUCT OR WORKMANSHIP, ARISING DIRECTLY OR INDIRECTLY FROM THE USE OF THE EQUIPMENT OR OTHERWISE RELATING TO THIS AGREEMENT, ANY SERVICE PROVIDED OR THE RELATIONSHIP OF THE PARTIES, WHETHER ARISING OUT OF WARRANTY, CONTRACT, EQUITY, STRICT LIABILITY OR TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, REGARDLESS OF ANY CLAIM THAT A REMEDY HAS FAILED OF ITS ESSENTIAL PURPOSE. IN NO EVENT MAY EITHER PARTY ASSERT THAT THE REMEDIES PROVIDED HEREIN ARE INADEQUATE OR HAVE FAILED OF THEIR ESSENTIAL PURPOSE. IN NO EVENT SHALL THE TOTAL LIABILITY OF EITHER PARTY OR ANY PARENT OR AFFILIATED COMPANY OF EITHER PARTY EXCEED THE PRICE PAID FOR THE PARTICULAR EQUIPMENT OR SERVICE(S) AT ISSUE, PROVIDED THAT THE FOREGOING LIMITATION SHALL NOT APPLY TO CLAIMS AGAINST A PARTY FOR INDEMNIFICATION OR ITS INSURANCE CARRIER RESULTING FROM PAYMENTS MADE TO THIRD PARTIES WHO SUFFER LOSS TO PERSON OR PROPERTY RESULTING FROM ANY DEFECT IN THE EQUIPMENT.

9.2 For the purposes of this Agreement, a cause of action for the breach of this Agreement shall accrue when the breach occurs, whether or not the parties are aware of the breach at that time.

X. FORCE MAJEURE

10. Neither party shall be liable for any failure to perform or delay in performance of its obligations hereunder caused by circumstances beyond its reasonable control including, but not limited to, fire, storm, flood, earthquake, explosion, accident, acts of public enemy, war, rebellion, insurrection, riot, sabotage, epidemic, transportation restrictions, acts of God, acts of any government or any agency thereof, judicial action, inability to obtain or delays in obtaining machinery, parts, materials, or sufficient qualified labor, or any other causes beyond that party's

reasonable control, whether similar or dissimilar to the foregoing. In the event of such a delay, the delivery date of Equipment shall be appropriately adjusted to accommodate for such delay.

XI. LIMITED RIGHTS TO CONVEY

11.1 Buyer acknowledges that the Equipment sold under this Agreement is technologically complex and therefore formal training on its operation is essential to ensure the safety of the water system it is used on. Accordingly, Buyer agrees that any sale or transfer of this Equipment to a third party, other than for scrap/salvage, shall be conditioned on the third party receiving five (5) days of formal training from Seller or their authorized training representative.

XII. PARTY REPRESENTATIONS

12.1 Buyer represents:

(a) That it has full power and authority to enter into and perform the obligations contemplated by this Agreement; and

(b) That it has given, performed and/or received all notifications, filings, registrations, authorizations, permissions, permits, consents, or requirements necessary to be obtained by or on behalf of Buyer for the consummation of the transaction contemplated by this Agreement and the use of the Equipment on the municipal water system, including, without limitation, consents from any governmental agencies, whether federal, state, or local; and

(c) That Buyer's execution, delivery and performance of this Agreement constitutes Buyer's valid and binding obligations and is enforceable in accordance with its terms.

12.2 Seller represents:

(a) Seller has full power and authority to enter into and perform the obligations contemplated by this Agreement; and

(b) That Seller's execution, delivery and performance of this Agreement constitutes Seller's valid and binding obligations and is enforceable in accordance with its terms.

12.3 Seller makes no representations regarding the obtainment of any permission Buyer may need from local, state or federal governmental authorities to use the Equipment on the municipal water system. Seller agrees to provide Buyer with any reasonable assistance it may need to obtain the necessary governmental authorizations required to operate the Equipment for its intended use.

XIII. CONFIDENTIALITY

13. The parties shall hold in confidence any information and material which is related to either Buyer's or Seller's business or is designated by either Buyer or Seller as proprietary and

confidential, herein or otherwise. This includes, but shall not be limited to, the contents of this Agreement and any and all documents related to the specifications and operation of the Equipment. It is understood that this confidentiality clause does not include information which: (i) is now or hereafter in the public domain through no fault of the party being provided the confidential information; (ii) prior to disclosure hereunder, is property within the rightful possession of the party being provided the confidential information; (iii) subsequent to disclosure hereunder, is lawfully received from a third party with no restriction on further disclosure; or (iv) is obligated to be produced under order of a court of competent jurisdiction or federal or state laws provided that Seller provides Buyer with notice thereof and an opportunity to seek a protective order or pursue another appropriate remedy. Notwithstanding the foregoing, Seller acknowledges that the Buyer is a public agency subject to the California Public Records Act (Gov. Code §§ 6250 *et seq.*) (the “Act”). Upon its execution, this Agreement and any document or record related thereto may be subject to disclosure pursuant to the Act. To the extent that a related document is requested under the Act and such document(s) includes proprietary and confidential information identified as such by Seller, the Buyer shall notify the Seller of such request with reasonable promptness. Buyer acknowledges that it is aware that the information contained in the annexed Schedule “A” is proprietary and confidential in nature and that it will notify Seller with reasonable promptness before disclosing same pursuant to a request made under the Act.

XIV. INTELLECTUAL PROPERTY

14. Buyer, its agents, employees and representatives hereby acknowledge Seller’s ownership of all right, title and interest in all patents, pending patent applications, trademarks, trade names, service marks and copyrights associated with the Equipment (“IP”). Buyer, its agents, employees and representatives further acknowledge that it shall acquire no interest in the IP by virtue of this Agreement. Buyer, its agents, employees and representatives agree that it will not use in advertising, publicity or otherwise any IP or any contraction, abbreviation or simulation thereof that is owned by the Seller, or otherwise infringe on the Seller’s rights in the IP. Buyer further agrees not to remove or make or permit any alterations in any of the tags, labels or other identifying markings placed by Seller on any of the Equipment.

XV. TERMINATION & DEFAULT

15.1 Except in case of an actual breach of an obligation or duty under this Agreement, or as otherwise provided under this Agreement, neither party shall have the power to terminate this Agreement unilaterally; both parties must act together to terminate this Agreement and termination may be accomplished only by a writing signed by both parties.

15.2 Seller and Buyer agree and acknowledge that in the event Buyer defaults in its payment of the Purchase Price after acceptance of the Equipment, the damages suffered by Seller shall be difficult to ascertain. In such a case, therefore, Seller shall be entitled to the payment of the remaining Purchase Price as set forth in Sections 2.1 and 2.3(b) of this Agreement.

XVI. LIABILITY

16.1 Buyer shall indemnify and defend Seller, its subsidiaries and affiliates and their respective officers, directors, employees and agents (“Seller Indemnitees”) harmless from and against all liabilities, claims, damages, penalties, fines, forfeitures, suits and expenses incident thereto (including costs of defense and reasonable attorneys’ fees) (hereinafter collectively referred to as “Losses”), which Seller Indemnitees may incur, become responsible for, or pay out as a result of any third-party claims under theories of tort, product liability, negligence, warranty, contract, or statute, arising out of the use, storage, sale, processing or other disposition of the Equipment covered by this Agreement after their delivery to Buyer. The parties agree that Buyer’s indemnification obligations hereunder shall not apply to the extent that such Losses are caused by the fault, failure or negligence of Seller or the Seller Indemnitees.

16.2 Seller shall indemnify and hold Buyer, its subsidiaries and affiliates and their respective officers, directors, employees and agents (“Buyer Indemnitees”) harmless from and against all liabilities, claims, damages, penalties, fines, forfeitures, suits and expenses incident thereto (including costs of defense and reasonable attorneys’ fees), which Buyer Indemnities may incur, become responsible for, or pay out as a result of any third-party claims under theories of tort, product liability, negligence, warranty, contract, or statute, arising out of or resulting from (i) claims by third persons against Buyer that the Equipment has caused damage to property or bodily injury due to the fault, failure or negligence of Seller or its employees; or (ii) the acts or omissions of the Seller, its agents or employees in connection with this Agreement; or (iii) any defects in any Equipment supplied by the Seller; or (iv) any breach or default in the performance of the obligations of Seller hereunder. Seller’s indemnification obligations hereunder shall not apply to the extent that any claim is caused by the fault, failure or negligence of Buyer, Buyer’s employees, or the Buyer Indemnities.

XVII. MISCELLANEOUS PROVISIONS

17.1 Assignment. Neither Seller nor Buyer may assign its rights under this Agreement without the prior written consent of the other party. Any purported assignment in violation of this Section shall be void.

17.2 Notices. All notices and other communications pertaining to this Agreement shall be in writing and shall be deemed duly to have been given if personally delivered to the other party or if sent by the United State Postal Service certified mail, return receipt requested, postage prepaid or by Federal Express, United Parcel or other nationally recognized overnight carrier. All notices or communications between Buyer and Seller pertaining to this Agreement shall be addressed as follows:

If to Buyer: City of Milpitas
 Public Works Department
 455 E. Calaveras Blvd
 Milpitas, California 95035
 Attention: Mr. Tony Ndah, Public Works Director

If to Seller: NO-DES, Inc.
 68 Hermanos Loop

Los Lunas, New Mexico 87031
Attention: Mr. Chris Wilkinson

17.3 Waiver. Any waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall neither be considered a waiver nor deprive that party of any right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing and signed by the party to be charged therewith.

17.4 Modifications. No revision or modification of this Agreement shall be effective unless in writing and executed by an authorized representative of both parties.

17.5 Severability. If any provision, term or condition of this Agreement is found invalid or unenforceable, the remaining provisions will be given effect as if the invalid or unenforceable provision were not a part of this Agreement.

17.6 Construction and Jurisdiction. This Agreement shall be governed by the laws of the State of California (excepting any conflict of laws or provisions which would serve to defeat application of California substantive law). Each of the parties to this Agreement hereby irrevocably and unconditionally: (i) consents to submit to the exclusive jurisdiction of the courts of Santa Clara County, California for any proceeding arising in connection with this Agreement and each such party agrees not to commence any such proceeding except in such courts, and (ii) waives any objection to the laying of venue of any such proceeding in the courts of Santa Clara County, California.

17.7 Enforcement Costs. The substantially prevailing party in any judicial action brought to enforce the provisions of this Agreement shall be entitled to recover its costs and expenses from the losing party, including reasonable attorneys' fees, incurred in filing and prosecuting or defending such action.

17.8 Binding Effect. The provisions hereof shall be binding upon and shall inure to the benefit of Buyer and Seller, their respective successors, and permitted assigns.

17.9 Entire Agreement. This Agreement, the documents referenced herein and all Schedules annexed hereto are intended as the complete and exclusive statement of the agreement between Buyer and Seller with respect to the subject matter hereof, and supersede all prior agreements and negotiations related thereto.

17.10 Headings. The paragraph titles of this Agreement are for convenience only and shall not define or limit any of the provisions hereof.

17.11 Counterparts. Provided that all parties hereto execute a copy of this Agreement, this Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Executed copies of this

Agreement may be delivered by facsimile transmission or other comparable means. This Agreement shall be deemed fully executed and entered into on the date of execution by the last signatory required hereby.

17.12 Survival. The provisions contained in Sections IX, XI, XII, XIII, XIV, XV, XVI, and XVII shall survive the termination or earlier expiration of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Buyer and Seller have signed this Agreement as of the day and year first written above, and the person executing this agreement on behalf of each party represents and warrants that this agreement has been authorized by all necessary parties, is validly executed by an authorized officer or agent, and is binding upon and enforceable against the company in accordance with its terms.

CITY OF MILPITAS

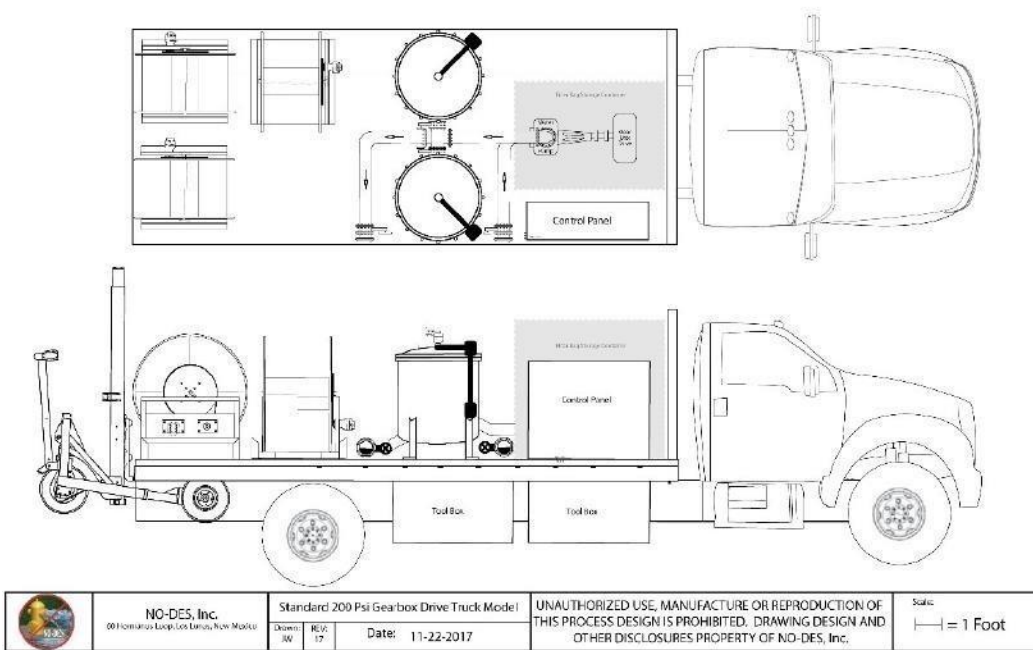
By: _____
Julie Edmonds-Mares
City Manager

NO-DES, INC.

By: _____
Print Name:
Print Title:

SCHEDULE A

Purchase of One (1) 200 PSI 12 Round Bag Filter Vessel NO-DES Truck Unit (with Freightliner Diesel Chassis rated for 33,000 lbs. GVRW) for Milpitas CA.



The NO-DES Dual 12 Round Bag Filter Vessel Truck System, 200 psi max., Specifications

Truck Chasse Model:

- The truck chassis will be from Freightliner (Diesel Engine) GVW of 33,000 lbs., standard Cab model that will accommodate a 20 ft metal flat bed. Configured as our NO-DES standard 200 PSI 12 Round Filter Vessel Truck model (two vessels), it will weigh approximately 25,000 lbs. (dry) and 27,000 lbs. (wet).
- The main water pump is to be powered by the truck engine/transmission via a HALE Gearbox drive system.
- The main water circulation pump is comprised of a Grundfos centrifugal pump unit that can operate from approximately 0 gpm up to 1,700 gpm (based on the size of main, size of hydrant ports, distance between hydrants/blow-offs and filter loadings). This equates to being able to flush a maximum of 14" diameter water mains at 3 ft/sec velocity, and 12" mains at 5 ft/sec velocity.
- CDL required.
- Compartment toolbox mounted underside of bed between cab and rear axle on driver's side.
- There will be a 5-gallon water jug installed for crew drinking requirements.
- The filter vessels have a standard 6" by-pass manifold system that allows the operator to by-pass either filter vessel when it becomes loaded (during a flushing run), which reduces mid-flush shut-downs. The by-pass system allows the bypassed filter vessel to change filter bags while the other filter vessel is still filtering. The by-pass system can also increase the flow, if desired when flushing larger mains.
- The control panel is installed on the curb side of the bed for safety.
- The NO-DES Truck system has two 12 round stainless-steel filter housings NSF 61 compliant, manufactured by Fil-Trek.

A. The first filter housing utilizes 12 disposable filter bags that filter out particulates down to 1 micron absolute. Approximate service life of the filter bags is estimated to be one flush to three weeks, depending on customer usage, condition of customer's distribution system and field conditions. The stainless-steel filter housings have a flow capability to filter approximately 2200+ gpm, and a maximum pressure of 200 psig. Filter bag change out is at 15 to 20 psig differential head pressures.

B. The second filter housing is normally used as a back-up **filter**; utilizing an additional 12 disposable filter bags, capable of filtering out particulates down to 1 micron absolute. Approximate service life of the filter bags is estimated to be one flush to three weeks, depending on customer usage, condition of customer's distribution system and field conditions. The stainless-steel filter housings have a flow capability to filter approximately 2200+ gpm, and a maximum pressure of 200 psig. Filter bag change out is at 15 to 20 psig differential head pressures.

- The NO-DES Truck Unit comes with 1,300 feet of 5-inch collapsible approved water transfer hose and fittings, with most of the hose in 100 foot lengths; and 200 feet of 2-1/2-inch hose for flushing smaller mains, water meter testing and other tasks that do not require the larger hose. All hoses are rated for 300 psig operation and have safety caps installed at all ends.

- The hoses are rolled up on three large hydraulic reels designed to save time during the roll-out and roll-up process.
- The hose reels (blue) are attached to and powered by a small forklift that piggy backs onto the back of the trailer. The forklift is a Burro model from the Hol-Mac Corp, which can lift 3,000 lbs. The Burro model weighs approx 1,500 lbs.
- The Burro is powered by a 13 HP Honda gasoline engine and utilizes hydraulics which also powers the reels. The top speed for the Burro is 3 mph and is a walk-behind model.
- The Burro is equipped with an orange emergency strobe plus forward and back facing lighting for night operations. Two mirrors for backing operations.
- Two sets of hose ramps are supplied for traffic use.
- A power inverter is installed on the truck to power the turbidity meters, the flow meter and the disinfection systems.
- There are two automatic air relief valves, one on each filter vessel.
- There is a 6" SS one-way check valve installed.
- Four (4) 6" aluminum ells are included (90 degrees).
- There is one (1) 6" aluminum Air relief inline hose adapter included.
- Two 4-1/2" hydrant thread by 5" Storz hydrant adapters are included.
- Two hydrant wrenches and two Storz wrenches are included.
- Two 2-1/2" to 5" Storz hydrant adapters included.
- Two 2-1/2" x 2-1/2" x 5" Storz "Y" hydrant adapters are included to connect the 5" hose; for hydrants with only two 2-1/2" ports.
- There are two test taps located in front of the control center – one prior to filter inlets, and one after last filter for outlet.
- The truck will come with a "headache rack" for mounting additional emergency lighting if desired.
- There is a standard emergency light bar located at the back of the truck bed.
- There are standard LED running lights all around truck.
- The truck bed will have a ladder and railings for operator safety.
- If requested - There will be an Awning that covers the control center and operators.
- If requested -There will be a filter box storage container installed over the gearbox.

Control Panel Specs:



- There is a Mag flow meter with a remote read display for attaining flow information, and a Totalizer for tracking use.
- There is a Hale truck engine control module for controlling the trucks engine.
- Two HACH turbidity meters are standard (inside the control panel). One turbidity meter for testing inlet water that is prior to the pump (at the inlet) and one turbidity meter is for testing the outlet water of the outlet filter piping.
- Disinfection equipment includes a chemical feed pump (ANSI/NSF 61 certified), and a 5 gal chemical tank.
- Two pressure gauges are located on the control panel to aid in filter system operation monitoring and control.

Filter Bag Replacement Restrictions

Buyer must replace the standard #2, one-micron absolute filter bags with authorized Fil-Trek Replacement Bags. 1-micron absolute pleated bags model # MPG-PO-1-2-BN. Both filter vessels will take bags or cartridges.

Seller will provide the contact information for purchase of Fil-Trek filter bags.



NO-DES, Inc.
 68 Hermanos Loop
 Los Lunas, NM 87031
 (559)799-8415
 info@no-des.com
 www.no-des.com

PRICE QUOTE

ADDRESS

City of Milpitas, CA
 Public Works Department
 455 E. Calaveras Blvd.
 Milpitas, CA 95035 USA

SHIP TO

City of Milpitas, CA
 Public Works Department
 455 E. Calaveras Blvd.
 Milpitas, CA 95035 USA

PRICE QUOTE # 1124

DATE 12/27/2018

EXPIRATION DATE 01/26/2019

PROJECT

200 PSI Truck

ACTIVITY	QTY	RATE	AMOUNT
200 PSI Truck NO-DES Truck System, 200 psi max. standard dual 12 round Fil-Trek filter designs; includes both vessel by-pass manifold system, with a standard Detroit 260HP Diesel Freightliner chassis (with HALE gearbox main water pump drive system) at a Max GVW of 33,000 lbs.	1	439,983.00	439,983.00T
Awning Awning	1	2,450.00	2,450.00T
Filter Box, truck mount Custom filter box storage container mounted over pump	1	5,250.00	5,250.00T
Other Discount on custom filter box	1	-5,250.00	-5,250.00T
Delivery Delivery Charge for completed NO-DES unit on lowboy truck from NM to client provided address	1	7,100.00	7,100.00T
Training Training of customer employees on the completed NO-DES unit - 5 consecutive 8hr days	1	7,850.00	7,850.00
Sales Tax -TBD Sales Tax below is estimated based on the shipping address in Milpitas, CA. Please provide delivery address for the NO-DES truck to generate a more accurate tax charge. License and registration fees are not included and are the customer's responsibility.	1	0.00	0.00
Filter 1Micron POMF-1A-2-PS-NDS POMF- HIGH EFFICIENCY, 1 micron absolute 7" X 32" PLASTIC SURE SEAL, filter bag sold in quantities of 25	1,000	10.22	10,220.00T
Freight Freight on filters to be determined at time of shipment. This is an estimate.	1	600.00	600.00

Price quote requested by Stephanie Fong -Senior Administrative Analyst.

SUBTOTAL 468,203.00
 TAX (9%) 41,377.77
TOTAL \$509,580.77

All orders are subject to terms and conditions included in NO-DES Sales Agreement. Pricing estimates are subject to change based on availability of parts & specification change requests.

Quote is considered accepted when NO-DES receives a check for 1/2 of the build price down payment (not including training, freight, or applicable sales tax), the signed Sales Agreement and

Leading By Example in Water Conservation

***OUR ADDRESS HAS CHANGED - Please note our mailing address changed from 60 Hermanos Loop to 68 Hermanos Loop! ***

a purchase order from the customer. 120 day build time starts upon NO-DES's receipt of chassis in NM manufacturing facility.

Customer is responsible for all taxes and fees associated with the sale and registration/title of the truck/trailer unit.

Accepted By

Accepted Date



NO-DES, Inc.
68 Hermanos Loop
Los Lunas, NM 87031

Tuesday, January 8, 2019

Stephanie Fong

Senior Administrative Analyst
City of Milpitas | Public Works Department | Utilities Engineering
455 E. Calaveras Blvd. | Milpitas, CA 95035

Prepared by: Chris Wilkinson
President NO-DES, Inc.

***NO-DES Patented Water Main Flushing Method and Process
Sole-Source Declaration***

NO-DES Patented Water Main Flushing Technology is a one of a kind water main flushing process with no competitors, and no other similar flushing methods available for commercial use!

US Patent # 6,627,089 B1

NO-DES is a sole-source patented manufactured technology.

Sincerely,

Chris Wilkinson
President
NO-DES, Inc.
wilkinson@no-des.com
[\(559\) 799-841](tel:(559)799-8415)



CITY OF MILPITAS SOLE SOURCE/BRAND REQUEST

THIS FORM MUST BE COMPLETED AND APPROVED PRIOR TO ANY PROCUREMENT

When a request is made for a non-competitive procurement and the specification limits the bidding to one source and/or one brand or trade name, the requesting department must complete the following. Please answer in the space provided, or in an attachment address by specific reference, each question listed below (1-5) in your justification. ***Be sure to answer each part of each question. Failure to respond fully to any of the questions could result in delay or rejection of your request due to inadequate justification.***

1. Using appropriate detail, including brand name and model number, briefly describe the product you wish to procure. In the case of a service use enough detail to clearly describe to someone not familiar with the process what you are procuring.

One (1) NO-DES Truck System, 200 psi max. standard dual 12 round Fil-Trek filter designs; includes both vessel by-pass manifold system, with a standard Detroit 260HP Diesel Freightliner chassis (with HALE gearbox main water pump drive system) at a Max GVW of 33,000 lbs. Purchase of custom unit includes an awning, replacement filter bags, employee training, delivery/freight and tax.

2. Please check one: **Cost: \$509,580.77**

a) ☒ **SOLE SOURCE:** Item is available from one source only. Item is one-of-a kind and is not sold through distributors. Manufacturer is exclusive distributor.
If it is your assertion that the manufacturer is a sole source or the distributor is the only authorized distributor in the Bay Area, Northern California; or whatever the claim is; please substantiate that with a letter from the manufacturer or distributor. The letter must be on their stationary, but can be sent via email. Attach a copy to this form.

b) ☐ **SOLE BRAND:** Various sources can supply the specified model and brand; competitive bids will be solicited for the requested brand only. Meets form, fit and function - nothing else will do.

c) ☐ **STANDARDIZATION REQUEST:** The Department requires the item to standardize parts, design, quality etc. **(This requires further discussion with the Purchasing Agent.)**

3. What are the unique performance features of the product/brand requested that are not available in any other product/brand? (For services: What unique qualifications, rights, degrees, certifications, licenses and/or experience does this vendor possess?)

The City of Milpitas performs routine flushing of the water distribution system. Additional flushing may be performed due to consumer complaints, construction, and emergencies. The flushing is to mitigate and address public health concerns and to test

the system's water pressure to assure it is sufficient for fire suppression. Flushing is also required to maintain the City's permit and remain in compliance with the State Water Control Board.

As a result of flushing operations, approximately 55,000 gallons of potable water are sent into the street and flow into the storm drain every month. Not only is this a waste of potable water, discharging flushed water to the storm drain is becoming increasingly difficult due to new State and Federal regulations and the City's water conservation efforts. As an alternative to traditional flushing, NO-DES, Inc. has developed a flushing system that functions as a portable treatment plant mounted on the back of a truck. The equipment allows water to be flushed from the distribution system (typically from a fire hydrant), filtered, disinfected (as needed), and returned back to the distribution system (typically through a second fire hydrant) with minimal or no water loss. Staff estimates that at least 664,900 gallons of water could be saved every year by using NO-DES, conserving a limited natural resource and demonstrating the City's leadership in water conservation efforts.

The NO-DES system is more effective at flushing than traditional means. The system provides higher flow rates that result in a deeper and faster cleaning of the water mains, thereby improving water pressure, fire protection flow, and extending the time between required flushing operations. The system enables staff to monitor the quality of the water during flushing operation and determine when sufficient flushing has been performed. It reduces or eliminates the need to dechlorinate flushed water that would otherwise be sent to the storm drain. Finally, after flushing is completed, staff would be able to analyze the debris captured by the filter, providing useful information for water system operations and planning.

The NO-DES system is proprietary equipment produced by NO-DES, Inc., which is the sole-source vendor. Accordingly, staff is requesting an exemption from the competitive selection process.

4. What other products/services have been examined and rejected, and why? *(Please provide a specific meaningful explanation, one vendor and one feature at a time. For products be sure to clearly identify the product by name and model number and include the name, address, and telephone number of the company representative who's product you tested.)*

NO-DES, Inc. is the sole source manufacturer of this product.

5. If justification is based on matching and/or intermixing with existing equipment (refer to 2.c.), list the quantity, manufacturer, brand, and model of the existing equipment, and why the matching is required not simply preferred.

N/A

I HEREBY CERTIFY THAT:

1. I am an approved department representative, and am aware of the City's requirements for competitive bidding, as well as the criteria for justification for sole source/brand procurements.
2. I have gathered the required technical information and have made a concentrated effort to review comparable and/or equal equipment/service.
3. There is validity as to the information contained herein justifying my request for sole source/brand procurement and meeting the City's criteria.
4. A sole source/brand procurement in this case would withstand a possible audit or a vendor's protest.

REQUESTOR _____ DATE: __/__/__

DEPT/DIV. HEAD: _____ DATE: __/__/__

PURCHASING DIVISION USE ONLY:

APPROVED: _____
NOT APPROVED: _____

PURCHASING AGENT:
DATE: __/__/__

COMMENTS:

SOLE SOURCE/BRAND REQUEST

A. OVERVIEW

Purchasing recognizes that departments often invest a great deal of time and effort in selecting a source or brand, prior to submitting a requisition to Purchasing. Even though the departmental review process prior to the submittal of a requisition may be sound, the lack of effective communication between the Buyer and the requesting department can lead to lost time in completing the acquisition of a product or service.

Likewise, Purchasing can be an effective partner in a competitive review process given adequate time and involvement in your requirement definition.

In an effort to expedite sole source/brand requisitions through Purchasing, you are directed to review the Sole Source/Brand Request form herein. If you feel your request meets the criteria, follow the instructions in filling out the form and attach it to your requisition. If the sole source/brand justification is accepted by Purchasing, the requisition can be expedited without the normal bidding requirements.

This is an internal City review process. Departments are directed to use discretion in their discussion with vendors so as to not compromise any competitive advantage that Purchasing may utilize; in the event the sole source/brand justification is rejected.

Rather than merely a shift of the review burden, this process acknowledges the significant effort a department may undertake when identifying a vendor or brand, and provides you with the method by which to make your requisitioning efforts more efficient under sole source/brand conditions.

It will also remain our responsibility to advise you when a particular competitive review process may both serve the City better and/or be required by the City's governing ordinance.

In order for Purchasing to accept a request for sole source/sole brand, the certification form referenced herein, must be made a part of your justification and be signed by authorized department representative(s). The form will remain on file for audit purposes.

B. PROCEDURE

Sole source/brand procurements are an exception to the normal procurement function and require a detailed justification. In processing sole source/sole brand requests for supplies, services and/or equipment, Purchasing adheres to and is governed by the principles set forth in City of Milpitas Municipal Code Section I-2-3.09 Sole Source Procurement as approved by the City Council.

If you are requesting a particular vendor, brand or product, you must make this fact clear on your requisition. Your request will then be restrictive and non-competitive, and will fall into a sole source/sole brand category.

Such a request should not be made unless you are confident that your request is reasonable and appropriately justified to meet the City's requirements and withstand any possible audit. The City's requirements and the format for submitting such requests are contained herein. Please make copies of the Sole Source/Brand Request form for your future use.

The following factors **DO NOT** apply to sole source/brand requests and should not be included in your sole source/brand justification. They will not be considered and only tend to confuse the evaluation process.

1. Personal preference for product or vendor.
2. Cost, vendor performance, and local service (these are generally considered award factors in competitive bidding).
3. Features which exceed the minimum department requirements.
4. Explanation of the need and/or basic use for the equipment, unless the information relates to a request for "unique factors" (refer to question 3 from the Sole Source/Brand Request form). In other words don't say you want a tree trimmer so you can trim trees, instead explain why this particular trimmer with these exact performance specifications is the only one that will meet your need.
5. A request for "no substitution" submitted without justification. This is just a sole source/brand request without justification.

Item Attachment Documents:

- C7. Approve Two Construction Contracts with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood and Robert E. Browne Parks

Chris Schroeder, 408-586-3161 and Tony Ndah, 408-586-2602

Recommendations:

1) Approve the construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood Park for the not-to-exceed amount of \$157,600.00, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$23,640.

2) Approve the construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Robert E. Browne Park for the not-to-exceed amount of \$162,100.00, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$27,860.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve Two Construction Contracts with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood and Robert E. Browne Parks
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Chris Schroeder, 408-586-3161 and Tony Ndah, 408-586-2602
Recommendations:	1) Approve the construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Pinewood Park for the not-to-exceed amount of \$157,600.00, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$23,640. 2) Approve the construction contract with DRYCO Construction, Inc. for the rehabilitation of the tennis courts at Robert E. Browne Park for the not-to-exceed amount of \$162,100.00, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$27,860.

Background: In late 2005, the tennis courts located at Pinewood Park and Robert E. Browne Park were rehabilitated by placing a synthetic fabric material, also called a slip sheet, over the existing asphalt and concrete. In the ensuing years, this slip sheet overlay has experienced wear and tear by users as well as weathering by natural forces. The courts at Pinewood Park have cracks running along the length of the court, and some cracks are greater than three inches in width. At Robert E. Browne Park, regular use of the tennis courts have worn paths in the slip sheet, and cracks run along the width of the court. Minor repairs to remediate safety risk caused by the uneven court surfaces have been made over time, but the existing wear and tear on the courts requires more significant repair and rehabilitation efforts, to ensure safety of the users and the longevity of the play surface. The proposed repair and rehabilitation work will include new posts and nets, new striping per United States Tennis Association (USTA) specs, as well as windscreen replacement. These efforts will provide another 10-15 years of safe reliable playing surfaces for these courts.

Analysis: On March 11, 2019 the Purchasing Division released two Invitations for Bids (IFB) after collaboration with the Public Works Department to develop a scope of work to rehabilitate the tennis courts located at Pinewood and Robert E. Browne Parks to maintain the courts for the public use and safety: IFB 2312 - Pinewood Park Tennis Court Rehabilitation, and IFB 2313 – Browne Park Tennis Court Rehabilitation.

The IFBs were publicly noticed in accordance with the City's Municipal code, the California Uniform Public Construction Cost Accounting Act, advertised on the City's website, email notifications were sent to companies registered with the City with the proper contractor's licensing and via GovList.us, the City's eProcurement system. The same contractors submitted bids for both projects by the 2:00 p.m. deadline on March 25, 2019. For both IFBs, all bids received were responsive. The table below shows the bid prices for the Pinewood Park project and the winning bidder highlighted in green:

Pinewood Park Tennis Court Rehabilitation IFB NO: 2312	Silicon Valley Paving, Inc.	DRYCO Construction, Inc.	American Asphalt Repair & Resurfacing Co., Inc.
Amount of Bid	\$204,394.00	\$157,600.00	\$190,086.00

The table below shows the bid price for the Robert E. Browne Park project and the winning bidder highlighted in green:

Browne Park Tennis Court Rehabilitation IFB NO: 2313	Silicon Valley Paving, Inc.	DRYCO Construction , Inc.	American Asphalt Repair & Resurfacing Co., Inc.
Amount of Bid	\$193,950.00	\$162,100.00	\$200,158.00

Pending approval of the two construction contracts with DRYCO Construction, Inc. the rehabilitation projects are expected to be completed by the end of the calendar year. Staff recommends the City Council accept the bids for the tennis court rehabilitation projects at Pinewood Park and Robert E. Browne Park, and award both contracts to the lowest responsible bidder submitting responsive bids on both projects - DRYCO Construction, Inc.

Policy Alternative: None

Fiscal Impact: The cost to rehabilitate the tennis courts at Pinewood Park and Robert E. Browne Park through construction contracts with DRYCO Construction, Inc. is \$157,600 and \$162,100, respectively. Staff recommends the City Council authorize the Public Works Director to negotiate and execute change order(s) of \$23,640 and \$27,860, which is approximately fifteen percent (15%) of each contract value, to allow staff to respond swiftly to unanticipated construction site conditions. There are sufficient funds available in Capital Improvement Project No. 5113 and 3424 for this work.

California Environmental Quality Act: These projects are exempt from CEQA under Class 1 - Section 15301 - Existing Facilities because they relate to the operation, repair, maintenance or minor alterations to a public facility involving no or negligible expansion of use.

Recommendations:

- 1) Approve award of the construction contract to DRYCO Construction, Inc., for the rehabilitation of the tennis courts at Pinewood Park for the lump sum amount of \$157,600, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$23,640.
- 2) Approve award of the construction contract to DRYCO Construction, Inc., for the rehabilitation of the tennis courts at Robert E. Browne Park for the lump sum amount of \$162,100, and authorize the Public Works Director to Negotiate and Execute Contract Change Order(s) in an Aggregate Amount Not to Exceed \$27,860.

Attachments:

- a. Construction Contract with DRYCO Construction, Inc. – Pinewood Park
- b. Construction Contract with DRYCO Construction, Inc. – Robert E. Browne Park

**CITY OF MILPITAS
CONSTRUCTION CONTRACT
Pinewood Park Tennis Court Rehabilitation Project**

1. PARTIES AND DATE.

This Contract is made and entered into this _____ day of _____, 2019 by and between the City of Milpitas, a public agency and public corporation of the State of California ("City") and **DRYCO Construction, Inc.**, a California corporation with its principal place of business at **42745 Bocesell Road Fremont, CA 94538** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. RECITALS.

2.1 City. City is a public agency organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing tennis court rehabilitation related construction services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. The following license classifications are required for this Project: **A - GENERAL ENGINEERING CONTRACTOR.**

2.3 Project. City desires to engage Contractor to render such services for the Pinewood Park Tennis Court Rehabilitation project ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a performance bond, a payment bond, and all insurance documentation, as required by the Contract.

3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Services/Schedule (Exhibit "A")
- Plans and Specifications (Exhibit "B")
- Special Conditions (Exhibit "C")
- Contractor's Certificate Regarding Workers' Compensation (Exhibit "D")
- Public Works Contractor Registration Certification (Exhibit "E")
- Payment and Performance Bonds (Exhibit "F")
- Insurance Requirements (Exhibit "G")
- Federal Requirements (Exhibit "H")
- Addenda
- Change Orders executed by the City
- Current Edition of the Caltrans Standard Specifications, Excluding Division I (Sections 1-9)
- Current Edition of the Caltrans Standard Plans

- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "B" attached hereto and incorporated herein by this reference. Special Conditions, if any, relating to the Work are described in Exhibit "C" attached hereto and incorporated herein by this reference.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the City. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the City may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.2.2 Substitutions/"Or Equal". Pursuant to Public Contract Code Section 3400(b), the City may make a finding that designates certain products, things, or services by specific brand or trade name. Unless specifically designated in this Contract, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal."

Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in this Contract. However, the City may have adopted certain uniform standards for certain materials, processes and articles. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding submission of "or equal" requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed "or equal" substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to substantiate requests for substitutions of an "or equal" material, process or article data shall include a signed affidavit from Contractor stating that, and describing how, the substituted "or

equal” material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted “or equal” material, process or article, and substantiates that it is an “or equal” to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted “or equal” material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the City in a timely fashion will result in the rejection of the proposed substitution.

Contractor shall bear all of the City’s costs associated with the review of substitution requests. Contractor shall be responsible for all costs related to a substituted “or equal” material, process or article. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

3.3 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **One Hundred Twenty (120) working days**, beginning the effective date of the Notice to Proceed (“Contract Time”). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits “A” or “B” attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of Five Hundred Dollars and Zero Cents (\$500.00) per day for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract

3.4 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including an City Business License, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by Contractor’s failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor’s exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance

under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.6 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **One Hundred Fifty-Seven Thousand Six Hundred Dollars and Zero Cents (\$157,600.00)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.7.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

3.7.3 Prompt Payment. City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. However, no progress payments will be made for Work not completed in accordance with this Contract. Contractor shall comply with all applicable laws, rules and regulations relating to the proper payment of its employees, subcontractors, suppliers or others.

3.7.4 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion

date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.7.6 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.7.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.7.8 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the Work governed by this Contract prior to final payment by City.

3.7.9 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor's

principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

3.7.10 Apprenticeable Crafts. When Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor. The Contractor or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding \$100 for each full calendar day of noncompliance, or such greater amount as provided by law.

3.7.11 Hours of Work. Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of \$25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.7.12 Payroll Records. Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such Contractor must comply with this section. Should noncompliance still be evident after such 10-day period, Contractor shall, as a penalty to City, forfeit not more than \$100.00 for each calendar day or portion thereof, for each worker, until strict compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on Contractor. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.7.13 Contractor and Subcontractor Registration. Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements

mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

3.7.14 Labor Compliance; Stop Orders. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.8 Performance of Work; Jobsite Obligations.

3.8.1 Water Quality Management and Compliance.

3.8.1.1 Water Quality Management and Compliance. Contractor shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through different phases of construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

3.8.1.3 Other Water Quality Rules Regulations and Policies. Contractor shall comply with the lawful requirements of any applicable municipality, drainage City, or local agency regarding discharges of storm water to separate storm drain systems or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

3.8.1.4 Cost of Compliance. Storm, surface, nuisance, or other waters may be encountered at various times during construction of The Work. Therefore, the Contractor, by submitting a Bid, hereby acknowledges that it has investigated the risk arising from such waters, has prepared its Bid accordingly, and assumes any and all risks and liabilities arising therefrom.

3.8.1.5 Liability for Non-Compliance. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to defend, indemnify and hold harmless the City and its directors, officials, officers, employees, volunteers and agents for any alleged violations. In addition, City may seek damages from Contractor for any delay in completing the Work in accordance with the Contract, if such delay is caused by or related to Contractor's failure to comply with the Permit.

3.8.1.6 Reservation of Right to Defend. City reserves the right to defend any enforcement action brought against the City for Contractor's failure to comply with the Permit or any other relevant water quality law, regulation, or policy. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to be bound by, and to reimburse the City for the costs (including the City's attorney's fees) associated with, any settlement reached between the City and the relevant enforcement entity.

3.8.1.7 Training. In addition to the standard of performance requirements set forth in paragraph 3.4, Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them without impacting water quality in violation of the laws, regulations and policies described in paragraph 3.8.1. Consultant further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in paragraph 3.8.1 as they may relate to the Work provided under this Agreement. Upon request, City will provide the Contractor with a list of training programs that meet the requirements of this paragraph.

3.8.2 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.8.3 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and

regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8.4 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, a City Business License. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's applicable business license fee. Any ineligible contractor or subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

3.8.5 Trenching Work. If the Total Contract Price exceeds \$25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.8.6 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.8.8 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.8.9 State Recycling Mandates. Contractor shall comply with State Recycling Mandates. Any recyclable materials/debris collected by the contractor that can be feasibly diverted via reuse or recycling must be hauled by the appropriate handler for reuse or recycling.

3.9 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.10 Claims; Government Code Claim Compliance.

3.10.1 Intent. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than the date of final payment. The claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to

compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

3.10.3 Supporting Documentation. The Contractor shall submit all claims in the following format:

3.10.3.1 Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

3.10.3.2 List of documents relating to claim:

- (A) Specifications
- (B) Drawings
- (C) Clarifications (Requests for Information)
- (D) Schedules
- (E) Other

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

3.10.4 City's Response. Upon receipt of a claim pursuant to this Section, City shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the Contractor a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 days after the public entity issues its written statement.

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

3.10.4.2 Within 30 days of receipt of a claim, City may request in writing additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of City and the Contractor.

3.10.4.3 City's written response to the claim, as further documented, shall be submitted to the Contractor within 30 days (if the claim is less than \$50,000, within 15 days) after receipt of the further documentation, or within a period of time no

greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

3.10.5 Meet and Confer. If the Contractor disputes City's written response, or City fails to respond within the time prescribed, the Contractor may so notify City, in writing, either within 15 days of receipt of City's response or within 15 days of City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, City shall schedule a meet and confer conference within 30 days for settlement of the dispute.

3.10.6 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, City shall provide the Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after City issues its written statement. Any disputed portion of the claim, as identified by the Contractor in writing, shall be submitted to nonbinding mediation, with City and the Contractor sharing the associated costs equally. City and Contractor shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing, unless the parties agree to select a mediator at a later time.

3.10.6.1 If the Parties cannot agree upon a mediator, each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

3.10.6.3 Unless otherwise agreed to by City and the Contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

3.10.6.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the Contractor last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation, unless a new unrelated claim arises after mediation is completed.

3.10.7 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the Contractor must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

3.10.8 Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

3.10.8.1 Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.10.8.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

3.10.8.3 In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

3.10.10 Non-Waiver. City's failure to respond to a claim from the Contractor within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

3.11 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. In the event of damage proximately caused by an Act of God, as defined by Section 7105 of the Public Contract Code, the City may terminate this Contract pursuant to Section 3.17.3; provided, however, that the City needs to provide Contractor with only one (1) day advanced written notice.

3.12 Indemnification.

3.12.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the City or the City's agents, servants, or independent contractors who are directly responsible to the City, or for defects in design furnished by those persons.

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

3.13 Insurance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under Exhibit "G" (Insurance Requirements), attached hereto and incorporated herein by this reference. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required therein. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Contract for cause.

3.14 Bond Requirements.

3.14.1 Payment Bond. If required by Civil Code section 9550, as it may be amended from time to time, or otherwise specifically requested by City as set forth in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and

in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. If Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.14.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.16 Employee/Labor Certifications.

3.16.1 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.16.2 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.16.3 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

3.17 General Provisions.

3.17.1 City's Representative. The City hereby designates the General Manager, or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with or without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any

other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.17.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.17.5 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to Contractor, without further acknowledgment by the Parties.

3.17.6 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR:

DRYCO Construction Inc.
42745 Boscell Road
Fremont, CA 94538
Attn: Alan Berger, Operations Manager

CITY:

City of Milpitas
455 E. Calaveras Boulevard
Milpitas, California 95035
Attn: City Manager

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.17.7 Time of Essence. Time is of the essence in the performance of this Contract.

3.17.8 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option,

terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.17.9 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.17.10 Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Santa Clara, State of California.

3.17.11 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.17.12 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.17.13 [Reserved]

3.17.14 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

3.17.16.1 Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged

violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

3.17.17 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.17.18 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.17.19 Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.17.20 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project or other projects.

3.17.21 Wage Theft Prevention.

3.17.21.1 Contractor, and any subcontractor it employs to complete work under this Contract, shall comply with all applicable federal, state and local wage and hour laws. Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act, the California Labor Code and the Milpitas Minimum Wage Ordinance.

3.17.21.2 BY SIGNING THIS CONTRACT, CONTRACTOR AFFIRMS THAT IT HAS DISCLOSED ANY FINAL JUDGMENTS, DECISIONS OR ORDERS FROM A COURT OR INVESTIGATORY GOVERNMENT AGENCY, FINDING IN THE FIVE (5) YEARS PRIOR TO EXECUTING THIS CONTRACT THAT CONTRACTOR OR ITS SUBCONTRACTORS HAS VIOLATED ANY APPLICABLE WAGE AND HOUR LAWS. CONTRACTOR FURTHER AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) HAS EITHER FULLY SATISFIED EACH JUDGMENT, DECISION OR ORDER, OR, IF ANY JUDGMENT, DECISION OR ORDER HAS NOT BEEN FULLY SATISFIED, CONTRACTOR AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) IS CURRENTLY SATISFYING SAID JUDGMENT, DECISION OR ORDER THROUGH A PAYMENT OR ALTERNATIVE PLAN APPROVED BY THE APPLICABLE COURT/GOVERNMENT AGENCY AND THAT CONTRACTOR OR ITS SUBCONTRACTOR(S) ARE IN COMPLIANCE WITH SAID PLAN AS OF THE DATE OF EXECUTING THIS CONTRACT.

3.17.21.3 If at any time during the term of this Contract, a court or investigatory government agency issues a final judgment, decision or order finding that Contractor or a subcontractor it employs to perform work under this Contract has violated any applicable wage and hour law, or Contractor learns of such a judgment, decision, or order that was not previously disclosed in its bid/proposal, Contractor shall inform the City no more than fifteen (15) calendar days after the judgment, decision or order becomes final or from the date of learning of the final judgment, decision or order. Contractor or its subcontractor(s) shall, within thirty (30) calendar days after notifying the City, either (i) fully satisfy any such judgment, decision, or order and provide the City with documentary evidence of satisfying said judgment, decision or order; or (ii) provide the City documentary evidence of a payment or other alternative plan approved by the court/government agency to satisfy the judgment, decision or order. If the Contractor or its subcontractor is subject to a payment or other alternative plan, the Contractor or its subcontractor shall continue to submit documentary evidence every thirty (30) calendar

days during the term of the Contract demonstrating continued compliance with the plan until the judgment, decision or order has been fully satisfied.

3.17.21.4 For purposes of this Section, a "final judgment, decision, or order" refers to one for which all appeals have been exhausted or the time period to appeal has expired. Relevant investigatory government agencies include: the United States Department of Labor, the California Division of Labor Standards Enforcement, the City, or any other governmental entity or division tasked with the investigation and enforcement of wage and hour laws.

3.17.21.5 Failure to comply with any part of this Section constitutes a material breach of this Contract. Such breach may serve as a basis for immediate termination of this Contract and/or any other remedies available under this Contract and/or law.

3.17.21.6 Notice provided to the City shall be addressed to: Attention: Finance Director, 455 E. Calaveras Blvd. Milpitas, CA 95035. The Notice provisions of this Section are separate from any other notice provisions in this Contract and, accordingly, only notice provided to the above address satisfies the notice requirements in this Section.

3.17.22 Federal Provisions. [RESERVED].

[SIGNATURES ON NEXT PAGE]

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT
BETWEEN THE CITY OF MILPITAS
AND DRYCO CONSTRUCTION, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the _____ day of _____, 2019.

CITY OF MILPITAS

Approved By:

Julie Edmonds-Mares
City Manager

Date

Approved As To Form:

Christopher J. Diaz
City Attorney

Approved As To Content:

Jane Copus
Interim Director of Financial Services

Approved As To Scope:

Tony Ndah
Director of Public Works

DRYCO CONSTRUCTION, INC.

Signature

Name

Title

Date

EXHIBIT "A" - SERVICES / SCHEDULE

PINEWOOD PARK TENNIS COURT REHABILITATION

PART 1 GENERAL

1.01 SUMMARY

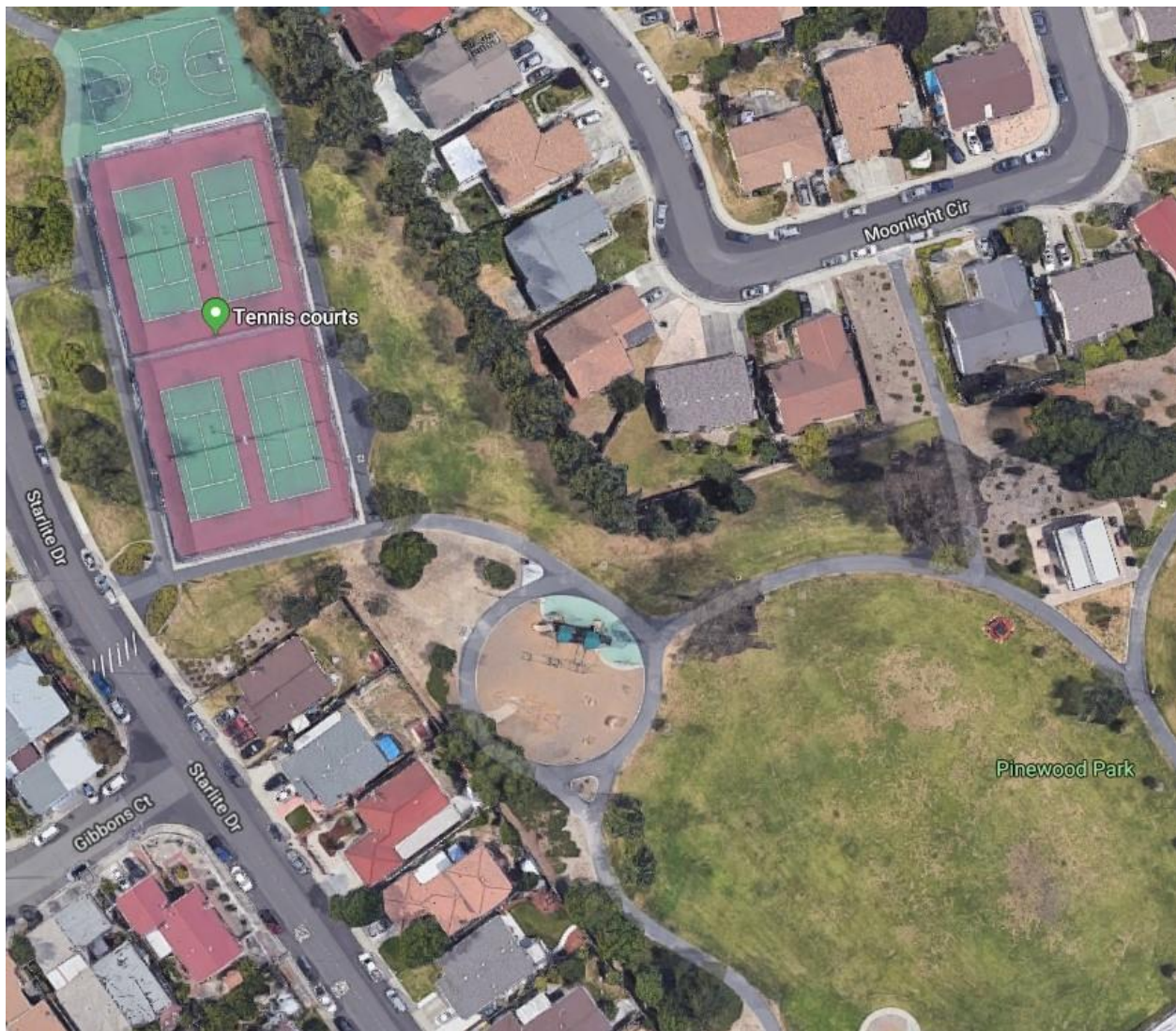
Furnish all labor, materials, equipment, facilities, transportation and services to complete tennis court rehabilitation and the related works at Pinewood Park as shown on the Drawings and/or specified herein.

- A. The general extent of the tennis court rehabilitation work is described in the Specifications and as shown on the Plans, and includes, but is not necessarily limited to furnishing all labor, materials, equipment, appliances, transportation, for removing the existing slip-sheet overlay over the original asphalt layer, patching the cracks and leveling the original asphalt layer surface where necessary, hot asphalt paving and resurfacing with acrylic resurfacer and acrylic surface color coatings, and striping, rehabilitation of the chain link fences, and replacement of the windscreens, and the poles and nets.

1. Pinewood Park

Pinewood Park has four (4) tennis courts, total area approximately 26,000 SF, with a playing area of 11,232 SF, and outside area of 14,688 SF.

[Continues on Following Page]



Scope of work shall include:

- a) The tennis courts were originally asphalt pavement. However, in the past, when cracks had developed on the surface of the courts, repairs had been performed using slip-sheet overlays.
- b) As a first step in the tennis court repair procedure, these slip-sheet overlays shall be removed for disposal.
- c) The exposed asphalt pavement layer surface shall be levelled by grinding as required, and cleaned of dust and debris and the cracks in the asphalt pavement shall be repaired.
- d) Tack coat shall be applied to the surface of the asphalt layer, followed by a layer of pavement reinforcing fabric over the entire court.
- e) Hot mix Asphalt layer with half-inch aggregate compacted to 2-inch thickness in one lift shall be furnished and installed over the entire court area at the grades indicated on the Plan.

- f) After the newly installed 2-inch asphalt layer has cured for not less than three (3) weeks, refinement course shall be applied. Followed by filler coats and seal coats.
- g) Playing lines and striping shall be per United States Tennis Association (USTA).
- h) Sagging and bulging bottom portion of chain link fence around the tennis courts, shall be stretched out. The chain link fence separating the tennis courts shall be replaced.
- i) Existing windscreens over the entire chain link fence shall be replaced with new windscreens
- j) New tennis posts to match the new surface shall be furnished and installed.
- k) New nets, center tie down mounts designed for heavy duty outdoor municipal use shall be furnished and installed.

1.02 SCHEDULING WORK

The work of tennis court rehabilitation shall be carried out in such order and with timelines that the applications of resurfacing shall be completed in ample time to accomplish drying period and application of color seal within the contract time of this project.

1.03 ACCEPTANCE OF SUBSURFACE

Prior to beginning the work of tennis court rehabilitation, the contractor shall verify the elevations, grades and condition of the asphalt concrete subsurface and shall declare if the surface is acceptable, in writing, to the City's Representative.

1.04 WEATHER LIMITATIONS

No parts of the construction work involving rehabilitation shall be conducted during rainfall (or when rainfall is imminent) and unless the air temperature is at least 55° F and rising.

1.05 COOPERATION

Close cooperation is required between contractors involved in constructing the work. The General Contractor shall be responsible for coordinating all subcontractors and sequencing the work as necessary.

1.06 SUBMITTALS

Submit product information, including product MSDS data, cut-sheets, and samples of the following materials:

- 1. Binder
- 2. Patching Mix and Crack Filler

3. Crack Repair System
4. Refinement Course
5. Surface Colors
6. Surface Sealers
7. Line Paint
8. Pavement reinforcing fabric
9. Asphalt concrete

1.07 WARRANTIES

- A. Contractor's Labor and Material Guarantee: Correct defective Work at no cost to the City. Warranty period is to be one year from the date of Final Completion unless otherwise noted.
- B. Product Manufacturer's Warranty: Warranty all work under this section in a written document endorsed by the Manufacturer as noted below.

PART 2 PRODUCTS

2.01 MATERIALS

- A. Binder: asphalt emulsion conforming to Federal Specification SS-A-674c and/or ASTM D977.
- B. Acrylic Patching Mix – for use in patching cracks (for linear cracks smaller than 1/16" width), holes, depressions and other surface imperfections: shall be California Court Patch Binder or approved equal. Available thru DecoTurf, Ph. 1-800-332-6178.

Court Patch Binder – 100% acrylic resin blended with Portland cement and silica sand.

- a) Percent solids by weight (minimum): 46%
- b) Weight: 8.7-8.9 lbs. /gallon

- C. Acrylic Crack Filler - for use in filling cracks (for linear cracks smaller than 1/2" width), as necessary, shall be California Crack Filler or approved equal. Available thru DecoTurf, Ph. 1-800-332-6178.

California Crack Filler – 100% acrylic resin heavily filled with sand.

- a) Percent solids by weight (minimum): 85%
- b) Present solids by weight (minimum): 15lbs. /gallon.

- D. Crack Repair System: Shall be RiteWay Crack Repair System, or approved equal. Ph. (877)574-8392.

- E. Refinement Course Materials: "Deco Crack Filler 64061" by Calif. Products Corp, "Laykold Resurfacer" by Hawker Manufacturing, Inc., "A.C. Fillercoat" by Asphalt Products Oil Corp., "Surfix TT650" by Cosmicoat, Inc., "301 Western Filler Coat Binder" by Western Colloid Products, Inc. or approved equal.
- F. Surface Colors: Shall be per USTA Green (playing court area) and USTA Red (outer court perimeter areas).
- G. Surface Sealer with Color and Filler: "920-27 Deco-Color MP" by California Products Co., Hawker Colorcoat Concentrate by Hawker Manufacturing, Inc., Laykold Color Coat Concentrate by Advanced Polymer Technology, or approved equal.
- H. Line Paint: Shall be Koch Decocolor # 920-03 white paint as available from California Products, or approved equal.
- I. Water: The water for all mixes shall be fresh and potable.
- J. Plaster Sand: Shall be clean, free from silt or clay, and graded as follows:

Sieve Size	% Passing
#4	100
#8	95-100
#16	70-100
#30	40-70

The following mix shall be used for the refinement course:

3 gallons Plaster Sand
 2 gallons Refinement Course Material
 ½ gallon Binder
 Water to make a free-flowing mix

- K. Surface Colors: Shall match existing tennis court surfacing colors.
- L. Pavement reinforcement fabric: PETROMAT® 4598. The geotextile construction shall be a needle-punched nonwoven geotextile composed of 75% polypropylene and 25% recycled polyester, staple fiber, calendared on one side.
 The geotextile should be resistant to ultraviolet degradation.

The geotextile should meet the following Minimum Average Roll Values (MARV) for woven geotextile:

Property	Test Method	Units	Property Requirement
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Grab Tensile Strength	ASTM D 4632	N (lbs.)	450 (101)
Grab Elongation	ASTM D 4632	percent	50
Mass Per Unit Area	ASTM D 5261	g/m ² (oz./yd ²)	140 (4.1)
Asphalt Retention	ASTM D 6140	l/m ² (gal/yd ²)	0.9 (0.20)
Melting Point	ASTM D 276	Degrees C (Degrees F)	160 (320)
UV Resistance	ASTM D 4355	percent	70 To 150 hrs.

M. Asphalt Concrete Pavement

Paving Asphalt Binder: Shall be PG 64-10 or PG 64-14, conforming to Section 92 of the Cal Trans Standard Specification.

Tack Coat: Asphaltic emulsion to be penetration type conforming to the requirement of Section 94 of the Cal Trans Standard Specification SS-1. Asphalt concrete shall be placed with 24 hours of applying the tack coat. Contractor shall reapply the tack coat if more than 24 hours has passed at no additional cost the City.

Aggregate: All aggregates in asphalt mix for the tennis court surfacing shall be virgin material. All aggregates shall be ½ inch medium per Section 39 of the Cal Trans Standard Specification, unless otherwise noted.

N. Windscreen

Windscreen shall be polypropylene, dark green in color, 9-ft high, open mesh, 90% blockage, with finished edges and grommets and center reinforcing tape and center grommets.

PART 3 EXECUTION

3.01 DEMOLITION AND REMOVAL OF THE EXISTING SLIP SHEET OVERLAY

Contractor shall demolish and remove the existing slip sheet cover to expose the existing asphalt pavement. The asphalt pavement shall be cleaned of debris and loose material and the cracks shall be repaired.

3.02 SURFACE PATCHING AND CRACK REPAIR

- A. Contractor shall clean the courts area free of sand, clay, grease, dust, salt, water, vegetation, organic matter, or other foreign matter.
- B. All identified surface cracks exceeding 3 mm (1/8 in) in width shall be filled with crack filler in accordance with the product's published application instruction, and then repaired with specified crack repair system (also in strict accordance with the product's published application instructions). Do not install when rainfall is imminent or extremely high humidity prevents drying. Do not apply unless the surface and air temperatures are 50⁰ F and rising, or do not apply if surface temperature is in excess of 140⁰ F.
- C. Fillers shall be allowed to cure prior to geotextile placement.

3.02 PAVEMENT REINFORCEMENT FABRIC

- A. Install pavement reinforcing fabric along with the tack coat over the entire surface of the tennis courts in preparation for laying the 2-inch hot asphalt pavement. Hot asphalt pavement shall be installed within 24 hours of applying the tack coat.
- B. The tennis courts shall be cleaned using forced air and/or brooms for proper adhesion. The area to be covered with fabric shall be sprayed uniformly with asphaltic cement tack coat at a rate of 0.25 to 0.30 gallon per sq. yd.

3.03 TACK COAT

Tack application shall be accomplished with a pressure distributor for all surfaces except that, where the distributor does not have room to operate, hand spraying will be used. The binder shall not be applied at a temperature greater than 325 degrees F to avoid damage to the fabric. After the binder has been sprayed, the fabric shall be unrolled or hand placed on the binder as smoothly as possible. The fabric will be broomed or squeezed to remove air bubbles and allow complete contact with the surface. The fabric will overlap the adjacent fabric panel a minimum of 6".

3.04 HOT ASPHALT PAVEMENT

- A. Hot asphalt pavement overlay on top of fabric will be placed at a mix temperature of 300 degrees F and not to be less than 2" compacted thickness to insure compliance with manufacturer's requirements.

A 2-ft wide strip along all the four edges of the existing tennis courts shall be excavated and replaced with new hot asphalt paving. The paved strip shall be feathered to the edges of the tennis courts.

- B. On a day when the air temperature is 70⁰ F to 90⁰ F, the Contractor shall flood the entire courts and allow draining. After 30 minutes, the Contractor shall define and mark all area holding enough water to cover a nickel. These identified and marked depressions shall be filled with the Acrylic Patching Mix, 3 gallons of Court Patch Binder, 100 lbs. 60-80 silica sand, 1 gallon Dry Portland Cement (Type I). After the defined area are dry, prime with a tack coat mixture of 2 parts water, 1 part Court Patch Binder. Allow tack coat to dry completely. Spread the Court Patch Binder mix true to grade using a straight edge (never a squeeze) for strike off. Steel trowel or wood float the patch so that the texture matches the surrounding area. Never add water to the mix. Light misting on the surface and edges to feather may be needed to maintain workability. Allow to dry thoroughly and cure. No work from this stage shall proceed until the City has accepted the surface.

3.05 REFINEMENT COURSE

The first step of the refinement course process shall be to flood the entire area with water. Areas that retain water greater than one-sixteenth inch (1/16") in depth after one hour (at 70⁰ F) shall be patched and leveled.

Three squeegee coats of sanded refinement course material shall be applied by pouring from a can or wheeled container to continuous parallel lines and spreading immediately with rubber-faced squeegees or long handled hair brooms. Apply squeegee coats in the following directions:

1. First Coat – apply lengthwise of the court.
2. Second and third coat – apply cross court.

The squeegee or broom shall be pulled on an angle from the line of spread so as to continually pool the material toward the operator and not to overflow or "spill" on its forward edge away from the operator. After each coat has dried, all ridges shall be removed with scrapers and the surface thoroughly rolled.

The minimum application shall be at the rate of not less than thirty (30) gallons of undiluted refinement course material per 1,000 square feet.

Upon completion of rolling, the area shall be water flooded and all depressions holding over one eighth inch (1/8") depth of water shall be filled with the refinement course material, allowed to cure, and then finish rolled with a 2- to 3-ton tandem roller. The finished surface shall be smooth, free of ridges, valleys and tool marks.

3.06 SURFACE SEALER

- A. Filler Coats: Over the completed refinement course apply two (2) coats of approved product. Method of application shall be in strict accordance with the manufacturers printed instructions. Color shall be full depth of court coverage.
- B. Sealer Coat: The final surface sealer shall be applied in strict accordance with the manufacturers printed instructions. Color shall be full depth of court coverage.

3.07 PLAYING LINES

Following the drying of the finished surface, lines shall be striped using only acceptable white latex line paint. All measurements shall conform to the United States Tennis Association and NCAA dimensions and shall be two (2) inches in width. All lines shall be straight and true, with no irregular edging.

3.08 CHAIN-LINK FENCE

Sections of the existing chain-link fences around the tennis courts and those separating the tennis courts are loose at the posts, and the rails resulting in bulging and sagging of the fence. The Contractor shall identify those sections of the chain-link that require adjustment. These loose and bulging sections of the chain-link fence shall be adjusted where required at the intermediate posts and at the top, mid and bottom to make them tight. The contractor shall use as much of the existing sound materials of the chain-link fence as possible, but must replace and provide all other necessary components of the chain-link fence needed to rehabilitate the existing chain-link fences. The price for this items shall include all labor and material required to rehabilitate the existing chain-link fence.

3.09 WINDSCREEN

Start at one end of the fence area to be covered. Lay out full panel along area to be covered. Attach top corner grommet to the fence then, attach along top, pulling cover taut with each grommet attachment for about 10'.

Go back to end and from top-to-bottom attach vertical edge to the fence all the way to the bottom, again pulling taut as each tie is secured. Continue attachment along bottom for about 10' pulling cover taut and making it as wrinkle free as possible. If two or more people are working on the panel, have one person begin attachment at the top and the second person at the bottom, working about 10' behind the first.

After the first 10' of windscreen is attached at top and bottom, go back to the top and attach along the next 10', pulling taut. Continue top/bottom attachment until panel is completely in place.

Continue installation with remaining panels using the same procedure.

Don't install on a windy day. Wind will complicate installation.

3.10 INSTALLATION OF NETS ON POSTS

- A. Contractor shall be responsible for removal and disposal of existing net posts, and to modify and /or replace as necessary the existing sleeve for the new posts.
- B. Contractor shall be responsible for the proper construction timing of installation of the net posts in conformance with all the other pertinent work.
- C. Net posts shall be inspected and accepted upon delivery by the Contractor. Final acceptance of site furnishings shall be per the discretion of the City.
- D. Tennis posts shall be erected in strict conformance with the manufacturer's instructions.

3.11 TRAFFIC

Following the painting of lines, the courts shall be allowed to cure for a minimum of four (4) days before being opened to play. Gates shall be secured at all times until project Final Acceptance.

3.12 CLEANUP

Upon completion, the contractor shall remove all over-spray, splatter, containers, surplus materials and debris, and leave the site in a clean and orderly condition acceptable to the City's Representative.

3.13 GUARANTY

This contractor shall guaranty all tennis court paving and surfacing against peeling of surface and other defects of materials or workmanship for a period of one year from Final Acceptance.

- END OF SECTION -

EXHIBIT “B”
PLANS AND SPECIFICATIONS

[RESERVED]

EXHIBIT “C”

SPECIAL CONDITIONS

ARTICLE 1. BONDS

Within ten (10) calendar days from the date the Contractor is notified of award of the Contract, the Contractor shall deliver to the City four identical counterparts of the Performance Bond and Payment Bond on the forms supplied by the City and included as Exhibit “F” to the Contract. Failure to do so may, in the sole discretion of City, result in the forfeiture of Contractor’s bid security. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the City. The Performance Bond and the Payment Bond shall be for one hundred percent (100%) of the Total Contract Price.

EXHIBIT "D"

**CERTIFICATION
LABOR CODE - SECTION 1861**

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

DRYCO Construction Inc.

By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT "E"

PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for additional information.

No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work.

Contractor hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.¹

Name of Contractor: DRYCO Construction Inc.

DIR Registration Number: _____

DIR Registration Expiration: _____

Small Project Exemption: _____ Yes or X No

Unless Contractor is exempt pursuant to the small project exemption, Contractor further acknowledges:

- Contractor shall maintain a current DIR registration for the duration of the project.
- Contractor shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.
- Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Contractor _____

Signature _____

Name and Title _____

Dated _____

¹ If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark "Yes" in response to "Small Project Exemption."

EXHIBIT “F”
PAYMENT AND PERFORMANCE BONDS

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Milpitas (hereinafter referred to as "City") has awarded to _____, (hereinafter referred to as the "Contractor") _____ an agreement for _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship, Surety shall undertake and faithfully fulfill all such obligations. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's

rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- (3) Permit the City to complete the Project in any manner consistent with local, California and federal law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__).

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____

Attorney-in-Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

(Attach Attorney-in-Fact Certificate)

Title _____

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$_____.
(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety) _____

(Name and Address of Agent or Representative for service of process in California, if different from above) _____

(Telephone number of Surety and Agent or Representative for service of process in California) _____

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited
 ☐ General

- ☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Milpitas (hereinafter designated as the "City"), by action taken or a resolution passed _____, 20____ has awarded to _____ hereinafter designated as the "Principal," a contract for the work described as follows:

_____ (the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated _____ ("Contract Documents"), the terms and conditions of which are expressly incorporated by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City in the penal sum of _____ Dollars (\$_____) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of

improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned and the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____
Attorney-in-Fact

Title _____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so much be attached hereto.

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited
☐ General

- ☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

EXHIBIT "G"

INSURANCE REQUIREMENTS

Please refer to the insurance requirements listed below. Those that have an "X" indicated in the space before the requirement apply to Contractor's or Consultant's Agreement.

Contractor or Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor or Consultant, its agents, representatives, employees or subcontractors.

Contractor or Consultant shall provide its insurance broker(s)/agent(s) with a copy of these requirements and request that they provide Certificates of Insurance complete with copies of all required endorsements.

Contractor or Consultant shall furnish City with copies of original endorsements affecting coverage required by this Exhibit G. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements and certificates are to be received and approved by City before work commences. City has the right to require Contractor's or Consultant's insurer to provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

Commercial General Liability (CGL):

- ☐ Coverage at least as broad as Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- ☒ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- ☐ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$5,000,000** per occurrence. If a general aggregate limit applies, either the general

aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability:

X_ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), of if Contractor or Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.

___ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), with limits no less than **\$5,000,000** per accident for bodily injury and property damage.

___ Garage keepers' extra liability endorsement to extend coverage to all vehicles in the care, custody and control of the Contractor or Consultant, regardless of where the vehicles are kept or driven.

Professional Liability (Errors and Omissions):

The Employer's Liability policy shall be endorsed to waive any right of subrogation as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees.

___ Insurance appropriate to the Contractor or Consultant's profession, with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate

___ (If Design/Build), with limits no less than **\$1,000,000** per occurrence or claim, and **\$2,000,000** policy aggregate.

___ Insurance appropriate to the Contractor or Consultant's profession, with limit no less than _____ per occurrence or claim, _____ aggregate

Workers' Compensation Insurance:

X Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. *(Not required if Contractor or Consultant provides written verification it has no employees)*

The Contractor or Consultant makes the following certification, required by section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake

self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor/Consultant Signature

Builder's Risk (Course of Construction):

___ Insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.

Surety Bonds:

X_ Contractor shall provide the following Surety Bonds:

1. Bid Bond
2. Performance Bond
3. Payment Bond

The Payment Bond and Performance Bond shall be in a sum equal to the contract price. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Contractor's or Consultant's Pollution Legal Liability:

___ Contractor's or Consultant's pollution legal liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than **\$1,000,000** per occurrence or claim and **\$2,000,000** policy aggregate.

If the Contractor or Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor or Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain the following provisions:

Additional Insured Status:

The insurance policies are to contain, or be endorsed to contain the following provision:

The City, its elected and appointed officials, officers, attorneys, agents, and employees are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor or Consultant or any subcontractors including materials, parts, or equipment furnished in connection with such work or operations, including completed operations. General liability coverage can be provided in the form of an endorsement to the Contractor's or Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

The Additional Insured coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from the City's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13.

The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City (if agreed to in a written contract or agreement) before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

Primary Coverage:

The insurance policies are to contain, or be endorsed to contain the following provision:

For any claims related to this contract, the **Contractor's or Consultant's insurance coverage shall be primary insurance** as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees. Any insurance or self-insurance maintained by the City, its elected and appointed officials, officers, attorneys, agents, and employees shall be in excess of the Contractor's or Consultant's insurance and shall not contribute with it.

Builder's Risk (Course of Construction Insurance) (applicable to Construction Contracts only)

Contractor or Consultant may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage **shall name the City as a loss payee** as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel,

modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the City's site.

Notice of Cancellation, Suspension or Otherwise Voiding Policies:

Each insurance policy required above shall contain, or be endorsed to contain **that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except with thirty (30) days' prior written notice** by certified mail, return receipt requested to the City.

Waiver of Subrogation:

Contractor or Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor or Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Contractor or Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. **The Workers' Compensation Policy shall be endorsed with a waiver of subrogation** in favor of the City for all work performed by Contractor or Consultant, its employees, agents and subcontractors.

Deductibles and Self-Insured Retentions ("SIR"):

Any deductibles or self-insured retentions must be declared to and approved by City. The City may require the Contractor or Consultant to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. At the option of the City, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees; or (2) the Contractor or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

All SIRs must be disclosed to Risk Management for approval and shall not reduce the limits of liability.

Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or the City.

City reserves the right to obtain a full-certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Completed Operations

For Construction Agreements, Contractor shall maintain insurance as required by this Agreement to the fullest amount allowed by law and shall maintain insurance for a minimum of five (5) years following the completion of this project. In the event Contractor fails to obtain or maintain completed operations coverage as required by this Agreement, the City at its sole discretion may purchase the coverage required and the cost will be paid by Contractor.

Acceptability of Insurers:

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to City.

Claims Made Policies: (note - should be applicable only to professional liability, see below)

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of contract of work.**
3. If coverage is canceled or non-renewed, and not replaced **with another claims-made policy form with a Retroactive Date prior to** the contract effective date, the Contractor or Consultant must purchase "extended reporting" coverage for a minimum of **five (5) years** after completion of work.
4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability Policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability Policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Subcontractors:

Contractor or Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Subcontractor agrees to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under this Agreement and any other contract documents. Subcontractor further agrees to include the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, with any sub-subcontractor to the extent they apply to the scope of the sub-subcontractor's work. A copy of the City indemnity and insurance provisions will be furnished to the subcontractor upon request.

Verification of Coverage:

Contractor or Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor or Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other special circumstances.

Failure to Comply:

Each insurance policy required above shall contain or be endorsed to contain that any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected and appointed officials, officers, attorneys, agents, and employees.

Applicability of Coverage:

Each insurance policy required above shall contain or be endorsed to contain that the Contractor's or Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

EXHIBIT “H”
FEDERAL REQUIREMENTS

[RESERVED]

**CITY OF MILPITAS
CONSTRUCTION CONTRACT
Robert E. Browne Park Tennis Court Rehabilitation Project**

1. PARTIES AND DATE.

This Contract is made and entered into this _____ day of _____, 2019 by and between the City of Milpitas, a public agency and public corporation of the State of California ("City") and **DRYCO Construction, Inc.**, a California corporation with its principal place of business at **42745 Bocesell Road Fremont, CA 94538** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. RECITALS.

2.1 City. City is a public agency organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing tennis court rehabilitation related construction services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. The following license classifications are required for this Project: **A - GENERAL ENGINEERING CONTRACTOR**.

2.3 Project. City desires to engage Contractor to render such services for the Robert E. Browne Park Tennis Court Rehabilitation project ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a performance bond, a payment bond, and all insurance documentation, as required by the Contract.

3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Services/Schedule (Exhibit "A")
- Plans and Specifications (Exhibit "B")
- Special Conditions (Exhibit "C")
- Contractor's Certificate Regarding Workers' Compensation (Exhibit "D")
- Public Works Contractor Registration Certification (Exhibit "E")
- Payment and Performance Bonds (Exhibit "F")
- Insurance Requirements (Exhibit "G")
- Federal Requirements (Exhibit "H")
- Addenda
- Change Orders executed by the City
- Current Edition of the Caltrans Standard Specifications, Excluding Division I (Sections 1-9)
- Current Edition of the Caltrans Standard Plans

- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "B" attached hereto and incorporated herein by this reference. Special Conditions, if any, relating to the Work are described in Exhibit "C" attached hereto and incorporated herein by this reference.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the City. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the City may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.2.2 Substitutions/"Or Equal". Pursuant to Public Contract Code Section 3400(b), the City may make a finding that designates certain products, things, or services by specific brand or trade name. Unless specifically designated in this Contract, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal."

Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in this Contract. However, the City may have adopted certain uniform standards for certain materials, processes and articles. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding submission of "or equal" requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed "or equal" substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to substantiate requests for substitutions of an "or equal" material, process or article data shall include a signed affidavit from Contractor stating that, and describing how, the substituted "or

equal” material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted “or equal” material, process or article, and substantiates that it is an “or equal” to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted “or equal” material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the City in a timely fashion will result in the rejection of the proposed substitution.

Contractor shall bear all of the City’s costs associated with the review of substitution requests. Contractor shall be responsible for all costs related to a substituted “or equal” material, process or article. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

3.3 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **One Hundred Twenty (120) working days**, beginning the effective date of the Notice to Proceed (“Contract Time”). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits “A” or “B” attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of Five Hundred Dollars and Zero Cents (\$500.00) per day for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

3.4 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications, and approvals of whatever nature that are legally required to perform the Work, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by Contractor’s failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor’s exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance

under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.6 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **One Hundred Sixty-Two Thousand One Hundred Dollars and Zero Cents (\$162,100.00)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.7.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

3.7.3 Prompt Payment. City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. However, no progress payments will be made for Work not completed in accordance with this Contract. Contractor shall comply with all applicable laws, rules and regulations relating to the proper payment of its employees, subcontractors, suppliers or others.

3.7.4 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion

date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.7.6 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.7.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.7.8 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the Work governed by this Contract prior to final payment by City.

3.7.9 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor's

principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

3.7.10 Apprenticeable Crafts. When Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor. The Contractor or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding \$100 for each full calendar day of noncompliance, or such greater amount as provided by law.

3.7.11 Hours of Work. Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of \$25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.7.12 Payroll Records. Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such Contractor must comply with this section. Should noncompliance still be evident after such 10-day period, Contractor shall, as a penalty to City, forfeit not more than \$100.00 for each calendar day or portion thereof, for each worker, until strict compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on Contractor. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.7.13 Contractor and Subcontractor Registration. Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements

mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

3.7.14 Labor Compliance; Stop Orders. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.8 Performance of Work; Jobsite Obligations.

3.8.1 Water Quality Management and Compliance.

3.8.1.1 Water Quality Management and Compliance. Contractor shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through different phases of construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

3.8.1.3 Other Water Quality Rules Regulations and Policies. Contractor shall comply with the lawful requirements of any applicable municipality, drainage City, or local agency regarding discharges of storm water to separate storm drain systems or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

3.8.1.4 Cost of Compliance. Storm, surface, nuisance, or other waters may be encountered at various times during construction of The Work. Therefore, the Contractor, by submitting a Bid, hereby acknowledges that it has investigated the risk arising from such waters, has prepared its Bid accordingly, and assumes any and all risks and liabilities arising therefrom.

3.8.1.5 Liability for Non-Compliance. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to defend, indemnify and hold harmless the City and its directors, officials, officers, employees, volunteers and agents for any alleged violations. In addition, City may seek damages from Contractor for any delay in completing the Work in accordance with the Contract, if such delay is caused by or related to Contractor's failure to comply with the Permit.

3.8.1.6 Reservation of Right to Defend. City reserves the right to defend any enforcement action brought against the City for Contractor's failure to comply with the Permit or any other relevant water quality law, regulation, or policy. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to be bound by, and to reimburse the City for the costs (including the City's attorney's fees) associated with, any settlement reached between the City and the relevant enforcement entity.

3.8.1.7 Training. In addition to the standard of performance requirements set forth in paragraph 3.4, Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them without impacting water quality in violation of the laws, regulations, and policies described in paragraph 3.8.1. Consultant further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations, and policies described in paragraph 3.8.1 as they may relate to the Work provided under this Agreement. Upon request, City will provide the Contractor with a list of training programs that meet the requirements of this paragraph.

3.8.2 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gangplanks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.8.3 Laws and Regulations. Contractor shall keep itself fully informed of, and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such

laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules, and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8.4 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, an City Business License. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's applicable business license fee. Any ineligible contractor or subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

3.8.5 Trenching Work. If the Total Contract Price exceeds \$25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.8.6 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.8.8 Air Quality. Contractor must fully comply with all applicable laws, rules, and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment," which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.8.9 State Recycling Mandates. Contractor shall comply with State Recycling Mandates. Any recyclable materials/debris collected by the contractor that can be feasibly diverted via reuse or recycling must be hauled by the appropriate handler for reuse or recycling.

3.9 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.10 Claims; Government Code Claim Compliance.

3.10.1 Intent. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than the date of final payment. The claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to

compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

3.10.3 Supporting Documentation. The Contractor shall submit all claims in the following format:

3.10.3.1 Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

3.10.3.2 List of documents relating to claim:

- (A) Specifications
- (B) Drawings
- (C) Clarifications (Requests for Information)
- (D) Schedules
- (E) Other

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

3.10.4 City's Response. Upon receipt of a claim pursuant to this Section, City shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the Contractor a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 days after the public entity issues its written statement.

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

3.10.4.2 Within 30 days of receipt of a claim, City may request in writing additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of City and the Contractor.

3.10.4.3 City's written response to the claim, as further documented, shall be submitted to the Contractor within 30 days (if the claim is less than \$50,000.00, within 15 days) after receipt of the further documentation, or within a period of time

no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

3.10.5 Meet and Confer. If the Contractor disputes City's written response or City fails to respond within the time prescribed, the Contractor may so notify City, in writing, either within 15 days of receipt of City's response or within 15 days of City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, City shall schedule a meet and confer conference within 30 days for settlement of the dispute.

3.10.6 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, City shall provide the Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after City issues its written statement. Any disputed portion of the claim, as identified by the Contractor in writing, shall be submitted to nonbinding mediation, with City and the Contractor sharing the associated costs equally. City and Contractor shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing, unless the parties agree to select a mediator at a later time.

3.10.6.1 If the Parties cannot agree upon a mediator, each Party shall select a mediator, and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

3.10.6.3 Unless otherwise agreed to by City and the Contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

3.10.6.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the Contractor last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation unless a new unrelated claim arises after mediation is completed.

3.10.7 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the Contractor must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

3.10.8 Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

3.10.8.1 Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.10.8.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

3.10.8.3 In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

3.10.10 Non-Waiver. City's failure to respond to a claim from the Contractor within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

3.11 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. In the event of damage proximately caused by an Act of God, as defined by Section 7105 of the Public Contract Code, the City may terminate this Contract pursuant to Section 3.17.3; provided, however, that the City needs to provide Contractor with only one (1) day advanced written notice.

3.12 Indemnification.

3.12.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the City or the City's agents, servants, or independent contractors who are directly responsible to the City, or for defects in design furnished by those persons.

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents, and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents, and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents, and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents, and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents, and authorized volunteers.

3.13 Insurance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under Exhibit "G" (Insurance Requirements), attached hereto and incorporated herein by this reference. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required therein. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Contract for cause.

3.14 Bond Requirements.

3.14.1 Payment Bond. If required by Civil Code section 9550, as it may be amended from time to time, or otherwise specifically requested by City as set forth in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and

in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient, or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. If Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.14.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.16 Employee/Labor Certifications.

3.16.1 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.16.2 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.16.3 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

3.17 General Provisions.

3.17.1 City's Representative. The City hereby designates the General Manager, or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications, and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Worksite at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Worksite. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with or without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any

other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.17.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.17.5 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to Contractor, without further acknowledgment by the Parties.

3.17.6 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR:

DRYCO Construction Inc.
42745 Boscell Road
Fremont, CA 94538
Attn: Alan Berger, Operations Manager

CITY:

City of Milpitas
455 E. Calaveras Boulevard
Milpitas, California 95035
Attn: City Manager

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.17.7 Time of Essence. Time is of the essence in the performance of this Contract.

3.17.8 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option,

terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.17.9 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.17.10 Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Santa Clara, State of California.

3.17.11 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.17.12 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.17.13 [Reserved]

3.17.14 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

3.17.16.1 Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged

violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

3.17.17 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.17.18 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.17.19 Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.17.20 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project or other projects.

3.17.21 Wage Theft Prevention.

3.17.21.1 Contractor, and any subcontractor it employs to complete work under this Contract, shall comply with all applicable federal, state and local wage and hour laws. Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act, the California Labor Code and the Milpitas Minimum Wage Ordinance.

3.17.21.2 BY SIGNING THIS CONTRACT, CONTRACTOR AFFIRMS THAT IT HAS DISCLOSED ANY FINAL JUDGMENTS, DECISIONS OR ORDERS FROM A COURT OR INVESTIGATORY GOVERNMENT AGENCY, FINDING IN THE FIVE (5) YEARS PRIOR TO EXECUTING THIS CONTRACT THAT CONTRACTOR OR ITS SUBCONTRACTORS HAS VIOLATED ANY APPLICABLE WAGE AND HOUR LAWS. CONTRACTOR FURTHER AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) HAS EITHER FULLY SATISFIED EACH JUDGMENT, DECISION OR ORDER, OR, IF ANY JUDGMENT, DECISION OR ORDER HAS NOT BEEN FULLY SATISFIED, CONTRACTOR AFFIRMS THAT IT OR ITS SUBCONTRACTOR(S) IS CURRENTLY SATISFYING SAID JUDGMENT, DECISION OR ORDER THROUGH A PAYMENT OR ALTERNATIVE PLAN APPROVED BY THE APPLICABLE COURT/GOVERNMENT AGENCY AND THAT CONTRACTOR OR ITS SUBCONTRACTOR(S) ARE IN COMPLIANCE WITH SAID PLAN AS OF THE DATE OF EXECUTING THIS CONTRACT.

3.17.21.3 If at any time during the term of this Contract, a court or investigatory government agency issues a final judgment, decision or order finding that Contractor or a subcontractor it employs to perform work under this Contract has violated any applicable wage and hour law, or Contractor learns of such a judgment, decision, or order that was not previously disclosed in its bid/proposal, Contractor shall inform the City no more than fifteen (15) calendar days after the judgment, decision or order becomes final or from the date of learning of the final judgment, decision or order. Contractor or its subcontractor(s) shall, within thirty (30) calendar days after notifying the City, either (i) fully satisfy any such judgment, decision, or order and provide the City with documentary evidence of satisfying said judgment, decision or order; or (ii) provide the City documentary evidence of a payment or other alternative plan approved by the court/government agency to satisfy the judgment, decision or order. If the Contractor or its subcontractor is subject to a payment or other alternative plan, the Contractor or its subcontractor shall continue to submit documentary evidence every thirty (30) calendar

days during the term of the Contract demonstrating continued compliance with the plan until the judgment, decision or order has been fully satisfied.

3.17.21.4 For purposes of this Section, a "final judgment, decision, or order" refers to one for which all appeals have been exhausted or the time period to appeal has expired. Relevant investigatory government agencies include: the United States Department of Labor, the California Division of Labor Standards Enforcement, the City, or any other governmental entity or division tasked with the investigation and enforcement of wage and hour laws.

3.17.21.5 Failure to comply with any part of this Section constitutes a material breach of this Contract. Such breach may serve as a basis for immediate termination of this Contract and/or any other remedies available under this Contract and/or law.

3.17.21.6 Notice provided to the City shall be addressed to: Attention: Finance Director, 455 E. Calaveras Blvd. Milpitas, CA 95035. The Notice provisions of this Section are separate from any other notice provisions in this Contract and, accordingly, only notice provided to the above address satisfies the notice requirements in this Section.

3.17.22 Federal Provisions. [RESERVED].

[SIGNATURES ON NEXT PAGE]

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT
BETWEEN THE CITY OF MILPITAS
AND DRYCO CONSTRUCTION, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the _____ day of _____, 2019.

CITY OF MILPITAS

Approved By:

Julie Edmonds-Mares
City Manager

Date

Approved As To Form:

Christopher J. Diaz
City Attorney

Approved As To Content:

Jane Copus
Interim Director of Financial Services

Approved As To Scope:

Tony Ndah
Director of Public Works

DRYCO CONSTRUCTION, INC.

Signature

Name

Title

Date

EXHIBIT "A" - SERVICES / SCHEDULE

ROBERT E. BROWNE PARK TENNIS COURT REHABILITATION

PART 1 GENERAL

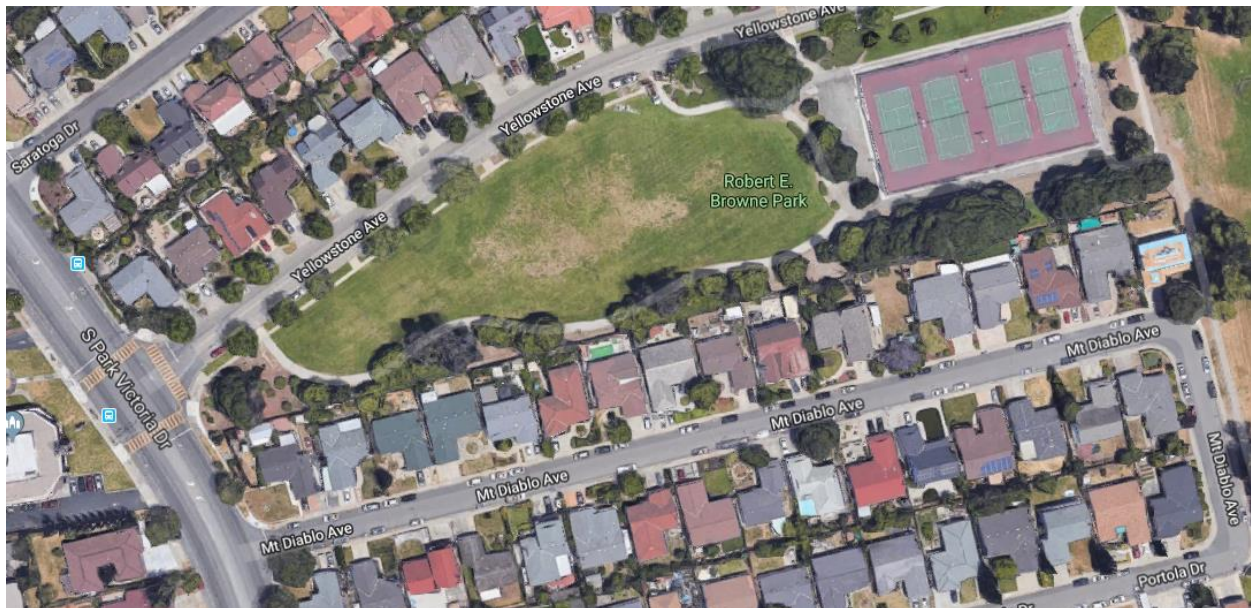
1.01 SUMMARY

Furnish all labor, materials, equipment, facilities, transportation and services to complete tennis court rehabilitation and the related works at Robert E. Browne Park as shown on the Drawings and/or specified herein.

- A. The general extent of the tennis court rehabilitation work is described in the Specifications and as shown on the Plans, and includes, but is not necessarily limited to furnishing all labor, materials, equipment, appliances, transportation, for removing the existing slip-sheet overlay over the original asphalt layer, patching the cracks and leveling the original asphalt layer surface where necessary, hot asphalt paving and resurfacing with acrylic resurfacer and acrylic surface color coatings, and striping, rehabilitation of the chain link fences, and replacement of the windscreens, and the poles and nets.

1. Robert E. Browne Park (Formerly Yellowstone Park)

Robert E. Browne Park has four (4) tennis courts, total area approximately 25,000 square feet (SF), with a playing area of 11,232 SF, and outside



area of 13,248 SF.

Scope of work shall include:

- a) The tennis courts were originally asphalt pavement. However, in the past, when cracks had developed on the surface of the courts, repairs had been performed using slip-sheet overlays.
- b) As a first step in the tennis court repair procedure, these slip-sheet overlays shall be removed for disposal.
- c) The exposed asphalt pavement layer surface shall be levelled by grinding as required, and cleaned of dust and debris and the cracks in the asphalt pavement shall be repaired.
- d) Tack coat shall be applied to the surface of the asphalt layer, followed by a layer of pavement reinforcing fabric over the entire court.
- e) Hot mix Asphalt layer with half-inch aggregate compacted to 2-inch thickness in one lift shall be furnished and installed over the entire court area at the grades indicated on the Plan.
- f) After the newly installed 2-inch asphalt layer has cured for not less than three (3) weeks, refinement course shall be applied. Followed by filler coats and seal coats.
- g) Playing lines and striping shall be per United States Tennis Association (USTA).
- h) Sagging and bulging bottom portion of chain link fence around the tennis courts, shall be stretched out. The chain link fence separating the tennis courts shall be replaced.
- i) Existing windscreens over the entire chain link fence shall be replaced with new windscreens
- j) New tennis posts to match the new surface shall be furnished and installed.
- k) New nets, center tie down mounts designed for heavy duty outdoor municipal use shall be furnished and installed.

1.02 SCHEDULING WORK

The work of tennis court rehabilitation shall be carried out in such order and with timelines that the applications of resurfacing shall be completed in ample time to accomplish drying period and application of color seal within the contract time of this project.

1.03 ACCEPTANCE OF SUBSURFACE

Prior to beginning the work of tennis court rehabilitation, the contractor shall verify the elevations, grades and condition of the asphalt concrete subsurface and shall declare if the surface is acceptable, in writing, to the City's Representative.

1.04 WEATHER LIMITATIONS

No parts of the construction work involving rehabilitation shall be conducted during rainfall (or when rainfall is imminent) and unless the air temperature is at least 55°F and rising.

1.05 COOPERATION

Close cooperation is required between contractors involved in constructing the work. The General Contractor shall be responsible for coordinating all subcontractors and sequencing the work as necessary.

1.06 SUBMITTALS

Submit product information, including product MSDS data, cut-sheets, and samples of the following materials:

1. Binder
2. Patching Mix and Crack Filler
3. Crack Repair System
4. Refinement Course
5. Surface Colors
6. Surface Sealers
7. Line Paint
8. Pavement reinforcing fabric
9. Asphalt concrete

1.07 WARRANTIES

- A. Contractor's Labor and Material Guarantee: Correct defective Work at no cost to the City. Warranty period is to be one year from the date of Final Completion unless otherwise noted.
- B. Product Manufacturer's Warranty: Warranty all work under this section in a written document endorsed by the Manufacturer as noted below.

PART 2 PRODUCTS

2.01 MATERIALS

- A. Binder: asphalt emulsion conforming to Federal Specification SS-A-674c and/or ASTM D977.
- B. Acrylic Patching Mix – for use in patching cracks (for linear cracks smaller than 1/16" width), holes, depressions and other surface imperfections: shall be California Court Patch Binder or approved equal. Available thru DecoTurf, Ph. 1-800-332-6178.

Court Patch Binder – 100% acrylic resin blended with Portland cement and silica sand.

- a) Percent solids by weight (minimum): 46%
- b) Weight: 8.7-8.9 lbs. /gallon

- C. Acrylic Crack Filler - for use in filling cracks (for linear cracks smaller than 1/2" width), as necessary, shall be California Crack Filler or approved equal. Available thru DecoTurf, Ph. 1-800-332-6178.

California Crack Filler – 100% acrylic resin heavily filled with sand.

- a) Percent solids by weight (minimum): 85%
- b) Present solids by weight (minimum): 15lbs. /gallon.

- D. Crack Repair System: Shall be RiteWay Crack Repair System, or approved equal. Ph. (877)574-8392.
- E. Refinement Course Materials: "Deco Crack Filler 64061" by Calif. Products Corp, "Laykold Resurfacer" by Hawker Manufacturing, Inc., "A.C. Fillercoat" by Asphalt Products Oil Corp., "Surfix TT650" by Cosmicoat, Inc., "301 Western Filler Coat Binder" by Western Colloid Products, Inc. or approved equal.
- F. Surface Colors: Shall be per USTA Green (playing court area) and USTA Red (outer court perimeter areas).
- G. Surface Sealer with Color and Filler: "920-27 Deco-Color MP" by California Products Co., Hawker Colorcoat Concentrate by Hawker Manufacturing, Inc., Laykold Color Coat Concentrate by Advanced Polymer Technology, or approved equal.
- H. Line Paint: Shall be Koch Decocolor # 920-03 white paint as available from California Products, or approved equal.
- I. Water: The water for all mixes shall be fresh and potable.
- J. Plaster Sand: Shall be clean, free from silt or clay, and graded as follows:

Sieve Size	% Passing
#4	100
#8	95-100
#16	70-100
#30	40-70

The following mix shall be used for the refinement course:

3 gallons Plaster Sand
2 gallons Refinement Course Material
½ gallon Binder
Water to make a free-flowing mix

- K. Surface Colors: Shall match existing tennis court surfacing colors.

- L. Pavement reinforcement fabric: PETROMAT® 4598. The geotextile construction shall be a needle-punched nonwoven geotextile composed of 75% polypropylene and 25% recycled polyester, staple fiber, calendared on one side.
The geotextile should be resistant to ultraviolet degradation.

The geotextile should meet the following Minimum Average Roll Values (MARV) for woven geotextile:

Property	Test Method	Units	Property Requirement
Grab Tensile Strength	ASTM D 4632	N (lbs.)	450 (101)
Grab Elongation	ASTM D 4632	percent	50
Mass Per Unit Area	ASTM D 5261	g/m ² (oz./yd ²)	140 (4.1)
Asphalt Retention	ASTM D 6140	l/m ² (gal/yd ²)	0.9 (0.20)
Melting Point	ASTM D 276	Degrees C (Degrees F)	160 (320)
UV Resistance	ASTM D 4355	percent	70 To 150 hrs.

M. Asphalt Concrete Pavement

Paving Asphalt Binder: Shall be PG 64-10 or PG 64-14, conforming to Section 92 of the Cal Trans Standard Specification.

Tack Coat: Asphaltic emulsion to be penetration type conforming to the requirement of Section 94 of the Cal Trans Standard Specification SS-1. Asphalt concrete shall be placed with 24 hours of applying the tack coat. Contractor shall reapply the tack coat if more than 24 hours has passed at no additional cost the City.

Aggregate: All aggregates in asphalt mix for the tennis court surfacing shall be virgin material. All aggregates shall be ½ inch medium per Section 39 of the Cal Trans Standard Specification, unless otherwise noted.

N. Windscreen

Windscreen shall be polypropylene, dark green in color, 9-ft high, open mesh, 90% blockage, with finished edges and grommets and center

reinforcing tape and center grommets.

PART 3 EXECUTION

3.01 DEMOLITION AND REMOVAL OF THE EXISTING SLIP SHEET OVERLAY

Contractor shall demolish and remove the existing slip sheet cover to expose the existing asphalt pavement. The asphalt pavement shall be cleaned of debris and loose material and the cracks shall be repaired.

3.02 SURFACE PATCHING AND CRACK REPAIR

- A. Contractor shall clean the courts area free of sand, clay, grease, dust, salt, water, vegetation, organic matter, or other foreign matter.
- B. All identified surface cracks exceeding 3 mm (1/8 in) in width shall be filled with crack filler in accordance with the product's published application instruction, and then repaired with specified crack repair system (also in strict accordance with the product's published application instructions). Do not install when rainfall is imminent or extremely high humidity prevents drying. Do not apply unless the surface and air temperatures are 50⁰ F and rising, or do not apply if surface temperature is in excess of 140⁰ F.
- C. Fillers shall be allowed to cure prior to geotextile placement.

3.02 PAVEMENT REINFORCEMENT FABRIC

- A. Install pavement reinforcing fabric along with the tack coat over the entire surface of the tennis courts in preparation for laying the 2-inch hot asphalt pavement. Hot asphalt pavement shall be installed within 24 hours of applying the tack coat.
- B. The tennis courts shall be cleaned using forced air and/or brooms for proper adhesion. The area to be covered with fabric shall be sprayed uniformly with asphaltic cement tack coat at a rate of 0.25 to 0.30 gallon per sq. yd.

3.03 TACK COAT

Tack application shall be accomplished with a pressure distributor for all surfaces except that, where the distributor does not have room to operate, hand spraying will be used. The binder shall not be applied at a temperature greater than 325 degrees F to avoid damage to the fabric.

After the binder has been sprayed, the fabric shall be unrolled or hand placed on the binder as smoothly as possible. The fabric will be broomed or squeezed to remove air bubbles and allow complete contact with the surface. The fabric will overlap the adjacent fabric panel a minimum of 6".

3.04 HOT ASPHALT PAVEMENT

- A. Hot asphalt pavement overlay on top of fabric will be placed at a mix temperature of 300 degrees F and not to be less than 2" compacted thickness to insure compliance with manufacturer's requirements.

A 2-ft wide strip along all the four edges of the existing tennis courts shall be excavated and replaced with new hot asphalt paving. The paved strip shall be feathered to the edges of the tennis courts.

- B. On a day when the air temperature is 70⁰ F to 90⁰ F, the Contractor shall flood the entire courts and allow draining. After 30 minutes, the Contractor shall define and mark all area holding enough water to cover a nickel. These identified and marked depressions shall be filled with the Acrylic Patching Mix, 3 gallons of Court Patch Binder, 100 lbs. 60-80 silica sand, 1 gallon Dry Portland Cement (Type I). After the defined area are dry, prime with a tack coat mixture of 2 parts water, 1 part Court Patch Binder. Allow tack coat to dry completely. Spread the Court Patch Binder mix true to grade using a straight edge (never a squeeze) for strike off. Steel trowel or wood float the patch so that the texture matches the surrounding area. Never add water to the mix. Light misting on the surface and edges to feather may be needed to maintain workability. Allow to dry thoroughly and cure. No work from this stage shall proceed until the City has accepted the surface.

3.05 REFINEMENT COURSE

The first step of the refinement course process shall be to flood the entire area with water. Areas that retain water greater than one-sixteenth inch (1/16") in depth after one hour (at 70⁰ F) shall be patched and leveled.

Three squeegee coats of sanded refinement course material shall be applied by pouring from a can or wheeled container to continuous parallel lines and spreading immediately with rubber-faced squeegees or long handled hair brooms. Apply squeegee coats in the following directions:

1. First Coat – apply lengthwise of the court.
2. Second and third coat – apply cross court.

The squeegee or broom shall be pulled on an angle from the line of spread so as to continually pool the material toward the operator and not to overflow or "spill" on its forward edge away from the operator. After each coat has dried, all ridges shall be removed with scrapers and the surface thoroughly rolled.

The minimum application shall be at the rate of not less than thirty (30) gallons of undiluted refinement course material per 1,000 square feet.

Upon completion of rolling, the area shall be water flooded and all depressions holding over one eighth inch (1/8") depth of water shall be filled with the refinement course material, allowed to cure, and then finish rolled with a 2- to 3-ton tandem roller. The finished surface shall be smooth, free of ridges, valleys and tool marks.

3.06 SURFACE SEALER

- A. Filler Coats: Over the completed refinement course apply two (2) coats of approved product. Method of application shall be in strict accordance with the manufacturers printed instructions. Color shall be full depth of court coverage.
- B. Sealer Coat: The final surface sealer shall be applied in strict accordance with the manufacturers printed instructions. Color shall be full depth of court coverage.

3.07 PLAYING LINES

Following the drying of the finished surface, lines shall be striped using only acceptable white latex line paint. All measurements shall conform to the United States Tennis Association and NCAA dimensions and shall be two (2) inches in width. All lines shall be straight and true, with no irregular edging.

3.08 CHAIN-LINK FENCE

Sections of the existing chain-link fences around the tennis courts and those separating the tennis courts are loose at the posts, and the rails resulting in bulging and sagging of the fence. The Contractor shall identify those sections of the chain-link that require adjustment. These loose and bulging sections of the chain-link fence shall be adjusted where required at the intermediate posts and at the top, mid and bottom to make them tight. The contractor shall use as much of the existing sound materials of the chain-link fence as possible, but must replace and provide all other necessary components of the chain-link fence needed to rehabilitate the

existing chain-link fences. The price for this items shall include all labor and material required to rehabilitate the existing chain-link fence.

3.09 WINDSCREEN

Start at one end of the fence area to be covered. Lay out full panel along area to be covered. Attach top corner grommet to the fence then, attach along top, pulling cover taut with each grommet attachment for about 10'.

Go back to end and from top-to-bottom attach vertical edge to the fence all the way to the bottom, again pulling taut as each tie is secured. Continue attachment along bottom for about 10' pulling cover taut and making it as wrinkle free as possible. If two or more people are working on the panel, have one person begin attachment at the top and the second person at the bottom, working about 10' behind the first.

After the first 10' of windscreen is attached at top and bottom, go back to the top and attach along the next 10', pulling taut. Continue top/bottom attachment until panel is completely in place.

Continue installation with remaining panels using the same procedure.

Don't install on a windy day. Wind will complicate installation.

3.10 INSTALLATION OF NETS ON POSTS

- A. Contractor shall be responsible for removal and disposal of existing net posts, and to modify and /or replace as necessary the existing sleeve for the new posts.
- B. Contractor shall be responsible for the proper construction timing of installation of the net posts in conformance with all the other pertinent work.
- C. Net posts shall be inspected and accepted upon delivery by the Contractor. Final acceptance of site furnishings shall be per the discretion of the City.
- D. Tennis posts shall be erected in strict conformance with the manufacturer's instructions.

3.11 TRAFFIC

Following the painting of lines, the courts shall be allowed to cure for a minimum of four (4) days before being opened to play. Gates shall be secured at all times until project Final Acceptance.

3.12 CLEANUP

Upon completion, the contractor shall remove all over-spray, splatter, containers, surplus materials and debris, and leave the site in a clean and orderly condition acceptable to the City's Representative.

3.13 GUARANTY

This contractor shall guaranty all tennis court paving and surfacing against peeling of surface and other defects of materials or workmanship for a period of one year from Final Acceptance.

- END OF SECTION -

EXHIBIT “B”
PLANS AND SPECIFICATIONS

[RESERVED]

EXHIBIT “C”

SPECIAL CONDITIONS

ARTICLE 1. BONDS

Within ten (10) calendar days from the date, the Contractor is notified of award of the Contract, the Contractor shall deliver to the City four identical counterparts of the Performance Bond and Payment Bond on the forms supplied by the City and included as Exhibit “F” to the Contract. Failure to do so may, in the sole discretion of City, result in the forfeiture of Contractor’s bid security. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the City. The Performance Bond and the Payment Bond shall be for one hundred percent (100%) of the Total Contract Price.

EXHIBIT "D"

**CERTIFICATION
LABOR CODE - SECTION 1861**

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

DRYCO Construction, Inc.

By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT "E"

PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for additional information.

No bid will be accepted, nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work.

Contractor hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.¹

Name of Contractor: DRYCO Construction Inc.

DIR Registration Number: 1000003241

DIR Registration Expiration: _____

Small Project Exemption: _____ Yes or X No

Unless Contractor is exempt pursuant to the small project exemption, Contractor further acknowledges:

- Contractor shall maintain a current DIR registration for the duration of the project.
- Contractor shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.
- Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Contractor _____

Signature _____

Name and Title _____

Dated _____

¹ If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark "Yes" in response to "Small Project Exemption."

EXHIBIT “F”

PAYMENT AND PERFORMANCE BONDS

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Milpitas (hereinafter referred to as "City") has awarded to _____, (hereinafter referred to as the "Contractor") _____ an agreement for _____ (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated _____, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, _____, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship, Surety shall undertake and faithfully fulfill all such obligations. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's

rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- (3) Permit the City to complete the Project in any manner consistent with local, California and federal law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__).

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____

Attorney-in-Fact

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.

(Attach Attorney-in-Fact Certificate)

Title _____

The rate of premium on this bond is _____ per thousand. The total amount of premium charges, \$_____.
(The above must be filled in by corporate attorney.)

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety) _____

(Name and Address of Agent or Representative for service of process in California, if different from above) _____

(Telephone number of Surety and Agent or Representative for service of process in California) _____

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited
☐ General

- ☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Milpitas (hereinafter designated as the "City"), by action taken or a resolution passed _____, 20____ has awarded to _____ hereinafter designated as the "Principal," a contract for the work described as follows:

_____ (the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated _____ ("Contract Documents"), the terms and conditions of which are expressly incorporated by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City in the penal sum of _____ Dollars (\$_____) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of

improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned and the provisions of sections 2819 and 2845 of the California Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

(Corporate Seal)

Contractor/ Principal

By _____

Title _____

(Corporate Seal)

Surety

By _____
Attorney-in-Fact

Title _____

Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached. A Power-of-Attorney authorizing the person signing on behalf of the Surety to do so much be attached hereto.

NOTE: A copy of the Power-of-Attorney authorizing the person signing on behalf of the Surety to do so must be attached hereto.

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 20____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited
 ☐ General

- ☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title or Type of Document

Number of Pages

Date of Document

Signer(s) Other Than Named Above

EXHIBIT "G"

INSURANCE REQUIREMENTS

Please refer to the insurance requirements listed below. Those that have an "X" indicated in the space before the requirement apply to Contractor's or Consultant's Agreement.

Contractor or Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor or Consultant, its agents, representatives, employees or subcontractors.

Contractor or Consultant shall provide its insurance broker(s)/agent(s) with a copy of these requirements and request that they provide Certificates of Insurance complete with copies of all required endorsements.

Contractor or Consultant shall furnish City with copies of original endorsements affecting coverage required by this Exhibit G. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements and certificates are to be received and approved by City before work commences. City has the right to require Contractor's or Consultant's insurer to provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

Commercial General Liability (CGL):

- ☐ Coverage at least as broad as Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- X_ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- ☐ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than **\$5,000,000** per occurrence. If a general aggregate limit applies, either the general

aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability:

X_ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), or if Contractor or Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than **\$1,000,000** per accident for bodily injury and property damage.

___ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), with limits no less than **\$5,000,000** per accident for bodily injury and property damage.

___ Garage keepers' extra liability endorsement to extend coverage to all vehicles in the care, custody, and control of the Contractor or Consultant, regardless of where the vehicles are kept or driven.

Professional Liability (Errors and Omissions):

The Employer's Liability policy shall be endorsed to waive any right of subrogation as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees.

___ Insurance appropriate to the Contractor or Consultant's profession, with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate

___ (If Design/Build), with limits no less than **\$1,000,000** per occurrence or claim, and **\$2,000,000** policy aggregate.

___ Insurance appropriate to the Contractor or Consultant's profession, with limit no less than _____ per occurrence or claim, _____ aggregate

Workers' Compensation Insurance:

X Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. *(Not required if Contractor or Consultant provides written verification it has no employees)*

The Contractor or Consultant makes the following certification, required by section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake

self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor/Consultant Signature

Builder's Risk (Course of Construction):

___ Insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.

Surety Bonds:

X_ Contractor shall provide the following Surety Bonds:

1. Bid Bond
2. Performance Bond
3. Payment Bond

The Payment Bond and Performance Bond shall be in a sum equal to the contract price. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Contractor's or Consultant's Pollution Legal Liability:

___ Contractor's or Consultant's pollution legal liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than **\$1,000,000** per occurrence or claim and **\$2,000,000** policy aggregate.

If the Contractor or Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor or Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain the following provisions:

Additional Insured Status:

The insurance policies are to contain, or be endorsed to contain the following provision:

The City, its elected and appointed officials, officers, attorneys, agents, and employees are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor or Consultant or any subcontractors including materials, parts, or equipment furnished in connection with such work or operations, including completed operations. General liability coverage can be provided in the form of an endorsement to the Contractor's or Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

The Additional Insured coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from the City's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13.

The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City (if agreed to in a written contract or agreement) before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

Primary Coverage:

The insurance policies are to contain, or be endorsed to contain the following provision:

For any claims related to this contract, the **Contractor's or Consultant's insurance coverage shall be primary insurance** as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees. Any insurance or self insurance maintained by the City, its elected and appointed officials, officers, attorneys, agents, and employees shall be in excess of the Contractor's or Consultant's insurance and shall not contribute with it.

Builder's Risk (Course of Construction Insurance) (applicable to Construction Contracts only)

Contractor or Consultant may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage **shall name the City as a loss payee** as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel,

modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the City's site.

Notice of Cancellation, Suspension or Otherwise Voiding Policies:

Each insurance policy required above shall contain, or be endorsed to contain **that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except with thirty (30) days' prior written notice** by certified mail, return receipt requested to the City.

Waiver of Subrogation:

Contractor or Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor or Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Contractor or Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. **The Workers' Compensation Policy shall be endorsed with a waiver of subrogation** in favor of the City for all work performed by Contractor or Consultant, its employees, agents, and subcontractors.

Deductibles and Self-Insured Retentions ("SIR"):

Any deductibles or self-insured retentions must be declared to and approved by City. The City may require the Contractor or Consultant to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. At the option of the City, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees; or (2) the Contractor or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

All SIRs must be disclosed to Risk Management for approval and shall not reduce the limits of liability.

Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or the City.

City reserves the right to obtain a full certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Completed Operations

For Construction Agreements, Contractor shall maintain insurance as required by this Agreement to the fullest amount allowed by law and shall maintain insurance for a minimum of five (5) years following the completion of this project. In the event Contractor fails to obtain or maintain completed operations coverage as required by this Agreement, the City at its sole discretion may purchase the coverage required and the cost will be paid by Contractor.

Acceptability of Insurers:

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to City.

Claims Made Policies: (note - should be applicable only to professional liability, see below)

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of contract of work.**
3. If coverage is canceled or non-renewed, and not replaced **with another claims-made policy form with a Retroactive Date prior to** the contract effective date, the Contractor or Consultant must purchase "extended reporting" coverage for a minimum of **five (5) years** after completion of work.
4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor's Pollution Liability Policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability Policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Subcontractors:

Contractor or Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Subcontractor agrees to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under this Agreement and any other contract documents. Subcontractor further agrees to include the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, with any sub-subcontractor to the extent they apply to the scope of the sub-subcontractor's work. A copy of the City indemnity and insurance provisions will be furnished to the subcontractor upon request.

Verification of Coverage:

Contractor or Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor or Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other special circumstances.

Failure to Comply:

Each insurance policy required above shall contain or be endorsed to contain that any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected and appointed officials, officers, attorneys, agents, and employees.

Applicability of Coverage:

Each insurance policy required above shall contain or be endorsed to contain that the Contractor's or Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

EXHIBIT “H”
FEDERAL REQUIREMENTS

[RESERVED]

Item Attachment Documents:

C8. Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project

Recommendation:

Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project, subject to any minor and clarifying revisions deemed necessary by the City Attorney.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project
Category:	Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Steve Chan, 408-586-3324 and Steve Erickson, 408-586-3301
Recommendation:	Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project, subject to any minor and clarifying revisions deemed necessary by the City Attorney.

BACKGROUND

Montague Expressway Pedestrian OverCrossing (POC) Project

The City's Transit Area Specific Plan (TASP) envisioned a pedestrian overcrossing spanning over Montague Expressway at the future Milpitas BART station. This pedestrian overcrossing will provide a safe and convenient pedestrian facility to transit, regional mall, and new developments in the city's Transit Area.

As a means to expediting construction of the POC to better align with the opening of new Milpitas BART station, the City and VTA partnered on this project. Amendment No. 10 to the VTA/City of Milpitas Master Agreement for the BART Extension Program specified POC Project funding, administration, design, and construction responsibilities between VTA and the City.

The total project cost is estimated at \$16.6 million. VTA and the City secured Federal grant funding totaling \$13.2 million and the City provided \$3.4 million TASP development impact fees to fund the balance of the project. It was agreed that the VTA will administer the design and construction phases of the project. Design phase of the project has been completed. VTA is currently in advertising for construction bid proposal.

It is anticipated that up to 60,000 motorists and 20,000 BART riders will see the Montague POC structure each day. The location and type of structure makes it ideal to serve as a gateway landmark for Milpitas, and its design should reflect innovation and quality. City staff have requested, and VTA staff have agreed to include aesthetic enhancements including minor changes in materials and color and additional lighting as a means to emphasizing the landmark gateway for the Milpitas Transit Area.

Analysis:

To accommodate the desire for additional design enhancements, a \$740,000 construction bid allowance budget is proposed. The City of Milpitas will be responsible for the cost of the design changes. The design changes will be funded through TASP development impact fees from Montague Expressway POC Project, CP 2008. VTA/Milpitas Master Agreement, Amendment No. 15 will capture this project design change and City's funding responsibility.

Police Alternative:

Alternative: Do not approve VTA/Milpitas Master Agreement, Amendment No. 15.

Pros: Additional funding will not be required

Cons: The current POC design is functional but aesthetically it does not reflect the critical location of this

Reason not recommended: Without approval of Amendment No. 15, Montague Expressway Pedestrian Overcrossing will not receive aesthetic enhancements, and there will be a missed opportunity to create a quality entry point to the City. There is adequate funding to pay for the additional aesthetic improvements and staff is thus recommending moving forward with these enhancements that will define one of the key entry points to the City for another 40-50 years.

Fiscal Impact:

Funding for the POC aesthetic enhancement will come from Montague Expressway Pedestrian Overcrossing at Piper Drive Project, CP 2008. The current uncommitted balance of the project, CP 2008, is \$6.4 million. Adequate project funding is available to accommodate this \$740,000 expenditure. Upon project completion, on-going operation and maintenance of the POC is estimated at \$10,000 per year. Community Facilities District No. 2008-1 (CFD 2008-1) assessment for the transit area is proposed to fund on-going operation and maintenance cost.

California Environmental Quality Act: TASP Environmental Impact Report (EIR), certified by the City in 2008, fully and adequately analyzed the potential environmental impacts associated with Montague Expressway Pedestrian Overcrossing Project and no significant environmental effects were identified.

Recommendation:

Approve Amendment No. 15 to the Master Agreement with the Santa Clara Valley Transportation Authority relating to the Silicon Valley Rapid Transit Berryessa BART Extension Project, subject to any minor and clarifying revisions deemed necessary by the City Attorney.

Attachment:

Amendment No. 15 to the Agreement with Santa Clara Valley Transportation Authority

**FIFTEENTH AMENDMENT TO THE MASTER AGREEMENT
BETWEEN THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AND THE CITY OF MILPITAS RELATING TO THE SILICON VALLEY
RAPID TRANSIT PROGRAM BERRYESSA EXTENSION PROJECT**

This Fifteenth Amendment to the Master Agreement between the Santa Clara Valley Transportation Authority (“VTA”) and the City of Milpitas (“City”) (collectively, the “Parties”) relating to the Silicon Valley Rapid Transit Program Berryessa Extension Project (“Fifteenth Amendment”) is entered into, and shall be deemed effective, upon execution by the last of the parties hereto.

RECITALS

WHEREAS, the Parties entered into a Master Agreement to memorialize the Parties’ consultation and cooperation, define their respective rights and obligations, and ensure future cooperation between VTA and the City in connection with the Silicon Valley Berryessa Extension Project (“Project” or “SVBX”), on September 10, 2010 (hereafter referred to as the “Master Agreement”) and the Parties have subsequently entered into fourteen Amendments to the Master Agreement, including Amendment No. 5 on April 16, 2013 to add Section 32, Amendment No. 10 on April 4, 2017 to add subsections D and E to Section 32; and

WHEREAS, the City of Milpitas Transit Area Specific Plan identifies a pedestrian overcrossing spanning over Montague Expressway; and

WHEREAS, the Parties both desire a pedestrian bridge to be constructed across Montague Expressway in the vicinity of the proposed Milpitas BART Station of VTA’s BART Silicon Valley Berryessa Extension Project; substantial funding for such a bridge has been secured, and final plans been prepared; and

WHEREAS, the planning and construction of a pedestrian overcrossing over Montague Expressway will advance the City’s community planning and recreational goals; and

WHEREAS, the Parties agree construction of a pedestrian overcrossing over Montague Expressway provides mutual benefits for VTA, City and the public accessing the City’s facilities and VTA’s transit facilities; and

WHEREAS, the City Council of the City of Milpitas adopted Resolution No. 8728 that states:

- (1) The City of Milpitas desires the Montague Pedestrian Overcrossing Project to be expeditiously constructed for safe and convenient pedestrian access to Milpitas BART station; and
- (2) The City of Milpitas will assume ownership and maintenance roles of the Montague Expressway Pedestrian Overcrossing at Piper Drive; and

- (3) The City Council hereby authorizes the City Engineer to execute ownership and maintenance documentation for Montague Expressway Pedestrian Overcrossing at Piper Drive;

WHEREAS, VTA has been awarded \$13,268,555 in construction grant funds on behalf of City; and

WHEREAS, this Fifteenth Amendment to the Master Agreement is entered into for the purposes of defining:

- (1) obligations for full funding of the construction phase of the pedestrian overcrossing project; and
- (2) obligations for administration of grant funding and local match funding for the construction phase of the pedestrian overcrossing project; and
- (3) the roles of the Parties for the construction phase; and
- (4) obligations for City requested aesthetic enhancement design changes;

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the Parties agree to amend the Master Agreement as follows:

ARTICLE 1

The Master Agreement is hereby amended by revising Section 32, entitled **CITY OF MILPITAS TRANSIT AREA SPECIFIC PLAN MONTAGUE EXPRESSWAY PEDESTRIAN OVERCROSSING PROJECT**, as follows:

- A.** Subsection 32.D, FINAL DESIGN PHASE, shall be amended to add a new subparagraph 17) at the end, which subparagraph shall read as follows:
- 17) City shall review, concur, and approve construction contract documents before VTA advertises for bid.
- B.** Subsection 32.E, CONSTRUCTION PHASE, shall be amended and restated to read as follows:
- 1) VTA will lead, develop, and administer a Transit Performance Initiative (TPI) grant application request on behalf of the Parties for \$2,768,555 to support POC construction phase funding.
 - 2) VTA will administer an OBAG2 construction grant in the amount of \$7,000,000 to support POC Construction Phase funding. City shall provide sufficient funds to qualify for maximum local match grant ranking criteria as defined by OBAG2 program rules. The sufficient funds City shall provide is currently estimated at \$2,664,000.

- 3) The estimated cost for the construction phase is \$16,672,555. The Parties shall jointly identify additional construction phase grant funding sources, as necessary. The estimated cost for the construction phase includes a baseline cost of \$15,932,555 and an aesthetic enhancement cost of \$740,000 as defined in subsection E.8 of this section below. The cost estimate is subject to revision upon the VTA's receipt of acceptable bids after the construction contract bid opens. Refer to Exhibit K for Construction Phase Cost Estimate and Funding Plan.
- 4) VTA will administer the POC construction contract and comply with all grant funding reporting requirements.
- 5) VTA will lead and implement the construction phase communications and outreach program. The parties shall work cooperatively to develop a Montague Expressway Pedestrian Overcrossing Construction Phase Community Outreach Plan for VTA Community Outreach staff to support the POC project.
- 6) The Parties will work cooperatively to acquire all necessary approvals and permits from City of Milpitas and Santa Clara County to construct the POC.
- 7) VTA will administer a Senate Bill (SB) 1 construction grant in the amount of \$3,500,000 to support POC construction phase funding.
- 8) Construction Phase - City Aesthetics Design Changes:
 - a. To support City aesthetic enhancement design changes ("CAEDCs") to the POC from the scope of the project at time of advertisement for bid, VTA will include:
 - (i) a \$500,000 CAEDC-related allowance bid item in the POC construction contract;
 - (ii) a \$100,000 POC budget item for CAEDC-related VTA construction management and project management costs;
 - (iii) and, a \$140,000 POC budget item for CAEDC-related VTA design and design support during construction ("DSDC") costs, all directly attributable to CAEDCs. The CAEDCs design, construction, project management and DSDC total cost (CAEDC Total Cost) is estimated at \$740,000 as further set forth in Exhibit K, an amount for which the City is responsible.
 - b. City must also fully fund any and all cost overruns that exceed the CAEDC Total Cost as defined under Section 32.E.8.a, above. Should there be a cost overrun to CAEDC Total Cost, the City must provide compensation for actual aesthetic change costs. The City will pay for the cost of any design changes that exceed the CAEDC Total Cost.
 - c. Any modification to the current POC design at time of bid as a result of CAEDCs must not result in changes to the POC structural and foundation design that could substantially delay the construction schedule (set forth in Exhibit L) and/or increase costs.
 - d. City must contract directly with VTA's POC design consultant, Biggs Cardosa Associates (BCA), to identify acceptable CAEDCs that do not impact the POC structural and foundation design and transmit the City's recommended CAEDCs for VTA approval and for VTA to subsequently incorporate into the POC design and construction contracts. VTA's POC design consultant, BCA, must incorporate

the CAEDCs under its POC engineering services contract with VTA. VTA must issue a Construction Change Order (“CCO”) to VTA’s construction contractor to implement the City Aesthetics Design Changes under the allowance bid item not exceeding \$500,000.

- e. City must transmit its funds to VTA to cover the CAEDC Total Cost in an amount of \$740,000 no later than thirty (30) days after execution of this agreement. VTA will be under no obligation to proceed with CAEDCs and associated CCO unless and until the funds for CAEDC Total Cost have been received by VTA. City’s current local match total is \$3,404,000 as presented in EXHIBIT K.
- 9) VTA must provide to City a monthly accounting of all its expenditures for the POC’s construction phase.
- 10) VTA must consult with City in any decisions on POC scope of work modifications during construction that exceed the project budget. Any such changes exceeding the project budget will be subject to approval by City, though such approval not to be unreasonably withheld or delayed. VTA must provide City with reasonable time to evaluate and provide comments regarding proposed construction phase scope changes.
- 11) The Parties may meet and confer as needed but must meet and confer when expenditures for construction phase services reach 75 percent of the construction phase budget to discuss whether the construction phase is projected to be completed under or over POC construction phase budget, including CAEDC Total Cost.
- 12) If actual construction phase costs or the CAEDC Total Cost exceed the project budget and it is determined by both parties that the costs increases were reasonably outside the control of VTA, VTA must provide written notice to City of the City’s share of the cost increases, which will include cost backup showing the basis of the cost increases. City must remit payment of the undisputed portion of its share of the cost increases to VTA no later than thirty (30) days after receipt of VTA’s written notification of the amount to be paid.
- 13) If actual construction phase or CAEDC costs fall below the cost estimates, VTA must provide written notice, including cost backup, to City of the City’s share of the refund amount. VTA must refund City its share of the refund amount no later than thirty (30) days after City’s receipt of VTA’s written notification of the refund amount.
- 14) The terms set forth in this section (Section 32.E) of the Master Agreement will be conditioned on the VTA Board of Directors approval of a POC construction contract award and City Council approval of this agreement.
- 15) The parties will negotiate in good faith to create a separate agreement defining property rights, operations, access, notification, routine inspections, maintenance and construction protocols for that portion of the POC located on VTA owned or controlled property where the POC connects to VTA’s Milpitas BART Station parking structure.

- 16) City shall own, operate and maintain the POC and provide the public access within sixty (60) days of VTA written notification that construction is complete and City Council approval of initial acceptance of the POC. Activities supporting City Council approval of the POC include: City sign off on any open POC City permit(s), City receipt and approval of POC as-builts, County of Santa Clara sign off on any open POC County permit(s), Parties executing any necessary operations, property rights and/or maintenance agreement(s).

ARTICLE 2

All other provisions of the Master Agreement shall remain in full force and effect.

ARTICLE 3

Each person signing this Fifteenth Amendment represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Fifteenth Amendment. Each party represents and warrants to the other that the execution and delivery of the Fifteenth Amendment and the performance of such party's obligations hereunder have been duly authorized and that the Fifteenth Amendment is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

WITNESS THE EXECUTION HEREOF on the day and year first below written.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

By: _____
Nuria I. Fernandez
General Manager

Date: _____

APPROVED AS TO FORM:

By: _____
Victor Pappalardo
Senior Assistant Counsel

CITY OF MILPITAS

By: _____
Christopher J. Diaz, City Attorney

By: _____
Julie Edmonds-Mares, City Manager

By: _____
Jane Corpus, Interim Director of Finance

Date: _____

APPROVED AS TO FORM:

By: _____
Steve P. Erickson, Engineering Director

EXHIBIT K

**MONTAGUE POC CONSTRUCTION PHASE
COST ESTIMATE AND FUNDING PLAN**

CONSTRUCTION PHASE COST ESTIMATE (\$)

PM & CM (includes \$100,000 for aesthetics*)	2,515,000
DSDB, DSDC, and Additional Design (includes \$140,000 for aesthetics*)	643,000
Other Services	100,000
PG&E Relocation	609,816
Construction Contract	10,500,000
Construction Contingency	1,575,000
Construction Allowance for Aesthetics*	500,000
Project Contingency	229,739
Total Cost Estimate	16,672,555

*Aesthetics Cost Estimate = \$740,000

CONSTRUCTION PHASE FUNDING PLAN (\$)

Transit Performance Initiative Grant Funds	2,768,555
OBAG 2 Funds	3,440,000

OBAG 2 Funds	3,560,000
City OBAG2/Local Match Funds (includes \$740,000 for aesthetics)	3,404,000
SB 1 (Fill funding gap of \$3.5 M)	3,500,000
Total Construction Funding	16,672,555

EXHIBIT L
MONTAGUE POC CONSTRUCTION PHASE
(C18231F)
SCHEDULE

Advertisement Day	3/4/2019
Bid Open	4/22/2019 (Usually about 4 weeks from Advertisement but could delay if there are addenda, Q&A, protest)
VTa BOD Authorization	6/6/2019 (could delay if there is protest, disqualification, or re-bid)
Notice of Award (NOA)	6/7/2019 (within 120 days from Bid Open)
First Charge Day (FCD)	7/15/2019 (35 th day after NOA. According to the revised Section.2.3.4 –“Should the first charged day fall on a Friday or weekend or holiday, the following working day shall be the first day charged”)
Notice of Proceed (NTP)	7/30/2019-8/15/2019 (after meeting specific requirements)
Construction Completion	10/28/2020 (471 calendar days from the FCD)

Item Attachment Documents:

- C9. Authorize Agreement with Fireworks & Stage FX America for Annual Fireworks Shows
Chris Schroeder, 408-586-3161 and Renee Lorentzen

Recommendation:

- 1) Authorize the City Manager to Execute the Agreement with Fireworks & Stage FX America for Annual Fireworks Shows for the amount of \$26,500.00.
- 2) Authorize the Purchasing Agent to exercise the options per the terms of the agreement.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize Agreement with Fireworks & Stage FX America for Annual Fireworks Shows
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Chris Schroeder, 408-586-3161 and Renee Lorentzen
Recommendation:	1) Authorize the City Manager to Execute the Agreement with Fireworks & Stage FX America for Annual Fireworks Shows for the amount of \$26,500.00. 2) Authorize the Purchasing Agent to exercise the options per the terms of the agreement.

Background: For over 30 years, the City's Recreation and Community Services Department has held a 4th of July Fireworks show to provide a safe and family-friendly venue to view fireworks for the July 4th holiday. The 4th of July fireworks shows are attended by approximately 15,000 members of the public each year. Beginning in 2019, the City also contracted for a firecracker show to celebrate Lunar New Year, which was attended by approximately 2,000 members of the public. The previous contract for fireworks shows expired at the completion of its full five-year term, necessitating a new RFP be conducted in order to enter into a new agreement to provide the fireworks shows at these two celebrations.

Analysis: On February 15, 2019 the Purchasing Division released Request for Proposals (RFP) No. 2295 – Annual Fireworks Shows after collaboration with the Recreation and Community Services Department to develop a scope of work for the annual fireworks shows the City planned to coordinate.

The RFP was publicly noticed in accordance with the City's Municipal code and advertised on the City's website, via PublicPurchase.com, the City's previous eProcurement system. Two qualified firms submitted proposals by the 2:00 p.m. deadline on March 15, 2019. One proposal was non-responsive and not considered. The proposal from Fireworks & Stage FX America did meet the requirements outlined in the RFP and was evaluated by three members of the Recreation and Community Services Department. The proposal from Fireworks & Stage FX America was scored at 79.67. After Purchasing Division staff conducted reference checks, Fireworks & Stage FX America was selected as the recommended vendor.

Pending approval of the agreements with Fireworks & Stage FX America for Annual Fireworks Shows vendor and City staff will begin planning for the 4th of July celebrated by late April.

Policy Alternatives:

Alternative 1: Do not authorize the City Manager to execute an agreement with Fireworks & Stage FX America

Pros: It would conserve the expense of providing fireworks shows at the City's 4th of July and Lunar New Year celebrations.

Cons: There would be no fireworks shows at the City's 4th of July and Lunar New Year celebrations.

Reason not recommended: This would cancel an annual event that the city has hosted for over 30 years.

Thousands of families, every year, attend our fireworks show in celebration of the Nation's birthday. The lighting of Firecrackers for the Lunar New Year Celebration is culturally significant to the Asian community important to offering an authentic celebration.

Fiscal Impact: The cost to provide fireworks shows at the City's 4th of July and Lunar New Year celebrations is \$26,500.00 per contract year. If the full five-year term of the agreement is optioned, the not to exceed amount would be \$132,500. There are sufficient funds available.

Recommendations:

- 1) Authorize the City Manager to Execute the Agreement with Fireworks & Stage FX America for Annual Fireworks Shows for the amount of \$26,500.00.
- 2) Authorize the Purchasing Agent to exercise the options per the terms of the agreement.

Attachment:

Agreement with Fireworks & Stage FX America

**CITY OF MILPITAS
PROFESSIONAL SERVICES AGREEMENT**

This Agreement is made and entered into as of _____, 20____ (“Effective Date”) by and between the City of Milpitas, a municipal corporation organized and operating under the laws of the State of California with its principal place of business at 455 E. Calaveras Boulevard, Milpitas, California 95035 (“City”), and **Fireworks & Stage FX America, Inc.** a corporation with its principal place of business at **12485 Highway 67 Pad 5 Lakeside CA 92040** (hereinafter referred to as “Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

RECITALS

A. City is a public agency of the State of California and is in need of professional services for the following project:

ANNUAL FIREWORKS SHOWS

(hereinafter referred to as “the Project”).

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for City to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

Consultant shall provide the City with the services described in the Scope of Services attached hereto as Exhibit “A.”

2. Compensation.

a. Subject to paragraph 2(b) below, the City shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit “B.”

b. In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of **Twenty-Six Thousand Five Hundred Dollars and Zero Cents (\$26,500.00)**. This amount is to cover all printing and related costs, and the City will not pay any additional fees for printing expenses. Periodic payments shall be made within thirty (30) days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the City, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the City by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the City and executed by both Parties before performance of such services, or the City will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by City.

5. Term

The term of this Agreement shall be from **May 1, 2019** to **April 30, 2020**, unless earlier terminated as provided herein. The City reserves the right to review the Contractor's performance at the end of each year and cancel all or part of the Agreement. The City reserves the right to extend this Agreement for four (4) one (1) year options exercisable at the City's sole discretion, not to exceed five (5) years in total. The City may exercise the renewal option years by written notice to the Contractor by US Mail, fax or email, including a Purchase Order, sent no later than the last day of the current term. If a renewal option is exercised and/or a price increase is granted it will be transmitted to the Contractor using the Notice of Exercise of Option to Extend Agreement attached hereto as Exhibit "E."

6. Delays in Performance.

a. Neither City nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

b. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including Cal/OSHA requirements.

b. If required, Consultant shall assist the City, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies.

c. If applicable, Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

8. Standard of Care

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Subconsultant

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the City, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Consultant

Consultant is retained as an independent contractor and is not an employee of City. No employee or agent of Consultant shall become an employee of City. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from City as herein provided.

11. Insurance. Consultant shall not commence work for the City until it has provided evidence satisfactory to the City it has secured all insurance required under Exhibit "D" (Insurance Requirements), attached hereto and incorporated herein by this reference. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required therein.

12. Indemnification.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the City, its officials, officers, employees, agents, or volunteers.

b. If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance of "design professional" services (as that term is defined

under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

13. California Labor Code Requirements.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects ("Prevailing Wage Laws"). If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is One Thousand Dollars and Zero Cents (\$1,000.00) or more, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

b. If the services are being performed as part of an applicable "public works" or "maintenance" project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant's performance of services, including any delay, shall be Consultant's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the City. Consultant shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

14. Verification of Employment Eligibility.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

15. City Material Requirements.

[RESERVED]

16. Laws and Venue.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Santa Clara, State of California.

17 Termination or Abandonment

a. City has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, City shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. City shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by City and Consultant of the portion of such task completed but not paid prior to said termination. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to City only in the event of substantial failure by City to perform in accordance with the terms of this Agreement through no fault of Consultant.

c. The Consultant understands and accepts that at all times; the contract is subject to appropriation of funds by the Milpitas City Council. The contract may terminate without penalty, liability or expense of any kind to the City at the end of contract term. The City has no obligation to make appropriations for the contract in lieu of appropriations for new or other contracts. City budget decisions are subject to the discretion of the Mayor and City Council. Consultant's assumption of risk of possible non-appropriation is a part of the consideration for the contract. This section controls against any and all other provisions of the contract.

18 Documents. Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, Drawings and Specifications and other

documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the City.

19. Organization

Consultant shall assign **Jim Acker** as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the City.

20. Limitation of Agreement.

This Agreement is limited to and includes only the work included in the Project described above.

21. Notice

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

CITY:

City of Milpitas

455 E. Calaveras Boulevard

Milpitas, California 95035

Attn: City Manager

CONSULTANT:

Fireworks & Stage FX America, Inc.

12485 Highway 67 Pad 5

Lakeside CA 92040

and shall be effective upon receipt thereof.

22. Third Party Rights

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the City and the Consultant.

23. Equal Opportunity Employment.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. Entire Agreement

This Agreement, with its exhibits, represents the entire understanding of City and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations,

inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

25. Severability

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the provisions unenforceable, invalid or illegal.

26. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of City. Any attempted assignment without such consent shall be invalid and void.

27. Non-Waiver

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

28. Time of Essence

Time is of the essence for each and every provision of this Agreement.

29. City's Right to Employ Other Consultants

City reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

30. Prohibited Interests

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

31. Wage Theft Prevention

a. Consultant, and any subconsultant it employs to complete work under this Agreement, shall comply with all applicable federal, state and local wage and hour laws.

Applicable laws may include, but are not limited to, the Federal Fair Labor Standards Act, the California Labor Code and the Milpitas Minimum Wage Ordinance.

b. BY SIGNING THIS AGREEMENT, CONSULTANT AFFIRMS THAT IT HAS DISCLOSED ANY FINAL JUDGMENTS, DECISIONS OR ORDERS FROM A COURT OR INVESTIGATORY GOVERNMENT AGENCY, FINDING IN THE FIVE (5) YEARS PRIOR TO EXECUTING THIS AGREEMENT THAT CONSULTANT OR ITS SUBCONSULTANTS HAS VIOLATED ANY APPLICABLE WAGE AND HOUR LAWS. CONSULTANT FURTHER AFFIRMS THAT IT OR ITS SUBCONSULTANT(S) HAS EITHER FULLY SATISFIED EACH JUDGMENT, DECISION OR ORDER, OR, IF ANY JUDGMENT, DECISION OR ORDER HAS NOT BEEN FULLY SATISFIED, CONSULTANT AFFIRMS THAT IT OR ITS SUBCONSULTANT(S) IS CURRENTLY SATISFYING SAID JUDGMENT, DECISION OR ORDER THROUGH A PAYMENT OR ALTERNATIVE PLAN APPROVED BY THE APPLICABLE COURT/GOVERNMENT AGENCY AND THAT CONSULTANT OR ITS SUBCONSULTANT(S) ARE IN COMPLIANCE WITH SAID PLAN AS OF THE DATE OF EXECUTING THIS AGREEMENT.

c. If at any time during the term of this Agreement, a court or investigatory government agency issues a final judgment, decision or order finding that Consultant or a subconsultant it employs to perform work under this Agreement has violated any applicable wage and hour law, or Consultant learns of such a judgment, decision, or order that was not previously disclosed in its bid/proposal, Consultant shall inform the City no more than fifteen (15) calendar days after the judgment, decision or order becomes final or from the date of learning of the final judgment, decision or order. Consultant or its subconsultant(s) shall, within thirty (30) calendar days after notifying the City, either (i) fully satisfy any such judgment, decision, or order and provide the City with documentary evidence of satisfying said judgment, decision or order; or (ii) provide the City documentary evidence of a payment or other alternative plan approved by the court/government agency to satisfy the judgment, decision or order. If the Consultant or its subconsultant is subject to a payment or other alternative plan, the Consultant or its subconsultant shall continue to submit documentary evidence every thirty (30) calendar days during the term of the Agreement demonstrating continued compliance with the plan until the judgment, decision or order has been fully satisfied.

d. For purposes of this Section, a "final judgment, decision, or order" refers to one for which all appeals have been exhausted or the time period to appeal has expired. Relevant investigatory government agencies include: the United States Department of Labor, the California Division of Labor Standards Enforcement, the City, or any other governmental entity or division tasked with the investigation and enforcement of wage and hour laws.

e. Failure to comply with any part of this Section constitutes a material breach of this Agreement. Such breach may serve as a basis for immediate termination of this Agreement and/or any other remedies available under this Agreement and/or law.

f. Notice provided to the City shall be addressed to: Attention: Finance Director, 455 E. Calaveras Blvd. Milpitas, CA 95035. The Notice provisions of this Section are separate from any other notice provisions in this Agreement and, accordingly, only notice provided to the above address satisfies the notice requirements in this Section.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF MILPITAS
AND FIREWORKS & STAGE FX AMERICA, INC.**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF MILPITAS

Fireworks & Stage FX America, Inc.

Approved By:

Julie Edmonds-Mares
City Manager

Signature

Name

Date

Title

Approved As To Form:

Christopher J. Diaz
City Attorney

Date

Approved As To Scope:

DIR Registration Number (If Applicable)

Jane Corpus
Interim Director of Finance

Approved As To Content:

Renee Lorentzen
Recreation Services Director

EXHIBIT A

Scope of Services

The City of Milpitas conducts two public events annually in which a fireworks show provided by a duly licenses pyrotechnics Consultant firm are part of the program:

- 1) Annual Lunar New Year Show; and
- 2) Celebrate Annual 4th of July Fireworks Show - an electronically fired and synchronized to a CD soundtrack sky concert fireworks show.

1. SCOPE OF SERVICES

The 4th of July event will take place at 9:00 p.m. on the evening of July 4th of each contract year. The show will be fired from the Milpitas Sports Center Little League Fields. The Lunar New Year event will take place once each year on a varying date based on the Lunar New Year in the evening. The show will be fired at the Civic Center. Both diagrams of the event locations showing the sites are incorporated at the end of this Scope of Work. All site arrangements are subject to the Consultant's reasonable approval as to pyrotechnic safety, suitability, and security. Proposers are strongly encouraged to visit the event site and submit questions for clarifications.

For the 4th of July event, The Consultant shall provide maximum variety in color, mortar size, length of the show and overall effect for the proposed amount.

The Consultant shall provide all pyrotechnic equipment, trained pyro-technicians, shipping, pyrotechnic products, application for specific pyrotechnic permits, transportation, materials and any other resources required to perform services pursuant to this solicitation. Consultant shall provide and/or conduct all clean-up and return of the firing site to the condition previous to the event.

The Consultant and City shall each comply with applicable federal, state and local laws and regulations and employ safety programs and measures consistent with recognized applicable industry standards and practices.

Specification Requirements:

Technical proposals must present offers for the Annual 4th of July Fireworks Show and Annual Lunar New Year Show as separate events with the following information:

- 1) A work program with a detailed description of the following services to be provided.
 - a. Program Design
 - b. Show Elements (photos are encouraged as well as narrative)
 - c. Tasks to be Performed
 - d. Implementation Schedule and City Resource Requirements
- 2) Methodology and techniques.
- 3) Event Itinerary with production product synopsis; listing types of fireworks and the length of each show segment.
- 4) Provide a musical soundtrack on a Compact Disc (CD/DVD) for synchronization in agreed upon format.

The specific work program and methodology must meet the following requirements:

Shells:

For the 4th of July event, Consultant must offer a variety of shell types. Shells must have different functions, patterns of break, colors, and sizes. Consultant must provide a list of types of shells offered with their proposals. High-level aerial fireworks are to be ninety-eight percent (98%) or more for the entire program. No mortar shells larger than three (3) inches are to be used. The production product synopsis must include the description and quantity of shells for: 1) Opening; 2) Main Body – Aerial Shells and 3) Grand Finale.

For the Lunar event, Proposer will be responsible for supplying fire crackers that are consistent with Lunar New Year celebrations.

The fireworks materials list will be verified on the day of the event to compare the actual inventory at the site and contracted shells. Failure to deliver and shoot all shells under contract will result in a pro-rated amount being paid by the City.

Music:

For the 4th of July event, The Consultant will be responsible for all musical scores and the design and choreographing of each display to the music provided and agreed upon. The Consultant must furnish the music/narration CD to City Staff for approval no later than June 1 or preceding business day, of each year.

Length of Show:

Consultant's show shall be a minimum of twenty (20) minutes for the City's Annual 4th of July Fireworks Show and between five (5) and eight (8) minutes for the City's Lunar New Year. Shells are to be launched at a moderate rate of at least every three (3) seconds or better.

Pre-Event Meeting:

Consultant shall attend a "pre-event" meeting with various City department liaisons and security. This meeting is held approximately two (2) months prior to each event, and its purpose is to establish a final timeline for the various support tasks and safety plan. The Consultant will be given approximately one (1) month notice of the scheduled meeting date.

Set-up and Clean-up:

The Contractor will be responsible for all set-up, tear-down, and clean-up. The firing location must be restored to its original condition after the show.

Dud Materials and Debris:

Percentage of duds will not exceed one half of one percent of the total number of shells. The Consultant must remove all dud material. The Consultant must search the secured area for duds immediately after the show using lighting per NRPA Standard 1123. All dud material must be disposed of properly.

Safety Standards and License Requirements:

All fireworks shall be performed according to the National Fire Protection Association Code for the Outdoor Display of Fireworks, NFPA Standard 1123, and all applicable codes in California Code of Regulations, Title 19; 2007 California Fire Code; and other related Federal, State,

County and City codes as updated and amended. Proposer must be licensed with the California State Fire Marshall and the Bureau of Alcohol, Tobacco, and Firearms. Proposer must apply for a Public Fireworks Display Permit from the City by June 1 of each year (or preceding business day) and maintain a City of Milpitas Business License.

Cancellation of Show:

If, for any reason beyond the Consultant's control, including, but not limited to, inclement weather or unsafe conditions, and the Consultant is unable to discharge the display on the scheduled date safely, or should the event for which the City has purchased the display be canceled, the parties shall negotiate a new display date, which shall be within 120 days of the original display date. The City shall reimburse the Consultant for reasonable and documented postponement charges. The postponement charges may include those costs incurred or committed to by the Consultant prior to notification of postponement but shall exclude material that can be reused by the Consultant. If the city has to cancel the display indefinitely, the City will be responsible for reasonable and documented material and labor costs prior to the Notice of Cancellation.

City Responsibilities:

- 1) Provide a suitable location for set-up and staging of the event.
- 2) Provide a secure firing site location and fallout area. The Fire Marshall or designee will be on site and inspect for relevant fire code compliance.
- 3) Security for the site location will be provided by the City upon arrival of the fireworks materials starting at 8:00 a.m. on July 4th until 10:00 a.m. on July 5 of each year and day of the event only for Lunar New Year.
- 4) The City's Fire Marshall or designee will meet the Consultant on the day of the event to inspect and count the shells and fire crackers.
- 5) Site Security, Police and Fire Department standby personnel, audio and fire control monitors.
- 6) Coordination and applicable non-pyrotechnic permitting with the local, state or federal government that may hold authority within the production.
- 7) General services including, but not limited to, site and audience security, fencing, adequate work light, dumpster accessibility for trash only, electrical power, fire suppression equipment, access to worksites, necessary credentialing, etc. will be required as necessary.
- 8) Professional grade Audio System including all necessary equipment, installation of such equipment and trained audio engineers for operation based on audio and communications requirements provided by the Consultant.
- 9) Provision of a Safety Zone in accordance with applicable standards and all requirements of the authorities having jurisdiction throughout the entire time that the pyrotechnics are at the Site or the load site (if different) on the date of the production and all set up and load out dates, unauthorized people, etc. from entering the Safety Zone.

Map of Sport Center Fields



Map of Civic Center



EXHIBIT B

Schedule of Charges/Payments

Consultant will invoice City on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task. Consultant will inform City regarding any out-of-scope work being performed by Consultant.

<u>EVENT</u>	<u>PAYMENT</u>
4 th of July Aerial Show	\$22,500.00
Lunar New Year Celebration	\$4,000.00

EXHIBIT C
Activity Schedule

Show Description: 4th of July

Your show will be laid out to maximize the space provided to us and to provide for maximum safety to the surrounding area while providing a great visual appearance to the audience.

We will open the show with “chains” of aerial shells and salutes. A chain is several shells fired in a quick sequence. It will look like a miniature Grand Finale to open the show. Then based on the music selection, the fireworks will follow the course of the music, choreographed to match the tempo and the rhythm of the music while the shells burst to the beat. Depending upon the music and the choreographer, we may sneak in a mini-finale during the show to fool the audience into thinking the show is coming to an end, only to ramp up the tempo and increase the show’s excitement even more. In addition to the 1,000 aerial shells (1000 shells over 20 minutes = 1 shell every 1.2 seconds average) we will also provide several multi-shot barrages and several dozen roman candles, each of which provides a different and varied look to the show. The candles provide a low to mid-level effect and the barrages provide a mid to high level effect. When these are used in conjunction with out 2.5” and 3” aerial shells, they actually make the aerial shells look larger by providing the contrast in the sky. Your display will end on an up-beat note while we fire off hundreds of Grand Finale’ shells to cap off the display.

[Continued on Following Page]

[INSERT PDF PAGE 9 HERE]

Show Description: Lunar New Year

This will be a traditional Lunar New Year celebration using all red Chinese manufactured authentic firecrackers. Each of our strings are rated in “Tau”, which is an old school way of measuring a firecracker string from the amount of energy released. In our case, each firecracker is about 1 Tau, which means that each of our 50,000 Tau strings contains about 50,000 crackers. Our proposal is providing 16 strings, so you will be receiving about 900,000 crackers. Just under one million!

We can set the strings up on our own custom holders or we can lay them on the ground for you or hang them from buildings. Once you have a preference, please let us know and we’ll make it happen. Our pyrotechnician will see to igniting each string to provide exactly the show duration that you prefer.

City of Milpitas Firecracker Celebrations Lunar New Year		
Lunar New Year Celebration		
Product Description	Program A	Item Duration (in seconds)
Traditional Lunar New Year Fireracker Celebration Strings 16' long Once ignited, these 16' long red paper firecracker celebration strings provide a non-stop crisp cracker effect!	20	5 to 8 minutes Can run longer if desired
At 50,000 Tau per 16' string, this proposal provides for 1,000,000 crackers!		

EXHIBIT D

Insurance Requirements

Please refer to the insurance requirements listed below. Those that have an "X" indicated in the space before the requirement apply to Contractor's or Consultant's Agreement.

Contractor or Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor or Consultant, its agents, representatives, employees or subcontractors.

Contractor or Consultant shall provide its insurance broker(s)/agent(s) with a copy of these requirements and request that they provide Certificates of Insurance complete with copies of all required endorsements.

Contractor or Consultant shall furnish City with copies of original endorsements affecting coverage required by this Exhibit D. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements and certificates are to be received and approved by City before work commences. City has the right to require Contractor's or Consultant's insurer to provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

Commercial General Liability (CGL):

___ Coverage at least as broad as Insurance Services Office ("ISO") Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$2,000,000.00 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

___ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$1,000,000.00 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

X_ Coverage at least as broad as ISO Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$5,000,000.00 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability:

X__ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), of if Contractor or Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000.00 per accident for bodily injury and property damage.

___ Coverage at least as broad as ISO Form Number CA 0001 covering, Code 1 (any auto), with limits no less than \$5,000,000.00 per accident for bodily injury and property damage.

___ Garage keepers' extra liability endorsement to extend coverage to all vehicles in the care, custody and control of the Contractor or Consultant, regardless of where the vehicles are kept or driven.

Professional Liability (Errors and Omissions):

The Employer's Liability policy shall be endorsed to waive any right of subrogation as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees.

___ Insurance appropriates to the Contractor or Consultant's profession, with limit no less than \$1,000,000.00 per occurrence or claim, \$2,000,000.00 aggregate.

___ (If Design/Build), with limits no less than \$1,000,000.00 per occurrence or claim, and \$2,000,000.00 policy aggregate.

___ Insurance appropriates to the Contractor or Consultant's profession, with limit no less than _____ per occurrence or claim, _____ aggregate

Workers' Compensation Insurance:

X__ Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000.00 per accident for bodily injury or disease. *(Not required if Contractor or Consultant provides written verification it has no employees)*

The Contractor or Consultant makes the following certification, required by section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor/Consultant Signature

Builder's Risk (Course of Construction):

___ Insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.

Surety Bonds:

___ Contractor shall provide the following Surety Bonds:

1. Bid Bond
2. Performance Bond
3. Payment Bond

The Payment Bond and Performance Bond shall be in a sum equal to the contract price. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Contractor's or Consultant's Pollution Legal Liability:

___ Contractor's or Consultant's pollution legal liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$1,000,000.00 per occurrence or claim and \$2,000,000.00 policy aggregate.

If the Contractor or Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Contractor or Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain the following provisions:

X___ Additional Insured Status:

The insurance policies are to contain, or be endorsed to contain the following provision:

The City, its elected and appointed officials, officers, attorneys, agents, and employees are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor or Consultant or any subcontractors including materials, parts, or equipment furnished in connection with such work or operations, including completed operations. General liability coverage can be provided in the form of an endorsement to the Contractor's or Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

The Additional Insured coverage under the Contractor's policy shall be "primary and non-contributory" and will not seek contribution from the City's insurance or self-insurance and shall be at least as broad as CG 20 01 04 13.

The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City (if agreed to in a written contract or agreement) before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

X___ Primary Coverage:

The insurance policies are to contain, or be endorsed to contain the following provision:

For any claims related to this contract, the Contractor's or Consultant's insurance coverage shall be primary insurance as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees. Any insurance or self-insurance maintained by the City, its elected and appointed officials, officers, attorneys, agents, and employees shall be in excess of the Contractor's or Consultant's insurance and shall not contribute with it.

___ Builder's Risk (Course of Construction Insurance) (applicable to Construction Contracts only)

Contractor or Consultant may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name the City as a loss payee as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the City's site.

___ Notice of Cancellation, Suspension or Otherwise Voiding Policies:

Each insurance policy required above shall contain, or be endorsed to contain that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except with thirty (30) days' prior written notice by certified mail, return receipt requested to the City.

X_ Waiver of Subrogation:

Contractor or Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor or Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Contractor or Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by Contractor or Consultant, its employees, agents and subcontractors.

___ Completed Operations

For Construction Agreements, Contractor shall maintain insurance as required by this Agreement to the fullest amount allowed by law and shall maintain insurance for a minimum of five (5) years following the completion of this project. In the event Contractor fails to obtain or maintain completed operations coverage as required by this Agreement, the City at its sole discretion may purchase the coverage required and the cost will be paid by Contractor.

THE FOLLOWING PROVISIONS APPLY TO ALL AGREEMENTS

Deductibles and Self-Insured Retentions (“SIR”):

Any deductibles or self-insured retentions must be declared to and approved by City. The City may require the Contractor or Consultant to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. At the option of the City, either (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its elected and appointed officials, officers, attorneys, agents, and employees; or (2) the Contractor or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

All SIRs must be disclosed to Risk Management for approval and shall not reduce the limits of liability.

Policies containing any SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or the City.

City reserves the right to obtain a full-certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Acceptability of Insurers:

Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than A:VII, unless otherwise acceptable to City.

Claims Made Policies: (note - should be applicable only to professional liability, see below)

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor or Consultant must purchase “extended reporting” coverage for a minimum of five (5) years after completion of work.
4. A copy of the claims reporting requirements must be submitted to the City for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractor’s Pollution Liability Policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability Policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Subcontractors:

Contractor or Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Subcontractor agrees to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under this Agreement and any other contract documents. Subcontractor further agrees to include the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, with any sub-subcontractor to the extent they apply to the scope of the sub-subcontractor's work. A copy of the City indemnity and insurance provisions will be furnished to the subcontractor upon request.

Verification of Coverage:

Contractor or Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor or Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other special circumstances.

Failure to Comply:

Each insurance policy required above shall contain or be endorsed to contain that any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected and appointed officials, officers, attorneys, agents, and employees.

Applicability of Coverage:

Each insurance policy required above shall contain or be endorsed to contain that the Contractor's or Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

EXHIBIT "E"
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE and DATE:	
CONTRACTOR Name and Address:	
DATE OF OPTION:	

(Date the notice is sent must be consistent with the time for exercise set forth in Agreement)

Pursuant to Section _____ of the Agreement referenced above, the City of Milpitas hereby exercises its option to extend the term under the following provisions:

OPTION NO.	
-------------------	--

NEW OPTION TERM

Begin date:	
End date:	

☐ **CHANGES IN RATE OF COMPENSATION**

Percentage change in _____ Index upon which adjustment is based:	
---	--

Pursuant to Section _____ of the Agreement the Rates of Compensation are hereby adjusted as follows:

(Use attachment if necessary)

MAXIMUM COMPENSATION for New Option Term:	
--	--

For the option term exercised by this Notice, City shall pay Contractor an amount not to exceed the amount set forth above for Contractor's services and reimbursable expenses, if any. The undersigned signing on behalf of the City of Milpitas hereby certifies that an unexpended appropriation is available for the term exercised by this Notice, and that funds are available as of the date of this signature.

CITY OF MILPITAS
a municipal corporation

CONTRACTOR
(Insert Name)

By _____

By _____

Name of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative:

Title of Authorized Representative

Item Attachment Documents:

- C10. Receive a Report on Emergency Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department and Authorize Payment of the Invoice Associated with the Purchase

Recommendation:

1. Receive a report from the Purchasing Agent for the Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department.
2. Authorize staff to pay invoices from LN Curtis & Sons for purchase of Nomex Wildland protective clothing.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive a Report on Emergency Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department and Authorize Payment of the Invoice Associated with the Purchase
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Chris Schroeder 408-586-3161
Recommendation:	1. Receive a report from the Purchasing Agent for the Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department. 2. Authorize staff to pay invoices from LN Curtis & Sons for purchase of Nomex Wildland protective clothing.

Background: Pursuant to Chapter 2, Section 3.10 – ‘Emergency Authority of Purchasing Agent’ of the City’s Municipal Code, the Purchasing Agent may authorize emergency purchases without observing the bidding procedures set forth in the City’s municipal code, but must provide the City Council with a report of all such activities. Per these requirements, receive this report on the emergency purchase of Nomex Wildland Personal Protective Equipment (PPE) for the Milpitas Fire Department.

Analysis: During calendar year 2018, the Milpitas Fire Department assisted jurisdictions to combat multiple large wildfires throughout the catastrophic wildfire season the state endured. Providing this assistance to areas impacted by these wildfires resulted in abnormally high numbers of Milpitas Fire Fighters to be deployed for long stretches to remote and treacherous areas throughout the state with minimal time for refitting, reconditioning or upkeep of equipment. Numerous PPE items used by Milpitas Fire Fighters were damaged during their deployment, which is considered normal for the conditions and locations of these wildfires. Additionally, second sets of PPE were needed due to the length of deployment and contamination and a total of 54 coats and 54 pants required emergency replacement.

The City has previously purchased PPE from LN Curtis & Sons which has met the specifications of the Fire Department for PPE. As a result of having the City’s specifications on hand and previous business relationship, LN Curtis & Sons offered the quickest replacement of damaged and contaminated PPE for the Fire Department so that Fire Fighters could continue their duties.

Fiscal Impact: The invoice from LN Curtis & Sons totals \$36,585.85. Adequate funding is available in the Fire Department’s Fiscal Year 2018-19 operating budget to pay for this emergency purchase.

California Environmental Quality Act: Not Applicable

Recommendations:

1. Receive a report from the Purchasing Agent for the Purchase of Nomex Wildland Personal Protective Equipment for the Milpitas Fire Department.
2. Authorize staff to pay invoices from LN Curtis & Sons for purchase of Nomex Wildland protective clothing.

Attachment: None

Item Attachment Documents:

11.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Consider Introduction of Ordinance No. 38.833 Amending Milpitas Municipal Code Title XI, Chapter 10, Sections 2, 4, 13 and 57 Relating to Accessory Dwelling Units (Staff Contact: Rozalynne Thompson, 408-586-3278)
Category:	Public Hearings-Community Development
Meeting Date:	4/16/2019
Staff Contact:	Rozalynne Thompson, Senior Planner 408-586-3278
Recommendation:	1) Conduct a public hearing and move to close the hearing following comments. 2) City Attorney shall read aloud title of Ordinance No. 38.833. 3) Move to waive the first reading beyond the title and introduce Ordinance No. 38.833 Amending Milpitas Municipal Code (Zoning Text) Title XI, Chapter 10 for a zoning text amendment in Section 2 ("Definitions"), Section 4 ("Residential Uses"), Section 13 ("Special Uses"), and Section 57 ("Applications") complying with Government Code Sections 65852.2 and 65852.22, to further encourage the production of accessory dwelling units in the City of Milpitas. 4) Determine that the Municipal Code (zoning) amendment is statutorily exempt from California Environmental Quality Act pursuant to CEQA Guidelines Section 15282(h).

Executive Summary

The City of Milpitas shares the common regional Bay Area challenge of providing affordable housing to various income levels within our communities. The City Council has consistently commented and provided direction on the need to address this issue locally through various avenues, including the production of affordable units by design. Accessory Dwelling Units (ADUs) have been specifically cited as an area in which the City of Milpitas can make a tangible and immediate difference. More specifically, the City can reduce barriers to local ADU production by revamping existing ordinance regulations in a way that simplifies ADU design and construction by removing common obstacles commonly viewed as disincentives to Milpitas single-family homeowners. In addition, public outreach conducted by staff as well as comments and recommendation from the Planning Commission have been extremely supportive of ADU production. The key areas of recommended ordinance improvement include:

- Allowing ADUs that conform to City ordinance by right (no planning permits required);
- Expanding ADU application from the R-1 to the R-2 single family residential zoning districts;
- Enlarging minimum ADU size to 800 square feet in most of the City and up to 1200 square feet in the Hillside Combine District area;

- Allowing two-story ADU units, including those above a detached garage;
- Allowing conversion of existing garages where city zoning and building code requirements can be met;
- Reducing, and in many cases, exempting additional parking requirements; and
- Reducing side setback to zero, and rear yard setback to 10 feet in most of the City except the Hillside Combining District area.

The staff report provides more detail on the proposed ordinance revisions as well as areas that are guided by state legislation.

Background:

On September 27, 2016, Governor Brown signed Senate Bill (SB) 1069 and Assembly Bill (AB) 2299 into law, modifying a local jurisdiction's ability to regulate Accessory Dwelling Units (ADUs). In addition, Governor Brown signed Assembly Bill 2406 into law, which authorizes local agencies to provide, by ordinance, for the creation of "junior accessory dwelling units" (JADU), in single family residential zones. The new laws became effective on January 1, 2017.

On October 8, 2017, Governor Brown signed two additional bills related to ADUs – SB 229 and AB 494 – to further clarify and improve various provisions of the law to encourage the construction of ADUs, including allowing ADUs to be built concurrently with a single-family home, allowing ADUs to be built in all zoning districts that allow single-family uses, modifying fees from utilities, and reducing parking requirements. Both SB 229 and AB 494 became effective January 1, 2018.

In accordance with those bills, State law renders any existing local ordinance that fails to fully meet the requirements of State law null and void, unless and until the local agency adopts a compliant ordinance. Moreover, any city that did not amend its ADU ordinance to be consistent with state law by January 1, 2017 and remit a copy of the amended ordinance to the State of California Department of Housing and Community Development within 60 days of adoption will be required to apply the standards of the new State law until such time that the local jurisdiction adopts a compliant ordinance.

Given that the most recent amendments to the ADU regulations in the City of Milpitas Zoning Code occurred in 2008, the City must amend the ADU regulations in the Zoning Code for consistency with State law if it wishes to continue enforcing certain local zoning regulations.

Based on the direction received from City Council at its January 15, 2019 meeting, staff has prepared a draft zoning ordinance to modify regulations related to accessory dwelling units to comply with Government Code Sections 65852.2 and 65852.22 and include revisions not required by State law, but introduced to further encourage the production of accessory dwelling units. The Planning Commission held a public hearing in accordance with Government Code Section 65854, reviewed the draft ordinance and unanimously approved a resolution recommending that the City Council adopt an ordinance to amend regulations related to accessory dwelling units.

Analysis:

This proposed zoning ordinance requires an amendment to the Zoning Code (Article XI of the Municipal Code). Specifically, the zoning text amendment amends Section 2 ("Definitions"), Section 4 ("Residential Uses"), Section 13 ("Special Uses"), and Section 57 ("Applications") of the Zoning Code.

Proposed Amendments to the Zoning Ordinance to Comply with State ADU Legislation

In response to the State legislation, staff is proposing the following changes to bring the City's Municipal Code into compliance with the new State ADU legislation.

Permit Accessory Dwelling Units on Lots with an Existing or Proposed Single-Family Dwelling

State law requires that a local accessory dwelling unit ordinance permit accessory dwelling units on lots with an existing or proposed single-family dwelling. Gov. Code §65852.2(a)(1)(D)(ii). Staff recommends adding the term “proposed” to footnote 6 of Table XI-10-4.02-1 “Residential Zone Uses” to be consistent with State law.

Change Accessory Dwelling Unit Regulations in Milpitas Municipal Code Subsection XI-10-13.08

The Milpitas Municipal Code (MMC) regulates accessory dwelling units primarily in Subsection XI-10-13.08. Staff recommends four changes to this section with respect to the existing use of the site, garage conversions, accessory dwelling units constructed above a garage, and parking requirements:

1. Existing Use

Akin to footnote 6 of Table XI-10-4.02-1, subsection XI-10-13.08(C) of the MMC, “Existing Use, only permits accessory dwelling units on lots “residentially zoned and contains only one (1) existing, legal single-family dwelling unit.” As discussed above, this is inconsistent with State law, which requires that a local accessory dwelling unit ordinance permit accessory dwelling units on lots with existing and proposed single-family dwellings. Staff recommends adding “proposed” to this subsection to comply with State standards.

2. Garage Conversions

Subsection XI-10-13.08(C)(4)(b) of the MMC limits attached accessory dwelling units to the “living area” of the primary residence. “Living area” expressly excludes garages. This is contrary to Section 65852.2(a)(1)(D)(vii) of the Government Code, which allows garages to be converted to accessory dwelling units. Staff recommends eliminating that subsection and replacing with a provision that allows garage conversions, subject to the height, lot coverage, and other requirements of the underlying zoning district.

3. Accessory Dwelling Units Constructed Above a Garage

According to Subsection XI-10-13.08(C)(4)(b), the maximum allowable height of a detached accessory dwelling unit located on a non-Hillside lot is the same as an accessory structure, which is fifteen (15) feet. On Hillside lots, the maximum allowable height for accessory dwelling units is seventeen (17) feet. However, staff recommends that the City allow accessory structures to be constructed above garages, with the statutorily mandated maximum setback of five (5) feet. Gov. Code §65852.2(a)(1)(D)(vii). These units would exceed the fifteen (15)-foot height maximum or seventeen (17) on Hillside lots. To accommodate accessory dwelling units constructed above detached garages, staff recommends increasing the maximum height limit to thirty (30) feet for non-Hillside lots and twenty-eight feet (28) for Hillside lots and adding a provision allowing ADUs to be constructed above detached garages.

4. Parking Requirements

Subsection XI-10-13.08(C)(6) of the MMC requires one parking space for accessory dwelling units, allows tandem parking to satisfy the required space, and permits the required parking space to be located in the front yard setback subject to the impervious surface coverage limitations in Subsection XI-10-4.05(B)(1)(a) of the MMC. State law,

however, exempts parking requirements for accessory dwelling units altogether if the accessory dwelling unit meets one of the following five criteria:

1. Within a half-mile of public transit;
2. Within an architecturally and historically significant historic district, as determined by the Chief Planner;
3. Is part of an existing primary residence or an existing accessory structure;
4. Is in an area where on-street parking permits are required, but not offered to the occupant of the accessory dwelling unit;
5. Within one block of a car share area.

Gov. Code §65852.2(d)(1)-(5). To comply with State law, staff recommends that the language of Subsection XI-10-13.08(C)(6) be revised to incorporate the exemptions enumerated in Government Code Section 65852.2(d)(1)-(5).

Eliminate the Minor Site Development Permit Requirement in Table XI-10.57.03-1

Under the existing accessory dwelling unit ordinance, all applications to create ADUs, whether a newly constructed ADU or as an addition to an existing primary dwelling unit, are subject to a Minor Site Development Permit issued by Planning staff per Table XI-10.57.03-1 of the MMC. The characterization of planning actions whether an action or decision is ministerial or discretionary is outlined in Table XI.10-64.02-1. Further, footnote 1 of the Table XI.10-64.02-1 explains that actions that result in the “issuance” of a permit are ministerial matters; all other actions are “decisions” or “recommendations,” which are discretionary actions. Minor Site Development Permits reviewed by staff result in a “decision” and, therefore, are discretionary actions.

State law prohibits local jurisdictions from applying discretionary review process to ADU applications that comply with all provisions of an ordinance in compliance with State law. Gov. Code §65852.2(a)(3) and (4)(e). To comply with State law, staff recommends eliminating the Minor Site Development Permit requirement for Accessory Dwelling Units that comply with the ordinance. Any application that deviates from the requirements in Subsection 13.08 are subject to a Minor Site Development permit in accordance with Table XI-10.57.03-1.

Elective Changes to Accessory Dwelling Unit Regulations

While not specifically required by State law, staff recommends additional changes to the ordinance to increase flexibility and further encourage creation of accessory dwelling units.

Change Terminology to “Accessory Dwelling Units”

State law officially designated second dwelling units as “Accessory Dwelling Units” and amended the State Government Code accordingly. To be consistent with State law, staff recommends changing the nomenclature from “second family units” to “accessory dwelling units” throughout the Zoning Ordinance.

Allowing Accessory Dwelling Units on All Lots in R2 Zoning Districts

According to Table XI-10-4.02-1, accessory dwelling units are only allowed in the R1 zoning district and on lots containing a single-family residence in the R2 zoning district. Although State law only requires the City to allow an accessory dwelling unit on a lot with one single-family detached dwelling and does not require that the City allow an accessory dwelling unit on a lot

with a two-family dwelling, staff recommends that the City Council consider allowing accessory dwelling units on all lots in R2 zoning districts, including those containing two-family dwellings. This would be a voluntarily allowance that exceeds statutory requirements.

Setbacks for Accessory Dwelling Units

The current version of Subsection XI-10-13.08 of the MMC requires that attached accessory dwelling units conform to the setbacks of the zoning district in which the site is located, while detached accessory dwelling units must conform to the minimum setbacks for accessory structures, which is three (3) feet from rear and side property lines provided that at least a six-foot separation from the primary dwelling and a fourteen-foot separation from structures on adjacent lots are maintained.

Staff recommends that the City Council consider reducing setbacks from the existing setback to zero for detached accessory dwelling units on non-Hillside lots, as long as fire-safety requirements are met, for site design flexibility. Staff further recommends that the City Council consider imposing a 10 foot rear yard setback for detached accessory dwelling units. Attached accessory dwelling units still must conform to the minimum required setbacks for the primary dwelling. Moreover, staff recommends including additional development standards that would require detached accessory dwelling units to be located to the rear of the primary dwelling, separated from the primary dwelling by at least six feet.

Maximum Height of Accessory Dwelling Units

Under the previous ordinance, the maximum square footage for attached ADUs in all zoning districts is the maximum building height on the existing single-family dwelling. For detached ADUs on non-Hillside lots, the maximum height is fifteen (15) feet and one-story and for Hillside lots, the maximum height is seventeen (17) and one-story. Staff recommends that the City Council consider a maximum height of twenty-eight (28) feet for non-Hillside lots and twenty-seven (27) feet for Hillside lots to accommodate two-story structures. To preserve neighbor privacy, staff also recommends that the City Council consider clerestory windows or windows with obscured glazing.

Maximum Floor Area of Accessory Dwelling Units

Under the MMC, the floor area of an attached accessory dwelling unit shall not be greater than 30 percent of living area of the primary dwelling unit, with a maximum of 475 square feet for non-Hillside lots and 1,200 square feet for Hillside lots. Detached accessory dwelling units can be no larger than 30 percent of the rear yard on non-Hillside lots and 1,200 square feet on Hillside lots.

State law increases the percentage of floor area for attached dwelling units to a maximum of 50 percent of the existing living area or 1,200 square feet, whichever is smaller. Furthermore, the statutory maximum floor area of detached accessory dwelling units is 1,200 square feet. Local jurisdictions, however, may establish a maximum unit size less than 1,200 square feet as long as the requirement is not burdensome on the creation of accessory dwelling units.

Staff recommends applying the same maximum floor area to both attached and detached accessory dwelling units, namely: 50 percent of the existing living area of the primary dwelling unit or 800 square feet on non-Hillside lots or 1,200 feet for Hillside lots, whichever is smaller. Given that Hillside lots are generally larger in size, they can accommodate larger accessory structures and allowing larger ADUs in Hillside lots would allow design flexibility and encourage

production of ADUs.

Further, staff recommends that the maximum floor area for accessory dwelling units located on lots with two-family dwellings be limited to 50 percent of the floor area of the smaller of the two units.

Replacement Parking for Single-Family Dwelling

The MMC is currently silent with respect to replacement parking for the single-family dwelling if a parking structure is demolished to accommodate an ADU or a garage is converted to an ADU.

In such instances, State law authorizes local jurisdictions to require replacement parking for the primary dwelling unit so long as the parking spaces be located in any configuration on the site, such as covered spaces, uncovered spaces, tandem spaces, or mechanical parking lifts. Staff recommends allowing such a provision to ensure the number of required on-site parking spaces is maintained for the primary dwelling.

Maximum Number of Bedrooms

The MMC limits accessory dwelling units to one bedroom. Staff recommends continuing that bedroom limit for all non-Hillside properties, but increasing the number of bedrooms to two for Hillside lots.

Minimum Unit Size

Section 65852.2 of the California Government Code established a maximum unit size for JADU's of 500 square feet, but does not establish a minimum unit size. However, Section 17958.1 of the California Health and Safety Code requires that efficiency units be at least 150 square feet for up to two occupants, increasing in size as the number of occupants increases. As Section 65852.22(a)(6) of the California Government Code requires a JADU to contain at least an "efficiency kitchen", staff recommends that the minimum unit size for a JADU should conform to the Health and Safety Code (i.e., a minimum of 150 square feet for two occupants, increasing for additional occupants per statute). The Building Department will enforce occupancy-based minimum square footage requirements.

Allowing Either An Accessory Dwelling Unit or Junior Accessory Dwelling Unit

Staff recommends adding language to Subsection XI-10-13.08 to ensure that any residential lot may only have one accessory or junior accessory unit per lot and not one of each. The intent of this regulation is to maintain the primary use of the lot as a single-family dwelling, and to facilitate tracking the creation of either junior accessory dwelling units or accessory dwelling units on a property.

Junior Accessory Dwelling Units

As discussed above, Governor Brown also signed AB 2406 into law, which authorizes local agencies to elect to provide, by ordinance, for the creation of "junior accessory dwelling units" (JADUs), in single family residential zones. The statute defines a "junior accessory dwelling unit" as

"a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure."

Planning Commission recommends including JADUs. Should the City Council consider including JADUs in the revised ordinance, staff recommends amending the MMC to include the

provisions of Section 65852.22 of the California Government Code, which contains the requirements for JADUs.

Policy Alternatives:

Alternative 1: Do not amend Section XI-10-13.08 (“Second Family Unit”) and defer to State law

Pros: Consistent with State law.

Cons: Potential impacts to neighborhoods

Reason not recommended: If the City does not amend its code to conform to current State law, State law makes the City’s ADU regulations null and void. The City will have no ability to regulate ADUs beyond the few standards that the State law itself imposes (which are minimal ambiguous). Deferring to State law has been confusing to Milpitas residents and property owners. In addition, staff has experienced difficulties with interpreting State law requirements which has hampered ADU processing and plan checking, and generally has not incentivized ADU production in Milpitas.

California Environmental Quality Act:

Pursuant to State CEQA Guidelines Section 15282(h), adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code is statutorily exempt from CEQA.

Recommendations:

- 1) Conduct a public hearing and move to close the hearing following comments.
- 2) City Attorney shall read aloud title of Ordinance No. 38.833.
- 3) Move to waive the first reading beyond the title and introduce Ordinance No. 38.833 Amending Milpitas Municipal Code (Zoning Text) Title XI, Chapter 10 for a zoning text amendment in Section 2 (“Definitions”), Section 4 (“Residential Uses”), Section 13 (“Special Uses”), and Section 57 (“Applications”) complying with Government Code Sections 65852.2 and 65852.22, to further encourage the production of accessory dwelling units in the City of Milpitas.
- 4) Determine that the Municipal Code (zoning) amendment is statutorily exempt from California Environmental Quality Act pursuant to CEQA Guidelines Section 15282(h).

Attachments:

- a) Planning Commission Resolution No. 19-006
- b) Proposed City Council Ordinance No. 38.833 – for introduction
- c) Online Survey Results

PLEASE NOTE:

This copy of Ordinance No. 38.833 is a “redlined” version for your convenience. Text additions are designated by an underline and text deletions are designated with a strikethrough.

REGULAR

NUMBER: 38.833

TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING SECTIONS OF CHAPTER 10 OF TITLE XI OF THE MILPITAS MUNICIPAL CODE RELATING TO ACCESSORY DWELLING UNITS

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of _____, upon motion by _____ and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Rich Tran, Mayor

APPROVED AS TO FORM:

Christopher J. Diaz, City Attorney

RECITALS AND FINDINGS:

WHEREAS, the availability of housing is a substantial concern for individuals of all demographics, ages, and economic backgrounds in communities throughout the State of California; and

WHEREAS, accessory dwelling units and junior accessory dwelling units offer lower-cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character; and

WHEREAS, in September 2016, the Legislature passed new laws including AB 2299, SB 1069, and AB 2406 intended to increase the number of accessory dwelling units and junior accessory dwelling units by simplifying the approval process and reducing costs associated with their creation, developing new standards and regulations, and modifying the City's ability to regulate accessory dwelling units; and

WHEREAS, the State of California has established that a local agency may, by ordinance, provide for the creation of accessory dwelling units and junior accessory dwelling units in single family residential zones and that the ordinance must designate areas within its jurisdiction where accessory dwelling units may be permitted; and

WHEREAS, accessory dwelling units and junior accessory dwelling units are, by law, deemed to be residential uses consistent with existing residential zoning and General Plan designations; and

WHEREAS, the proposed Zoning Ordinance amendments comply with the legislative amendments made in 2016 to Government Code Sections 65852.2 and 65852.22, which establish standards for the development of accessory dwelling units and junior accessory dwelling units, respectively, so as to increase the supply of smaller and affordable housing while ensuring that they remain compatible with the existing neighborhood; and

WHEREAS, the City has prepared a Zoning Amendment ("Amendment") to the City's Municipal Code, including refinements to Section XI-10-2 "Definitions," Subsection XI-10-13.08 "Second Family Unit," and Section XI-10-57 "Applications" of the Municipal Code; and

WHEREAS, on February 13, 2019 the Planning Commission for the City of Milpitas held a lawfully noticed public hearing to solicit public comment and consider the proposed Amendment, take public testimony, and make a recommendation to the City Council on the Amendment.

NOW, THEREFORE, the City Council of the City of Milpitas does ordain as follows:

SECTION 1. RECORD AND BASIS FOR ACTION

The City Council has duly considered the full record before it, which may include but is not limited to such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the City Council. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Based on its review of the entire record, including the staff report, public comments and testimony presented to the Planning Commission and City Council, and the facts outlined below, the City Council hereby finds and determines that this Ordinance has been assessed in accordance with the California Environmental Quality Act (Cal. Pub. Res. Code, § 21000 et seq.) ("CEQA") and the State CEQA Guidelines (14 Cal. Code Regs., § 15000 et seq.) and is statutorily exempt from the CEQA under Public Resources Code section 21080.17, which exempts from CEQA any ordinance that is adopted to implement Government Code section 65852.1 or 65852.2. This Ordinance implements section 65852.2. Therefore, this Ordinance is statutorily exempt.

SECTION 3. GENERAL PLAN CONSISTENCY

State law requires the City to deem accessory dwelling units, as permitted by this Ordinance, to be “a residential use that is consistent with the existing general plan and zoning designation.” (Cal. Gov. Code § 65852.2(a)(1)(C).) Furthermore, the City Council has considered the Planning Commission staff report, which provides a robust analysis demonstrating that this Ordinance is consistent with the General Plan. Therefore, the Council deems this Ordinance to be consistent with the General Plan both in substance and as a matter of law.

SECTION 4. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XI, CHAPTER 10, SECTION 2

The following entries in Title XI, Chapter 10, Section 2 “Definitions,” Subsection XI-10-2.03 “Definitions,” of the Milpitas Municipal Code are hereby amended to read as follows:

“**Accessory Building or Use**” means a subordinate building or use, whose purpose is clearly incidental to that of the main building or the use of the land, and which shall not contain living or sleeping quarters or storage for commercial vehicles in excess of three-quarter ($\frac{3}{4}$) ton size. ~~Accessory dwelling~~~~Second family~~ units, as defined in ~~this subsection~~ XI-13.08 “Accessory Dwelling Units,” are exempted from the prohibition against living and sleeping quarters. An accessory building shall be considered attached to the main building if:

1. It shares a common wall with the main building; or
2. It shares an integral roof structure having the same framing system and roof covering as the main building and is separated from the main structure by no more than ten (10) feet at any given point.

“**Single Household Unit**” means the functional equivalent of a traditional family, whose members are a non-transient interactive group of persons jointly occupying a single dwelling unit, including the joint use of common areas which are not compartmentalized, such locked cabinets or doors. A single housekeeping unit shall be limited to one (1) kitchen and shall have permanent internal access to all rooms within the dwelling unit, except as provided for ~~Accessory Dwelling~~~~Second Family~~ Units.

SECTION 5. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XI, CHAPTER 10, SECTION 4

The following text and footnote of Table XI-10-4.02-1 “Residential Zone Uses” in Title XI, Chapter 10, Section 4 “Residential Zones and Standards,” Subsection XI-10-4.02 “Residential Use Regulations of the Milpitas Municipal Code are hereby amended to read as follows:

4. Residential Uses

Condominiums and condo conversions	NP	SFR: C Duplex: C	C	C	C
Duplex (Two dwellings)	NP	P	NP	NP	NP
Group dwelling	NP	NP	NP	C	C
Guest house	C	NP	NP	NP	NP
Manufactured home ⁴	P	P	NP	NP	NP
Multi-family dwellings (Three or more units)	NP	NP	P	P	P
Planned unit development ⁵	P	P	P	P	P
Accessory Second residential dwelling unit ⁶	P	SFR: P Duplex: NP	NP	NP	NP

⁶ In conjunction with an existing or proposed legal single-family dwelling or duplex. Refer to Subsection XI-10-13.08, ~~Accessory Dwelling~~~~Second Family~~ Units, of this Chapter, for standards.

SECTION 6. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XI, CHAPTER 10, SECTION 13

Title XI, Chapter 10, Section 13 “Special Uses,” Subsection XI-10-13.08 “Second Family Unit” is amended as follows:

XI-10-13.08 - AccessorySecond DwellingFamily Units

A. Purpose and Intent. The purpose of these standards is ~~to ensure that second residential dwelling units located in single family residential zones do not adversely impact either adjacent residential parcels or the surrounding neighborhood, and are developed in a manner which protects the integrity of the residential zone, while providing for needed housing opportunities for owners of eligible parcels. This section is also intended to comply with State law, Government Code Sections 65852.2 and 65852.22.~~

B. ~~DefinitionsReview Requirements.~~ Any application for second family unit that meets the following standards in Section XI-10-13.08(C), Minimum Standards, below shall be approved ministerially without discretionary review or public hearing. One second family unit may be allowed per lot, subject to all of the following criteria:

1. Accessory Dwelling Unit: As defined by Government Code Section 65852.2, an accessory dwelling unit is an attached or a detached dwelling unit which provides complete independent living facilities for one or more persons and shall include permanent provisions for living, sleeping, eating, cooking, and sanitation. An accessory dwelling unit also includes an efficiency unit as defined in Section 17958.1 of the Health and Safety Code and a manufactured home as defined in Section 8007 of the Health and Safety Code.

2. Attached Accessory Dwelling Unit: An attached accessory dwelling unit is an accessory dwelling unit that either shares, at minimum, one wall with the primary dwelling.

3. Converted Accessory Dwelling Unit: A converted accessory dwelling unit is an accessory dwelling unit that is contained within the existing space of a single-family residence or accessory structure, including, but not limited to, a studio, pool house, or other similar structure, has independent exterior access from the existing residence, and the side and rear setbacks are sufficient for fire safety.

4. Detached Accessory Dwelling Unit: An accessory dwelling unit is detached if it does not share any walls with the primary dwelling unit or existing attached accessory structure.

5. Efficiency Kitchen: As defined by Government Code Section 65852.22(a)(6), an efficiency kitchen includes all of the following: (a) a sink with a maximum waste line diameter of one-and-a-half (1.5) inches, (b) A cooking facility with appliance which do not require electrical service greater than one-hundred-and twenty (120) volts or natural or propane gas, and (c) a food preparation counter and storage cabinets that are reasonable to size of the unit.

6. Junior Accessory Dwelling Unit: As defined by Government Code Section 65852.22, a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior accessory dwelling must be constructed within the existing walls of the structure and incorporate an existing bedroom. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

7. Living Area: As defined by Government Code Section 65852.2, the interior habitable area of a dwelling unit including basements and attics not including a garage or any existing accessory building or structure.

8. Public Transit: Any form of public transportation that runs on fixed routes and available to the public. Examples include, but are not limited to, Altamont Commuter Express (ACE), Bay Area Rapid Transit (BART), AC Transit, Valley Transportation Authority (VTA) bus service and light rail, and paratransit.

C. GeneralMinimum Provisions Standards.

1. ~~Existing Use. The lot is residentially zoned and contains only one (1) existing, legal single-family dwelling unit. A single accessory dwelling unit may be established on any lot in any district where a single-family detached primary dwelling or two-family dwelling has been legally established or is proposed to be established in conjunction with construction of an accessory dwelling unit.~~

2. ~~Number. A maximum of either one -accessory second dwellingfamily unit or junior accessory dwelling unit is permitted on any lot.~~

3. ~~Applicant and OwnershipOwner Occupancy. The owner of the property shall Either occupy the primary dwelling unit or the accessory dwelling as a principalunit or junior accessory dwelling unit must be occupied by the owner as the owner's primary residence and legal domicile.~~

a. ~~One (1) of the two (2) units shall be occupied by the owner of the property at the time of application submittal.~~

b. ~~The second family unit shall not be sold to a different owner than the main residence, and may be rented.~~

4. ~~Number of Bedrooms and KitchenAttached Second Family Unit. In non-Hillside zoning districts, an accessory dwelling unit may not have more than one bedroom or more than one kitchen. In the Hillside zoning district, an accessory dwelling unit may not have more than two bedrooms or more than one kitchen.~~

a. ~~If attached to the main dwelling, the second family unit shall comply with the same building height, setback, rear yard coverage and lot coverage requirements and limitations as the main dwelling.~~

b. ~~An attached second family unit shall be located within the living area of the existing dwelling. "Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage.~~

c. ~~The increased floor area of an attached second family unit in a non-Hillside combining district shall not exceed thirty (30%) percent of the existing living area, not to exceed four hundred seventy five (475) square feet in size.~~

d. ~~The increased floor area of an attached second family unit in the Hillside combining district shall not exceed thirty (30%) percent of the existing living area, not to exceed one thousand two hundred (1,200) square feet in size. However, in no case shall the overall building size exceed that allowed in Section XI 10-45, Hillside Combining District, of this Chapter.~~

~~Attached Second Family Unit.~~

a. ~~A detached second family unit in a non-Hillside combining district shall be located on the rear half of the lot, shall not exceed fifteen (15) feet in height, and shall be no closer than six (6) feet, and no farther than one hundred (100) feet, from the main dwelling. It shall conform to the same yard setback and rear yard coverage regulations applicable to accessory buildings and structures, as per Section XI 10-54.08, Accessory Buildings and Structures, of this Chapter.~~

b. ~~A detached second family unit in the Hillside combining district shall not exceed seventeen (17) feet and one (1) story from finished grade to the highest ridgeline of the building, and it shall not exceed one thousand two hundred (1,200) square feet in size. It shall be located on the rear half of the lot, and shall be no closer than six (6) feet, and no farther than one hundred (100) feet, from the main dwelling, shall not cover more than thirty (30%) percent of the required rear yard, shall conform to the side yard setback requirements as the main dwelling, and shall count towards the maximum allowed impervious surface coverage for the parcel on which it is located.~~

56. ~~Sale Prohibited Parking. The second family unit shall provide one (1) more off-street parking space than required for a single-family dwelling. This additional parking space may be tandem and~~

~~within the required front yard so long as it is located on the driveway serving the main dwelling. Front yard coverage requirements in the R1 zoning district shall apply. No parking shall be permitted on the street side yard of a corner lot. Covered parking shall comply with the requirements in Section XI 10-54.08, Accessory Buildings and Structures, of this Chapter. Parking space shall measure ten (10) feet by twenty (20) feet, and be improved as provided in Section XI 10-54.03, Improvement of Parking Areas, Auto Sales Areas and Loading Areas, of this Chapter. The primary dwelling unit and accessory dwelling unit must be held under the same ownership and may not be sold separately.~~

~~67. RentalOther Standards. The accessory dwelling unit may be rented.~~

- ~~a.—A second family unit which is an efficiency unit, as defined Section 17958.1 of the State Health and Safety Code, shall not contain less than one hundred fifty (150) square feet.~~
- ~~b.—The second family unit shall not have more than one (1) bedroom or more than one (1) kitchen.~~
- ~~c.—Local building codes shall apply to additions to existing single family dwellings, as well as to detached second family units, as appropriate.~~
- ~~d.—A permanent foundation shall be required for all second family units.~~
- ~~e.—Any construction shall conform to site and architectural plan review, fees, charges and other zoning requirements applicable to residential construction in the zone in which the property is located.~~
- ~~f.—Aesthetics. The second family unit shall be designed to be architecturally compatible and visually integrated with the main dwelling. It shall employ design, materials and colors matching those of the main dwelling.~~
- ~~g.—Second family units shall not be allowed where roadways, public utilities and services are inadequate, as determined by City staff, based on the City's adopted sewer and water master plans. If City staff believe that an additional residential unit will impact traffic flow along the residential street on which the unit is proposed, the applicant shall provide a traffic impact analysis for staff review. The applicant shall comply with the recommendations contained in the traffic impact analysis.~~

~~A second family unit which conforms to the requirements of this section shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use which is consistent with the existing general plan and zoning designations for the lot. The second family units shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.~~

D. Specific Standards

1. Attached Accessory Dwelling Unit.

- a. An attached accessory dwelling unit must comply with the same [objective](#) building height, setback (except as provided in (viii) below), -and lot coverage requirements as the primary dwelling per Section XI-10-4.04 - Residential Zone General Development Standards and Sections XI-10-45.04 – Height Regulations and XI-10-45.05 – Yard Requirements for lots within the Hillside Combining District, except that where an accessory unit is constructed above a detached garage the setback for that accessory dwelling unit must be at least five feet from the side and rear lot lines.
- b. In a non-Hillside Combining District, the floor area of an attached accessory dwelling unit may not exceed 50 percent of the existing living area of the primary dwelling or 800 square feet, whichever is smaller. When located on a lot with a two-family dwelling, the floor area of an attached accessory dwelling unit may not exceed 50 percent of the existing living area of the smaller of the two units.
- c. The increased floor area of an attached accessory dwelling unit in the Hillside combining district may not exceed 50 percent of the existing living area or 1,200 square feet, whichever is

smaller. However, in no case shall the overall building size exceed that allowed in Section XI-10-45-17 – Maximum Size of Residence Accessory Structures and Impervious Surface Coverage.

d. An attached accessory dwelling unit must match the architectural style, roof pitch, exterior materials, and color palette of the existing primary dwelling.

e. The accessory dwelling unit may not encroach into a public utility easement.

f. Where an attached garage that was legally constructed is converted to an accessory dwelling unit, no greater setback shall be required, but the resulting accessory dwelling unit must conform to height, lot coverage, and other requirements of this Section.

2. Converted Accessory Dwelling Unit. A converted attached accessory dwelling unit must:

a. be contained entirely within the existing space of a single-family residence or accessory structure,

b. have independent exterior access from the existing residence, and

c. have rear and side-yard setbacks that are sufficient for fire safety.

3. Detached Accessory Dwelling Unit

a. A detached accessory dwelling unit in a non-Hillside combining district must be located on the rear half of the lot, and no farther than 100 feet from the primary dwelling, or two-family dwelling. The minimum setback for a detached accessory dwelling unit from the side property line is zero, as long as it is sufficient for fire safety, and 10 feet from the rear property line. When located on a lot with a single-family residential dwelling, the floor area of an accessory dwelling unit may not exceed 50 percent of the existing living area of the primary dwelling or 800 square feet, whichever is smaller. When located on a lot with a two-family dwelling, the floor area of the accessory dwelling unit may not exceed 50 percent of the existing living area of the smaller of the two units. The height of a detached accessory dwelling unit may not exceed two stories or 28 feet. Windows located on the second-story of a detached accessory dwelling unit must be either clerestory or consist of obscured glazing.

b. A detached accessory dwelling unit in the Hillside combining district may not exceed two stories or 27 feet from the finished grade to the highest ridgeline of the building, and its floor area may not exceed 50 percent of the living area of the primary dwelling or 1,200 square feet, whichever is smaller. It must be located on the rear half of the lot, no farther than 100 feet from the primary dwelling. It may not cover more than 50 percent of the required rear yard area. It must match the same side yard setback at which the primary dwelling is built. Its floor area counts towards the maximum allowed impervious surface coverage for the parcel on which it is located. Windows located on the second-story of a detached accessory dwelling unit must be either clerestory or consist of obscured glazing.

c. A detached accessory dwelling unit may be a manufactured home as defined in Section 18007 of the Health and Safety Code, subject to the development standards in this Section.

d. A detached accessory dwelling unit must match the architectural style, roof pitch, exterior materials, and color palette of the existing primary dwelling.

e. Where an accessory dwelling unit is constructed above a garage, the setback for that unit is no more than five feet from the side and rear lot lines, and the unit must conform to the standards

of this Section, and other requirements of the zoning ordinance, and other applicable City codes.

f. A detached accessory dwelling unit must be located at least six feet to the rear of the primary dwelling unit.

g. Two-story detached accessory dwelling units not located above a garage in non-Hillside Combining districts shall have a minimum side yard setback of five feet and a minimum rear yard setback of 10 feet.

4. Parking.

a. The owner must provide one additional off-street parking space for the accessory dwelling unit unless one of the following conditions is met:

i. The accessory dwelling unit is located within one-half mile of public transit.

ii. The accessory dwelling unit is located within an architecturally and historically significant historic district.

iii. The accessory unit is part of an existing or proposed primary residence or accessory structure (i.e., it is a converted ADU).

iv. On-street parking permits are required but not offered to the occupant of the accessory dwelling unit.

v. When there is a car share vehicle located within one block of the accessory dwelling unit.

b. If a parking space is required for an accessory dwelling unit, the space must comply with all development standards set forth in Section XI-10-53 – Off-Street Parking Regulations, except that the parking space may be located within any setback area, in a tandem configuration, or on a mechanical lift.

c. Required parking for the primary dwelling may not be removed for the creation of an accessory dwelling unit (e.g., garage conversions), or allocated to meet the parking requirement for the accessory dwelling unit, unless replacement parking is provided in accord with this Section. Replacement parking spaces for the primary dwelling unit may be located in any configuration on the site, such as covered spaces, uncovered spaces, tandem spaces, or on mechanical parking lifts, subject to the City of Milpitas Engineering Division residential driveway development standards.

d. If the primary dwelling is nonconforming because it does not meet parking standards, an accessory dwelling unit may be established when parking for the primary dwelling unit is provided to meet the applicable requirements of Section XI-10-53 – Off-Street Parking Regulations. Parking for the primary dwelling unit may be located in any configuration on the site, such as covered spaces, uncovered spaces, tandem spaces, or mechanical parking lifts, subject to the City of Milpitas Engineering Division residential driveway development standards.

E. Junior Accessory Dwelling Units

1. A junior accessory dwelling unit is a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. The junior accessory dwelling unit must incorporate an existing bedroom and must be within the existing footprint of a structure and may only include an efficiency kitchen. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

a. Junior accessory dwelling units must comply with the following standards:

- i. Only one accessory junior accessory dwelling unit may be located on any lot that a primary single unit dwelling has been legally established or is proposed to be established in conjunction with construction of a junior accessory dwelling unit.
- ii. A junior accessory dwelling unit may only be located on a lot which already contains one legally established or proposed to be established single-family dwelling. A junior accessory dwelling unit must be created within the existing walls of an existing primary dwelling, and must include conversion of an existing bedroom.
- iii. A separate exterior entry must be provided to serve a junior accessory dwelling unit.
- iv. The interior connection to the main living area must be maintained, but a second door may be added for sound attenuation.
- v. The junior accessory dwelling unit must include an efficiency kitchen, requiring and limited to the following components:
 - a) A sink with a maximum waste line diameter of one-and-a-half (1.5) inches,
 - b) A cooking facility with appliance which do not require electrical service greater than one-hundred-and twenty (120) volts or natural or propane gas, and
 - c) A food preparation counter and storage cabinets that are reasonable to size of the unit.
- vi. The minimum total area of floor space of a junior accessory dwelling unit must be at least the minimum area of an efficiency unit as described in Section 17958.1 of the California Health and Safety Code but may not exceed a maximum of 500 square feet of floor area.
- vii. No additional parking is required.
- viii. The owner of a parcel proposed for a junior accessory dwelling unit must occupy as a principal residence either the primary dwelling unit or the junior accessory dwelling unit.
- ix. A junior accessory dwelling unit may not be sold independently of the primary dwelling on the parcel.
- x. Prior to obtaining a building permit for a junior accessory dwelling unit, a deed restriction, approved by the City Attorney, must be recorded with the County Recorder's office, which must include the pertinent restrictions and limitations of a junior accessory dwelling unit identified in this Section. Said deed restriction must run with the land and bind all future owners, heirs, and assigns. A copy of the recorded deed restriction must be filed with the Department stating that:
 - a) The junior accessory dwelling unit may not be sold separately from the primary dwelling unit;
 - b) The junior accessory dwelling unit is restricted to the maximum size allowed per the development standards;
 - c) The junior accessory dwelling unit is legal only so long as either the primary residence, or the junior accessory dwelling unit, is occupied by the owner of record of the property;

- 2. These junior accessory dwelling unit restrictions bind every successor in ownership of the property and a lack of compliance with this provision may result in legal action against the property owner, including revocation of any right to maintain a junior accessory dwelling unit on the property.

F. Other Standards.

- 1. Any accessory dwelling unit must meet the minimum requirements of an efficiency unit, as defined by Section 17958.1 of the State Health and Safety Code, and may not have a floor area that is smaller than 150 square feet.
- 2. A permanent foundation shall be required for all accessory dwelling units.
- 3. Every accessory dwelling unit must comply with local building code requirements.
- 4. An accessory dwelling unit that conforms to the requirements of this section is not considered to exceed the allowable density for the lot upon which it is located and must be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot.

An accessory dwelling unit may not be considered in the application of any local ordinance, policy, or program to limit residential growth.

G. Review Requirements. Any application for accessory dwelling unit that satisfies the standards in this Section will be approved ministerially without discretionary review or public hearing. An application that does not satisfy the standards in this Section are subject to a Minor Site Development Permit in accordance with Section XI-10-57 “Applications.”

SECTION 7. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XI, CHAPTER 10, SECTION 57

Title XI, Chapter 10, Section 57 “Applications”, Subsection XI-10-57.03 “Site Development Permits and Minor Site Development Permits” Table XI-10-57.03-1 “Additions or Alterations Requiring Minor Site Development Permits” of the Milpitas Municipal Code is hereby amended to read as follows:

Project Type	Planning Commission Subcommittee	Staff review
Accessory Buildings	A. Non-Residential and Mixed Use Districts: 1. Accessory buildings up to 2,500 square feet in area, provided that the proposed structure is not adjacent to a residential or Mobile Home Park Overlay (-MHP) district or use, and provided that building height, parking, setback, yard coverage, Floor Area Ratio, landscaping, open space and other ordinance requirements are met. The following shall also apply: a. Accessory buildings must be located on the rear half of the lot. On corner lots, the accessory building must be set back from the adjacent street at least as far as the main building. b. Accessory buildings must be of permanent construction (no modular buildings or metal buildings) with the exception of small pre-fabricated structures for chemical storage and the like, so long as such structures are adequately screened from public rights-of-way. c. Architecture shall match that of the existing building in terms of material, colors, style, etc.	A. Residential Only 1. Accessory buildings in residential districts (excluding -H Combining District), provided building height, parking, setback, yard coverage and other ordinance requirements are met. The following shall also apply: a. Accessory buildings for conditional uses in Residential R1 and R2 districts and for permitted and conditional uses in R3 and R4 districts shall comprise building materials, colors and style which complement the existing main structure. <u>2. Accessory building in residential and mixed use districts in order to accommodate a second family unit, as defined in Subsection XI-10-2.03, Definitions, of this Chapter. The development standards listed in Subsection XI-10-18.08, Second Family Unit, of this Chapter shall apply. Accessory dwelling units that do not meet the standards set forth in Section XI-10-13.08(C), General Provisions and Section XI-10-13.08(D) Specific Standards</u> B. All zones 1. Community emergency caches as defined in Subsection XI-10-2.03, Definitions, of this Chapter are exempt. Refer to Subsection XI-10-54.08(B)(12) for performance standards.
Building Additions	A. Non-residential and Mixed Use Districts: 1. All non-residential and mixed use building additions for legal, conforming buildings not adjacent to residential or Mobile Home Park Overlay District or use. a. Size of building addition shall not exceed 10,000 square feet or ten percent (10%) of the existing building gross floor area, whichever is less. Calculation shall cumulatively count all additions or enlargements completed since June 20, 2003. b. In addition to other development standards, the following shall also apply:	1. Residential building additions in R1 and R2 districts. 2. Residential building additions in multi-family districts up to 200 square feet. 3. All single-family dwellings in Hillside (-H) Overlay PUDs which specifically allow for staff approval. (refer to Section XI-10-56, Non-conforming Buildings and Uses, of this Chapter regarding non-conforming buildings). In addition to other development standards, the following shall also apply: a. Existing front yard paving shall be brought into

i. Architecture shall match that of existing building in terms of material, colors, style, etc. ii. The height of the addition shall not exceed the height of the adjacent portion of the existing building. B. Residential Districts 1. All single-family dwellings in Hillside (-H) PUDs which are specifically conditioned not to require Planning Commission or City Council review for building additions (refer to Section XI-10-56, Non-Conforming Buildings and Uses, of this Chapter regarding non-conforming buildings). In addition to other development standards, the following shall also apply: a. Existing front yard paving shall be brought into conformance.	conformance. b. The addition shall comprise building materials, colors and style which complement the existing structure. 4. Building addition to an existing single-family dwelling in residential and mixed-use zones, in order to accommodate a second family unit, as defined in Subsection XI-10-2.03, Definitions, of this Chapter. The development standards listed in Subsection XI-10-18.08, Second Family Unit, of this Chapter shall apply. Accessory dwelling units that do not meet the standards set forth in Section XI-10-13.08(C), General Provisions and Section XI-10-13.08(D) Specific Standards
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SECTION 8. SEVERABILITY

The provisions of this Ordinance are separable, and the invalidity of any phrase, clause, provision, or part has no effect on the validity of the remainder.

SECTION 9. EFFECTIVE DATE AND POSTING

In accordance with Section 36937 of the Government Code of the State of California, this Ordinance shall take effect thirty (30) days from and after the date of its passage. The City Council hereby directs the City Clerk to cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.

RESOLUTION NO. 19-006

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MILPITAS
RECOMMENDING THAT THE CITY COUNCIL ADOPT A CITY-INITIATED
ZONING TEXT AMENDMENT TO AMEND SECTIONS OF CHAPTER 10 OF TITLE
V OF THE MILPITAS MUNICIPAL CODE RELATING TO ACCESSORY DWELLING
UNITS, AND MAKING CEQA FINDING OF EXEMPTION FROM ENVIRONMENTAL
REVIEW PURSUANT TO CEQA GUIDELINES SECTION 15282(H)**

WHEREAS, the City of Milpitas, California (the “City”) is a municipal corporation, duly organized under the constitution and laws of the State of California; and

WHEREAS, California Government Code Section 65800 et seq. authorizes the adoption and administration of zoning laws, ordinances, rules and regulations by cities as a means of implementing the General Plan; and

WHEREAS, the availability of housing is a substantial concern for individuals of all demographics, ages, and economic backgrounds in communities throughout the State of California; and

WHEREAS, accessory dwelling units and junior accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character; and

WHEREAS, in September 2016, the Legislature passed new laws including AB 2299, SB 1069, and AB 2406 intended to increase the number of accessory dwelling units and junior accessory dwelling units by simplifying the approval process and reducing costs associated with their creation, developing new standards and regulations, and modifying the City’s ability to regulate accessory dwelling units; and

WHEREAS, the State of California has established that a local agency may, by ordinance, provide for the creation of accessory dwelling units and junior accessory dwelling units in single family residential zones and that that ordinance must designate areas within its jurisdiction where accessory dwelling units may be permitted; and

WHEREAS, accessory dwelling units and junior accessory dwelling units are residential uses consistent with existing residential zoning and General Plan designations; and

WHEREAS, the proposed Zoning Ordinance amendments comply with the legislative amendments made in 2016 to Government Code Sections 65852.2 and 65852.22, which establishes standards for the development of accessory dwelling units and junior accessory dwelling units, respectively, so as to increase the supply of smaller and affordable housing while ensuring that they remain compatible with the existing neighborhood; and

WHEREAS, the City has prepared Zoning Amendment No. ZA19-0001 (“Amendment”) to the City’s Municipal Code, including refinements to Section XI-10-2 “Definitions”,

Subsection IX-10-13.08 "Second Family Unit", and Section XI-10-57 "Applications" of the Municipal Code; and

WHEREAS, the Planning Commission makes and accepts as its own the findings set forth in this Resolution; and

WHEREAS, the Planning Commission is an advisory body to the City Council; and

WHEREAS, as separate and independent bases, the Planning Commission hereby finds and determines that the project is exempt from further CEQA review pursuant to CEQA Guidelines section 15282(h) (the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code); and

WHEREAS, on February 13 2019, the Planning Commission held a duly-noticed public hearing on the subject Amendment , at which all those in attendance were given the opportunity to speak on the Zoning Text Amendment; and

WHEREAS, the Planning Commission has considered all of the written and oral testimony presented at the public hearing in making its decision.

NOW THEREFORE, the Planning Commission of the City of Milpitas hereby finds, determines and resolves as follows:

SECTION 1. Recitals

The Planning Commission has duly considered the full record before it, which may include but is not limited to such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the Planning Commission. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. CEQA Finding

The Planning Commission recommends that the City Council find, under CEQA Guidelines, Section 15282(h), that if this Ordinance is a project, it is nonetheless exempt from further environmental review because it is the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code.

SECTION 3. Findings for Zoning Amendment (Milpitas Municipal Code, Subsection XI-10-57-02(G)(3))

The Planning Commission makes the following findings based on the evidence in the public record in support of Zoning Text Amendment No. ZA19-0001:

1. The proposed amendment is consistent with the General Plan.

The proposed Zoning Amendment is consistent with the General Plan because ordinances amended to comply with Government Code Section 65852.2 are, as stated by law, compliant with the General Plan. This zoning text amendment is intended to modify the City's existing zoning standards applicable to accessory dwelling and junior accessory dwelling units to comply with newly adopted State law. The newly adopted State law is intended to reduce barriers to the construction of accessory dwelling and junior accessory dwelling units as a means of providing a range of housing types to meet statewide housing demand.

This is also consistent with Housing Element Goals D-3 and G-1, which aims to provide a diversity of housing types responsive to household size, income, and age needs housing diversity and reduce governmental barriers to the production of different housing types. None of the new or revised requirements for accessory dwelling units and junior accessory dwelling units will conflict with or impede achievement of any of the goals, policies, or land use designations established in the General Plan. Therefore the consistent with the General Plan, specifically, Housing Element Goals D-3 and G.1.

2. The proposed amendment will not adversely affect the public health, safety and welfare.

The proposed Zoning Text Amendment to revise the accessory dwelling unit regulations will not adversely affect the public health, safety, and welfare because the Amendment will refine existing performance standards and introduce new standards for accessory dwelling units to ensure that any future accessory dwelling units are compatible with surrounding single-family residential uses.

SECTION 4: Planning Commission Action

The Planning Commission of the City of Milpitas hereby adopts Resolution No. 19-006 recommending that the City Council adopt Zoning Text Amendment ZA19-0001 based on the above Findings.

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of Milpitas on February 13, 2019.


Chair

TO WIT:

I HEREBY CERTIFY that the following resolution was duly adopted at a regular meeting of the Planning Commission of the City of Milpitas on February 13, 2019 and carried by the following roll call vote:

COMMISSIONER	AYES	NOES	ABSENT	ABSTAIN
Lawrence Ciardella	X			
Ray Maglalang	X			
Sudhir Mandal	X			
Demetress Morris			X	
Gurdev Sandhu	X			
Zeya Mohsin			X	
Evelyn Chua (Alternate)	X			



New Accessory Dwelling Unit Ordinance

January 31, 2019, 6:10 PM

Contents

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ii.	Survey questions	6
iii.	Individual responses	7

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Summary Of Responses

As of January 31, 2019, 6:10 PM, this forum had: **Topic Start**

Attendees:	87	January 2, 2019, 3:06 PM
Responses:	65	
Hours of Public Comment:	3.3	

QUESTION 1

1. Which of the following statements best describes you?

		%	Count
Single family home owner residing in my home in Milpitas		90.5%	57
Single family home owner renting out my home in Milpitas		1.6%	1
City of Milpitas renter		3.2%	2
Mobile home owner		1.6%	1
Townhome/condominium owner or renter in Milpitas		4.8%	3
Other		1.6%	1

QUESTION 2

2. If you own a single-family residential property (not including mobile homes, condos or townhomes) in Milpitas, would you consider developing an ADU on your property?

		%	Count
Yes		54.8%	34
No		22.6%	14

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

		%	Count
Maybe		22.6%	14

QUESTION 3

3. Do you think the City should offer the following types of incentives to encourage more ADU's? (check all that apply)

		%	Count
Allow them closer to the property line		50.0%	31
For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less		37.1%	23
For Detached ADUs: Limited to 1,200 square feet		38.7%	24
Allow more than one ADU per single family lot		21.0%	13
Eliminating the limit on the number of bedrooms required		37.1%	23
Provide assistance to help people navigate the permitting and design process		71.0%	44
I do not think the City should offer any incentives to encourage more ADUs		25.8%	16
Other		8.1%	5

QUESTION 4

4. Do you agree that the City should require a deed restriction to be recorded that requires either the main home or the ADU on the property to be owner-occupied after the ADU is built? Then owner can rent out one of the units but must live in the other.

		%	Count
Yes, I agree with this requirement		44.4%	28

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

		%	Count
No, I do not think the owner should have to live on the property		34.9%	22
No strong opinion either way		17.5%	11
Other		3.2%	2

QUESTION 5

5. Should ADU's be allowed for short-term rentals, which would allow the owner to rent out a space for up to 30 days?

		%	Count
Yes, ADU's should be allowed for short-term rentals		38.1%	24
No, ADU's should not be allowed for short-term rentals		44.4%	28
No strong opinion either way		15.9%	10
Other		1.6%	1

QUESTION 6

State law states that parking is not required if one of the following five criteria is met: 1) within 1/2 mile of public transit, 2) within one block of a car share, 3) part of the primary residence, 4) ADU is located in a historic district, or 5) on-street parking permits unavailable to occupant

Answered	8
Skipped	57

QUESTION 7

6. In accordance with State law, the City may impose required parking to not exceed one space per unit or bedroom, whichever is less. Do you agree with setting this City regulation?

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

		%	Count
Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.		49.2%	31
No, I do not think there should be a parking requirement established by the City		34.9%	22
No strong opinion either way		11.1%	7
Other		4.8%	3

QUESTION 8

7. Is there anything additional you would like the Council to consider regarding this item?

Answered	28
Skipped	37

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Survey Questions

QUESTION 1

1. Which of the following statements best describes you?

- Single family home owner residing in my home in Milpitas
- Single family home owner renting out my home in Milpitas
- City of Milpitas renter
- I do not own property/live in Milpitas
- Mobile home owner
- Townhome/condominium owner or renter in Milpitas
- Other

QUESTION 2

2. If you own a single-family residential property (not including mobile homes, condos or townhomes) in Milpitas, would you consider developing an ADU on your property?

- Yes
- No
- Maybe

QUESTION 3

3. Do you think the City should offer the following types of incentives to encourage more ADU's? (check all that apply)

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- I do not think the City should offer any incentives to encourage more ADUs
- Other

QUESTION 4

4. Do you agree that the City should require a deed restriction to be recorded that requires either the main home or the ADU on the property to be owner-occupied after the ADU is built? Then owner can rent out one of the units but must live in the other.

- Yes, I agree with this requirement
- No, I do not think the owner should have to live on the property
- No strong opinion either way
- Other

QUESTION 5

5. Should ADU's be allowed for short-term rentals, which would allow the owner to rent out a space for up to 30 days?

- Yes, ADU's should be allowed for short-term rentals
- No, ADU's should not be allowed for short-term rentals
- No strong opinion either way
- Other

QUESTION 6

State law states that parking is not required if one of the following five criteria is met: 1) within 1/2 mile of public transit, 2) within one block of a car share, 3) part of the primary residence, 4) ADU is located in a historic district, or 5) on-street parking permits unavailable to occupant

QUESTION 7

6. In accordance with State law, the City may impose required parking to not exceed one space per unit or bedroom, whichever is less. Do you agree with setting this City regulation?

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.
- No, I do not think there should be a parking requirement established by the City
- No strong opinion either way
- Other

QUESTION 8

7. Is there anything additional you would like the Council to consider regarding this item?

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Individual Responses

Name not available

January 2, 2019, 3:13 PM

Question 1

No response

Question 2

No response

Question 3

No response

Question 4

No response

Question 5

No response

Question 6

No response

Question 7

No response

Question 8

No response

Name not available

January 2, 2019, 3:15 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 2, 2019, 3:15 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No strong opinion either way

Question 8

No response

Name not available

January 2, 2019, 3:30 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 2, 2019, 3:48 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Let owners physically divide(by constructing wall) single family home into

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

one big and another small unit. Allow another entrance and separate utility meters/addresses. This way extra space in the house for senior owners can be utilized to generate income. Separate unit under same structure with independent unfitted connection is more comfortable to renters and easy to rent for home owners.

Name not available

January 2, 2019, 4:25 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No strong opinion either way

Question 8

No response

Name not available

January 2, 2019, 4:33 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

ADU guidelines should have provision to address neighbor-dispute, eg. aesthetics, light obstruction, privacy concerns, noise and parking impacts.

Name not available

January 2, 2019, 4:36 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 2, 2019, 4:45 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 2, 2019, 4:45 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process
- Other - have an online Webinar for Residents who can not come to the meetings

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Make it possible to get information online. Make the permit process simple and understandable, so people don't break law by misunderstanding

Name not available
January 2, 2019, 5:06 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available
January 2, 2019, 5:11 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- Other - ADUs is an excellent strategy for increasing living options and housing density within city that allows for increased affordability for many.

Question 4

- Other - City should offer flexibility for either owner occupied or not, peoples situations change

Question 5

- Other - If limit to property is one ADU then OK for short term rentals .. again, city should allow flexibility. Guidelines can be changed later if apparent problems develop.

Question 6

No response

Question 7

- Other - if the location of ADU is in a neighborhood with existing restricted parking regulations, then yes, parking should be required. otherwise no restriction

Question 8

ADU strategy is an excellent way to develop incremental affordable housing and living standard for Milpitas residents. Please start with less restrictive guidelines to allow the economic benefit for all. Please also minimize permitting fees and beaureacratc overhead. Thank you for the opportunity to provide feedback without attending a meeting, we all have busy schedules !

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Name not available
January 2, 2019, 5:30 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available
January 2, 2019, 6:17 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow more than one ADU per single family lot

Question 4

- No strong opinion either way

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No strong opinion either way

Question 8

No response

Name not available
January 2, 2019, 6:56 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 2, 2019, 7:35 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 2, 2019, 8:36 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 2, 2019, 8:49 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Parking is already inadequate in Milpitas. For example, 614 N. Park Victoria Ave. with numerous tenants but only three parking spaces which leaves their tenants no choice but to park in front of other houses in the area. Also 1322 Admire Ct. where the occupants have three four vehicles on the street, one being a commercial transport van. I have considered an ADU on my property, but due to lack of parking have decided it is not being considerate of my neighbors.

Name not available

January 2, 2019, 10:12 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Don't raise prop taxes after an adu.

Name not shown

January 2, 2019, 10:46 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process

Question 4

- Other - If the main home is owner occupied, the ADU can be rented to anyone. If the main home is rented, the ADU can only be rented to a relative of the owner, or the renter of the main home.

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not shown

January 2, 2019, 11:15 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not shown

January 3, 2019, 12:44 AM

Question 1

- Townhome/condominium owner or renter in Milpitas

Question 2

No response

Question 3

- Provide assistance to help people navigate the permitting and design process
- Other - I would need to study property line allowances and other details in order to comment on most of these.

Question 4

- No strong opinion either way

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

I think ADUs are sometimes a good thing. If I lived in a single family home, on a large enough lot, I would definitely consider adding one to my property, but I would also add one extra parking spot, to make sure the addition didn't inconvenience my neighbors.

Name not available

January 3, 2019, 6:20 AM

Question 1

- City of Milpitas renter

Question 2

- No

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

Is this a question?

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

It's already pretty crowded, and Calaveras is very congested during commute hours. Let's not further impact our streets until the infrastructure is improved.

Name not available

January 3, 2019, 7:58 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 3, 2019, 9:28 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

1

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 3, 2019, 12:44 PM

Question 1

- Single family home owner renting out my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- No strong opinion either way

Question 8

No response

Name not available

January 3, 2019, 2:30 PM

Question 1

No response

Question 2

No response

Question 3

No response

Question 4

No response

Question 5

No response

Question 6

No response

Question 7

No response

Question 8

No response

Name not available

January 3, 2019, 3:31 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 3, 2019, 3:41 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 4, 2019, 8:53 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- Provide assistance to help people navigate the permitting and design process
- Other - Detached ADUs should be limited to 700 Square feet

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

Be reasonable....there should be NO Reason to be vastly different from what other cities in Silicon Valley are doing to support extra people and land use!

Name not available

January 4, 2019, 1:16 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

As ADUs densify a neighborhood, the number of cars will likely increase. So, increased support for alternative forms of transportation are appropriate.

Name not available

January 4, 2019, 1:48 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- No, I do not think there should be a parking requirement established by the City

Question 8

ADU is the only solution to solve the housing crisis. People are being forced to live in rooms with no privacy because they cannot afford separate private accommodations.

Name not available

January 4, 2019, 1:57 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

Is this info for question #6 below?

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

Increasing the number of ADUs is a good way to improve the availability of

housing on single-family residential properties that have enough space to accommodate.

Name not available

January 4, 2019, 2:12 PM

Question 1

- Mobile home owner

Question 2

- Yes

Question 3

- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

Rebt co trol should play a major factor. So that the system is no abused.

Name not available

January 4, 2019, 2:33 PM

Question 1

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 4, 2019, 2:35 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 4, 2019, 3:50 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

I am in favor of ADU's if they basically comply with the building code with respect to set-back for a single-family home. So if the lot has space to meet those requirements, allowing one ADU is fine with me. As to parking, I think a single off-street space should be required for the one unit.

I am against any use of them as a temporary rental - we live in residential neighborhoods - not commercial areas. Were a non-owner to occupy the unit, I would like that it is required that any such rental be via a minimum 1-year lease arrangement. We want neighbors, not transient dwellers.

No restrictions should apply to length of tenancy if the occupant is a direct family member or close relative, such as a cousin, parent, brother/sister-in-law.

Thanks for soliciting residents' input.

Name not available

January 4, 2019, 3:50 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 4, 2019, 4:33 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- Other - Parking space and lot size should also be considered.

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Other - At least 1 space per bedroom or person(s) in unit is a must. And allow owner to make front yard available for parking.

Question 8

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

There should be a limit on the number of people over 16 yrs old (driving age) that can be housed in each unit or the number of cars allowed per ADU or home and ADU combined. Parking is such an issue in residential areas, when one family lot has more cars than can fit on their lot. Having ADUs makes sense ONLY if additional parking is allowed or cars are restricted. Home owners should be allowed to control the parking spaces in front of the single family homes, so their neighbors don't fill up the street with multiple cars.

Name not available
January 4, 2019, 5:12 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

The City should consider loan assistance to homeowners who are willing

to build ADUs

ADUs should be covered by tenant protections such just cause

Name not available
January 4, 2019, 5:22 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

3,5

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available
January 4, 2019, 9:09 PM

Question 1

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No strong opinion either way

Question 8

This is a band-aid that will hardly make a dent in the housing crisis. The city must require of new multi-unit developments a much larger share of affordable units than it does not. At least half of new units should be affordable to full-time minimum wage earners; that could make a real dent.

Name not available

January 4, 2019, 10:06 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 5, 2019, 6:46 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 5, 2019, 10:04 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No strong opinion either way

Question 6

1

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 5, 2019, 11:04 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow more than one ADU per single family lot
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

Is there a question here?

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Out of the box idea: when having construction done on site is the more efficient time to also make long-overdue improvements (improve home insulation, getting more energy-efficient windows, etc). If the city contracted with a few reputable vendors for this purpose, the synergy may have a significant effect on the overall energy consumption of the

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

city. It would be as if the city was acting like Group-on, reaching out to the target audience with a good deal at the right time (when they are ready to consider construction already).

Name not available

January 5, 2019, 11:09 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not shown

January 5, 2019, 4:28 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

Only on the property

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Do not allow any ADU except owner and parents or children of the parents occupying
NO rentals period

Name not available

January 5, 2019, 5:25 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Allow more than one ADU per single family lot
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 5, 2019, 6:19 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 6, 2019, 3:59 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

First of all, do not allow the additional buildings on single family home lots, adding a bedroom to an existing home is ok, but not a separate building

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

as a small cabin or house to rent.

Name not available

January 6, 2019, 5:21 PM

Question 1

- City of Milpitas renter
- Townhome/condominium owner or renter in Milpitas
- Other - My first apartment rented 2 Bdrm for \$268 in Fremont- per month. Today need three times Rent - great acceptable fico - a one Bdrm \$2,300-\$2,600

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Other - There should be parking approved for any builder or ADU enough parking space per number of bedroom in the unit. If a studio, than one parking space approved, if a couple rent that studio one car to be in the street parking.

Question 8

Yes, the community I lived for 3.5 years is growing leaps as each new unit

is added with new construction. In our Palazzo community only 15 guest parking and residents are not to use it. There are 3 bedroom and 4 bedroom units and so not enough parking. A tandem is for two cars. The larger units have two car garages. But people that live there are 3 or 4 per home, so there is a real need for that builder and city to have planned for more parking. Forcing public transportation - IE Bart - does not work for all our employments. Some of us need cars. Students even need car transportation work and school. I am a Realtor and I need my car, other people have professions that need their car to get to work and Bart won't work for them. That only works for some people. Parking was not carefully planned well for Bob McGuire Park neighbors for most of the complexes being built and parking will be more headache than has been already. We are all so excited for Bart to open as it will offer much convenience some of the time, but it does not cover all the transportation needs. The community was designed for people to use public transportation but based on family needs in the 1930-1950's where you might have only one car if maybe two. Today's world household's have three or more cars and that is a reality. So when passing new permits and discussing ADU's parking still needs to remain a factor to meet today's needs.

Name not available

January 6, 2019, 7:45 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Parking will be the biggest issue. In my neighborhood off Temple and on Kennedy there are cars parked on every corner and in the cross walks. It is dangerous for us to get off our street we can not see.

Name not available

January 6, 2019, 7:52 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Please just get it passed and have them be affordable.

Joanna Jaeger

January 7, 2019, 6:42 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

I am the parent of a young man with disabilities and the option to add an ADU is a wonderful opportunity for us to be able to provide a small level of independence for him. It also provides opportunities for caregivers to live near him and support him as he ages and as we age.

Name not available

January 7, 2019, 6:05 PM

Question 1

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- Allow them closer to the property line
- For Detached ADUs: Limited to 1,200 square feet
- Provide assistance to help people navigate the permitting and design process

Question 4

- Yes, I agree with this requirement

Question 5

- No strong opinion either way

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 8, 2019, 10:29 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Allow more than one ADU per single family lot

- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process

Question 4

- No strong opinion either way

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No strong opinion either way

Question 8

No response

Name not available

January 8, 2019, 3:06 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- No

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No strong opinion either way

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

No response

Question 7

- No strong opinion either way

Question 8

Parking has become a problem in recent times.

Name not shown

January 8, 2019, 8:25 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Allow more than one ADU per single family lot
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

3

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

Number of ADU per house should be proportionate to lot size so if the allowed ADU size is 1200 per house then someone with lot twice the size of a normal (6000 lot) should be allowed 2 ADUs.

Name not available

January 9, 2019, 7:35 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

Limit on-street parking to a *total* of 2 vehicles per single-family home, regardless of the existence of an ADU. Change laws regarding multiple-family housing (apartment complexes, condos) to require 2 parking spaces per living unit.

Parking has become a nightmare in lower income neighborhoods (such as ours), thanks to illegal ADUs, nearby multiple-family housing, and (to a lesser extent) to a cultural tendency in lower income neighborhoods for residents to own multiple (sometimes many multiple) vehicles. A single-family home typically has room for 2 cars in the garage and 2 cars in the driveway: limiting it to 2 spaces on the street allows space for ADU

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

renters while still leaving room for visitors. In previous years, our neighbors in one direction (with 2 illegal rental units) had up to 10 vehicles, 7 of them on the street (the converted garage being one of the illegal rentals). My very elderly in-laws would have to park up to a block away if they dropped by without advance notice. This is unacceptable.

Name not available

January 10, 2019, 6:10 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- Provide assistance to help people navigate the permitting and design process

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 11, 2019, 4:47 PM

Question 1

- Townhome/condominium owner or renter in Milpitas

Question 2

- Yes

Question 3

No response

Question 4

- Yes, I agree with this requirement

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 17, 2019, 3:50 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Provide assistance to help people navigate the permitting and design process

Question 4

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

- Yes, I agree with this requirement

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

No response

Name not available

January 26, 2019, 8:18 AM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Maybe

Question 3

- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- No, ADU's should not be allowed for short-term rentals

Question 6

No response

Question 7

- No, I do not think there should be a parking requirement established by the City

Question 8

No response

Name not available

January 29, 2019, 5:32 PM

Question 1

- Single family home owner residing in my home in Milpitas

Question 2

- Yes

Question 3

- Allow them closer to the property line
- For Attached ADUs: Size of up to 50 percent of the living area of the primary dwelling unit or 1,200 square feet, whichever is less
- For Detached ADUs: Limited to 1,200 square feet
- Eliminating the limit on the number of bedrooms required
- Provide assistance to help people navigate the permitting and design process
- I do not think the City should offer any incentives to encourage more ADUs

Question 4

- No, I do not think the owner should have to live on the property

Question 5

- Yes, ADU's should be allowed for short-term rentals

Question 6

No response

Question 7

- Yes, I think requiring one space per unit or bedroom, whichever is less, is sufficient.

Question 8

New Accessory Dwelling Unit Ordinance

What are your thoughts about accessory dwelling units (also referred to as granny flats, cottages, in-law units) in the City of Milpitas?

Due to the shortage of affordable housing in the area, allowing homeowners to build granny unit is a good way to help solve this issue.

Item Attachment Documents:

- 12. Receive an Update and Presentation from Santa Clara Valley Transportation Authority Staff on Bay Area Rapid Transit Extension Project and Montague Expressway Pedestrian Overcrossing Project (Staff Contacts: Steve Chan, 408-586-3324 and Steve Erickson, 408-586-3301)**

Recommendation: Receive update and presentation from Valley Transportation Authority staff on Bay Area Rapid Transit (BART) Extension and Montague Expressway Pedestrian Overcrossing Projects.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive an Update and Presentation from Santa Clara Valley Transportation Authority Staff on Bay Area Rapid Transit Extension Project and Montague Expressway Pedestrian Overcrossing Project
Category:	Community Services and Sustainable Infrastructure
Meeting Date:	4/16/2019
Staff Contact:	Steve Chan, 408-586-3324 and Steve Erickson, 408-586-3301
Recommendation:	Receive update and presentation from Valley Transportation Authority staff on Bay Area Rapid Transit (BART) Extension and Montague Expressway Pedestrian Overcrossing Projects.

BACKGROUND

Silicon Valley Berryessa Extension Project

The Silicon Valley Berryessa Extension (SVBX) Project is a 10-mile extension of the Bay Area Rapid Transit (BART) system, from the Warm Springs Station in Fremont, through the Milpitas Station to the Berryessa Station in San Jose. It includes two new BART stations that are part of two new larger transit centers: the Milpitas Transit Center and the Berryessa Transit Center. When BART service to Santa Clara County begins, the Milpitas and Berryessa/North San José BART Stations are intended to be served by two lines providing direct and connecting service to the entire BART system. The extension of the Bay Area Rapid Transit (BART) system into Santa Clara County is being implemented by Santa Clara Valley Transportation Authority's (VTA) Silicon Valley Rapid Transit (SVRT) program, which began construction in 2012.

SVBX project is substantially completed. However, passenger service has been delayed as a result of various circumstances, including some beyond VTA's control. VTA is taking the appropriate measures to mitigate the delay wherever possible and continues to look for potential ways to accelerate the start of passenger service.

VTA has reassessed the schedule risks moving forward and anticipates the start of passenger service no later than December 31, 2019.

VTA staff will provide an update and a presentation of current project activities to meet the targeted date for passenger service at the April 16, 2019 City Council meeting.

Montague Expressway Pedestrian OverCrossing (POC) Project

The City's Transit Area Specific Plan (TASP) envisioned a pedestrian overcrossing spanning over Montague Expressway at the future Milpitas BART station. Montague pedestrian overcrossing will provide a safe and convenient pedestrian facility to transit, regional mall, and new developments in the city's Transit Area.

As a means to expediting construction of the POC to better align with the opening of new Milpitas BART station, the City and VTA partnered on this project. Amendment No. 10 to the VTA/City of Milpitas Master Agreement for the BART Extension Program specified POC Project funding, administration, design, and construction responsibilities between VTA and the City. It was agreed the VTA will design and construct the POC, and Milpitas will provide funding through TASP development impact fee and grants.

Design phase of the project has been completed. VTA is currently in advertising for construction bid proposal.

VTA staff will provide an update and a presentation of Montague POC project activities and schedules.

Fiscal Impact: Not applicable

California Environmental Quality Act: Not applicable

Rcommendation:

Receive update and presentation from Valley Transportation Authority staff on Bay Area Rapid Transit (BART) Extension and Montague Expressway Pedestrian Overcrossing Projects.

Attachment: None

Item Attachment Documents:

13. Receive Presentation Related to the Draft Report on the Evaluation of the Development Review Process and the Draft Report on the Development Review Cost of Services (User Fee) Study

Steve McHarris, 408-586-3059

Recommendation:

Receive Presentation Related to the Evaluation of the Development Review Process and Development Review Cost of Services (User Fee) Study completed by Matrix Consulting Group.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive Presentation Related to the Draft Report on the Evaluation of the Development Review Process and the Draft Report on the Development Review Cost of Services (User Fee) Study
Category:	Community Development
Meeting Date:	4/16/2019
Staff Contact:	Steve McHarris, 408-586-3059
Recommendation:	Receive Presentation Related to the Evaluation of the Development Review Process and Development Review Cost of Services (User Fee) Study completed by Matrix Consulting Group.

Background:

The City of Milpitas provides essential city planning, building, and permitting services to both residents, businesses, and the development community. These services are performed by the following departments: Planning; Building and Housing; Engineering – Land Development; Public Works – Utilities Engineering; and Fire Prevention. In addition, the Office of Economic Development engages in business development and/or recruitment and permit expediting associated with such development activities. These departments and divisions serve under the general direction of the City Manager's office and are identified as the City's "Community Development Service Area".

City management identified a need for addressing various organization and operational issues in order to best serve a 21st century Milpitas. For example, fee schedules for services provided by Planning, Building, Engineering, Public Works, and Fire Prevention are deficient having not received a comprehensive assessment since 1994. As such, City Council and City Management have cited this Service Delivery / Organizational Assessment and Fee Study as an essential area of assessment and improvement to provide best in class service to the community.

The Matrix Consulting Group was retained by the City of Milpitas in late 2018 to assess the organizational structure, staffing levels, service delivery, and user fees related to the development review, permitting, and inspection process. This study was designed to provide an understanding of the organizational structure, the efficiency and effectiveness of the overall processes and operations, identify appropriate staffing levels, and analyze current fee structures and rates. Staff and stakeholders have worked with Matrix Consulting Group in developing a draft study that is reflected in the two attachments for City Council review and comment. These studies are consistent with the previous City Council approvals for this study, along with the stakeholder outreach that was conducted over the past several months and continues with the Milpitas Community Development Roundtable to date.

Analysis:

The following two draft reports are attached:

- 1) Draft Report on the Evaluation of the Development Review Process: This report summarizes the findings, conclusions, and recommendations regarding the organizational, staffing levels, processes and service delivery portion of the study. There are over 40 recommendations for the various

departments within the Community Development CSA to implement over time. Recommendations range from identification of specific process improvements to adding new positions precisely targeted to facilitate such improvement and service delivery at a best in class level. They are analyzed internally, compared to peer cities, as well as to industry best practices. Funding sources for these recommendations are focused on cost recovery through development permit fees. In addition, recommendations include reduced reliance on General Fund revenues and increased focus in development permit revenues, as extensively analyzed in detail in the second report identified below.

- 2) Draft Report on the Development Review Cost of Services (User Fee) Study: This report analyzes the cost of service relationships that exist between fees for service activities. The results of this Study provide a tool for understanding current service levels, the cost and demand for those services, and what fees for service can and should be charged.

The methodology employed is a widely accepted “bottom up” approach to cost analysis, where time spent per unit of fee activity is determined for each position within a Department or Division. Once time spent for a fee activity is determined, all applicable City costs are then considered in the calculation of the “full” cost of providing each service. The cost components used to establish the “full” cost of providing services included in this Study include:

- i) Direct Costs: Fiscal Year 2018/19 Budgeted salaries, benefits and allowable expenditures.
- ii) Indirect Costs: Division, departmental administration / management and clerical support. Citywide overhead costs were also included from the City’s most recent version of the Cost Allocation Plan.

Together, the above cost components comprise the calculation of the total “full” cost of providing any particular service, regardless of whether a fee for that service is charged.

When comparing FY18-19 fee-related budgeted expenditures with fee-related revenue generated in Fiscal FY17-18 the City is under-recovering its costs for development review activities annually. Details and supporting analysis is further evaluated in the attached report, along with recommendations that the City use the information contained in this report to discuss, adopt, and implement a formal Cost Recovery Policy, and a mechanism for the annual update of fees for service.

A more detailed presentation of the draft reports including analysis and recommendations will be presented by staff and the Matrix Consulting Group at the April 16, 2019 City Council meeting.

Fiscal Impact:

There is no fiscal impact associated with receiving the Matrix Consulting Group Draft Reports. Resource requests that have been prioritized for the FY19-20 year will be considered during the operating budget discussions.

Recommendation:

Receive Presentation Related to the Evaluation of the Development Review Process and Development Review Cost of Services (User Fee) Study completed by Matrix Consulting Group.

Attachments:

Draft Report on the Evaluation of the Development Review Process
Draft Report on the Development Review Cost of Services (User Fee) Study

Report on the Evaluation of the Development Review Process

CITY OF MILPITAS, CALIFORNIA



April 2019

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1. Introduction and Executive Summary

The City of Milpitas provides essential city planning, building, and permitting services to both residents, businesses, and the development community. These services are performed by the following departments: Planning; Building and Housing; Engineering – Land Development; Public Works - Utilities Engineering; and Fire Prevention. In addition, the Office of Economic Development engages in business development and/or recruitment and permit expediting associated with such development activities. These departments and divisions serve under the general direction of the City Manager's office and are identified as the City's "Community Development Service Area" (CSA).

City management identified a need for addressing various organization and operational issues in order to best serve a 21st century Milpitas. For example, fee schedules for services provided by Planning, Building, Engineering, Public Works, and Fire Prevention are deficient having not received a comprehensive assessment since 1994. As such, City Council and City Management have cited this Service Delivery/Organizational Assessment and Fee Study as an essential area of assessment and improvement to provide best in class service to the community.

The Matrix Consulting Group was retained by the City of Milpitas to assess the organizational structure, staffing levels, service delivery, and user fees related to the development review, permitting, and inspection process. This study was designed to provide an understanding of the organizational structure, the efficiency and effectiveness of the overall processes and operations, identify appropriate staffing levels, and analyze current fee structures and rates. This report summarizes our findings, conclusions, and recommendations regarding the organizational, staffing levels, processes, and service delivery portion of the study. The results of the Cost of Service study for the Development-based user fees have been provided as a separate report.

1 OVERVIEW OF THE STUDY

Development review, permitting, and inspection activities for the City of Milpitas occur in multiple function areas, including: Planning, Building, Fire, Engineering and Public Works (Land Development and Utilities Engineering). The Finance Department and Office of Economic Development also provide various levels of support within the CSA with particular support to the Planning and Building & Housing functions. The project team evaluated the functions of these operational areas and their involvement in the development review process.

This report provides specific recommendations to improve the organizational structure and staffing levels to ensure services are being provided effectively, efficiently and with a strong focus on customer service to applicants. This report also acknowledges that a new executive leadership team has been assembled over the past year and significant

changes are taking place in the development review process and relationship building with the development and business community as well as the general public. By completing this study, the City of Milpitas is demonstrating further commitment to a process of continuous improvement and providing a high level of service to residents, the development community, and staff. Implementing the recommendations contained in this report will aid the City in its ongoing efforts to conduct operations in accordance with best practices.

2 STUDY SCOPE AND METHODOLOGIES

In this study, the Matrix Consulting Group's project team utilized a wide variety of data collection and analytical techniques. The project team conducted the following data collection and analytical activities:

- Developed an in-depth understanding of key issues impacting key areas. To gain understanding of the various operations, processes, organizational structure, and issues, the project team conducted multiple interviews with staff from each department. Interviews focused on the roles/responsibilities of staff, levels of services provided by each section, resources available to perform those services, and understand current and potential issues.
- The project team developed a profile document that captured staffing levels, roles and responsibilities, and process mapping for each operational area. This document was utilized as a base point of comparison for future analysis and comparison for all recommendations.
- A series of stakeholder meetings were held between the project team and prior and current customers involved in the development review process. The project team and staff also provided updates to the City's Community Development Roundtable which is comprised of various real estate and development representatives. Most importantly, the stakeholder meetings provided customers with the ability to share their opinions on current strengths and opportunities for improvement for the development review process.
- Conducted a Strength, Weakness, Opportunities, and Threats (SWOT) analysis with line staff. The purpose of this meeting was for the project team to allow input from staff involved in the development review process. This activity identified areas that are currently working well, improvement opportunities, and obstacles that may impact future operational changes.
- A best management practices assessment was completed that included a comparison of current practices to industry standards. The project team focused on best management practices for management and administration, process, staffing levels, organizational structure, policies, and technology utilizations.

- Completed a comparative survey assessment for development review activities between the City of Milpitas and other comparable jurisdictions in the Bay Area.
- Evaluated the fee structure and cost of service relationships that exist between current fees and the service levels. This report is provided under separate cover.
- Based on the previously mentioned activities and initial findings, the project team analyzed issues, explored alternative service delivery options, and developed recommendations to create a more efficient and effective process. The analysis resulted in recommendations to staffing, services, processes, and technology usage to streamline the services provided and to help the City meet its goals.

The report is divided into the following chapters:

- Staffing and Organizational Structure Analysis
- Process and Procedure Improvements
- Technology Utilization
- Fee and Revenue
- Appendices that include copies of the following interim documents:
 - Profile,
 - Best Practice Assessment,
 - SWOT Analysis,
 - Stakeholder Analysis,
 - Employee Survey, and
 - Comparative Survey

Each of these sections will provide relevant recommendations and insight into the City's development review process as it relates to the City overall or to individual departments.

3 SUMMARY OF RECOMMENDATIONS

Based on the assessment and analysis, there are a variety of recommendations for each topic covered in this assessment that are discussed in detail throughout this report. These are consolidated into the following table which shows the recommendation, priority and suggested timeframe for implementation. The recommendations are provided in the order in which they appear in the report – not in order of highest priority.

Summary of Recommendations and Implementation Plan

#	Recommendation	Priority	Time-frame
1	The City should continue its effort to make Milpitas an inviting workplace, including exploring alternative and creative options such as incentive pay for multi-lingual staff or flexible work schedules	Medium	On-going
2	The Planning Department should add a new Principal Planner and dedicate one existing Planner position to long-range planning activities to ensure these critical duties are provided the necessary staff time and attention.	High	2019
3	The Building Division is appropriately staffed if all existing authorized positions are filled. The division recently augmented it's staffing with a combination of new positions and the upgrading of temporary positions to full-time in late 2018.	High	2019
4	The Fire Prevention Division needs to add 1.0 Fire Protection Engineer. The fiscal impact of this position will be absorbed through Fire Prevention Permit revenue.	High	ASAP
5	The Engineering Department is sufficiently staffed to perform plan review, inspection and traffic review functions due to recent FY18-19 position additions. The department should consider transitioning the temporary Public Works Inspector position to a permanent position due to the volume of development activity.	Medium	2020
7	The roles and responsibilities for development review activities should be clarified between the Engineering and Public Works Department and greater coordination implemented to improve service delivery to applicants.	High	2020
8	The City should hire a position dedicated to the IT and GIS needs for Development Services. This TRAKiT Systems Administrator should report to the Building Housing Director, but should be funded through the Permit Automation Fund.	High	2019
9	In the next several years, the City should implement a Development Services Technician position (cross-trained Building Permit Technician) to help streamline the City's development review process. Upon implementation, the cost of this position should be accounted for in development review fees.	Medium	2020-2021
10	Create the position of Permit Navigator, reporting to the Planning Director, to oversee all development review processes and serve as a liaison to the development community.	High	2019
11	Develop new Standard Operating Procedures for key operational processes. Revise Standard Operating Procedures for processes that are not up to date or relevant.	High	ASAP

#	Recommendation	Priority	Time-frame
12	Develop and implement a robust training program for new and revised SOPs. Ensure training for all staff on the revised SOPs prior to implementation.	High	ASAP
13	Transition to electronic submittal for all development permit applications.	High	2020
14	Implement more specific applications which include submittal checklists for the most frequently utilized and high-volume application types.	Medium	2020
15	Require Permit Technicians to perform an application completeness check before accepting a new application and only accept applications that are complete and ready for review.	High	2019
16	Provide training to staff to enable a complete initial first review of applications to reduce the number of late hits on subsequent reviews.	High	2019
17	Revise review timelines for all review entities to ensure they align with the published turnaround times.	Medium	Ongoing
18	The percentage of plan reviews conducted in compliance with adopted plan review targets should be added as a performance measure to increase accountability within the Department.	Medium	2020
19	The Development Review Committee's primary focus should be on the review of development applications.	Medium	2019
20	Update design standards and specifications.	High	2019
21	Designate a Zoning Hearing Officer to serve as the decision making body for Minor Conditional Use Permits, Minor Site Development Permits, and at least some Site Development and Variance applications.	High	2020
22	Provide an approval authorities table and application review process diagrams on the Planning Department's website.	Medium	2019
23	Develop a software training program for new users, including a user guide for on-going use.	High	2019
24	Provide on-going training when new software updates are released or when new process implementation impacts how staff use the software.	High	On-going
25	Utilize the time keeping feature of TRAKiT to capture time charges for application review.	High	2020
26	Utilize TRAKiT for all development related activities among various departments. Alternatively, if TRAKiT does not contain the appropriate modules to support their needs, Fire and Land Development should integrate key data from their independent permitting and inspection systems into TRAKiT.	High	2020

#	Recommendation	Priority	Time-frame
27	Provide TRAKiT access for Economic Development and Housing staff upon completion of the proper training.	Medium	ASAP
28	Expand electronic application and plan submittals to all development application types. Ensure that TRAKiT and ProjectDox is integrated with Fire and Land Development independent software systems before implementation.	High	2020
29	Transition to only digital as-built drawing submittal and attach to the permit file in TRAKiT.	High	2020
30	Longer-term, all prior permits and selected documents regarding that permit should be scanned and included in TRAKiT to provide a comprehensive resource regarding prior permitting activities at an address.	Low	2021 and ongoing
31	Integrate the City's GIS system into the TRAKiT permitting system.	Medium	2020
32	The City should create a development webpage and interactive map to provide development project information to the public.	Medium	2020
33	Detailed policies regarding impact fees and user fees should be established, which should include the following: - Nexus or basis for charging fees - Annual updates to fees - Frequency of comprehensive updates - Collection of fees - Purpose/use of fees	High	ASAP
34	A unified PJ Policies and Procedures Account should be developed, clearly outlining the roles and responsibilities of the departments involved in the process, the collection of funds, stop work order thresholds, overall process, etc.	High	2019
35	The City should develop standard operating procedures for fee collection and application by adopting a do's and don'ts checklist for fee collection.	High	ASAP
36	The City should update its online permit fee calculation samples to incorporate examples of Planning, Fire, and Land Development Permits. The existing building permit samples should be updated based upon the adopted fee schedule.	High	ASAP
37	Development Services activities should be transitioned from a General Fund to Enterprise Fund(s) over the next several years.	Medium	2020-2021
38	A deferred revenue fund for Fire Prevention should be established to be consistent with the deferred revenue fund for Building.	High	2019

#	Recommendation	Priority	Time-frame
39	Fee revenue (user fees and development impact fees) should be audited within 10 business days of initial fee payment by the Administrative Analyst II position for any development projects that are greater in scope than 50,000 sq. ft.	High	2019
40	Fast Track / Overtime Plan Review should only be charged based on City Council adopted overtime hourly rates on the fee schedule and there should be no additional plan review charges beyond the overtime hourly rate times hours billed to a project.	High	ASAP
41	The City should not offer expedited review when there is a lack of staff overtime availability in all reviewing departments.	High	ASAP

The detailed narrative and analysis regarding each of these recommendations is contained in the body of the report.

4 SUMMARY OF POSITION CHANGES.

The following table summarizes the recommended position changes contained in the report and summarizes the funding source for each position.

Department	Recommendation	Funding Source
Building	Implement a Development Services Technician position (cross-trained Building Permit Technician).	Development Review Fees
Building	TRAKiT System Administrator (one new position)	Permit Automation Fund
Engineering	Transition the temporary Public Works Inspector positions to permanent positions.	Engineer Plan Review and Inspection Fee Revenue
Fire	Fire Protection Engineer (1 new position)	Fire Plan Review and Inspection Fee Revenue
Planning	Principal Planner for long-range planning activities (1 new position)	Community Planning Fee
Planning	Permit Navigator (1 new position)	Development Review Fees

More details regarding the positions are contained in the following chapter.

2. Staffing and Organizational Structure Analysis

One of the primary areas of focus for the development review analysis was to ensure that the staffing levels and organizational structure within the City are sufficient to meet desired service levels. The focus of this chapter is to evaluate the key components that impact the staffing needs for each of the partners in the development review process and to address any necessary organizational structure changes.

1 **THERE HAS BEEN SIGNIFICANT TURNOVER IN STAFF FOR DEVELOPMENT SERVICES WHICH HAS AFFECTED INSTITUTIONAL KNOWLEDGE.**

This report acknowledges that the Community Development City Service Area has experienced significant staff turnover in executive management and staffing over the past five years with significant hiring and retention challenges. This led to a commensurate reduction of institutional knowledge and continuity in processing, lack of proper staffing levels, limited cross-departmental strategic planning, dated basic fee schedules, lack of recent comprehensive development services fee schedule update, poor use of permitting technology and lack of permit system training, extended permitting and inspection responsiveness, limited succession planning, and deferred long range planning activities.

In addition, city staff have been retiring and an increased shortage of qualified building plan check review and inspection staff within the region. This lack of qualified staff in the marketplace makes it difficult to fill vacancies as well as affects the ability to retain staff. Also, the city has utilized contract staff in certain positions (e.g. Planning) which led to increased staff turnover.

Staff turnover is an important issue to evaluate as even if the city has sufficient authorized staffing levels and fills all of its vacancies, there are still negative impacts from staff turnover. The following points highlight some of these key impacts:

- **Lack of Institutional Knowledge:** This is the most significant impact due to staff turnover. When prior city staff depart, the knowledge and background regarding the rationale behind current or existing processes leaves with them. In some instances, the lack of ability to transfer any knowledge, results in a lack of understanding of current processes.
- **Low Employee Morale:** As staff are constantly being hired and leaving a department or division, there can be an impact on employee morale. There can be perceptions regarding lack of career progression or better career opportunities outside of the city, resulting in employees feeling dissatisfied with their current positions.
- **Lack of Department Stability:** Constant staff turnover can also result in the perception that there is a lack of stability associated with the department and

service, as people and therefore services and service levels could be constantly shifting.

- **Lack of Continuity:** Changes in staffing can lead to changes in the staff who process development review permits. Depending on the staff position's knowledge of the city's codes and/or processes, the lack of continuity can lead to extended review timelines, as well as re-interpretation of codes and comments. There is a lack of continuity associated with the development project.

As all these points highlight, staff turnover has major impacts internally and externally for the city on the quality and timeliness of services provided to customers. Fortunately, it appears that one of the major factors impacting staff morale negatively and contributing to job dissatisfaction was an organizational culture related to prior City Management. With significant changes in the organization's leadership and a new leadership team in place, issues are being addressed to improve the organizational culture. Efforts such as this study, which is focused on ensuring staff have the necessary resources to perform their job, is one example of the changes being implemented.

Therefore, it is important for the city to mitigate the staff turnover issues that have been present over the last several years. As previously mentioned, staff turnover has primarily been affected based upon retirement of staff and staff retention. Staff retention is influenced by three major components:

1. **Career Development** – this aspect of retention is focused on the career ladder available to certain positions, as well as internal opportunities for growth within the City.
2. **Compensation** – this aspect of retention is objective and is affected by the base pay and steps associated with each position.
3. **Organizational Culture** – this aspect of retention is subjective and qualitative in nature and has to do with the perks such as flexible schedules, high employee morale, positive work environment, distribution of workload, and leadership ability.

The project team evaluated the three components noted above as it relates to the typical development services classifications – Building Inspector, Building Plan Checker, Fire Protection Engineer, Fire Prevention Inspector, Associate Planner, and Associate Civil Engineer.

For the majority of these positions (Planner, Engineer, Inspector, and Plan Checker) the City of Milpitas offers comparable growth opportunities in terms of career ladder. Additionally, in other jurisdictions, some of these functions are part of other departments rather than their own individual departments, e.g. Planning and Building make up the

Community Development Department or Engineering is part of Public Works, which further limits the ability of staff to grow into departmental managerial positions.

The positions were also evaluated in terms of compensation. It is part of the City's budget process to conduct a comprehensive classification and compensation analysis. This will be critical to ensuring that current staff and potential staff at the City are appropriately compensated based upon market and the value that they bring to the City. The project team picked some common position types and compared the minimum and maximum salaries to calculate the mid-point offered by some of the surrounding jurisdictions and compared it to the City of Milpitas:

Jurisdiction	Associate Planner	Building Inspector	Fire Protection Engineer	Associate Civil Engineer
Dublin	\$109,704	N / A	N / A	\$129,804
Fremont	\$102,268	\$102,014	\$104,477	\$118,585
Livermore	\$108,901	\$95,395	N / A	\$116,682
Mountain View	\$111,082	\$94,926	\$141,376	\$118,917
San Mateo	\$100,643	\$88,068	\$114,781	\$114,781
Santa Clara	\$123,438	\$121,128	\$138,000	\$118,410
Sunnyvale	\$99,887	\$92,030	\$128,336	\$108,407
AVERAGE (EXCL. MILPITAS)	\$107,989	\$98,927	\$129,101	\$117,941
MILPITAS	\$113,803	\$100,175	\$137,883	\$115,244

For three out of the four positions, the average pay rate for Milpitas is higher than the overall average of the surrounding jurisdictions, the only exception is the Associate Civil Engineer position. This indicates that the City's current salary schedule is generally competitive with other jurisdictions.

The last component the project team evaluated was the organizational culture. This is typically a subjective measure and difficult to quantify. However, during the course of this study, the project team conducted an employee survey for all employees in development review process that assist in evaluating this factor. There were several questions in the survey that focused on employee experience with management and the workplace. The following points list some of the questions and their responses that relate to workplace culture:

- My voice and opinions are heard – 78% of staff agreed
- Professional development is encouraged – 79% of staff agreed
- I am empowered at work to act within my scope of expertise – 87% of staff agreed
- Managers in my department are receptive – 91%

As these points indicate, the current employees in development review services generally seem to be very satisfied with the new organizational culture.

Overall, the City has made a concerted effort to address many of the reasons behind the extensive staff turnover over the past several years and is headed in the right direction. The City should continue to monitor staff workload and priorities, salary schedules, career development, and succession planning to ensure that there is a focus on staff retention.

The City could explore some other unique options for career incentives at the City. For example, in order to be more employee friendly include offering flexible work schedules, especially due to long commute times in the Bay Area. Department directors for Planning, Building, Engineering, and Fire Prevention should work closely with the City's Human Resources department to see what are some other viable options to mitigate staff turnover.

Recommendation #1: The City should continue its effort to make Milpitas an inviting workplace, including exploring alternative and creative options such as incentive pay for multi-lingual staff or flexible work schedules.

2

THE PLANNING DEPARTMENT SHOULD ADD A PRINCIPAL PLANNER POSITION FOR LONG RANGE PLANNING EFFORTS AND EXISTING RESOURCES SHOULD BE REALLOCATED TO DEDICATED ZONING COMPLIANCE INSPECTION AND LONG-RANGE PLANNING EFFORTS.

The Planning Department is responsible for both long range and current planning services. The Department is responsible for enforcing the City's Zoning Regulations, General Plan, and other development review ordinances as part of the entitlement or project planning phase of a development project. Staff in this department work on preparing updates to the Zoning Code, General Plan, and coordinating review of land development application. Prior to FY19, the Department also consisted of Neighborhood Planning Services (Housing and Code Enforcement), but these functions have now been transferred to the Building Department. The following table shows the historical staffing levels for the Planning department by position title (only including the Planning function not Neighborhood Services):

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE
Planning Director	1.0	1.0	1.0
Planning Manager	0.0	1.0	1.0
Secretary	1.0	1.0	1.0
Senior Planner	2.0	2.0	2.0
Associate Planner	0.0	2.0	2.0
Assistant Planner	1.0	1.0	1.0
Junior Planner	1.0	1.0	1.0
Student Intern	2.0	1.0	1.0
TOTAL STAFF	8.0	10.0	10.0

As the table indicates the primary shift in Planning occurred between FY17 and FY18 when there was an increase of two positions in the Department. The transition occurred by removing one student intern and adding three new positions – 2 Associate Planners and 1 Planning Manager.

The Planning Department currently charges for the majority of its development review applications as Private Job (PJ) accounts, which are essentially developer deposits. The project team worked with staff in Finance to obtain information regarding time billed to development projects. There are very few services provided by the Planning Department for which it charges a flat fee. As part of the user fee study analysis, the project team worked with staff to estimate the average amount of hours it takes to review and process those applications. In addition to planning-related projects, the planning department also provides support to Building projects by conducting review of building plans. The following table shows by workload type the annual hours of activity associated with Planning Applications:

Workload Category	Annual Hours
PJ Accounts	1,597
Planning Flat Fees	737
Building Plan Review Support ¹	1,410
TOTAL ANNUAL HOURS²	3,744

As the table indicates, the Planning Department spends approximately 3,744 hours on development-related activities. It is important to note that there is almost just as much support provided for Building Plan Reviews as there is for developer deposit-based applications. The annual workload hours were divided by the Department's available hours to calculate the estimated staffing requirements. The project team calculated the Department's available or productive hours based upon the review of the City's labor agreements as well as standardized assumptions regarding meetings, breaks (lunches), and training hours. The following table shows the assumptions utilized for the calculation of the productive hours:

Category	Amount (Hrs)
Base Full Time Hours	2,080
Holidays (13 days a year)	104
Vacation (11 days a year)	88
Sick (12 days a year)	96
Breaks / Meetings / Training ³	391
<i>Subtotal of Hours to Be Excluded</i>	<i>679</i>
Annual Productive Hours	1,401

¹ Building Plan Review support is based upon 7 building plan reviews that were routed to Planning and average review time of 2 hours per Plan Review, based upon discussions with Planning staff.

² The annual hours were rounded to the nearest hour for ease of presentation.

³ The Breaks / Meetings / Training hours assumes 1 hour of lunch, 2.5 hours of meetings on average per week, and 2 full days of training per year.

Based upon the detailed analysis conducted by the project team, the Planning Department staff have approximately 1,401 hours available annually to perform billable activities. The 1,401 hours reflect a productivity rate of 67%, which is within the 65-70% typically seen for these types of activities. The project team took the annual estimated workload hours and divided by these annual productive hours to calculate the estimated number of staff necessary to perform development related planning activities. The following table shows this calculation:

Category	Planning FTE
Estimated Annual Hours of Workload	3,744
Annual Productive Hours	1,401
ESTIMATED FTE	2.67

Based upon the estimated annual workload hours, there is the need for approximately 2.67 Planners. Due to the complexity of Planning projects and reviews, the different types of projects and services that planning staff work on during the year, as well as significant staff turnover (which impacts coding time to PJ accounts), it is difficult to utilize historical workload and estimated hours as the only method for determining staffing needs. Additionally, the Planning Director and Planning Manager spend significant time reviewing current planning applications, and their time is not captured in the PJ account information.

Currently, there are a total of 6 planner position titles, which can work on development review activities; and based upon the analysis there is the need for approximately 3 Planners for these services. However, there are certain services that are not being captured in this calculation – conditions of approval inspections and long-range planning activities.

Currently, planning staff only sporadically conduct inspections on building projects. The volume of building permit activities (705 permits reviewed by Planning staff for just Plan Review) indicates that there is sufficient workload to at least require a Planner to be dedicated part-time to this activity throughout the year.

For long-range planning activities, many agencies in the surrounding bay area jurisdictions have approximately 1 - 2 full-time planners dedicated to General Plan and long-range planning activities. Due to the influx of development activity in the Bay Area, it is imperative that there is staff dedicated to ensuring that zoning codes, ordinances, specific plans, and other impacts to the City's long range plans are being considered. Long range planning efforts have historically been completed by the Planning Manager and consultants working on the City's Midtown Specific Plan and General Plan update. Long range planning efforts have received little to no attention over the past few years. Moreover, the City Council has had multiple discussions focusing on long range planning and policy updates.

Therefore, there is a need for one additional long range Planning position within Planning to be dedicated full-time to these efforts. Planning staff in City of Milpitas could be used to work on comprehensive updates to the Zoning Code, Ordinances, CEQA, Transportation Master Plans, and other efforts. In some jurisdictions, Planners who work on these efforts either are budgeted directly out of the General Plan/Long Range Planning Fund or charge their time to those services. This type of practice ensures that Planning staff are minimizing their impact on the City's General Fund. One existing planner and one new planner positions should be dedicated to long-range planning activities.

Based upon current workload analysis, there is sufficient current planning capacity in the Planning Department to manage current workload needs and perform additional current planning work, such as zoning compliance inspections. The two long range planners would have sufficient capacity to not only manage the existing long range planning projects but to allocate staff to work on other much needed long-range planning projects such as General Plan efforts.

Recommendation #2: The Planning Department should add a new Principal Planner and dedicate one existing Planner position to long-range planning activities to ensure these critical duties are provided the necessary staff time and attention.

3 THE BUILDING DIVISION SHOULD FILL ALL AUTHORIZED POSITIONS TO MEET WORKLOAD DEMANDS.

The Building and Housing Department has gone through several staffing and organizational changes over the past several years. The Building and Housing Department is responsible for performing plan check and inspections related to building codes, as well as enforcing the City's Municipal/Building Code, and providing support related to housing development within the City. The primary focus of the study and the analysis was on the Building Plan Check, Inspection and Permitting portion of the Department. The following table shows the historical and current staffing levels for the Building Department (building only component) by position title for the past three years:

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE
Building and Housing Director	0.0	1.0	1.0
Chief Building Official	1.0	0.0	0.0
Sr. Plan Check Engineer	0.0	1.0	1.0
Plan Check Engineer	2.0	2.0	2.0
Plan Checker	1.0	1.0	1.0
Temporary Plan Check Engineer	1.0	1.0	2.0
Building Inspection Manager	1.0	1.0	1.0
Sr. Building Inspector	0.0	2.0	2.0
Electrical Inspector	1.0	1.0	1.0
Building Inspector	7.0	5.0	5.0
Temporary Inspector	4.0	5.0	7.0

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE
Permit Center Manager	1.0	1.0	0.0
Building Permit Tech	2.0	2.0	2.0
Office Specialist	1.0	1.0	1.0
Office Assistant	1.0	1.0	1.0
TOTAL STAFF	23.0	24.0	27.0

As the table shows, the Building Division's staff has increased over the past three years as well as reorganization of job duties and allocated positions. During the course of this project, there were further staffing changes within the Division. In December 2018, City Council approved the addition of 3.0 FTE to the department, along with transitioning some of the temporary positions to permanent positions. The following tables incorporate the mid-year adjustments into the historical staffing analysis:

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE	FY19 Mid- Year FTE
Building and Housing Director	0.0	1.0	1.0	1.0
Chief Building Official	1.0	0.0	0.0	1.0
Administrative Analyst II	0.0	0.0	0.0	1.0
Plan Review Manager	0.0	0.0	0.0	1.0
Sr. Plan Check Engineer	0.0	1.0	1.0	1.0
Plan Check Engineer	2.0	2.0	2.0	4.0
Plan Checker	1.0	1.0	1.0	1.0
Temporary Plan Check Engineer	1.0	1.0	2.0	0.0
Building Inspection Manager	1.0	1.0	1.0	1.0
Sr. Building Inspector	0.0	2.0	2.0	2.0
Electrical Inspector	1.0	1.0	1.0	1.0
Building Inspector	7.0	5.0	5.0	9.0
Temporary Inspector	4.0	5.0	7.0	3.0
Permit Center Manager	1.0	1.0	0.0	0.0
Building Permit Tech	2.0	2.0	2.0	2.0
Office Specialist	1.0	1.0	1.0	1.0
Office Assistant	1.0	1.0	1.0	1.0
TOTAL STAFF	23.0	24.0	27.0	30.0

The three positions added in the mid-year budget adjustment are the Building Official, the Administrative Analyst II, and the Plan Review Manager position. These are all support positions, as all direct positions were simply transitioned from temporary to permanent staff rather than adding any new positions.

Along with gathering information on staffing levels, the project team also obtained workload and permit volume data for the Building Division. The project team used this information to calculate the number of positions required for the three main components of service – Permit Technicians, Plan Reviewers, and Building Inspectors. The workload information was multiplied by the average amount of time it takes for permit technicians to process the permit, plan reviewers to review the number of plan reviews conducted,

and the inspectors to conduct their inspections. The following table outlines the assumptions made by the project time for the average time:

Workload Activity	Average Time (Hours)
Permit Processing	45 minutes (0.75)
Plan Review	1 hour (1.00)
Inspection	40 minutes (0.67)

The majority of the building permits issued by the permit technicians are over the counter and simple permits. These types of permits take between 15 to 30 minutes to process. However, approximately 10% of the permits last year were more than just over-the-counter permits, and these types of permits can require significant amount of support from Permit Technicians as it relates to setting up the permit, taking the permit in, calculating permit fees, communicating with the developer, etc. Therefore, the project team arrived at an estimate of 45 minutes to reflect the average time it takes to handle each permit. This accounts for the fact that simpler permits represent up the 90% of the work activity, but to also allows for some buffer associated with the larger projects.

The project team obtained information from the Department regarding the types of Plan Reviews that are performed. Building Plan Reviewers are responsible for conducting a variety of plan reviews such as electrical, mechanical, plumbing, structural, architectural, grading, etc. The time it takes to conduct these plan reviews can vary dramatically from 15 to 20 minutes to several hours or more than a couple of days. Therefore, the project team utilized a similar approach as the Permit Technicians to arrive at a reasonable average that would not over-inflate the time spent on each type of plan review, but also not significantly under estimate the support by the plan reviewers. The reasonable average was approximately 5 hours per overall plan review conducted for each type of plan review permit issued. The 5 hours considers that the bulk of the plan reviews being done are on larger and standard projects where the plan review is closer to the standardize 4-6 hours rather than the 15 to 25 minutes; hence the average skews closer to the 5 hours. The simpler plan reviews (15 to 25 minutes) would typically be related to over the counter permits and performed by the Permit Technicians.

For the inspectors, the average time per inspection was calculated based upon the standard of conducting between 12 to 15 inspections per day. If the assumption is made that in an 8-hour workday, an inspector can conduct at least 12 inspections, this assumes an average of 40 minutes per inspection, including travel time. The following table shows the workload information, average time assumed, and the annual number of hours associated with each activity:

Workload Category	Permit Processing	Plan Review	Inspection
# of Permits / Reviews / Inspections	4,978	1,473	25,530
Average Time per activity (hrs)	0.75	5.00	0.67
TOTAL ANNUAL HOURS⁴	3,734	7,365	17,105

⁴ The annual hours were rounded to the nearest hour for ease of presentation.

As the table shows, the bulk of the workload for the Building Division is associated with inspections followed by plan review and permit processing. The information from this table was divided by the productive hours available to building division staff for performing this workload. The productive hours reduces the annual hours of an employee (2,080 hours) by vacation, sick, trainings, meetings, etc. The project team calculated the Building Division's annual productive hours based upon the specific MOUs associated with Building Division staff. The following table shows the calculation the project team used to arrive at the billable hours calculation for Building Staff:

Category	Amount (Hrs)
Base Full Time Hours	2,080
Holidays (13 days a year)	104
Vacation (11 days a year)	88
Sick (12 days a year)	96
Breaks / Meetings / Training ⁵	374
<i>Subtotal of Hours to Be Excluded</i>	<i>662</i>
Annual Productive Hours	1,418

The 1,418 Productive Hours represent a productivity rate of 68%, which is well within the typical standard of 65-75% that is seen for most local governments. The following table shows the calculation for number of FTE needed based upon the annual hours calculated and the annual productive hours:

Category	Permit Processing	Plan Review	Inspection
Estimated Annual Hours of Workload	3,734	7,365	17,105
Annual Productive Hours	1,418	1,418	1,418
ESTIMATED FTE	2.63	5.19	12.06

These calculations show a need for 2.6 positions for Permit processing, 5.19 positions for Plan review, and 12 positions for inspections. The Department is currently only authorized for 2.0 FTE for Permit Technicians; however, the 2.0 Permit Office Specialists assist the Permit Technicians with the processing of the applicants, intake, payments, questions, etc., and as such the Permit Processing function is sufficiently staffed.

In regards to Plan Review, the Department is authorized for 6.0 FTE for direct Plan Review, not including the 1.0 FTE to manage the Plan Review process as well as the Permit Center. However, the department only currently has 3.0 FTE of these positions. Therefore, based upon current filled staffing levels the Department is understaffed; however, once it fills all authorized positions, the Plan Review function will also be sufficiently staffed.

⁵ The Breaks / Meetings / Training hours assumes 1 hour of lunch, 2 hour of meetings on average per week, and 3 full days of training per year.

For Building Inspection, based upon the number of inspections completed last year, the Division needs approximately 12 Full-Time Inspectors. The Department is authorized 15 full-time inspector positions, not including the Inspection Manager. Similar to the plan review function, of the 15 authorized positions, only 10 positions are currently filled. Therefore, based upon the current number of inspectors, the Department is understaffed. However, once the Department fills all of its authorized positions it will have sufficient staff to meet its expected workload needs and accommodate future growth in inspection activities.

Based upon the workload analysis conducted for the three primary functions of the Department, the authorized staffing levels are sufficient to meet the workload needs. However, the Department should move to fill all authorized positions as to not overload the existing staff.

The other staff in Building are primarily administrative support and with the mid-year adjustment for the addition of the Building Official, Administrative Analyst, and Plan Review Manager position there is sufficient administrative and supervisory support within the Department.

Recommendation #3: The Building Division is appropriately staffed if all existing authorized positions are filled. The division recently augmented it's staffing with a combination of new positions and the upgrading of temporary positions to full-time in late 2018.

4 THERE IS THE NEED FOR ADDITIONAL PLAN CHECK STAFF IN FIRE PREVENTION TO ACCOMMODATE WORKLOAD.

The Fire Prevention Division is part of the City's Fire Department. The Division is overseen by a Deputy Fire Chief and consists of two separate programs – Fire Prevention Division Administration and Fire Prevention Inspection. The Fire Prevention Division is tasked with not only performing life/safety plan reviews and inspection for development activities, but it also is responsible for administering the City's Certified Unified Program Agency (CUPA)/Hazardous Materials Program. Additionally, the Division also enforces Fire/Life Safety codes. The following table shows the historical staffing levels for the Fire Prevention Division by position title for the past three years:

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE
Fire Prevention Deputy Chief	1.0	1.0	1.0
Office Specialist	1.0	1.0	1.0
Assistant Fire Marshal	0.0	0.0	1.0
Chief Enforcement Officer	0.0	1.0	1.0
Fire Protection Engineer	1.0	1.0	1.0
HazMat Inspector	2.0	2.0	2.0
Fire Prevention Inspector	3.0	2.0	3.0
TOTAL STAFF	8.0	8.0	10.0

As the table indicates, there was an increase of two authorized positions in the Fire Prevention Division between the FY18 and FY19 budget. The primary increase in positions has to do with returning the Fire Prevention Inspectors back to the original authorized level from FY17 and the addition of an Assistant Fire Marshal position. The Assistant Fire Marshal position was created to oversee the fire plan review and inspections on a day-to-day basis, with the Deputy Chief providing oversight and support for large projects and strategic direction.

As part of the user fee study analysis, the project team gathered time estimate information from the Fire Prevention staff regarding the number of permits and inspections that they process, as well as the average amount of time it takes to review and inspect each permit. The following table shows by major permit category broken out by plan review support and inspection support the annual estimated hours for Fire Prevention Division staff.

Permit Category	FY18 Estimated Annual Hours for Inspection	FY18 Estimated Annual Hours for Plan Review
Annual Operational Permits	1,948	864
Construction Review Permit / Inspection	2,977	3,499
Miscellaneous Fees	46	0
Planning Application Review	0	646
TOTAL ANNUAL HOURS⁶	4,971	5,009

Fire Prevention spends approximately 5,000 hours annually conducting inspections and plan review activities. It is important to note that these estimates are based upon an average amount of time for each review and inspection; in some instances, a particular inspection or plan review may take more or less time than the average.

In order to estimate the number of staff necessary to conduct these inspections and plan review activities, the project team took the annual workload hours and divided them by the net available hours for Fire Prevention Division staff to arrive at the requisites number of Full-Time Equivalents (FTE). Net available hours reduces the annual working hours of 2,080 hours (40 hours per week, 52 weeks a year) by hours for sick leave, vacation, holidays, meetings, and other types of activities during which staff are unbillable. To calculate the net available hours, the project team undertook a comprehensive approach that involved reviewing the City's Memorandum of Understanding (MOU) for different employee groups. The following table shows the calculation the project team used to arrive at the billable hours calculation for Fire Prevention Staff:

Category	Amount (Hrs)
Base Full Time Hours	2,080
Holidays (13 days a year)	104
Vacation (15 days a year)	120

⁶ The annual hours have been rounded to the nearest hour.

Category	Amount (Hrs)
Sick (12 days a year)	96
Breaks / Meetings / Training ⁷	316
<i>Subtotal of Hours to Be Excluded</i>	<i>636</i>
Annual Productive Hours	1,444

The 1,444 Productive Hours represent a productivity rate of 69%, which is well within the typical standard of 65-75% that is seen for most local governments. The following table shows the calculation for number of FTE needed based upon the annual hours calculated and the annual productive hours:

Category	Fire Inspection	Fire Plan Review
Estimated Annual Hours of Workload	4,971	5,009
Annual Productive Hours	1,444	1,444
ESTIMATED FTE	3.44	3.47

As the table indicates, based upon the annual workload for the previous year, there is the need for approximately 3.5 Fire Prevention Inspectors and Fire Plan Reviewers.

It is important to note that prior to the commencement of this project and during this project there were some organizational and staffing shifts within Fire Prevention. The Fire Protection Engineer was promoted to the Assistant Fire Marshal position; however, this left the Fire Protection Engineer position vacant. Additionally, in December 2018, Council approved an additional Fire Prevention Inspector position to the department. Based upon this, the total authorized positions for Fire Prevention increased from 10.0 FTE to 11.0 FTE.

In comparing the 3.44 FTE required for inspection to the 4.0 authorized positions, the Fire Prevention Division has the sufficient number of inspectors to conduct annual inspections, perform new construction inspections, as well as conduct any re-inspections as required by the project. There is also some capacity in the position to provide support to Fire Plan review.

The primary area of concern identified through the estimated FTE analysis is that there is the need for 3.47 FTE for Plan Review and currently there are only 2.0 FTE authorized to perform this function – Fire Protection Engineer and the Fire Marshal. This indicates that there is a deficit of 1.47 FTE for this function and as the Fire Protection Engineer position is currently vacantly, this deficit increased to 2.47 FTE. The 2.47 FTE deficit is currently being absorbed by support from Fire Prevention Inspectors and the Deputy Fire Chief. This issue is being addressed by new leadership to eliminate the use of management staff working additional hours to address workload needs.

⁷ The Breaks / Meetings / Training hours assumes 1 hour of lunch / breaks, 1 hour of meetings on average per week, and 2 full days of training per year.

The following table summarizes the current situation:

Category	FTE Count
Current Filled Positions to perform Plan Review	1.00
Plan Review FTE Required	3.47
Plan review deficit	(2.47)
Current Filled Fire Prevention Inspectors	4.00
Inspection FTE Required	3.44
Inspection Surplus	0.56
Net Fire Prevention FTE	(1.91)

As the table indicates that even if the “surplus” inspectors are doing Fire Plan Review, there is still a deficit of approximately 1.91 FTE; which, as previously noted is being covered by the Deputy Fire Chief, as well as through overtime. If the Department had all of its authorized positions filled, there would still be the need for an additional plan review position to help support the 0.91 FTE deficit.

Even if the Assistant Fire Marshal continues in their current capacity in serving as a full-time plan checker rather than the day-to-day supervisor for the Fire Prevention unit, here would still be the need for an additional Plan Checker position. The Assistant Fire Marshal should only be providing support for Fire Plan Review and Inspection staff rather than serving as a full-time Plan Checker. Therefore, if the capacity of the Assistant Fire Marshal is reduced to 50% availability for plan review services; there would be the need for 2.0 full-time FTE dedicated to plan check activities.

Therefore, it is the project team’s recommendation that in order for the Division to function with its intended goal, of having the Assistant Fire Marshal function as a support and supervisory position, there is the need for an additional 1.0 FTE at a Fire Protection Engineer classification. The annual fiscal impact of this staff should be offset by the user fees charged for Fire Plan Review and Inspection.

Recommendation #4: The Fire Prevention Division needs to add 1.0 Fire Protection Engineer. The fiscal impact of this position will be absorbed through Fire Prevention Permit revenue.

5 **ENGINEERING IS SUFFICIENTLY STAFFED TO PERFORM DEVELOPMENT-RELATED REVIEWS BUT SHOULD TRANSITION TEMPORARY PUBLIC WORKS INSPECTORS TO PERMANENT POSITIONS.**

The City’s Engineering Department has three primary functions – Design and Construction, Land Development, and Traffic Engineering. All three of these functions are involved in the development review process. The Design and Construction division house the inspectors, which ensure that private development projects in the public right-of-way conform with City approved construction plans and standards. The Land Development

function regulates right-of-way encroaches and private development in the public right-of-way; they are the plan review component to the Design and Construction's inspection component. Lastly, the Traffic Engineering function is responsible for reviewing traffic impacts upon the City's transportation system due to any proposed private development project. Over the last year, the Department has added positions to develop capacity in handling transportation related reviews and analysis.

The following table shows the historical staffing levels for the Engineering Department by position title for the past three years:

Position Title	FY17 Budget FTE	FY18 Budget FTE	FY19 Budget FTE
City Engineer	1.0	1.0	1.0
Secretary	1.0	1.0	1.0
Assistant City Engineer	1.0	1.0	0.0
Principal Engineer	0.0	0.0	1.0
Associate Engineer	9.0	5.0	8.0
Permit Technician	1.0	0.0	0.0
CIP Manager	1.0	1.0	1.0
Sr. Public Works Inspector	1.0	1.0	1.0
Public Works Inspector	0.0	1.0	2.0
Jr. / Assistant Civil Engineer	2.0	2.0	3.0
Temporary Public Works Inspector	2.0	1.0	1.0
Engineering Aide	2.0	2.0	2.0
Utilities Principal Civil Engineer	1.0	0.0	0.0
Administrative Analyst	2.0	1.0	1.0
Public Information Specialist	1.0	1.0	1.0
Traffic & Transportation Manager	1.0	1.0	1.0
Assistant Transportation Planner	1.0	0.0	0.0
Intern / Temp Staff Assistants	2.5	2.5	2.0
TOTAL STAFF	28.5	21.5	27.0

As the table indicates, there has been quite a bit of organizational and staffing fluctuations in the Engineering Department over the last three years, especially with the transferring of the Utility Engineering function in FY18 to the Public Works Department. There is a strong need for greater coordination and a clarification of the roles and responsibility between Engineering and Public Works staff to ensure that development review activities are appropriately conducted in a timely and comprehensive manner and provide high-quality services to applicants.

The review and inspection services provided by staff in the Engineering Department are tracked through the City's Private Job Account system. Staff directly codes time spent on development projects. In addition to this system there are two other development-related activities that are not tracked – review of building permits and review and inspection associated with Minor Encroachment permits. The project team worked with staff in Land Development to collect information regarding the average time it takes to process and review these types of services to obtain a comprehensive understanding of the time it

takes to review and inspect development applications. The following table shows by major workload area the total estimated hours based upon FY18 workload data.

Permit Category	FY18 Estimated Plan Review Hours	FY18 Estimated Inspection Hours	FY18 Estimated Traffic Review Hours
PJ Account Hours	2,146	3,141	201
Minor Encroachment Permits	48.00	64	0
Building Support ⁸	1,892	0	0
TOTAL ANNUAL HOURS	4,086	3,205	201

As the table indicates, the bulk of the development review activity is associated with Plan Review and Inspection functions, with some peripheral support provided by the Traffic Engineer. The estimated required number of employee support was calculated by taking the annual hours and dividing it by the productive hours for employees within the Engineering department.

The following table shows the calculation for the productive hours for staff in Engineering:

Category	Amount (Hrs)
Base Full Time Hours	2,080
Holidays (13 days a year)	104
Vacation (15 days a year)	88
Sick (12 days a year)	96
Breaks / Meetings / Training ⁹	366
<i>Subtotal of Hours to Be Excluded</i>	<i>654</i>
Annual Productive Hours	1,426

The 1,426 productive hours represents a productivity rate of 69%, which is similar to the other development services functions and in line with the typical productivity of 65-75% seen for other jurisdictions. The following table shows the estimated FTE for the three different development review functions within the City:

Category	Plan Review	Inspection	Traffic Review
Estimated Annual Hours of Workload	4,086	3,205	201
Annual Productive Hours	1,426	1,426	1,426
ESTIMATED FTE	2.87	2.25	0.14

According to the estimated annual hours based upon workload, average time estimates, and actual time billed to PJ accounts, the development services function for the Engineering Department requires approximately 3 Engineers, 2.5 Inspectors, and less than 0.5 FTE for Traffic Review. Unlike several other functional areas evaluated, the

⁸ The Building Plan Review support was estimated by taking the number of engineering plan reviews (473 reviews) and multiplying it by the average of 4 hours per building project review.

⁹ The Breaks / Meetings / Training hours assumes 1 hour of lunch / breaks, 2 hours of meetings on average per week, and 2 full days of training per year.

Engineering staff are more diligent in charging to PJ accounts and the data regarding their workload is more accurate and reflective of actual work volumes.

The department's current staffing levels for each of these three services can not only accommodate the estimated annual hours of workload, but any additional increases in workload due to changes in the development activity. The only function where there is danger to exceed capacity is the Public Works Inspection function. Based upon current workload there is the need for approximately 3 Public Works Inspectors and there are currently 3 permanent inspectors with support provided from a temporary Public Works Inspector. These inspectors are responsible for inspecting both private development and Capital projects, and there might be capacity issues handling all these duties. As such the Department should consider transitioning one or both of the temporary Public Works Inspector positions into permanent positions to help account for increased workload and development activity.

The Department should continue to monitor its workload annually to ensure that there is sufficient staff support for performing all development review functions.

Recommendation #5: The Engineering Department is sufficiently staffed to perform plan review, inspection and traffic review functions. The department should consider transitioning the temporary Public Works Inspector position to a permanent position based on the volume of development activity.

Recommendation #6: The roles and responsibilities for development review activities should be clarified between the Engineering and Public Works Department and greater coordination implemented to improve service delivery to applicants.

6

DEDICATE STAFF TO SUPPORT INFORMATION TECHNOLOGY EFFORTS AND GIS-BASED DATA ANALYSIS.

Within all of the development services functions there is currently no position that is dedicated to the Information Technology (IT) and Geographic Information Systems (GIS) functions. Staff within each of the departments have been self-training on the use of TRAKiT and GIS functions to help support the development activity. Currently, there is a Sr. Plan Checker position in the Building and Housing Department who serves as the de facto TRAKiT Administrator for the Department; similarly, in the Planning Department, there is an Assistant Planner who serves in the role of GIS coordinator for Planning support. However, these resources are not sufficient to fully and successfully implement the use of TRAKiT to enable the City to take advantage of the functions of this software. Likewise, these resources are not sufficient to fully and successfully utilize available GIS-based analytical tools to support long-range planning needs.

Due to the nature of the Permitting Software System and the volume of activity within the development services and review function it is critical that there is a system administrator for TRAKiT. Additionally, certain departments such as Fire and Land Development utilize other systems in addition to TRAKiT. There needs to be integration between the two systems to ensure that information is communicated accurately between systems on a singular development project.

The System Administrator position should reside within the Building Department; as they are the primary user and manager of TRAKiT. However, the purpose of this position will be to serve the technological needs for all development functions – Land Development, Fire Prevention, and Planning. This position would be responsible for the following aspects:

- Generating Pre-populated reports in TRAKiT, which staff and Department management can run showing permit volume, types of permit, turnaround times, etc.
- Enabling all relevant City staff (Housing, Code Enforcement, Fire, Land Development, Utility Engineers, Building Inspectors, Planners, etc.) access to the Permitting system.
- Ensuring all relevant modules for the Permitting system are purchased and are “live” – modules for time tracking, project status, etc.
- Ensuring integration of data between different permitting systems in Fire and Land Development with TRAKiT to allow for comprehensive and consistent reporting between systems.
- Enabling there to be integration between the City’s GIS and Permitting Systems so real-time changes are incorporated into online maps as well as for development review.
- Developing and exploring strategic priorities for development services to allow for integration between applications used in the field and the primary permit system.
- Ensuring that all updates to TRAKiT are implemented appropriately.
- Serving as the liaison between the development services functions within the City and the Permit software vendor (TRAKiT) to advocate for the City’s needs.
- Support the online application portal (ProjectDox) and ensure integration into the TRAKiT software system.

- Developing a training program for new and existing employees regarding the most efficient way to utilize TRAKiT.
- Exploring possibilities for additional uses for TRAKiT to help streamline the development review process, such as billing for developer-deposits through TRAKiT or integrating it with the City's financial system.

The points discussed above are not meant to be a comprehensive listing of all of the functions and responsibilities for the TRAKiT system administrator. These points are intended to reflect that there is sufficient need within Development Services between Building, Planning, Fire, and Land Development, that a full-time position should be dedicated to those service areas. While it is typical to still have subject matter experts within each department or a "power user" of the system; there should be a singular expert focused on the technological strategic goals and needs of development services, including the GIS-based analytical needs required for effective long-range planning and decision making.

The TRAKiT Systems Administrator could also have the capacity to work with departments and divisions on their GIS needs. While there is the need for significant GIS support in Planning for long-range planning and development-review applications, the development of those types of maps and activities should reside with staff in the Planning Department. The GIS support provided by the Systems Administrator would be in the capacity of ensuring that the City's GIS integrates with TRAKiT and that any updates to either, are implemented to allow Planners to print and develop appropriate maps. Based upon the potential responsibilities and functions identified and the need for technological support for TRAKiT in the City of Milpitas, there is sufficient need for one full-time position.

Even though The TRAKiT Systems Administrator reports to the Building and Housing Director, the position should be funded through the Permit Automation Fund. The Permit Automation Fund is where the City's Technology Fee charged on development review projects is accumulated. The primary purpose of this fund is to support annual maintenance costs for the Permitting system, as well as to build a fund balance to support the eventual purchase of a new or updated system as necessary. As the primary purpose of this position will be to directly and solely work on the Permitting system, it stands to reason that this cost should be funded and supported through the City's Technology Fee.

The project team has conducted an evaluation of the Permit Automation Fee as part of the User Fee Study report, provided under separate cover. As part of this analysis, the project team calculated two different Permit Automation Fees – one assuming the hiring of a TRAKiT Systems Administrator, and one without. Therefore, if the City were to move forward with this recommendation, the fiscal impact would be completely borne by the development permits and there would be no impact upon the City's General Fund.

Recommendation #8: The City should hire a position dedicated to the IT and GIS needs for Development Services. This TRAKiT Systems Administrator should report to the Building Housing and Director, but should be funded through the Permit Automation Fund.

7 THERE SHOULD BE COUNTER STAFF SUPPORT FOR ALL DEPARTMENTS / DIVISIONS INVOLVED IN THE DEVELOPMENT REVIEW PROCESS

The City of Milpitas' development services currently operates similar to a one-stop shop in that there is one permit counter for all development-related activities. The permit counter is only staffed by Building and Housing Department. A portion of the permit counter is right next to the Cashier and it is staffed by the Office Specialists, who also serve as receptionists for City Hall. Located behind the Office Specialists are the Building Permit Technicians who service the permit counter.

The primary role of the Building Permit Technicians is to accept plans, review over the counter permits, set up project files, route plans, and calculate permit fees. The Building Permit Technicians can currently accept submittals on behalf of the other development services departments (Fire Prevention, Planning, and Land Development). However, the acceptance of the application and the plans are limited only to accepting the plans. There is limited capability within the current position set up for the Technician to provide any additional information regarding other development services departments. Even when accepting plans, the Technician is only taking the plans in; there is no cursory review to ensure that all relevant documents have been attached. If there are any questions or if there is the need for additional information, the Permit Technician will call one of the other department's staff to the Counter to address the potential concerns for the applicant. Similar concerns regarding plan completeness were identified regarding the planning permit submittals and support the need to conduct completeness reviews at intake for all applications.

The Permit Technician in Building and Housing is classified solely as the Building Permit Technician. However, based upon the City's job description, the first example of duty for the Building Permit Technician is to *"process a variety of building/construction, planning, and public works permits and applications for permits in an efficient and timely manner; insure all necessary approvals are obtained"*.

Based upon this job description language, the current Building Permit Technician has the potential to play a larger role in the acceptance and processing of permits and applications for non-Building departments. The only exception is that the current job duty does not include Fire Prevention in the processing of the permits and applications.

In order for the City to truly operate as a one-stop shop for development services, there is a significant advantage to implementing a cross-trained Building Permit Technician position. This position would be cross-trained in all three major development disciplines

– Building, Planning, and Engineering; with the potential for Fire Prevention support. The cross-trained technician would not only be able to accept plans and projects for these other departments, as the Building Technicians currently do, but they would even be able to check for completeness of application submittal, because they would be familiar with the application types and requirements, as well as answer any basic questions regarding the process. This type of cross-trained Permit Technician has several benefits such as follows:

- **Improved Customer Service:** Instead of the Permit Technician having to call other departments to the Counter, the developer/applicant can directly converse with the Permit Technician and only if it is a more detailed or project specific question would there be the need to ask for additional staff support.
- **Potential for Career Development:** Many jurisdictions have implemented career or pay incentive programs, in which, as Permit Technicians become cross-trained in more than one discipline, they have the potential to earn more as well as grow in their career. Additionally, being knowledgeable regarding multiple aspects of the development review process allows the Permit Technicians to explore career opportunities beyond just the Building Department.
- **Potential for Quicker Turnaround Times:** Enabling the Permit Technician to conduct the initial completeness check upon submittal of an application, can allow the Permit Technician to inform the applicant regarding any missing items upfront prior to accepting the submission for the project.
- **Consistency in Application Processing and Fees Collection:** If the Permit Technicians are responsible for calculating all of the fees for all development applications there is consistency in the application and calculation of the fees.
- **Potential for Increased Over-The-Counter Permits:** The Permit Technicians can also be used by the other departments to help process standard permits or applications over the counter, such as a Zoning Compliance Letter for Planning, or a Home Occupation Permit review.

As these points demonstrate there are a variety of potential advantages to the City and the development services process with the institution of a cross-trained Permit Technician position.

The bulk of the development activity is building permits; as such the cross-trained Permit Technicians should be housed in the Building Department and report to the Plan Review Manager similar to the Building Permit Technician classification. The cross-trained Permit Technician position should be classified as a Community Development or Development Services Technician. Jurisdictions in which this technician position has been implemented, there is typically a I, II, or III classification to help delineate the number of

disciplines in which the Permit Technician is trained. Along with the development of job classification with clearly laid out duties, there will need to be the discussion regarding compensation and the sliding scale of pay associated with increased competency and cross-training across multiple disciplines.

The fiscal impact of this position should be absorbed upon the user fees which are processed by the cross-trained Permit Technician, either in the form of direct time spent processing permits and applications, or as overhead cost and support to the different departments. It will be important to note that while the Building and Housing Department will be responsible for oversight of this position, because they will be processing permits for multiple departments, their cost should be accounted for on those department's permits as well and not just layered on building permit fees.

The creation of a Development Services Technician classification and position should be a long-term objective for the City. Over the next 2-3 years, the City should explore the ability to implement this type of classification and either begin training existing Permit Technicians or recruit for a position that is already cross-trained.

Recommendation #9: In the next several years, the City should implement a Development Services Technician position (cross-trained Building Permit Technician) to help streamline the City's development review process. Upon implementation, the cost of this position should be accounted for in development review fees.

8 A PERMIT NAVIGATOR POSITION SHOULD BE CREATED TO SERVE AS A RESOURCE TO THE DEVELOPMENT COMMUNITY.

Currently there are four different departments involved in the development review process along with several other departments intermittently involved in review and permitting operations. However, there is no single individual responsible for overseeing the entire development review, permitting, and inspection process during the Building phase of the project. During the Entitlement Phase of the project, the Project Planner serves as the primary liaison on the City's behalf for shepherding the project through Planning entitlement. However, there is no such project management during the Building Phase of the development project.

The current environment lacks a staff member who is well versed in all facets of the development process. In order to provide a consistent customer experience, one point of contact should be provided for development review inquiries, as well as serve as a liaison to the development community, and ensure processes align with adopted and best practices. A Permit Navigator position should be created to oversee the permitting process.

The Permit Navigator would be tasked with understanding the entire development review and permitting process. This would include the following aspects:

- Understand the permitting processes within Building, Planning, Fire, Engineering, and other departments that are involved in the development review process.
- Develop a relationship and contact within each of the supplementary departments to allow for tracking and accountability of the project.
- Serve as the primary point of contact for developers and applicants from inception to completion of the project.
- Work with Economic Development staff to identify those projects which should be provided additional support or expedited services based upon City priorities and more generally to mitigate any permit or development review issues that may be hindering new business activity within the City.
- Lead the monthly Community Development Roundtable (stakeholders) meetings, set agendas, take minutes, manage e-mail communications, and provide any actionable feedback.
- Liaise between the development community and the City.
- Responsible for analyzing and reporting on performance metrics for of development related activities (e.g. review timeliness, inspection completion, number of submittal rounds, etc.).

The list above is not meant to be a comprehensive listing of the duties of the Permit Navigator position. Additional duties that could be absorbed by the Permit Navigator would be to review and revise permitting policies and procedures, train new and existing staff on any changes to those policies and procedures, and serve as in-house resource to City staff (within and outside of development review departments) on the development review process.

Incorporating the position of Permit Navigator will provide a centralized staff member who is knowledgeable of the entire review and permitting process and will help ensure quality control of the process. This is a critical staff member, as they will interact with numerous departments.

The Permit Navigator position should report to the Planning Director, as the primary role of this position will be to liaise with developers which is primarily initiated during the Planning entitlement phase of the project. Additionally, Planning staff are already the first line of contact for the development community. Incorporating this position and other

staffing changes recommended in this section will help overall Community Development CSA better manage the development review process.

As this position would directly be related to Planning and Building development permits, this position should be funded through permit revenue. The position should be considered as overhead and indirect support to the development review process. As such there should be a net neutral impact of this position upon the General Fund; as it should be fully funded through permit fees.

Recommendation #10: Create the position of Permit Navigator, reporting to the Planning Director, to oversee all development review processes and serve as a liaison to the development community.

3. Process and Procedures Analysis

This chapter of the report is focused on improvements to the adopted process and procedures related to the development review and permitting processes. The first subsections of this chapter will focus on improvements that impact multiple functional areas, followed by specific sections related to Planning.

1 DEVELOPMENT OF STANDARD OPERATING PROCEDURES

Throughout the course of this study, there have been several issues that either staff, stakeholders, or the project team observed that indicated the lack of consistent practice within individual departments and/or across multiple operations. Upon researching the root cause of many of the consistency issues, the primary concern is the lack of standard operating procedures or that an applicable policy exists. Additionally, if a standard policy does exist, it was indicated that it likely needed to be updated. In the absence of standard operating procedures and the need to update many existing policies, the project team recommends a robust updating of standard operating procedures (SOPs) related to the development review process.

Examples of SOPs that should be created or updated include:

- Standard onboarding and training procedures for staff involved in the development review or permitting process.
- Standardized training for the applicable permitting, land management, and inspection process for new employees.
- Policies and procedures related to assessing and administering permitting fees. Including specific policies for impact, in-lieu fees, small area plans (TASP), fees etc.
- Standard policies related to the enforcement of conditions of approval or other agreements related to building and planning permits.
- Policy related to the use of outside consultants and plan reviewers. Policy should indicate when this approach is required and procedures on how to coordinate with outside firms.
- SOP related to responding to complaints/issues received and what precipitates involving a supervisor into the situation.

In addition to these City-wide SOPs for the development review and permitting process, it is important that each department/operation involved has their own SOPs related to

how they will complete the workload associated with development review and permitting (e.g. policy for assigning applications to reviewers.) While all departments should have their own SOPs, the following is a small example of relevant Building Department SOPs known to be best practice: same day permits, expedited plan review, expired permits, inspection scheduling, certificate of occupancy, temporary certificate of occupancy, permit extension, and plan routing. Individual policies should be created for all major workload types.

All development related SOPs should be created and reviewed annually. Additionally, SOPs should be distributed to staff upon approval and training should be provided if necessary. SOPs should be readily accessible to all staff. Furthermore, all adopted SOPs should be included on the City's webpage as a reference for the development community.

Recommendation #11: Develop new Standard Operating Procedures for key operational processes. Revise Standard Operating Procedures for processes that are not up to date or relevant.

2 UPON DEVELOPMENT OF STANDARD OPERATING PROCEDURES, A TRAINING PROGRAM SHOULD BE IMPLEMENTED.

After the completion of the development of new SOPs, all staff who are impacted by the policies should receive proper training. As previously referenced in various avenues of feedback, staff indicated they did not know certain policies existed. Due to significant staff turnover in the previous three to five years, much of the institutional knowledge has vacated the organization. This provides the opportunity of the organization to reset the current operating environment and implement new SOPs.

As part of the implementation of new SOPs, management should develop a training program to present the new SOPs to staff. Multiple SOPs are specific to certain operations, but others impact multiple functional areas. SOP training should include both large scale group meetings for organizational wide policies, and smaller, more focused training groups should be used to present new SOPs for specific working groups.

After the initial implementation of new and revised SOPs, it is imperative that staff are provided on-going training, especially when policies are revised. SOPs should be reviewed and revised at a minimum, annually, or as needed (e.g. when a new software program impacts the review process). Upon revision of SOPs, training should be completed prior to the implementation of the new policy.

Recommendation #12: Develop and implement a robust training program for new and revised SOPs. Ensure training for all staff on the revised SOPs prior to implementation.

3 DEVELOPMENT REVIEW APPLICATIONS SHOULD TRANSITION TO A DIGITAL APPLICATION ONLY.

During the course of this study, the Building Department began to accept building permit applications online. However, no other development application type has transitioned to a digital submittal. The project team recommends that all application types transition to digital submittal. Transitioning to digital application submittal should be a gradual process, which Building has already undertaken. While they will continue to accept paper applications along with digital applications at first, the City should transition to digital applications only after the bugs have been worked out of the digital submission process.

The benefits of a digital application process and program include:

- Reduce the number of applicants physically dropping off plans at City Hall.
- Allow staff to manage their daily tasks more efficiently by reducing the number of inquiries at the permit counter.
- Reduce the Permit Technician workload associated with inputting application information into software system.
- Reduce dependence on paper plan sets and associated file storage. Also reduce the likelihood of misplacing paper plan sets.
- Provide digital approved plan sets to inspectors in the field via tablets.
- Applicants can submit their application at their convenience online and outside of normal business hours.

Transitioning to digital application submittal will provide a more efficient approach for both the customer and staff. Also, resulting in a more environmentally friendly approach by reducing the number of trips to City Hall and the paper production of application material. Digital application submittal is considered best practice.

By implementing the permitting software administrator position recommended in the staffing chapter, this will provide a dedicated resource to deploying digital application submittals to additional application types. Management and staff who are knowledgeable about the digital application submittal process should obtain feedback from users who have successfully navigated a digital building submittal. This approach will provide staff with lessons learned and can apply solutions to the building and other subsequent digital applications.

As part of this process to assist homeowners who may not have a computer or internet access, the City should maintain the current computer workstation near the permit center

to provide the ability to digitally submit applications at City Hall. This approach will ensure a strong approach to customer service.

Recommendation #13: Transition to electronic submittal for all development permit applications.

4 HIGH VOLUME APPLICATION TYPES SHOULD HAVE A DEDICATED APPLICATION FORM AND CHECKLIST.

Current building and planning applications found on the City's website are more generic in nature and not specific to a particular application type. While this approach provides a limited number of application forms for the applicant to complete, it does not necessarily provide all relevant information and requirements for various applications. Feedback from the stakeholder meetings indicated the applicant is often confused about the requirements for their applications.

In order to streamline the review process and to reduce the number of resubmittals, applications should include checklists. There are multiple application types and by maintaining only a few application forms, providing a checklist for all permit types would create a lengthy and overwhelming application packet. As such, it is recommended to increase the number of application forms and create ones that are specific to the most commonly utilized and high-volume application and permit types. Creating applications for specific permit types including specific application checklists allows the packet to include the necessary requirements without overburdening the applicant. The online building permit application appears to include a checklist of many of the common application requirements. This approach should be expanded.

Creating dedicated application types versus a more generic form, provides the applicant and staff the ability to confirm the application is complete. Moreover, this approach should be integrated into the digital application platform and should be included as part of the digital submission process for all application types. Requiring the applicant to check off each application requirement based on the application type selected for submittal.

Recommendation #14: Implement more specific applications which include submittal checklists for the most frequently utilized and high-volume application types.

5 PERMIT TECHNICIANS SHOULD ACCEPT ONLY COMPLETE APPLICATIONS.

Feedback received from the various stakeholder meetings indicated that often times they are required to provide additional information/items after submitting their original application. This issue was in reference to "new" or "additional" information that was not

required as part of their initial submittal or had not been required on previous similar submittals.

Furthermore, staff also indicated their concern that some applications they review do not provide the necessary documentation to complete their review of an application. Both of these issues may be addressed by the implementation of a checklist to accompany each application submittal (discussed above). Moreover, these issues may be further mitigated by Permit Technicians completing a completeness check at the time of application submission. If the application is deemed incomplete and not including all application materials necessary to complete the review, the application should be rejected. Conducting a completeness check at the time of submittal will increase the efficiency of the review process and effectiveness of review staff.

To be effective in this approach, Permit Technicians must have extensive knowledge of the application requirements and a general knowledge of how to identify these items (e.g. difference between a site plan and landscape plan). This approach may require additional training and qualification of Permit Technicians.

Requiring Permit Technicians to review each application for completeness upon submittal may be achieved for both paper and digital application processes. A SOP should be developed to address application completeness and rejection criteria and associated timeline with completeness review for digital application submittals (e.g. within one business day)

Recommendation #15: Require Permit Technicians to perform an application completeness check before accepting a new application and only accept applications that are complete and ready for review.

6 ENSURE A THOROUGH FIRST REVIEW IS COMPLETED TO REDUCE THE NUMBER OF COMMENTS IN SUBSEQUENT REVIEWS.

One of the key themes from the stakeholder focus group meetings were concerns over additional requirements being imposed during subsequent reviews for building applications. Second, stakeholders indicated that often times they receive “late hits” or comments that come on the second or third review, when they should have been caught on the first review. Late hits do not refer to issues that are a result of a major design change as part of a resubmittal.

Due to the high work volume and the possibility of extended review timelines, it is important to conduct a comprehensive first review of each application. If the majority of issues are identified during the initial review, then the likelihood of late hits is reduced on subsequent reviews. Also, this approach will allow for a quicker review on resubmittals where the reviewers can focus only on previous comments and the subsequent

redesigns. A comprehensive first review should reduce the number or resubmittals. Thus, reducing the total workload volume for review staff.

Recommendation #16: Provide training to staff to enable a complete initial first review of applications to reduce the number of late hits on subsequent reviews.

7 REVIEW TIMELINES FOR DEVELOPMENT PROJECTS SHOULD BE CONSISTENT BETWEEN ALL REVIEW DEPARTMENTS.

The City does not have consistent plan review times across all review departments. Staff interviews highlighted that the Land Development section has a 20 business day turnaround time for building applications (major applications only). This differs from other review entities that utilize a 30 business day review timeline for these major building applications. To provide a consistent experience and to help balance the workload, all review timelines should be consistent among all review departments.

The Building Department publishes their intended review timeline based on application type on their website. The review timelines are scaled based on the type of application. The simpler the application type, the quicker the prescribed turnaround time. This approach meets best practice. Since the Building Department takes in the majority of applications that are distributed for review, it is important that all reviewers are aware of the published review timelines. Also, the permitting software should be configured in a way that review deadlines are easily identified and staff receive notification that a deadline is pending.

Recommendation #17: Revise review timelines for all review entities to ensure they align with the published turnaround times.

8 ONLY 53% OF ALL BUILDING PERMIT REVIEWS ARE COMPLETED WITHIN THE ESTABLISHED TARGET REVIEW DATE

The project team was provided with three years of building permit data. The building permit data set included the number of reviews by reviewer and timeline information associated with when the application was submitted, review due date, when comments were provided, and the target date for completion. The project team analyzed the average review timeline by review type between 2016 and 2018.

The following table shows the three year aggregate processing times.
2016 – 2018 Building Permit Review Timelines

Review Type	Number	Avg Review Days
Architectural	2,911	11
Civil	237	14
Electrical	1,717	10

Review Type	Number	Avg Review Days
Mechanical	987	10
Outside Consultant	54	14
Plumbing	885	11
Project Coordinator	3,997	16
Recycling Report	39	26
Structural	3,123	7
BAAQMD	3	32
County Health	72	62
Land Development (Engineering)	1,104	20
Fire - Hazmat	426	8
Fire - Life Safety	2,144	11
Planning	1,659	10
School Fee	286	194
Utilities - W/S Ques	91	78

Over the last three years, reviewers generally had strong performance metrics. City reviewers generally averaged less than 20 business days for review. Outside reviewers BAAQMD, County Health, and School Fee each had review times longer than 30 business days.

While the previous table analyzed overall performance over the past three years, the project team analyzed 2018 data to determine if reviewers were meeting processing targets. The information provided to the project team identified pre-determined target dates. These target dates are based upon the Department's published turnaround times.

Reviews Completed on Time – 2018

Review Time Frame	% of Reviews
Review By Due Date	53%
Review 1- 10 Days Late	32%
Review Greater Than 10 Days Late	15%

In 2018, only 53% of reviews were completed early or by their due date. Furthermore, only 85% of reviews were completed within 10 days past their due date. This leaves a total of 15% of reviews completed greater than 10 days past their due date.

The following table shows the total number of reviews by reviewer who were considered late, this table only shows reviews completed by City staff.

Reviews Completed Past Due Date – 2018

Review Type	# of Reviews
Architectural	348
Civil	31
Electrical	252
Mechanical	144
Plumbing	132

Review Type	# of Reviews
Project Coordinator	714
Recycling Report	4
Structural	332
Fire - Hazmat	27
Fire - Life Safety	247
Planning	120
Land Development (Engineering)	127
Utilities - W/S Ques	10

The Project Coordinator had the highest number of reviews completed late. This is not unusual, since they are tasked with compiling all review comments and transmitting to the applicant.

In general, the largest volume of reviews being completed in a lack of timely manner were related to the Building Department. The long review times are a symptom of the lack of filled positions for Plan Reviewers within the Building Department. During the mid-year budget adjustment, the Department requested and received authority to transfer certain temporary positions to permanent positions, but all of the Plan reviewer positions are still not filled. It is expected that once the City fills these positions, there will be an increase in the Department's ability to process plans in a timely manner.

Additionally, as part of the current budget process, the Department has added average turnaround time as a performance measure. Along with this performance measure there should be also a measure of percentage of plan checks that meet the turnaround date within TRAKiT. This will help the Department ensure that even as it reduces general average turnaround times, it is also keeping track of its ability to meet its own targets and goals. Once all the plan reviewer positions are filled it will be especially important to review these statistics to evaluate the impact of staffing shortage on service levels.

Recommendation #18: The percentage of plan reviews conducted in compliance with adopted plan review targets should be added as a performance measure to increase accountability within the Department.

9 THE WEEKLY DEVELOPMENT REVIEW COMMITTEE MEETING SHOULD BE REVISED TO FOCUS SOLELY ON THE REVIEW OF APPLICATIONS.

Staff involved in the development review process converge weekly in a meeting that is titled Development Review Committee (DRC). Staff reported that the DRC meeting discusses a variety of topics and does not necessarily focus on the review of development applications. Moreover, some staff indicated that they feel DRC meetings are not an effective use of their time.

A DRC meeting is considered best practice if they solely focus on the review of applications in a collaborative manner. The weekly DRC meeting should be refocused

with the intent to discuss development applications under review. To create a streamlined and effective DRC meeting the following actions should be implemented.

- An official agenda should be created and sent out at least three days prior to the meeting date.
- Projects should go to the internal review meeting approximately 7 to 10 calendar days before review comments are due to the applicant.
- Staff should review the application/plan set prior to the DRC meeting and bring comments and concerns that may impact other disciplines.
- Meetings should focus only on the review of development related applications.
- A facilitator should be appointed to lead the weekly meeting. The facilitator should rotate to reduce the burden on individual staff, but also be used to develop skill sets for a variety of team members. Planning generally leads these meetings and the facilitator would rotate between planning staff or be assigned to the Permit Navigator position once implemented.
- DRC meetings should focus only on the review of applications. Other issues/ items such as training should be discussed/held at other designated times.
- DRC should be limited to a maximum of one hour each week, except in rare circumstances.

Incorporating the above approaches will provide an effective and efficient DRC meeting for staff. Also, it will ensure staff are prepared for the meeting and increase accountability in the review process.

Recommendation #19: The Development Review Committee's primary focus should be on the review of development applications.

10 DESIGN STANDARDS AND SPECIFICATIONS SHOULD BE UPDATED.

Staff indicated the current design standards and specifications for land development and utility functions have not been updated in over 20 years. Current and comprehensive design standards, guidelines and specifications are important components of an effective development review process and need to be addressed in the City of Milpitas. Much like other regulatory documents, it is important for design standards and specifications to be current and meet best practice. This is especially important for infrastructure that is intended to last for 50+ years. There have been significant advances in materials and installation practices over the last two decades for infrastructure. Updating standards and

specifications will provide many benefits to the development community and the City of Milpitas. These benefits include:

- Improved quality of infrastructure installed and maintained by the City.
- Reduction of maintenance cost over the life cycle of the infrastructure.
- Reduce the likelihood that designers ask for variances to adopted standards and specifications.
- Ability for designers to incorporate the appropriate standard /specification into their plans, thus reducing the need to review all details of adopted standards.

Updating design standards and specifications will further streamline the review process for land development and utility reviewers. Also, the construction inspection process should be more efficient with updated standards. Moreover, it will provide up-to-date and relevant standards and specifications that meet current trends in the industry. Finally, new standards and specifications should provide quality infrastructure that will reduce life cycle cost of maintaining the infrastructure.

Recommendation #20: Update design standards and specifications.

11 PLANNING DEPARTMENT PROCESS IMPROVEMENTS

This subsection will focus on planning specific process improvements that will help streamline the land entitlement process and other planning related operations.

1 Designate a Planning Hearing Officer to Review and Approve Applications that Currently go to the Planning Commission Subcommittee.

Planning applications are reviewed and approved by a variety of approaches. Applications may be approved administratively by staff, a Planning Commission Subcommittee, Planning Commission, or City Council. Applications reviewed by the Planning Commission Subcommittee, Planning Commission, or City Council take significantly more time to process than applications reviewed by staff. One way to streamline the review process is to utilize a Zoning Hearing Officer as decision-maker of planning entitlement applications recommended below.

A Zoning Hearing Officer is a designated staff member, ideally from the Planning Department who is tasked to conduct public hearings for the review and subsequent approval/denial of planning applications. The use of Zoning Hearing Officer allows a quicker review and decision related to minor planning and zoning applications. The project team recommends the application types that go before the Planning Commission

Subcommittee transition to a Zoning Hearing Officer. Application types include Minor Conditional Use Permits and Minor Site Development Permits. Both application types are commonly heard by a zoning officer in California. In addition, it is recommended that at least some, if not all, Site Development Permits and Variance applications currently under the Planning Commission be included under the Zoning officer, similar to more progressive cities in their permit streamlining programs. This recommendation is highly supported by the stakeholders that participated in this study as well as in discussions with the City's Community Development Roundtable.

The benefits of a Zoning Hearing Officer provides greater flexibility and frequency of hearing dates, reduce expenses for the applicant and the City, and reduces the timeline associated with application processing, and the corresponding reduction in permitting costs. Zoning Hearing meetings are open to the public and should be scheduled on a regular basis (e.g. the second and fourth Wednesday of the month or on a weekly basis). This will allow for a consistent calendaring of meetings and reduce the wait time for the applicant. Transitioning to a Zoning Hearing Officer is beneficial to both the applicant and staff. Upon the implementation of a Zoning Hearing Officer, the City may consider other application types that may be review and approved by this approach versus going to Planning Commission.

Recommendation #21: Designate a Zoning Hearing Officer to serve as the decision making body for Minor Conditional Use Permits, Minor Site Development Permits, and at least some Site Development and Variance applications.

2 Provide an Approval Authorities Matrix and Review Process Diagrams on the Planning Department Webpage.

The Planning Department has approximately 15 different permit types that may be issued. Depending on the type of permit application, the approval authority varies between four different entities. Currently, there is no summary of the approval authority by application type on the department's webpage. The only summary of approval authority is found in the adopted City ordinance, Title XI, Chapter 10, Section 64.

The approval authority table found in the adopted code should also be on the Planning Department's webpage. The approval authority table provides important information for potential applicants to understand the review process timeline by application type.

Additionally, review process diagrams should be added to the Planning Department's webpage. The review process diagrams should outline the respective review processes for staff review, Planning Commission, Planning Commission Subcommittee (or Hearing Officer if implemented), and City Council review. Sharing the review process is critical for future applications and sets expectations before most applications are applied for.

Second, sharing this type of process provides greater transparency and may reduce the number of inquiries from applicants asking about the status of their applications.

Recommendation #22: Provide an approval authorities table and application review process diagrams on the Planning Department's website.

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4. Technology Improvements

Technology is an important tool for innovation and streamlining development-review process. Therefore, it is extremely important to evaluate the current and potential use of technology to further the efficiency and effectiveness of development review. This chapter will address improvement opportunities related to the use of technology in the development review process.

1 A TRAINING PROGRAM SHOULD BE DEVELOPED FOR TRAKiT.

The City of Milpitas currently utilizes a software system called TRAKiT to serve as their building permitting software system. The Building Department is currently the main user of the system and it serves as the database for all building permit and inspection operations. However, other departments involved in the development review process use the software to varying degrees with Planning being the other major user of TRAKiT. To the extent possible, this system should be used more consistently by all departments and divisions. Where it does not meet the needs of a specific department and they utilize other software there should be integrations or data linkages between the systems to eliminate duplicate data entry and provide a single source of data. The goal should be the use, wherever and whenever possible, of a single permitting system; and only where not possible, through the implementation of more fully integrated systems.

Based on feedback from staff during interviews and SWOT analysis, it was clear that most staff outside of the Building Department have received little to no formalized training for using TRAKiT. The level of training has varied and has been hampered by the lack of a highly knowledgeable and dedicated IT resource focused on supporting and implementing TRAKiT. Previous processes implemented have not fully met the need of all users or been implemented to allow them to customize certain functionalities (such as having project review timeframes differentiated based upon the type of review). Some staff interviewed were not even aware that TRAKiT even existed. This uncoordinated approach to using the permitting software system has created inefficiencies for the development review process.

TRAKiT is a robust permitting and land management software system that includes various capabilities for the intake, review, issuance of permits, and tracking of inspections results. TRAKiT is the City's de-facto database for all building permit data. The opportunity exists for using the software beyond Building permits and to incorporate other development activities. However, this will require development of a software training program and modification of processes to meet the needs of all users. A software training program should include two elements: initial training for new users and ongoing in-service training.

With the implementation of a permitting software administrator (discussed in the Staffing section), the City will have a dedicated in-house resource for the software. This individual would be tasked with the development of a new user training program. The Administrator will develop the training program in conjunction with existing staff who have significant experience working in the software. The training program should incorporate the following elements:

- Process for creating a new permit
- How to find a permit and relevant application and permit information
- How to review an application electronically within the software system
- How to upload review comments to the system
- How to see other reviewer's comments
- Determine the status of a project (e.g. under review, comments sent, payment pending, permit issued, etc.)
- How to find, query, and search for relevant project management data.
- How to input inspection results.
- Frequently asked questions guide for users and public.

Incorporating the above elements into training will provide a robust general knowledge of the most common action items in the software system. Also, this training should be consolidated into a user guide for the software system and made readily available for all users.

Finally, software training should be provided when new updates are released or processes are updated for the permitting software. This “refresher” training should be provided to staff upon new software updates but also to promote consistency as well as monitoring of data within the permitting software system. For example, training should cover how to use various features of the software such as automation features, setting up cycle time alerts, email alerts, routing projects within the system, closing out a permit, etc. Initial and ongoing software training is imperative for an effective and efficient use of the software. Refresher training may also be used as a way for individuals to share tips to work more efficiently, but also provide user with the ability to ask questions.

Recommendation #23: Develop a software training program for new users, including a user guide for on-going use.

Recommendation #24: Provide on-going training when new software updates are released or when new process implementation impacts how staff use the software.

2 TRAKiT SHOULD BE USED TO CAPTURE TIME AND COSTS ASSOCIATED WITH DEVELOPMENT RELATED ACTIVITIES.

In order to capture staff's time for reviewing applications (especially Planning applications), staff note time worked on a project on their time sheet and then it is charged to a PJ (Private Job) account. PJ accounts are used to capture review time by application for all review departments and then the account is charged for expenses.

PJ accounts have their own account number and are set up in conjunction with the application. However, review staff and the assigned project manager are unable to proactively monitor PJ accounts charges and balances because PJ accounts are maintained by the Finance Department. Furthermore, when applicants are invoiced for PJ account charges, the invoice does not include the application or permit number or the physical address. The current approach to PJ account adds more layers for Finance and Planning staffs, along with the applicant if they have multiple open permits. Finally, stakeholders complained about receiving PJ account bills several months after their permit was issued. The current approach to having a separate PJ account and permitting software has created significant inefficiency related to capturing and billing of staff's time.

TRAKiT includes a function for capturing staff's time and associated fees. Utilizing the time keeping and reporting features will provide several benefits for staff.

- The project manager can actively monitor account balances and/or current charges.
- A standardized report can be created and run for time charges and fees.
- Automatic alerts can be created when account balances reach a certain threshold.
- Charges and fees are captured in real time versus when time sheets are collected. (Challenges might exist for contracted reviewers such as the contracted City Attorney).
- Generated invoices would include the permit number and address since it is tied directly to the digital permit file.
- Depending on settings, the applicant may be able to track time charges and account balances online through the applicant portal.

To provide greater efficiency, TRAKiT should be utilized to capture staff's time for reviewing development applications. The City should explore options of integrating this effort with other processes such as time sheets to minimize duplication of data entry. Second, TRAKiT can replace the current PJ account system, which currently does not integrate with TRAKiT and is administered by Finance. To accomplish this, the City will likely need to modify additional billing and invoicing processes to replace other functionality of the PJ account system through other software options (such as expanded use of the financial ERP system).

Recommendation #25: Utilize the time keeping feature of TRAKiT to capture time charges for application review.

3 THE PERMITTING SOFTWARE SHOULD BE UTILIZED BY ALL DEVELOPMENT REVIEWERS, EITHER DIRECTLY OR THROUGH DATA INTEGRATION.

As aforementioned, the permitting software system TRAKiT is primarily used for the processing of building permit applications and data. All information related to the application, permit, and inspection process for building applications is stored in the system. Staff who are responsible for development review are provided access to the software. However, outside of building permits, the use of TRAKiT for non-building related activities varies by functional area.

The Planning Department has begun to utilize TRAKiT for their respective applications and will transition to full usage of the system in the near future. The Fire Department and Land Development team only utilize TRAKiT for building permit applications and have their own separate software systems for their designated permits and inspections. Fire Department and Land Development have their own software system, to account for their specific permit specifications; however, it is important for their systems to integrate with TRAKiT. This is especially critical if TRAKiT is utilized to capture time charges associated with development activity.

TRAKiT serves as the database for all building permits and generally includes the majority of electronic record keeping for development activity. It is imperative that all development related staff have access to development data to effectively complete their job. Integration of other departments software systems with TRAKiT will provide seamless services and enhance the tracking of applications and permits. Furthermore, this system integration is an important resource for Code Enforcement staff and Fire Department Inspectors whose involvement on a development project continues well after a certificate of occupancy is issued. All staff need to have access to all development related and ongoing inspection issues for all permitted activity.

Integrating non-TRAKiT software systems with the permitting software will provide all users with data to effectively complete their duties. The City should continue to utilize

TRAKiT as the development database for all permitting, inspection, and enforcement data.

Recommendation #26: Utilize TRAKiT for all development related activities among various departments. Alternatively, if TRAKiT does not contain the appropriate modules to support their needs, Fire and Land Development should integrate key data from their independent permitting and inspection systems into TRAKiT.

4 ACCESS TO TRAKiT SHOULD BE PROVIDED TO ECONOMIC DEVELOPMENT AND HOUSING STAFF.

Access to the TRAKiT permitting software is primarily limited to those individuals involved in the development review process. Additionally, staff within the Code Enforcement Division utilized the system for their work activities. Discussed in previous sections of this report, staff's knowledge of the software system varies, along with others not knowing it even exists. Regardless, staff in Economic Development and Housing require access to TRAKiT. While these departments are not involved in the review of applications, their work often times intersects with development projects.

For example, Housing staff may need to determine the status of applications/permits/inspections to ensure proper fees have been collected. Economic Development officials may need to research development activities in a particular area. Currently, staff in these functional areas have limited access to TRAKiT and should be granted appropriate levels of access (e.g. read only).

Recommendation #27: Provide TRAKiT access for Economic Development and Housing staff upon completion of the proper training.

5 ALL DEVELOPMENT APPLICATIONS SHOULD TRANSITION TO DIGITAL SUBMISSIONS.

At the beginning of 2019, the Building Department implemented digital building application submittals. This has been a successful implementation and there is a desire to expand to allow digital Planning permit submission. The project team recommends all development applications be submitted electronically moving forward. For digital application submittals to be effective for non-building application types, the previous recommendations related to software training need to be implemented first. This includes proper training for TRAKiT and ProjectDox, which is used to upload electronic plan sets. Additionally, an internal System Administrator needs to be designated and serve in the capacity for an effective change to all digital submissions.

Upon the implementation of a System Administrator, development of training material, completion of staffing training, and development of user guides for additional digital

application submittals, the City should expand the types of applications that may be submitted online. The next logical application type would include Planning applications, followed by Fire, Land Development, and Public Works (Utilities). However, for Fire, Land Development, and Public Works, will require additional work to ensure that TRAKiT, ProjectDox and their respective independent software systems are fully integrated and support each other.

Benefits of transitioning to electronic plan submittals is included in the Process Improvement Chapter. Additionally, the more effective use of the permitting system and digital records will enable the City to provide digitally scanned records of past permit approvals loaded into the permit system data base. This ensures that staff have access to all relevant information regarding an address and permit activity.

Furthermore, upon the full implementation of digital application and plan set submittal, the City should transition to digital as-built submission. Currently, the City receives paper copies of as-built drawings which require the scanning of documents. The as-built drawing should be uploaded to the online application portal and attached to the appropriate permit file in TRAKiT.

Recommendation #28: Expand electronic application and plan submittals to all development application types. Ensure that TRAKiT and ProjectDox systems are integrated with any independent software systems utilized by Fire and Land Development before implementation.

Recommendation #29: Transition to digital only as-built drawing submittal and attach to the permit file in TRAKiT.

Recommendation #30: Longer-term, all prior permits and selected documents regarding that permit should be scanned and included in TRAKiT to provide a comprehensive resource regarding prior permitting activities at an address.

6 GIS SHOULD BE INTEGRATED INTO TRAKiT.

It was indicated that the TRAKiT software system does not include access to GIS data layers. This does not meet best practice, which would require incorporating GIS data into the permitting software system. Based on the project team's understanding of TRAKiT, it is capable of integrating GIS into the software system¹⁰.

TRAKiT is designed to serve as a database for all development activity. Integration of GIS will allow staff to be more efficient in conducting their reviews as relevant GIS data will be available in TRAKiT. Ideally, when staff is accessing a particular permit file, the permit

¹⁰ (<https://www.superior.com/public-administration/community-development/>)

address will link to GIS and staff can click once to access GIS parcel data. All applicable GIS data layers should be accessible through TRAKiT.

The integration of GIS into TRAKiT will provide more data in the permitting system and allow staff to be more efficient when reviewing projects.

Recommendation #31: Integrate the City's GIS system into the TRAKiT permitting system.

7 PROVIDE A LINK ON THE CITY'S WEBPAGE SO THE PUBLIC CAN ACCESS DEVELOPMENT PROJECT INFORMATION.

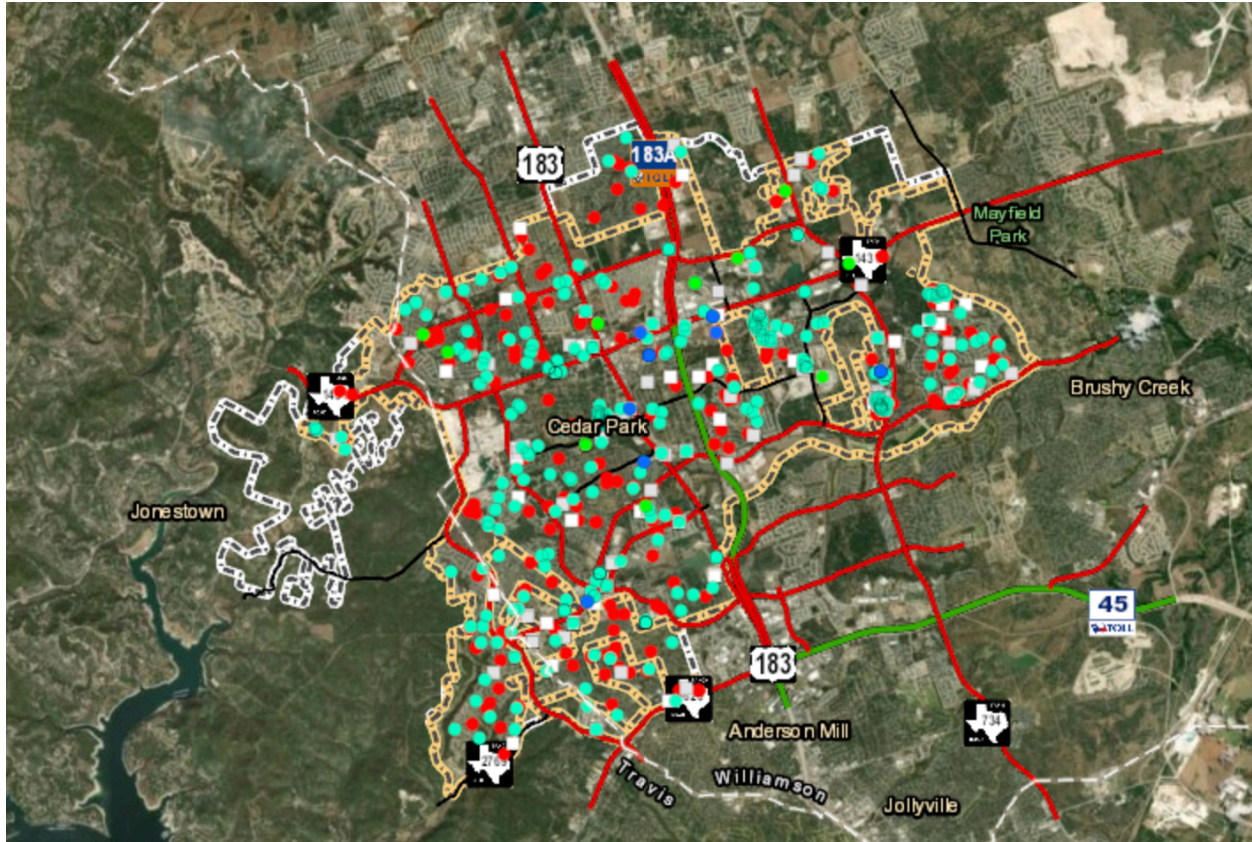
With the implementation of electronic application and plan submittals, this will provide the City with increased capabilities in distributing development information to the community. Citizens often wonder what is happening when they see construction activity in their community. One way to increase transparency and provide information to citizens is through the creation of a webpage that is dedicated to current development activity.

An active development webpage would be searchable by address and ideally an interactive map that a user can search for a specific location. In creating a development project web interface, the following elements should be incorporated:

- Pending, active, and recently completed projects should be available for searching.
- An interactive map should include icons indicating development projects.
- Upon clicking on the icon (or parcel), a project summary should appear that includes project type, status (under review, permitted, under construction, completed), brief project description, zoning information, and applicant name.
- Provide a link to additional data such as site plans, exterior sketches, project values, etc.
- Contact information for City staff in the event the user wants to find out more information.

The five elements outlined above will provide the user with relevant project information. For example, The City of Cedar Park, Texas incorporates the best practice elements listed above for their Permitting Activity webpage. The following screenshot shows a screenshot from the webpage¹¹:

¹¹ A link is provided to their online portal: <https://cedarparkatlas.com/atlas.aspx?Section=Permitting>



As the screenshot indicates this type of interactive online permitting information provides quite a bit of information regarding development activity to both the development community as well as the general public.

Another good example of how GIS can be effectively utilized to provide information to the public in a visual format through the use of interactive maps is demonstrated by the City of Henderson, Nevada. They provide data visualizations through interactive maps; examples of which can be viewed at: <https://www.cityofhenderson.com/gis/interactive-maps>. Currently, the City of Milpitas does not have staff resources available or dedicated to developing these types of interactive maps for the public or staff use within Development Services.

Recommendation #32: The City should create a development webpage and interactive map to provide development project information to the public.

6. Fees and Revenue

The City of Milpitas currently assesses and collects a variety of fees and charges as part of its development review process. These fees can be categorized into primarily two types of fees – user fees and development impact fees. As part of the Service Delivery and Organizational Analysis, the project team also conducted a Cost of Services Analysis for User Fees. The results of this user fee analysis have been provided under separate cover to the City. However, the project team also conducted a review and analysis of the fees and revenue sources in the context of processes and collection procedures. The following subsections discuss the primary findings of the project team in regards to fee and revenue-related issues for the City of Milpitas.

1 THE CITY OF MILPITAS SHOULD DEVELOP DETAILED POLICIES REGARDING DEVELOPMENT IMPACT AND USER FEES.

Currently, the City of Milpitas has limited policies in place regarding its user and impact fees. The primary policy in place is the level of cost recovery that is identified through the Municipal Ordinance. However, there are no policies that currently identify the basis of charging certain fees, the types of fees that can be charged, and when and how those fees should be collected. It is a best management practice to have detailed policies in place regarding the types of fees being charged by a jurisdiction, as this ensures that fees being charged are consistent with City objectives and goals.

The project team recommends that the Finance Department should lead the effort, in conjunction with the departments involved in development review, to develop policies regarding each of the types of fees collected during the development review process. For development impact fees, the policies and procedures should include the following components:

- **Time of Fee Collection:** A development impact fee should always be collected at the Building Permit Phase and be based upon the approved building plans for the project. For example, if the fee is based on number of units, the unit number should not be taken from the planning / entitlement phase, but rather the number of units for which the building permit has been approved.
- **Collection of Fee Revenue:** The revenue from impact fees must be stored in a separate fund from the General Fund.
- **Use of Impact Fee Revenue:** The revenue from impact fees can only be used to fund infrastructure and capital projects, it cannot be used to fund any operational or staffing costs.
- **Annual Increase to Impact Fees:** The policy should identify the cost factor by which impact fees should be increased on an annual basis. This is typically the

Construction Cost Index (CCI) as that is the cost associated with materials used for construction projects.

- **Annual Reporting Requirements:** There should be a component in the policy and procedure that clearly states that there are annual reporting requirements for AB1600 / Mitigation Fees that must be done in order to ensure that the City continues to comply with the requirements. It should also identify the Department (Finance or Development Services) that is responsible for conducting the reporting function.
- **Nexus Analysis:** The most important component of this policy should be that there needs to be a nexus analysis conducted every 5 years for the impact fees currently in place by the City.

Developing a standardized policy and procedure for Impact fees will ensure that not only is the City compliant with AB1600 requirements for these fees, but that it is also collecting the appropriate amount of fees from development projects to help fund the impacts to the City's infrastructure.

Along with impact fees, there needs to be a standardized operating procedure for the collection of user fees. Currently, each individual development review department is responsible for collecting and applying their own user fees. A standardized operating procedure for user fees should focus on the following aspects:

- **Time of Fee Collection:** The user fees should be collected at the time of the permit application. For example, if it is an encroachment permit it should be collected prior to work occurring in the public right-of-way.
- **Collection of Fee Revenue:** The revenue from user fees should be coded to the individual departments involved in the review and inspection process. If there are non-general fund departments / divisions involved in the development review process such as utilities, the revenue associated with those plan check and inspection services should be coded in those enterprise funds.
- **Use of User Fee Revenue:** The revenue from user fees can be used to fund staffing and operations for development review activities.
- **Cost of Service Analysis:** The policy should include a provision that every three to five years an external cost of services analysis should be conducted of the user fees. This ensures that the City continues to be in compliance with any state guidelines regarding user fees, as well as that it continues to monitor its costs on a per unit and annual basis, due to any technological or process changes.

- **Annual Fee Updates:** In the interim of the three to five years, between which the external fee study and analysis will occur, the City should adopt a policy identifying an annual cost factor increase for the fees. This cost factor should be tied to the City's own costs for fees, i.e. labor costs or cost of living increases, and should only be applied if there is an increase in costs.

The establishment of both of these policies and procedures document for user fees and development impact fees will serve as a baseline for the City to ensure that it is achieving its established cost recovery goals, as well as ensuring that current and any future staff comply with City and state policies regarding these types of fees.

Recommendation #33: Detailed policies regarding impact fees and user fees should be established, which should include the following:

- **Nexus or basis for charging fees**
- **Annual updates to fees**
- **Frequency of comprehensive updates**
- **Collection of fees**
- **Purpose / use of fees**

2

CONSOLIDATED POLICIES AND PROCEDURES FOR PRIVATE JOB (PJ) ACCOUNTS SHOULD BE DEVELOPED

Land Development and Planning are the two development services departments that currently charge the majority of their fees as deposit-based fees. The City of Milpitas refers to deposit-based fees as Private Job (PJ) accounts. While there are a variety of documents available through the City that identify information regarding PJ accounts; there is not a single comprehensive document describing the policies and procedures for PJ accounts.

On the third page of Land Development's published fee schedule (labeled as page 12) there is a whole page dedicated to the description of PJ accounts, as listed below:

*"In accordance with **Milpitas Municipal Code (Title IV, Chapter 3)** a PJ account shall be established and maintained by a developer (applicant) or agent for the purpose of securing the performance of any act or acts as may be required by an ordinance, resolution, agreement, or minute action by the Milpitas Planning Commission or City Council. **All PJ accounts are established for permit fees to reflect 100% cost recovery for the services provided within the Planning and Public Works/Engineering Division. A minimum initial deposit amount will be established by staff and must be submitted with a Private Development Authorization application to establish a PJ Account prior to the commencement of work** requiring the services of City Planning, Engineering, and Public Works personnel. Some planning applications.*

The PJ funds are used for processing the applicant's project by the City at a rate based on the employee's adjusted hourly wage (for employee's labor & benefit expenses plus overhead charges by a factor of 1.55 to cover overhead charges) of \$151 hourly rate for plan check engineer, \$110 for building permit technician as an example of hourly charges. Also, it may be necessary to utilize contract employees for inspection of your project or for other services. In that event, you will be charged no more than what you would have been charged for the City's Senior Public Works Inspector performed the Inspection. Any vender charges incurred are charged to the PJ account without an overhead charge. Public improvements on private development projects will require additional PJ deposits based upon the estimated cost of the work to be performed. This additional deposit will be required at the plan checking stage and prior to execution of development agreements. Additional deposits will be required by the City when a \$2,000 or more deficit balance appears on the account report. Please be advised that City processing of private development projects will cease when a \$2,000 or more deficit balance accrues, until the requested deposit is submitted to the City.

NOTE: The applicant must **notify the Engineering Division by letter** if the PJ account is assigned to a new property owner / applicant and must also instruct the City to either (1) release rights of the PJ account to the new property owner, or (2) refund the surplus balance after the new property owner has made a required minimum deposit.

If you have any questions regarding this procedure or your PJ account status, please call (408) 586-3329."

The information above and on the previous page was developed in 2009 as part of the last update of the Land Development Fee Schedule. The key pieces of information that are identified in this document have been bolded, but are as follows:

- The establishment of the PJ accounts through the Municipal Code.
- The goal of PJ accounts is 100% cost recovery by the City for Public Works / Land Development and Planning applications.
- A minimum deposit amount must be collected prior to any work performed by City staff.
- The rate utilized in the PJ account will account for salaries, benefits, and overhead charges at a factor of 1.55. *Note: The City has changed its internal practice and is utilizing the employee's fully-burdened rate from the published cost-allocation plan. This information is currently not updated in the policy and on the website.*

- External contracted employees or consultants will be charged at the same rate as City employees.
- Public Improvements will require an additional deposit beyond the initial minimum deposit.
- There is a policy to stop work once the threshold for the project reaches below \$2,000 for project.
- Any changes in the development project, which impact PJ accounts should be communicated with Engineering via letter.
- The contact for PJ Accounts is Land Development Staff.

As the points above illustrate, the information in the Land Development Fee schedule is fairly comprehensive regarding PJ accounts and the process from the City's perspective for these deposit-based fees. As noted in these points, however; some information is inaccurate and not in alignment with the City's current practices.

However, the City also has information regarding PJ accounts on the fee schedule for Planning. The Planning Fee Schedule posted on the City's website became effective January 2014, approximately 5 years after the Land Development Fee Schedule. The following text shows the information listed on Planning's Fee Schedule:

“*Information regarding Private Job (PJ) accounts: The PJ Account provides full cost recovery to the City. The cost for staff time is based on fully burdened hourly rates including overhead. Overhead includes clerical, other support employees, consultants, facilities, equipment and service costs such as legal advertisements.

- ***Initial deposit is determined by staff based on scope of project and typical cost to process that application. Initial deposits are shown above as guidelines and may be modified depending on the complexity of the project.***
- ***PJ accounts are invoiced monthly and the city will stop all work if 25% of initial deposit is not maintained.”***

The Planning information on PJ accounts is substantially smaller but it also identifies some key areas, such as the following:

- PJ accounts are meant to be full cost recovery.
- PJ accounts will be billed on a fully burdened hourly rate, which includes overhead, which is more defined as clerical, support employees, consultants, facilities, equipment, and service costs such as legal advertisements.

- Initial deposits are determined by City staff and can vary from the deposits noted in the fee schedule due to complexity and scope of the projects.
- PJ accounts are invoiced on a monthly basis.
- If the total remaining balance of the PJ account drops below 25% of the initial deposit amount, the City will cease all work.

As these points illustrate, there is some consistency between Land Development and Planning PJ information, but there are also some differences. The planning fee schedule expands that PJ accounts are billed on a monthly basis; however, it conflicts with Land Development in stating that the stop work would occur at 25% of initial deposit rather than balance of \$2,000.

The third City document, which provides information on PJ accounts is the Processing Agreement Form or the Payment Agreement for Development Application Processing. This form was revised in January 2015, approximately, one year after the Planning Fee schedule was effective. The following text is the information included on this document:

*“Applicant agrees to pay **all legal and consultant costs** (including, but not limited to environmental, engineering, fiscal, design review and peer review consultant fees) incurred by the City for review and processing necessary for the subject project, even if the application is withdrawn, not approved, approved subject to conditions, or modified upon approval. **Applicant agrees to make an initial deposit of \$10,000 (or other amount as required by the City) to be applied toward the above costs**, at such time as requested by the City. **This initial deposit is in addition to the deposit collected for typical application processing.** Applicant further **agrees that no Certificate of Occupancy for the project will be issued until all costs are paid.** The City is entitled to recover its costs, including attorney’s fees, in collecting unpaid accounts. Any refund of amounts deposited shall be made in the name of the Applicant, to the address noted for billing information. **Invoices are due and payable within 30 days. City processing of applications will cease when the account balance drops below 25% of the total initial deposit amount.** The total initial deposit amount is the **sum of the deposit for legal and consultant costs and the deposit for application processing.** Applicant shall provide **written notice to the Finance Department in the event that there is a change in Applicant’s interest in the property**, the project or the billing address or contact person for said project. Said Notice shall be **mailed first class certified mail to Finance Manager, 455 E. Calaveras, Milpitas, California 95035.** Applicant shall remain responsible for all outstanding costs incurred by City. Applicant agrees to hold City harmless for all costs and expenses, including attorney’s fees, incurred by City or held to be the liability of the City in connection with City’s defense of its actions in any proceeding*

brought in any State or Federal court challenging the City's actions with respect to the Applicant's project. This Agreement shall only be executed by an authorized representative of the Applicant. The person executing this Agreement represents that he/she has the express authority to enter into agreements on behalf of the Applicant."

Similar to the Land Development and Planning fee schedule information, this portion of the document also has key information regarding PJ accounts. The following points outline the takeaways from this document:

- Developer is responsible for paying all legal and consultant costs associated with the project.
- Legal and consultant costs should be collected as a separate deposit than the initial deposit for permit processing and the total deposit is the sum of those two deposit amounts.
- The Certificate of Occupancy may be withheld until all final invoices have been paid to the City.
- Invoices must be paid within 30 days.
- All work will cease on a project if the remaining deposit falls below 25% of the initial deposit amount.
- Any changes to the developer's information should be communicated via written notice mailed to the Finance Manager.

Similar to the Planning fee schedule, the Payment Agreement for Development Application Form provides additional information for some items, and information that contradicts other City documents. The key contradiction in this document is the notification to changes in deposit accounts should be communicated to Finance compared to the Engineering Division.

The purpose of highlighting the text and key points from the three different PJ account information documents was to demonstrate that while the City does have written policies and procedures regarding PJ accounts, due to staff turnover, there is lack of knowledge regarding the existence of these documents. There is also a lack of consistency in these documents, as the documents may contradict each other. Finally, there is also a lack of accuracy in some of the language, as policies and procedures have changed but the language in these documents hasn't been updated.

Therefore, the project team recommends the development of a unified consolidated PJ account policy. While there might be some PJ account nuances that vary depending upon

the department utilizing the service, generally, there should be a cohesive approach to deposit-based fees. The unified PJ account policy and procedure should be set up along the following template, which has been filled in with some *sample information (should not be taken verbatim and should be expanded upon in order to have a fully comprehensive policy)* to help the development of the policy:

	City of Milpitas	Policy:	XX-XXXX
	Departments: Finance, Building, Planning, Land Development, Fire Prevention	Effective Date:	05/01/19
		Proposed By:	Finance
		Last Reviewed / Revised:	XX
		Revised by:	
	PJ ACCOUNTS (DEPOSIT-BASED FEES)	Approved by:	XX
Policy Purpose:	To document and define the policies and procedures associated with deposit-based fees collected and issued by the City.		
Authority for Deposit-Based Fees:	Per the Milpitas Municipal Code Title VI Chapter 3 – Fee and Service Charge / Revenue Comparison, the City Manager has the authority to adjust fees and charges for full cost recovery.		
Department Responsibilities: Finance	1. Receiving and processing all checks associated with PJ accounts. 2. Assigning all PJ account numbers and disseminating information to all supervisors in the Development review departments, to ensure appropriate charging to PJ accounts. 3. Collecting information from Payroll system regarding PJ charges and inputting into invoice. 4. Calculating fully burdened hourly rates for staff positions. 5. Develop monthly report outlining all active PJ accounts, the total amount billed to date, collected to date, and remaining balance.		
Department Responsibilities: Development Services Partners	1. Collecting initial deposit from applicant including Payment Agreement for Development Application Processing. 2. Charging all time spent on project, including time associated with meetings, emails, phone calls, re-reviews. 3. Reviewing monthly reports provided by Finance to ensure sufficient funds based upon status of project. 4. Serve as the Project Manager for the Deposit-Based Accounts and communicating any non-fee related information to Finance. 5. Provide all contract and legal costs incurred as part of project to Finance staff for billing purposes.		
General Procedures:	1. Development services staff informs developer that their specific project requires a singular initial deposit amount (the singular deposit amount should be inclusive of any initial costs incurred by the City for legal or external consultants). 2. Developer provides staff with completed Payment Agreement for Development Application Processing and Check with Deposit amount. 3. Development Services staff makes a copy of the check and the form and routes original check to Finance staff. 4. Finance staff record receipt of the check and assign a PJ Account # to the project.		

Invoice Procedures:	1. Invoices will be issued monthly by Finance for each PJ Account. 2. Invoices will list the PJ #, Project Type(s), the Address of the Location, the tasks performed that month by Department / Position title, the hours per task, the hourly rate, and the total charges. 3. Each new invoice, will summarize project status to date and prior charges, as well as remaining deposit-balance. 4. Invoice should identify the due date of the invoice, and payment procedures.
Invoice Penalties / Late Fees:	If invoices are more than 30 days outstanding, then there can be a late fee. If invoices are more than 60 days outstanding, then all work on the project will be stopped.
Changes to Developer / Applicant Information:	If there are any changes to the developer that is the primary point of contact, the changes should be communicated in written format (email acceptable instead of mailed written notice) to the Project Contact (Planner or Engineer).
Stop Work Thresholds:	The City has the right to stop work on deposit-based projects, under the following conditions: 1. Deposit falls below 25% of initial deposit amount or \$2,000 whichever amount is greater. 2. If there are outstanding invoices for 60 days or more
Deposit Refunds:	The City will be responsible for refunding any unused amounts on a PJ account to the developer after City Council has approved final acceptance of the project. Refunds that are returned due to incorrect information provided by developer, and if the City is unable to refund the deposit shall follow the City's policy for unclaimed checks.
Collection Policies:	The City reserves the right to contact collection agencies to recover any unpaid funds on invoices.
Permit Issuance:	No permit should be issued until all outstanding invoices have been paid by the Developer. Final Certificate of Occupancy cannot be issued until all fees and invoices have been paid.
Definitions	1) PJ Account: Private Job Account is the terminology used by the City for any project that requires a deposit to commence review and inspection. 2) Fully Burdened Hourly Rates: This refers to the cost of a City employee that incorporates salaries, benefits, productive hours, departmental support overhead, and citywide overhead.

The exhibit of the template for the PJ account is meant to be a sample of a unified policy and procedure document that the City could develop. This document should be developed in conjunction with Finance and development review staff to ensure there is a clear

understanding and delineation of each departments' role in the deposit-based process. The information from this unified PJ account that is relevant to developers, such as stop work threshold, invoice information, late penalties, and permit issuance should be the information that is updated on the Payment Processing for Development Applications Agreement Form that the City requires for all deposit-based accounts, as well as any fee schedules for Planning and Land Development Services.

It is important that through this unified policy and procedure, the City has a comprehensive and consistent approach to deposit-based fees. PJ accounts are a great way to ensure full cost recovery for development services, but that cost recovery can only be achieved if the system is being used effectively.

Recommendation #34: A unified PJ Account Policies and Procedure should be developed, clearly outlining the roles and responsibilities of the departments involved in the process, the collection of funds, stop work order thresholds, overall process, etc.

3 PROCEDURES FOR IMPACT FEE AND USER FEES SHOULD BE DEVELOPED AND IMPLEMENTED.

There are no standardized operating procedures in place regarding fee calculation and fee collection for development review applications. The City has adopted fee schedules for the different departments involved in the Development Review process and each department is responsible for the application of those fee schedules. The departments involved in the development review process also have different types of fees, where Planning and Engineering primarily charge deposit-based fees, Building and Fire primarily assess flat fees.

During discussions with City staff and as part of the stakeholder outreach the calculation and collection of fees was identified as a significant area for opportunity for improvement. The current fee schedules for the City of Milpitas are cumbersome, and have limited information regarding when and how certain fees should be applied. Therefore, due to staff turnover, complex fee schedules, and lack of detailed standard operating procedures, fees are being collected and applied inconsistently.

To assist with the issues identified as it relates to collection and application of fees, the project team worked with the staff in the development review departments to modify their current fee schedules. The purpose of this modification was to provide greater clarity to both staff and the applicant. Some examples of the modifications included in the analysis are as follows:

- **Elimination of repetitive fees:** The current building fee schedule lists certain fees such as General Plan Maintenance Surcharge, Re-Inspection, and Re-check fees at the same rate multiple times throughout the fee schedule. The project team

worked with staff to develop a separate miscellaneous fee schedule component, in which all of these fees could be captured. This not only streamlines the fee schedule by reducing the number of lines, but also eliminates the possibility of charging the same fee multiple times throughout the permitting process.

- **Consolidation of Fees by Permit Review:** The current fee schedule(s) for the departments piecemeal a lot of the services; however, certain permits must always be performed concurrently. For example, currently the Building Fee Schedule charges separate Mechanical, Electrical, and Plumbing (MEP) fees for New Construction. However, all New Construction projects will always require those plan reviews and inspections; therefore, the proposed fee schedule incorporates the time and cost into the updated fee for New Construction; eliminating the need for extra fee calculations for MEP permits.
- **Conversion to Flat Fees:** The majority of the Planning Fee schedule is deposit-based, and even certain fees that are not deposit-based have the danger of being charged as deposit-based. The project team worked with Planning division staff and reviewed deposit-account information to transition the majority of fees from deposit-based to flat fees. This transition not only eliminates the need for Planners to track time on those types of permits and applications, but also provides developer's a concrete cost for the entitlement phase of the development process.
- **Reworded / Added Clarification to Fee Schedule:** The project team worked with staff in the development review departments to re-phrase or reword certain fee names to more common permit names; as well as adding any extra verbiage to clarify the purpose of the fee. This extra language in the fee schedule is critical to ensuring that not only do the applicants understand the reasoning behind a certain fee or permit, but that anyone in the City administering the permit also understand when and how a certain fee should be applied.
- **Delineated Permits:** While some permits were consolidated because they are always conducted in conjunction with each other, there are other types of fees and services that can be done as stand-alone services and are currently being captured in other fees or services. For example, the Planning Division currently issues Temporary Use permits, but due to a lack of fee for it on the fee schedule, the staff has defaulted to charging it as a Minor Conditional Use Permit or Minor Site Development Permit. For greater clarity and consistency, it is being recommended that a separate fee for this type of permit be added to the fee schedule.

The changes referenced above were proposed in conjunction with discussion with City staff as well as by comparing the City's current and proposed fees to other fee schedules within the Greater Bay Area.

While these changes will assist Permit Technicians and City staff in processing and implementing the proposed fee schedules, the project team is also recommending the development of a user guide for the collection of development fees. The user guide will serve as a “do’s and don’ts” of fee collection and will ensure that all development review staff (individual departments as well as Permit technicians) are appropriately charging and collecting the fees for the services that they are providing. The following section indicates the Do’s and Don’ts sheet that was developed for Fee collection:

Do’s of Fee Collection:

- ☐ Check to see that the fee amount calculated by the Permit system matches the fee amount on the adopted City fee schedule.
- ☐ Check to see that the appropriate surcharges for General Plan (building fees only) and Technology surcharge have been applied on the fee.
- ☐ Check to see if any development impact fees apply – that they have been calculated and are added onto the permit fee.

Don’ts of Fee Collection:

- ☐ Charge flat fees as deposit-based fees. Flat fees should be a one-time charge to any project.
- ☐ Charge deposit-based fees as flat fees. Deposit-based fees require initial up-front collection, and then billing against the deposit rather than collection of fees and no follow-up administrative work.
- ☐ Charge for additional plan reviews and inspections unless instructed by Department Director with proper verification that existing reviews and inspections have been exhausted.
- ☐ Charge permit fees + mechanical, electrical, and plumbing fees, if the permit fee already includes the time and effort associated with the mechanical, electrical, and plumbing fees.

The Do’s and Don’ts of Fee collection is meant to serve as a reminder to anyone collecting fees for Development Review Services to check these items. The items will ensure that the City collects all of the fees that it should be collecting, and that it does not run into issues of inconsistent charging, as every development review fee collector will be following the same do’s and don’ts.

In addition to the generic standardized document, the project team also worked with Building Department staff to develop a user guide for their proposed fee schedule. Due to the significant modifications made to the fee schedule, this user guide will ensure that Permit Technicians and City staff are aware of the changes of the fee schedule and apply it consistently across all development projects. This user guide will be a more detailed version of the do’s and don’ts checklist, with examples by permit types and has been provided to staff under separate cover from this report.

Recommendation #35: The City should develop standard operating procedures for fee collection and application by adopting a do's and don'ts checklist for fee collection.

4 UPDATE PERMIT FEE CALCULATORS / SAMPLES ON THE CITY'S WEBSITE IN COMPLIANCE WITH CURRENT AND PROPOSED CITY FEES AND DEPOSITS

The City of Milpitas currently publishes a variety of types of projects and proposed fee calculations on the City's website. These calculations are shown by common types of development projects for Building fees only. For Planning, Fire Prevention, and Land Development, the fees are only shown as the fee schedule, rather than by type of development project.

The presence of fee calculator(s) or fee calculations by sample project type on the City's website mitigates questions from the developers or an applicant regarding the scope of fees they should expect for their type of development activity within the City. Additionally, having these permit fee calculators reduces the burden on staff for calculating fee estimates for the developer or applicant, as they can refer them to the website, and / or ensure that the system's total fees are in line with the permit fee estimator or calculator.

As aforementioned, only Building currently has such a system in place. To improve consistency across the development review process, Planning and Fire should also add to the sample project types for Permit Fee Estimators or calculators. While Land Development should also include a Permit Fee Estimator, the majority of its fees are still deposit-based, and as such the estimates should primarily be done for any projects that would be eligible for flat fees. Additionally, any projects that span multiple departments and would be subject to multiple fees, should show not only the fee for the primary department, but any additional fees that could be assessed by supporting departments.

The permit fee estimators currently on the City's website for Building Permit fees do not match the City's current adopted Building Fee Schedule. For example, the website currently requires for Re-Roof permits a valuation cost for the project; however, the current fee schedule charges a flat fee for Re-Roof permits and there is no valuation-based calculation. Furthermore, even after inputting estimated valuation amounts, the Permit Fee Calculator or Estimator does not provide an estimate for Plan Review and Inspection Fees. The lack of permit fee estimate generation seemed consistent throughout most of the forms posted on the City's website for Building permits.

As there has been a significant change in the City's building fee schedule, the City should update all of the sample permit fee calculators and estimators on the City's website to be in accordance with the City's adopted fee schedule for those services.

Recommendation #36: The City should update its online permit fee calculation samples to incorporate examples of Planning, Fire, and Land Development Permits. The existing building permit samples should be updated based upon the adopted fee schedule.

5 CONSIDER TRANSITIONING DEVELOPMENT RELATED SERVICES INTO AN ENTERPRISE FUND(S)

The primary development-related functions for the City – Planning, Building, Land Development, and Fire Prevention – are all currently housed and located within the City’s General Fund. The only exception to this is that the Utilities Engineering development review and inspection process is housed in the Utilities Enterprise Fund.

The concept of an Enterprise Fund is that any revenue collected by that fund, can only be used to support the appropriate services provided by that fund. It cannot be used to fund operations, services or expenses unrelated to the purpose of the fund. For example, if Fire Prevention becomes an Enterprise Fund, any revenue generated by Annual Occupancy Inspections can be used to specifically fund additional inspectors as required to complete those inspections.

The following table outlines the key aspects of General Fund and Enterprise Funds:

General Fund	Enterprise Fund
Revenues are put into a singular funding pool that encompasses taxes, fees, fines, and surcharges.	Revenues are put into a singular funding pool that is specific to the enterprise or business rather than the General City.
Is related to services that primarily have a public benefit such as Police – Patrol, Fire – Suppression, Parks and Recreation.	Is related to services that have a specific benefit such as – Building permits, Fire occupancy inspections, Water Services, Sewer Services, etc.
Revenues can be used to fund any activity that is property-tax funded, as revenues from Parks and Recreation can be used to fund additional Police officers.	Revenue can only be used to fund the activities specified by the Department(s) within the Enterprise Fund; revenues for fire inspections can only be used to fund fire inspection related costs or staffing needs.
	The fund must be self-sustaining; revenue must always offset expenditures. Any excess revenue can be used for reserves.

As the table indicates, the primary difference between a general fund and enterprise fund is that the Departments / Divisions that are enterprise funds have greater flexibility in the use of the revenue that is generated. Any excess revenue generated by the fund can be used for reserves or to offset any proposed increases, but it is revenue that is truly realized by the Department. As part of the comparative survey, the project team asked

jurisdictions to provide information regarding if development services within their City are enterprise fund(s). The following table shows the responses by jurisdiction:

City	Is an enterprise fund established for development services? If so, which functions are included?
Dublin	No
Fremont	Yes, Planning, building, and engineering.
Livermore	No
Mountain View	Yes. Building, fire, and some planning and public works functions are included.
Palo Alto	No
San Mateo	Yes, Building, Fire, Planning, and the development services functions of Public Works
Santa Clara	No
Sunnyvale	Yes - Building, Planning, Public Works

Of the eight agencies surveyed, four have development services as enterprise funds and four have them as part of the General Fund. Therefore, while it is an emerging trend in the Bay Area, there are still several cities, which have development activities within the General Fund. If Milpitas were to consider transitioning development services to Enterprise Funds, it would be part of the growing trend within the area, considered to be a best practice and supported by the participating stakeholders.

While transitioning to an Enterprise Fund will require development services to be self-sufficient; this self-sufficiency does not have to be solely dependent upon fee revenue. There might still be the need for transfers or subsidies from the general fund to account for items such as fee waivers (for hardship and natural disasters), discounts, and / or policy choices to subsidize certain fees to encourage compliance with development codes and regulations. Per state rules and regulations, these conscious subsidies and policy choices could not be funded by over-charging other permits and fees; therefore, a gap would exist. The development of an enterprise fund, would not preclude the City from having those policies, it would just require the City to be conscious that having those policies would require support from general fund in the form of a transfer.

As the City works towards continuously improving and streamlining its development review processes and services, the City should consider in the mid-term the possibility of transitioning one or all development-services to Enterprise Funds. By encouraging Development Services to operate as an Enterprise Fund, they will not only have greater flexibility in the use of their revenue sources; but they will also be required to have a greater understanding of their costs for service.

Recommendation #37: Development Services activities should be transitioned from a General Fund to Enterprise Fund(s) over the next several years.

6

DEFERRED REVENUE FUNDS ARE CRITICAL FOR BUILDING PLAN REVIEW AND INSPECTION SERVICES

The City of Milpitas currently has a policy in place for a Deferred Revenue Fund for building permits. The building permit fee is typically collected prior to construction; however, it is meant to account for all inspections that would occur during the construction phase, until the final issuance of the Certificate of Occupancy. Sometimes these inspections can all occur within a single fiscal year; however, typically the inspection process can last for several years. Therefore, to account for the inspections that are occurring in the years following the payment of the building permit, there is a practice in place to set aside excess revenue collected by building for a Building Deferred Revenue fund.

The Building Deferred Revenue Fund is meant to offset the cost associated with the inspections occurring in the years following the primary fee collection. This concept ensures that developers are appropriately paying for their fair share of inspection costs through the building permit phase.

Currently, the City only has this policy in place for Building Permit fees. However, both Fire Prevention and Land Development staff conduct inspections during the construction phase of the project. Land Development inspection staff recover for their inspection time and cost by billing developers directly for any inspection time through a Private Job (PJ) Account. Fire Prevention inspections operate similar to Building Permit inspections in that the Fire Permit fee is collected initially; whereas, the inspections may occur for several years.

To be consistent with the practice for Building permits, the Finance Department should also establish a deferred revenue fund for Fire Prevention Permits. This will ensure that any excess revenue collected by Fire Prevention for Building Permit projects can offset the costs associated with those inspections occurring throughout the life of the project.

Recommendation #38: A deferred revenue fund for Fire Prevention should be established to be consistent with the deferred revenue fund for Building.

7

FEE REVENUE SHOULD BE AUDITED TO ENSURE APPROPRIATE AND ACCURATE COLLECTION OF FEES

Each development services department is responsible for charging and collecting their appropriate fees. However, during the building plan check and permit phase, the Permit Technicians are responsible for calculating and providing the applicant with the total fees to be paid (Building fees, impact fees, any cross-departmental fees, etc.). Currently, there is no practice in the City for there to be an audit of the fees collected by development departments. The purpose of an audit would be to check the following items:

1. The correct fee type was applied – i.e. plan check for plan check, inspection for inspection
2. The fee amount applied was accurate – i.e. it matched the City's adopted fee schedule or that the appropriate set of plans was used to calculate the impact fees.
3. Any cross-departmental fees (fire, planning, land development) are charged with the permit issuance.
4. There is no collection of flat fees on top of deposit-based fees.
5. Any extra plan checks and inspections are documented to be above and beyond the original plan check and inspection service levels.

The audit checklist items are similar to the do's and don'ts of fees, and the purpose of the audit would be to ensure that the Permit Technicians and / or any other position collecting fees in the City are appropriately charging and collecting those fees.

As the City issues approximately 4,500-5,000 building permits a year, auditing each permit would be a significant amount of workload. Additionally, as many of these permits are low dollar value, there is limited cost benefit analysis associated with auditing each permit. Therefore, the project team developed a criteria that would trigger the audit of a permit – any project, whose development footprint is greater than 50,000 sq. ft. In the last fiscal year there were a total of 13 permits (plan check and inspection) for this type of project; as such it would not be a significant amount of workload. Any project that is greater than 50,000 square feet would imply a large development project, which could have the potential to have a significant amount of fee-related revenue, as well as development impact fees (i.e. TASP).

While it is possible to require that any project in this scope should just require two separate staff positions to calculate all relevant fees; the City does not issue any permits until fees have been paid. Instituting this type of requirement would further prolong the development process. As such, within 10 business days of permit fee payment, the fees collected should be audited. The audit would ensure that any and all fees collected are appropriate, if there are any over-charges or under-charges, then the City can ensure that prior to Certificate of Occupancy issuance, the City can either collect the remaining fee revenue or refund incorrect revenue collection.

The collection of additional fees or refund of monies due to fee recalculations as part of this audit should be documented in a written policy and shared with developers / applicants whose projects would qualify for this audit. This will ensure that the applicant is aware that due to this audit there may be the need to pay additional fees as part of this project. The applicant should also be informed that this audit would occur within 10

business days of fee payment to ensure that any miscalculations are caught significantly early in the development process.

The audit of the fee revenue should primarily be conducted by the Administrative Analyst II proposed during the mid-year budget adjustment process. This is the same position that is responsible for assisting with budget development, performance measures, and revenue support. Therefore, it seems appropriate that the revenue auditing function should fall within this position's purview.

Recommendation #39: Fee revenue (user fees and development impact fees) should be audited within 10 business days of initial fee payment by the Administrative Analyst II position for any development projects that are greater in scope than 50,000 sq. ft.

8**THE FAST TRACK / OVERTIME PLAN REVIEW SHOULD ONLY BE CHARGED ON AN OVERTIME HOURLY BASIS**

At the beginning of March 2019, the City of Milpitas issued an application and procedure document for Fast Track / Overtime Plan Review services for development projects. The City has always offered Overtime or After Hours Plan Review services, however, the purpose of this document and application was to provide some additional guidelines and clarifications regarding this process.

Due to the extreme influx of development activity, as well as only 53% of building plan reviews being conducted on time, there has been an increased demand for expedited or fast-tracked plan reviews. The concept of expedited or fast-tracked plan reviews is that these plan reviews are performed in a shorter turnaround time. The only way to perform fast-tracked reviews in a shorter turn-around time without adding additional staff is to either perform the review after hours, so as to not impact other already existing application workload, or to utilize an external / third-party consultant.

Based upon the City's outlined form, the intention of the City is to perform these services on an overtime basis. There are some conditions that must be met in order for the project to qualify for expedited services, which have generally been outlined on the City's application form.

This form also outlines the City's draft fees to be collected for fast-track / overtime plan review services. In the state of California, there are several propositions that prohibit cities and local governments from charging more than it costs to provide a service. The user fee study, provided under separate cover, will provide additional legal authority and background for these regulations. The expedited and fast-tracked program also falls within these parameters.

In reviewing the City's form for Expedited review, the project team recommends altering certain language and verbiage on the form. There are several areas of concern for the project team as described below:

- **Fee Processing:** Currently, the form states that the overtime plan check fees are in addition to the normal plan check fees. Due to the rules governing user fees in California, the City cannot charge both a regular plan check fee and expedited or overtime plan check fee. The City can choose to charge the developer or the applicant the overtime plan check fee based on the overtime hourly rate, but it cannot charge both plan check fees.
- **Fee Refunding:** The form states that the overtime will be performed based upon availability of personnel, but there is no discussion regarding any refunding of the overtime fee for those individuals or review types if those reviews are not fast-tracked or done on overtime.
- **Overtime Rates:** The application procedure lists the overtime hourly rates for the four different reviews – Building, Engineering, Planning, and Fire. The hourly rates listed do not correspond with the hourly rates (other than Building) listed on the current adopted fee schedules for those departments. As such, there is no reference or current fee schedule (other than Building) for where these fees can be tied to in regards to authority and adoption from City Council.

Due to these areas of concern, the project team would recommend that if the City would like to offer this service, it should revise the Overtime / Fast Track Plan Check form to follow California rules and regulations regarding fees and applicability of fees. The City should only charge developers on an hourly basis in accordance with overtime rates. There should be no charging of the plan check fee and the overtime plan check fee. Additionally, if there are any review staff that do not have the capacity to perform this review outside of normal business hours in any of the reviewing departments, the City should not offer that application for expedited review, so as to not charge for overtime services when the result will still be the normal turnaround time.

This type of program can lead to creating high service delivery expectations, which based upon current staffing levels may not be possible. Based upon these recommended procedures, the City may also want to confer internally to determine if it currently has the staffing capacity to offer overtime and expedited reviews, when its unable to meet its established timelines with its current staffing levels.

Recommendation #40: Fast Track / Overtime Plan Review should only be charged based on City Council adopted overtime hourly rates on the fee schedule and there should be no additional plan review charges beyond the overtime hourly rate times hours billed to a project.

Recommendation #41: The City should not offer expedited review if there is a lack of staff overtime availability in all reviewing departments.

DRAFT

Appendix A: Best Practice Assessment

As part of the Service Delivery Fee Study for Development Services for the City of Milpitas, the Matrix Consulting Group conducted a Diagnostic Assessment of the Development Review Process, encompassing Building, Planning, Fire Prevention, Land Development, and Finance. The purpose of this analysis was to obtain an understanding of how well development services within the City meet best practices.

The following subsections introduce the Diagnostic Assessment, highlight key strengths, identify opportunities for improvement, and provide the detailed diagnostic matrix of best practices for functional areas involved in the development review process.

1 Introduction

This interim report represents an important step for the project team to report on initial key findings and opportunities related to the development review process for the City of Milpitas. In order to make the assessments of operational strengths and improvement opportunities, the project team utilized a set of best management practices against which to evaluate the various operations and processes of development review.

The project team utilized a variety of data collection and analytical techniques to compare current operations against measures of effective operations in municipal organizations. This best management practices assessment provides measures of operation for major functions with the development review process. The best practices consist of:

- Statements of “best or prevailing practices” based on the study team’s experience in evaluating high-performing municipal operations.
- Statements of “best practices” or “recommended practices” or performance targets based derived from national professional service organizations (such as American Planning Association, International Code Council, etc.).
- Identification of whether the particular unit meets these performance targets.

The diagnostic assessment is one of several tools that will be used to identify recommended reforms. Following completion of this analysis, it will be used along with information obtained from stakeholder surveys and workshops, an analysis of peer communities, feedback from the City, and data analysis by the project team to develop a final set of recommendations.

2 Key Strengths

Although, the Diagnostic Assessment is designed to largely identify improvement opportunities, it is also an opportunity to identify elements of the process that work well. Some of the key strengths for the City of Milpitas as it relates to development review include:

- The City has adopted review timeliness for development related applications and turnaround times are posted on the City's website.
- The Building and Planning webpages include a wealth of information related to the development review process.
- Staff are readily accessible to customers and public via the counter and email.
- Building and Planning review comment letters provide consolidated comments to the applicant.
- Building permits may be applied for online and the applicant may track the review process online.
- Building permit data is available to the general public through the online permitting system.
- Host Community Development Roundtable meetings to solicit feedback from developers on a regular basis.

As the points above indicate, the City is already meeting a variety of best practices, specifically as it relates to building and planning permits.

3 Key Opportunities for Improvement

The comparison of the City's current approach to best management practices also identified some key issues. Some of the most notable issues are listed below:

- The Building Department is the primary user of the permitting software system, and all reviewers utilize the system for building permit processing. However, the Fire Department and Land Development staff utilize their own software systems for their respective permits and inspections. Furthermore, Planning staff utilize the permitting software system to various degrees. Planning should utilize the permitting software for all applications. There is no single integrated system.

- Workload volumes have created challenges for Building Plan Checkers to consistently complete their reviews within posted review timelines.
- Fees are applied inconsistently by departments, which results in lack of quality control of revenue collected. This includes the potential of both under and over-collection of revenues. A procedural checklist should be established for permit technicians to ensure that fees are applied correctly, for example, impact fees should be applied at the building permit phase and utilize information from approved building plans.
- The City has not had a comprehensive review of its impact fees or user fees on a department-by-department basis to have documented and defensible nexus for the establishment of those fees.
- The PJ Account system is cumbersome, manual, and while monitored by Finance staff for billing purposes it is not monitored by Planning or Land Development staff to ensure that there is sufficient funding to complete the projects. Additionally, staff do not consistently charge time to PJ Accounts.

The points indicate that despite meeting a variety of best practices, there are still significant opportunities for improvement for the City as it relates to development review processes.

4 Detailed Diagnostic Assessment

This section provides an initial overall assessment of current operations and processes and identifies initial opportunities for organizational and operational improvements. The assessment is presented in a checklist format. The checklist identifies whether current practices do or do not meet the target. Descriptions for improvement opportunities are included in the last column of the table. The issues identified in this review will be analyzed further by the project team, leading to the development of the draft report.

This diagnostic assessment of best practices is broken down into the major subsections of: Management and Administration; Customer Information and Interaction; Processes; Technology Utilization; and Finance.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Management and Administration			
The City has goals, objectives, and performance measures for permitting activities.	✓	✓	Planning is currently developing key performance measures.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Managers routinely review performance (speed, efficiency) of the permitting process.	✓		
Managers and staff have access to clear and accurate reports showing current workload, timelines, and other measures of performance.	✓		
There are well-documented policies and procedures in place to govern the actions of employees.	✓		
The department has backup plans and succession plans in place in the event of absence or departure of key staff.	✓		
Customer satisfaction with each phase of the development process is monitored.	✓		A customer satisfaction survey link is provided on the Building Department's webpage.
Staff are providing with on-going in-service training opportunities for their professional development.	✓		
Internal staff training is provided on new features within the permitting software system.		✓	There is no ongoing training for already established staff on TRAKIT and its capabilities.
Customer Information and Interaction			
The City provides easy-to-understand and attractive guides to the planning, building permit, inspections, and Certificate of Occupancy process.	✓		This includes how to guides and step by step instructions on how to navigate the newly implemented online application portal.
The City's web site includes a virtual "one stop shop" that provides an overview of all permitting requirements and links to permitting requirements by department or division.	✓		

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
All development staff are available at a single, easy to access location.	✓	✓	All development staff are located in City Hall. However, some staff are located in separate suites and / or on different floors. Permit counter serves as a one stop shop, but Fire, Planning, and Land Development do not staff the counter, but are available as needed.
The City reaches out to the business and development community through periodic communications.	✓		Community Development roundtable was started in Fall 2018 to engage the development community.
The City regularly obtains input from the business and development community on issues related to development review and permitting.	✓		
The City's policies and website clearly identify what applications can be approved administratively versus approval by Planning Commission and City Council.	✓	✓	Some approval authority is online, but located in the City's adopted zoning ordinance and not summarized clearly on the Planning's webpage.
The City provides clear and comprehensive checklists identifying all items required to be submitted for each application type.	✓	✓	Building and Planning utilize a generic, multi-use application that does not include submittal checklists. However, application checklists for building permits is found on the "Procedures" webpage.
Submittal deadlines and public hearing meeting dates are published online.		✓	Develop a submittal deadline calendar that includes when the application may go to Planning Commission, if there are no comments or changes necessary.
The City's long term plans and land development code are available on-line.	✓		

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
The City's adopted ordinance, regulations, and design standards are available and up-to-date online.	✓	✓	Standards are available and online. However, some standards and specifications (e.g. Land Development and Utilities) need to be updated. Staff indicated they are in the process or developing a timeline to update standards and specifications.
Processes			
Permitting intake staff are certified permit technicians.	✓		
Permit technicians review applications for completeness at time of submittal.	✓	✓	This is only true for building submittals. For any other submittals, the permit tech will either take in the application as is, route to the specific department or call the relevant department staff to the Counter.
			Planning staff do not review applications for complete submittal
The department uses a case management approach to review site plans, land disturbance, and building permits.	✓		The assigned Plan Checker or Planner serve as the project coordinator for respective projects.
Preapplication meetings are held for major projects.	✓		
Review timelines are posted on the City's website.	✓		Adopted timelines vary depending on application type. Also, resubmittals are processed faster than new applications.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Adopted review timelines are met consistently.	✓	✓	Due to workload volume and staffing vacancies, the Building Department has had issues with meeting adopted timeliness, especially for larger projects. Planning staff generally meet the 30 day completeness review.
Review timelines are uniform across all review departments.		✓	Most timelines are uniform for larger projects (30 days), but Land Development has a 20 day review timeline.
A formal Development Review Committee is responsible for ensuring that plans address all City requirements.	✓	✓	There is a DRC meeting held each Thursday, however they do not specifically focus on application review. They cover a wide variety of topics. The Transit Area Specific Plan (TASP) meeting is not held on a regular basis. Resulting in challenges associated with application review coordination for projects in this area. Also, issues have been noted related to the collection of specific fees for TASP applications.
All review comments are incorporated into a single comment letter and distributed to applicant by project manager.	✓		
Review comment letters are consistent in their approach, format, and information provided.	✓		For building applications, comment letters are auto-generated in the software system and maintain consistency.
Project review / comment letters provide reference to checklist and / or code reference.	✓		

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Plans are reviewed concurrently to avoid delays.	✓	✓	If the plan set requires Public Works Utility review, they are generally reviewed towards the end of the process as they may receive the plan from Engineering – Land Development after their initial review versus receiving the plan set directly upon submission.
There is a clear and consistent approach to coordination efforts between City reviewers and outside review agencies.		✓	There is no consistent approach nor policy and procedures related to coordination with outside reviewers. Staff use independent discretion on coordination with reviewers.
For re-submitted plans, reviewers focus on ensuring that comments have been addressed, not issues that should have been brought up in initial review.	✓	✓	Focus groups indicated they receive new comments upon resubmittal, especially for Building permits.
A process is in place to prevent numerous resubmittals.	✓	✓	There is currently no limitation on number of resubmittals. There is also no resubmittal fee after certain number of plan checks or reviews to encourage developers to ensure all conditions are met in the initial reviews.
Approval authorities for planning and zoning permits are clearly stated and simple permits are approved administratively.		✓	The city code includes a chart identifying the approval authority. Staff has broad approval authority for a variety of application types.
Conditions of approval are issued with the permit where applicable.	✓		Primarily utilized for planning applications.
Applicants can track their permit application on-line.	✓	✓	Building applications only.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Staff reports to the Planning Commission and City Council are thorough and include staff recommendation.	✓		Staff reports to Planning Commission are thorough and meets best practice.
Simple permits (e.g., basic electrical, mechanical, and plumbing permits and minor building alterations) can be issued on the spot with no review, subject to inspection	✓		The online permitting platform allows for online submission and issuance of simple building permits.
Customers are given an approximate time to expect their inspector.	✓		
Applicants can request building inspections up to 5 pm on the day before; next day inspections are available for 100% of requests.	✓	✓	98% of inspections in December 2018 were conducted next day. There is no limitation on the number of inspections that can be requested for one day. Fire Inspections take approximately 10 business days to be scheduled.
An automated voice-activated or online inspection request system is utilized to receive inspections with linkage to the permit information system.	✓		90% of building inspections in December 2018 were scheduled online or by IVR.
Combination reviewers/ inspectors are used to reduce the need for duplicate inspections at a single project.	✓		
Inspectors conduct between 12 and 18 inspections per day.	✓		
The department charges a re-inspection fee to encourage builders to make sure work is complete and ready to inspect at time of inspection.	✓	✓	There is no identified service level in the existing fee schedule, resulting in inconsistent charging of re-inspection fees.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Zoning inspections are completed before the certificate of occupancy is approved.		✓	Zoning inspections are not completed regularly. Spot audits have determined that some conditions of approval are not enforced uniformly.
There is a clear policy and procedure requiring Departments / Divisions utilizing deposit-based fees to review monthly tracking reports on deposit accounts.		✓	Staff are provided monthly tracking reports from Finance regarding deposit accounts. These reports are not reviewed by the Project managers at the level of detail necessary to tell Finance to either continue billing for a project or stop billing once a project has been finalized or completed. A clear procedure needs to be established which identifies the roles of each City Department / Division in the deposit-based process, including who is responsible for opening the account, stopping work, continuing to bill, or closing the account.
A procedure checklist for application of different types of fees should be established and distributed to the permit technicians.		✓	The checklist should clearly identify when each fee type should be collected, what is the basis for the specific fee type (i.e. master fee schedule, impact fee, number of units, etc.) and at what phase of the process the fee should be collected.
Technology Utilization			
Applicants can apply, pay for, and receive permits, some instantly, using an on-line portal.	✓	✓	Started on January 2, 2019 for Building permits only. Plan is to add Planning permits in the near future. This is not an option for Fire or Land Development applications.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Applicants and city staff can look up status of a permit, including comments from reviewers, on-line or using the software.	✓	✓	The general public may also search by property address to see current permit activity.
Permit tracking software is used to manage the permit intake, review, and issuance process as well as related inspections.	✓	✓	The Building Department is the primary user of the permitting software. All reviewers have access to the system to upload building permit review comments. Fire and Land Development utilize additional software programs for their respective permits and inspections. Planning only utilizes the permitting software system for Building applications consistently. Staff do not consistently use TRAKiT for planning applications.
All plan review comments are entered into the system and available to other reviewers, permit techs, and applicants (via the front end).	✓	✓	Other departments and disciplines don't always use TRAKiT to record comments, but Building will try to enter all comments into TRAKiT.
The permitting system electronically routes applications to all reviewers, who can also electronically approve, disapprove, and provide comments.	✓	✓	This practice is met for electronically submitted building applications. Paper applications are distributed, but the workflow is assigned to respective reviewers in the software system.
The city is moving towards a paperless system for all stages of permitting and development review.	✓	✓	Implemented for building permits on January 2, 2019. There are no plans for Planning, Fire, or Land Development.
Final approved plans are submitted in PDF format and attached to the permit record in the permitting software.	✓	✓	As-builts may still be submitted via paper. Paper copies are scanned then attached to the permit file.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
The permitting system generates clear, user friendly reports on permitting activity which can be posted to the internet.	✓		Building staff have created numerous reports that may be generated.
The permitting software has the ability to capture time associated with a particular permit application.	✓	✓	This feature is only available for Building Applications as it relates to inspections. This feature is not available for Planning, Fire, or Land Development projects.
The permitting software is utilized to track employees time spent on a permit application.		✓	TRAKiT may be used in lieu of current financial software to track employees time spent on application review.
Development staff has access to applicable GIS layers.	✓	✓	The current GIS system does not integrate with TRAKiT and staff is required to use two different systems.
The general public can look up zoning information, flood zones, and other pertinent information using Web GIS.	✓		
Inspectors enter inspection results and correction items in the field via tablet and have it instantly available and viewable on-line.	✓	✓	Building Inspectors have the capacity to access permit information and record inspection results via tablet in the field. Land Development / Public Work Inspectors have created their own software system not connected to Building permits.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
One software system is utilized for all permitting, inspection, and code enforcement functions in the City.		✓	The Fire Department utilizes Fire Maker Pro for their respective permits and inspections. Land Development is in the process of creating an internal system to track their inspection workload. Currently, Code Enforcement does not have access to TRAKiT and cannot effectively track current development projects and / or permits. Housing does not have access to TRAKiT and cannot provide review or comments effectively to ensure compliance with inclusionary housing ordinances.
Permitting software users are provided with new user training upon hiring with the City.	✓	✓	New Building Department employees are provided with initial software training. Non Building Department staff are not provided training for permit software training.
Finance			
Fee schedule is published online.	✓		
The Finance Department is responsible for actively tracking all deposit accounts on a monetary basis.	✓	✓	The Finance department is responsible for tracking and monitoring the deposit-accounts only from the financial perspective. The Departments / Divisions conducting the review and inspections are responsible for monitoring the accounts from a project status perspective.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
The PJ Account system utilizes a blended hourly rate for positions, rather than a specific rate by individual.	✓		It is the top step rate, but it is one rate for each position type. There are no separate rates charged if contracted staff are used.
The hourly rates utilized by Finance for PJ accounts are fully burdened hourly rates and account for salaries, benefits, productive hours, and departmental and citywide overhead.	✓		The rates calculated by Finance involve the top step and adds the departmental and citywide indirect rates to arrive at the fully burdened hourly rate. These rates should be reviewed at the beginning of each fiscal year to ensure that they incorporate all costs.
There is an established cost recovery policy for each department.	✓		The municipal code identifies cost recovery goals for each major service area.
The Fee schedule is annually updated.	✓		It is annually updated based upon a cost factor. This cost factor should be either labor-cost increase based or based upon Consumer Price Index (CPI) factor. However, this factor should only be applied, once there is an established baseline for the fee schedule, which ensures that any and all fees assessed by the City are following state regulations.
The City has a Master Fee schedule, which lists all development related fees in one area.		✓	There are separate fee schedules for each department, and some are posted online, and some are not.
The City has developed an online fee calculator for developers to calculate their fees.		✓	There is no online fee calculator that shows all user and impact fees that could be applied to a development project.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Support from different partner departments are captured in one fee rather than multiple fees on the fee schedule.		✓	There is limited information available regarding the services and departments that are accounted for on the current fee schedule.
The City hires an external consultant to update their fee schedule every 3-5 years and to ensure that the City meets all nexus conditions per State law requirements for User Fees and Impact Fees.		✓	The City has not had a comprehensive review of its fees conducted by an external agency for more than 5 years. Historically, departments have updated their own fee schedules, with lack of documentation regarding the basis for existing fees for service as well as nexus studies for Impact fees.
The deposit system and permitting system are integrated.		✓	There is no integration between the PJ system and the permitting system.
There is an established threshold at which additional funds are collected.	✓	✓	There is an established threshold of 25% of original deposit, but there is no enforcement from Finance or Planning / Land Development regarding ensuring that additional funds are collected at that point in the deposit process.
Finance produces monthly reports regarding deposit accounts.	✓	✓	While Finance produces and sends these monthly reports to staff in Planning and Land Development, there is not consistent follow-up between Finance and Planning / Land Development staff regarding the status and payment collection of these projects.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
Staff from Planning and Land Development review the monthly reports to ensure that there is sufficient funding to complete the project.		✓	There is no formalized review conducted by Planning or Land Development staff regarding the PJ Accounts to ensure that there is sufficient funding for all the steps left in the project.
Fees are applied consistently and at the correct stage of the process.		✓	Due to the complexity of the fee structure there is some confusion regarding when certain fees are applied. Sometimes fees are taken as deposits, when they are meant to be flat fees, and vice versa. There needs to be consistent application of fees – user and development impact fees.
Impact Fees are assessed at the Building Permit Phase and incorporate the information from the final approved building plans.		✓	Impact fees should always be assessed at the Building Permit phase, as that is when the final building permits have been finalized including the final count of residential units or square footage for commercial projects. This ensures that fees are collected based upon the appropriate measure.
The City reestablishes nexus and infrastructure requirements for impact fees every 5-10 years.		✓	The City should review all of its existing impact fees to ensure that the current fee structure accounts accurately for the projected growth of the community.
Impact fees only include the cost associated with infrastructure and equipment. There are no staffing or operational costs built into the impact fees.	✓		The City should continue to ensure that in the future, per AB1600 requirements, that impact fees only include costs associated with infrastructure and that no staff cost or operational costs are built into the impact fee calculation.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
The City generates annual reports on Impact Fees and spending from impact fees on projects.		✓	There are no annual reports generated regarding impact fees and how the funds are utilized to help mitigate the impacts generated from new development.
There are policies and procedures associated with deposit accounts.		✓	There are no documented policies and procedures associated with PJ accounts.
Revenues are kept aside in separate accounts for development projects that last multiple years.	✓		Finance has a deferred revenue account for Building Plan Check and Inspections.
Revenues are deposited into the fund(s) from which the services are provided.	✓	✓	Any impact fee revenue must be deposited in a separate fund specific to that Impact Fee. Similarly, General Plan Maintenance Fee and Technology Fee should be recorded and collected in a non-general fund account. Any revenue associated with services provided by general fund departments such as building or fire services should be retained in the general fund, unless a separate enterprise fund is created for those services.

Best Practice / Operational Target	Meets Target	Does Not Meet Target	Improvement Opportunity / Notes
There is quality control done on revenues collected and fees charged to ensure that all appropriate fees are charged and at the right time.		✓	There is no mechanism currently in place to check to make sure that all fees are being charged and applied appropriately. This lack of quality control can result in both the over collection of certain types of fees (contract inspection costs + building permit costs) or the under collection of fees (TASP fees collected at the building permit phase based upon the approved building plans rather than planning phase plans).

For all areas where the City is not currently meeting the identified target will be reviewed and further analyzed to determine appropriate modifications in practices, staffing or technology with specific recommendations included in the final report.

Appendix B: SWOT Analysis

As part of the Service Delivery Fee Study for Development Services for the City of Milpitas, the Matrix Consulting Group conducted a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis. The purpose of this analysis was to obtain an understanding of development service operations within the City.

The following subsections provide greater detail regarding the setup of the SWOT Analysis, the Strengths, the Weaknesses, the Opportunities, the Threats, and the overall summary.

1 INTRODUCTION

The Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis was conducted in the format of a group meeting with representatives from all departments and divisions involved in at least some aspect of the development services process. There were approximately 13-14 participants in the SWOT meeting the following departments: Building, Planning, Fire, Land Development (Engineering), Public Works, Economic Development, and Finance.

The format of the meeting was an open forum structured to focus on each of the four elements of the SWOT: Strengths, Weaknesses, Opportunities for Improvements, and finally conclude with any Threats to implementing those improvements. All departments were encouraged to provide input and feedback based upon their experiences with the City's process.

It is important to note that there was a wide variety of position types represented, as well as, varying longevity with the City represented at this meeting. Participants ranged from division managers to front-line staff such as inspectors, and staff tenure with the City varied from less than one year and to over 20 years. This type of diversity in the group ensured that a variety of perspectives were provided for the analysis.

The focus of the SWOT analysis was the development review process, which could include items such as staffing levels, organizational structure, departments / divisions involved or not involved in the process, processing times, technology, workflows, and interdepartmental collaboration. In addition to the development review process, staff were also asked to provide input regarding the fees charged by the City for the development review process. The fees discussion included topics such as current fee amounts, ease of applicability of fees, when fees are charged, invoicing for fees, collection of fees, and distribution or disbursement of fee revenues. Together these two components enabled the project team to obtain a comprehensive understanding of the City's needs and concerns regarding the development review process.

2 STRENGTHS

The first element discussed in the analysis were the strengths associated with the development process within the City of Milpitas. The intent of this discussion was to focus on any element within the city that would be considered as something that is done really well and enables city staff to have pride in the work that they perform. The following points outline the strengths identified by City staff in the SWOT discussion:

- Collaboration and communication between City departments during the development process.
- Accessibility to the public and developers during the development process.
- An efficient permit center, including office specialists that are able to direct applicants and customers appropriately to City staff.
- Flexibility with scheduling inspections or meetings with developers.
- New staff in the development process to allow for new ideas.
- Commitment to constant internal improvements in the process.
- Ability to process certain permits online.
- Ability to schedule inspections on the same day.
- Building Inspector Apprentice Program – a way to incentivize less experienced individuals to be involved in the development process and become inspectors.
- A case manager from Planning is assigned for the entire entitlement phase, providing a point of contact for the developer to get information regarding the status of their case or application.

As the above points illustrate, staff were able to identify several strengths as it relates to the development process. These strengths primarily related to staffing expertise, flexibility, and the ability for departments to collaborate with each other. During the discussion itself, the departments and divisions were able to build off of each other's statements to clarify some of the strengths discussed above.

3 WEAKNESSES

The next step in the analysis was the identification of weaknesses within the development process. The purpose of this exercise was to have staff consider areas where there are

deficiencies either related to the process, staffing resources, or the ability to provide the desired service level. The following points outline the weaknesses identified by City staff:

- The level of accessibility and flexibility of City staff is sometimes too extreme and can be detrimental to the overall defined process, as staff go above and beyond the existing process to meet the needs of developers.
- Provision of accurate workflow and processing timeframes based upon increased workload, rather than providing developers with the standardized turnaround times, knowing that those times may not be achievable.
- New staff means increased time associated with onboarding and training them on the development processes utilized by the City.
- Lack of accurate, appropriate, and consistent use of TRAKiT.
- Lack of understanding of when and what fees should be charged.
- There is no clarity or consistency within the Private job (PJ) Account process. This includes what is billed, whose time is billed, and what activities were performed for those charges.
- All departments / divisions are different in their record keeping and how they track their development comments.
- Need to ensure that all staff follow the development process and don't make exceptions.
- Inconsistent webpages and information throughout the City's website, especially as it relates to development services.
- There is a disconnect that exists between the approvals done throughout different steps of the development process. The disconnect exists between items that may have been approved in earlier versions and may be disapproved or rejected in later reviews. Some of this is due to staff turnover.
- High staff turnover, and lack of sufficient staffing resources.

The above points illustrate that there are a variety of weaknesses identified by staff within the development review process. The majority of these weaknesses are related to inconsistent following of established procedures that may indicate the need for internal staff training on the following: TRAKiT, the PJ account process, the development review process, and charging of fees.

4 OPPORTUNITIES

Once staff had identified the weaknesses, the project team worked with staff to discuss opportunities for improving those weaknesses or correcting the issues identified in the weaknesses portion of the discussion. The following points summarize the opportunities for improvements identified by the group:

- Improve staff training on items such as development processes, timelines, routing, commenting, use of TRAKiT, and PJ accounts.
- Update TRAKiT or allow use of additional capabilities in TRAKiT for most efficient use by all departments / divisions involved in the development process.
- Continue the close collaboration and communication between departments / divisions to ensure that the City is presenting a united front when it comes to development comments.
- Link permit history from TRAKiT and GIS into one system, so that GIS is updated based upon permits pulled.
- Eliminate PJ accounts as much as possible and transition to flat fees for ease of application and accounting of time and effort.
- Streamline the development process to be as efficient as possible, including exploring options of more efficient use of TRAKiT or another system.
- Develop clear submittal guidelines and train staff internally on those guidelines to ensure that there is consistency in application of development rules.
- Fund additional positions through fee revenue.

The opportunities for improvement identified in the points above vary in the ability to be implemented, with items such as staff training that can be implemented much more immediately to other more complex items such as streamlining the development process or linking permit history from TRAKiT with GIS. These opportunities for improvements identified addressed most, if not all, of the weaknesses highlighted in the SWOT analysis.

5 THREATS

The last portion of the analysis was the discussion regarding threats, which refers to identifying any impediments or roadblocks to implementation of the opportunities for improvement already identified by staff. The following points summarize the impediments or threats to successful development services operations:

- Current PJ system designed by a retired former employee. While this individual is still available to the City to make modifications, there is no in-house ability to modify this system.
- Consistent application of development rules and message should be provided by City staff at all levels.
- Succession Planning – there is no succession planning or training of backups.
- Lack of sufficient staffing resources to complete workload in timely manner and conduct training sessions for employees.
- Employee retention – there is high staff turnover, which means training and retraining employees is constantly occurring.

The threats discussed by city staff are all major issues and sources of concern for the development review process. Any recommendations for improvements must consider these obstacles towards ensuring appropriate and efficient implementation.

6 SUMMARY

Overall, the SWOT analysis conducted by the project team provided a forum for City staff and the project team to obtain a more collaborative and comprehensive understanding of the City's development review process. The discussion was open and honest by City staff, and due to the variety of levels and longevity of staff, there was also some historical context provided to many of the current practices within the city. The results of the SWOT analysis will be critical in benchmarking Milpitas against other communities, as well as in the overall staffing, organizational, and process analysis for development services within the City.

Appendix C: Comparative Assessment

As part of the Matrix Consulting Group's study of the development services and permitting functions in the City of Milpitas, the project team conducted a comparative survey of other local municipalities in order to gather benchmark data on their staffing and operations. The comparable municipalities were selected from among cities in northern California with similar demographics and were discussed and approved by City of Milpitas staff. This document shows the responses gathered from these organizations.

1 SURVEY SUMMARY

To provide some contextual information regarding the Cities surveyed, the project team collected information regarding the 2017 population estimates for each of the jurisdictions. The table below shows the 2017 population estimate for each of the eight comparable cities surveyed, as well as that of Milpitas.

Municipality	Population
Dublin	60,939
Fremont	234,962
Livermore	88,232
Mountain View	81,438
Palo Alto	67,178
San Mateo	104,748
Santa Clara	127,134
Sunnyvale	153,656
Milpitas	78,106

Milpitas' population is near the low end of the range of comparable cities. Six of the eight cities surveyed have a larger population.

While a more detailed discussion of the survey's findings can be found in the body of this analysis, the following points summarize some of the key takeaways derived from the responses gathered.

- Milpitas' staffing and expenditures in Building Permitting/Inspections and Fire Prevention and Plan Check, as well as Engineering / Public Works are similar to those of comparable municipalities for its population size. The City is leanly staffed in the Planning function compared to peer cities.
- Overall the City allocates lower levels of funding and personnel to Development Services and Permitting, which is aligned with the smaller population size of the City compared to other municipalities.

- Milpitas, like many other municipalities, lacks a formalized cost recovery policy. Milpitas does have cost recovery targets established in its municipal ordinance.
- Milpitas receives planning applications and issues encroachment permits at lower rates than other cities, but its building permit volume slightly exceeds them.
- Milpitas staffs its permitting center similarly to other cities (with permit technicians or a queue system requesting staff from other departments / divisions to show up at the counter) and uses a similar type of permitting software. However, the City does differ by not staffing fire services at the same counter as all other development review services. The City also communicates with applicants and handles expedited and third-party reviews similarly.
- Milpitas issues no Fire or Engineering permits over the counter, whereas some peer municipalities do. Like most comparable cities, Milpitas has begun to accept some online building applications.
- Milpitas makes planning application decisions similar to other municipalities, but the hearing officer plays a smaller role.
- Milpitas offers more lenient inspection scheduling deadlines than its peers, and unlike most comparable cities, primarily does all inspections with in-house staff. There is the ability to utilize contracted inspection in some large developments on a case-by-case basis. Milpitas also has an inspector apprentice program, which is unique among comparable cities.
- Milpitas' published target plan review turnaround times are longer than those of most comparable municipalities published turnaround times.
- Milpitas handles deposit-based fees similarly to most comparable municipalities, although it is among the few with specifically adopted written policies regarding these fees.

The following sections delve into specifics on the development services and permitting functions within these cities, specifically their financial, operational, policy, and personnel approaches to providing services.

2 BUDGET AND STAFFING

The following sections outline the published budget and staffing figures for each comparable municipality for development services and permitting. These figures were gathered from published documentation available from each city, such as budgets and organizational charts. While providing a generally complete picture of the fiscal and personnel allocations in each city, some instances of missing or unavailable data exist.

For this reason, the findings of this exercise are best interpreted by comparing Milpitas to the general common trends of peer municipalities, rather than the specific figures of any one city.

1 The Building Permitting and Inspections Function in Milpitas Is Funded and Staffed Differently Than Peer Municipalities, but There Is No Comparative Reason to Believe Resource Allocation for the Function Is Out of Line.

The following table shows the budget and staffing allocation in each peer city surveyed for the functions of building permitting and inspections. It is important to note as Building Administrative positions were included for Milpitas, the project team for consistency also included those same positions for the comparative jurisdictions.

City	Budget	Staff	How many building permits are issued per year?
Dublin	\$3,510,038	7.5	470
Fremont	\$10,723,065	46.3	7,500
Livermore	\$3,305,496	15	3,318
Mountain View	\$5,024,801	18.25	4,199
Palo Alto	\$5,036,724	17.28	3,099
San Mateo	\$5,102,720	13	4,234
Santa Clara	\$9,050,661	37.9	8,053
Sunnyvale	\$3,847,430	17.25	5,800
Average	\$5,700,117	21.6	4,584
Milpitas	\$5,385,291	25	4,978

Milpitas spends more each year on building permitting and inspections than all but two comparable cities surveyed (Santa Clara and Fremont), and the staffing allocation for this function in Milpitas also exceeds that of the six other cities. This makes sense in light of the fact that Santa Clara and Fremont are the only cities with a greater annual permit volume than Milpitas.

Milpitas also has a number of factors which result in expenditures and staffing for the Building functions which appear to exceed those for other cities its size. For example, Milpitas does not differentiate between building staff and dedicated administrative personnel in their Building and Housing Department, meaning that those functions are combined and reflected in the Department's staffing. Also building staff are responsible for staffing the permitting counter. These factors increase Milpitas' staffing and expenditure levels in ways that do not impact some of its peers.

2 The Planning Function in Milpitas Is Staffed Leanly Compared to Other Cities.

The following table shows the budget and staffing allocation in each peer city surveyed for planning and entitlement review functions. As some of the Cities surveyed did not break out advanced planning relative to current planning, for consistency purposes, the project team utilized the entire Planning division staff and budget.

City	Budget	Staff	How many planning applications are received per year?
Dublin	\$2,546,318	8.75	375
Fremont	\$5,141,537	20.4	425
Livermore	\$3,828,357	12	453
Mountain View	\$5,077,894	14	
Palo Alto	\$761,947	5.09	438
San Mateo	\$1,738,444	8	78
Santa Clara	\$16,754,566	7.1	
Sunnyvale	\$2,497,613	11.35	1,058
Average	\$4,793,335	10.8	471
Milpitas	\$2,070,588	9	286

Milpitas' planning budget is less than half of the average of its peers, and smaller than all but two municipalities surveyed. Staffing for the City of Milpitas, at 9 positions within Planning, is comparable to that utilized by other comparable entities with only two of the comparative agencies having larger full-time staff. However, this comparison only focuses on city staff and does not take into account differences in the use of contractual services or the use of consultants.

2 While Specific Figures Are Difficult to Determine, Milpitas Appears to Have Expenditure Allocations for Engineering and Public Works Which Are Similar to Those of Comparable Municipalities Surveyed, but Milpitas' Staffing Is Much Smaller.

The following table shows the budget and staffing allocation in each peer city surveyed for engineering functions (also referred to as "public works" or "utilities").

City	Budget	Staff	How many encroachment permits are issued per year?
Dublin	\$3,815,423		221
Fremont	\$13,089,954		700
Livermore	\$10,053,602	28.5	403
Mountain View	\$3,567,842		

City	Budget	Staff	How many encroachment permits are issued per year?
Palo Alto	\$1,227,354	5.5	86
San Mateo	\$1,447,283		326
Santa Clara	\$1,334,460	6.18	
Sunnyvale	\$2,125,739	10.13	862
Average	\$4,582,707	12.6	433
Milpitas	\$4,425,043	4	203

Expenditures and staffing for engineering, public works, and utilities functions in development services and permitting is one of the most difficult things to ascertain, because no two cities report them identically. The figures in the table above vary widely due to the fact that many cities report staffing and spending differently, combine or separate functions differently, fail to describe how much of a given position's duties apply to development services and permitting, or decline to note which positions have a role in the function at all. With this in mind, the table above appears to show that Milpitas spends about the same as the average of other cities each year on development-related engineering work. On the staffing side, most other cities used for comparative purposes do not differentiate between engineering staff dedicated to development services and those who focus on other areas. A comparison of rough numbers appears as though Milpitas is far below the average of other cities. As noted, however, these calculations should be viewed in the context of the inexact nature of the supporting data available.

4 Milpitas Spends Slightly Less than Peer Municipalities on Fire Prevention and Plan Review, While Staffing the Function Similarly.

The following table shows the budget and staffing allocation in each peer city surveyed for the functions of fire prevention and plan review.

City	Budget	Staff
Dublin	\$426,305	1
Fremont	\$2,202,226	10
Livermore	\$4,177,660	9
Mountain View	\$797,229	3
Palo Alto	\$2,295,830	6.88
San Mateo	\$3,013,027	5
Santa Clara	\$3,309,866	14
Sunnyvale	\$3,368,208	15
Average	\$2,448,794	8.0
Milpitas	\$1,750,964	9

Milpitas spends less per year on fire prevention and plan review than all but two peer cities surveyed, but the nine staff assigned to this function are well within the middle of the range of peer cities. Staffing for fire prevention and plan review are provided (and reported) differently from city to city, which is apparent in the wide range of staff allocations noted in the table above.

It should also be noted that some comparable municipalities do not have their own dedicated Fire Department. For example, Livermore has a shared Fire Department with the City of Pleasanton, and San Mateo is a participant in a Fire JPA with Hillsborough and Foster City.

Milpitas appears to be generally in line with spending and staffing patterns among other cities surveyed. The differences in the way staff are reported from city to city, however, mean that this comparison is approximate.

5 Milpitas Uses Financial and Personnel Resources for Development Services and Permitting Overall Very Similarly to Comparable Municipalities.

The following table shows the budget and staffing allocation in each peer city surveyed for all development services and permitting functions. These figures are larger than the sum of the prior tables, because they include functions which did not fit into any of the prior categories, such as dedicated administrative staff, GIS staff, housing inspectors, sustainability staff, and permitting technicians which do not belong to any of the specific disciplines.

City	Budget	Staff
Dublin	\$11,021,494	19.2
Fremont	\$36,101,721	81.2
Livermore	\$34,796,588	75.5
Mountain View	\$30,248,871	48.0
Palo Alto	\$12,629,763	40.0
San Mateo	\$12,412,494	43.0
Santa Clara	\$31,251,972	72.2
Sunnyvale	\$13,869,101	61.8
Average	\$22,791,501	55.1
Milpitas	\$13,631,886	39.0

In total, Milpitas spends less than five of the eight peer municipalities surveyed on development services and permitting, and the assigned staffing of 39 employees is significantly fewer than the average of its peers.

When considering the fact that Milpitas is smaller than most of the peer cities surveyed, the City's smaller development services and permitting spending appears more in line with expected budgets for a city of its size. The total number of staff, likewise, is appropriate for a city of its size, sitting below the average just as the size of Milpitas sits below the average of the other cities in the survey.

The results of this "big picture" comparison show that overall resource allocation toward development services and permitting in Milpitas generally aligns with the practices of peer cities. Both expenditures and employee counts are similar to the trends apparent in the figures of other municipalities surveyed.

3 FINANCIAL APPROACH

The following sections focus on the financial approach that each city takes to development services and permitting, including enterprise funds, contracted functions, cost recovery policies, and any recent fee studies.

1 Milpitas is similar to other agencies with informalized target cost recovery goals.

The following table outlines responses to some basic questions about the financial structure of development services in each comparable municipality.

City	Is an enterprise fund established for development services? If so, which functions are included?	Is there an adopted cost recovery policy?	Are any development review functions contracted to private providers or other jurisdictions?
Dublin	No	Yes	Lots of building permit plan review (80%) by contract, as well as inspections. Lots of engineering work as well. Occasionally for overflow work on the entitlement side. CEQA work, landscaping, other specialized work.
Fremont	Planning, building, and engineering.	None formally. Informally aim for full cost recovery.	Special studies for entitlement applications. Also building permit review to supplement in-house plan checkers.
Livermore	No	Yes, done via fee study. Policy decision by City Council.	Some consultants on the engineering side and a contract for some Fire functions. Planning and building if workload necessitates.

City	Is an enterprise fund established for development services? If so, which functions are included?	Is there an adopted cost recovery policy?	Are any development review functions contracted to private providers or other jurisdictions?
Mountain View	Yes. Building, fire, and some planning and public works functions are included.	Yes. 100% cost recovery is the goal.	Some building and fire plan checking is outsourced based on workload.
Palo Alto	No	Yes	100% of plan check is done by consultants (and some of them stationed at the permitting center) and about 50% of inspections.
San Mateo	Building, Fire, Planning, and the development services functions of Public Works		Some building permitting plan reviews based on workload. The Planning Division also contracts out Planning Consultants.
Santa Clara	No	Fees are intended to cover the cost of services.	Yes, some offered based on customer request.
Sunnyvale	Building, Planning, Public Works	Informally attempt to recover all costs.	Plan check for some extensive complex projects.
Milpitas	None	Yes, in the municipal code.	Reviews are generally conducted by internal staff. Third party plan check offered recently.

Half of the comparable subjects who responded to the survey have a development services enterprise fund which covers some or all functions. Milpitas does not have such an arrangement, which places it in alignment with cities like Santa Clara, Palo Alto, and Livermore.

Every comparative city responding to the survey has some kind of cost recovery goal, whether as a written policy or an informal goal. The notion that development services should pay for themselves is widespread among peer cities. Milpitas does have an established cost recovery target in its municipal code, but there have been no formalized policies developed to document or support this target. The current fee schedule does not indicate, whether the City achieves those established targets.

While the type and extent of outsourcing varies, every peer city surveyed outsources some portions of development review services. Some (like Palo Alto) make a practice of outsourcing entire functions, while others (like San Mateo) use contractors when workload gets too heavy for staff, and others (like Sunnyvale) use outsourced staff for particularly complex projects and reviews. Milpitas has begun to offer third-party plan check, but does

not consistently use outsourcing as a strategy. It is important to note that this third-party plan check is currently only offered for Building Plan Checks.

2 Milpitas Has Reviewed Development Processes Recently, but Has Not Comprehensively Assessed Development Fees.

The following table shows answers to questions about any recent fee studies or operational assessments conducted by each comparable city.

City	When was the last time a user fee study or cost analysis study of fees was conducted? Was it done by an external consultant or internal?	Has the City ever had a review of its development processes? When was that study or review conducted?
Dublin	2018 External consultant.	Yes. A few years ago, combination of internal staff and consultant.
Fremont	2015 External consultant, through Finance Department.	2008 Internal review
Livermore	2017 External consultant	No
Mountain View	In progress. External consultant.	Yes. 2008.
Palo Alto	2016 External consultant	2016 External consultant
San Mateo	2018 External consultant.	2018 External consultant.
Santa Clara	In progress External consultant	Not sure
Sunnyvale	2009 External consultant.	In progress.
Milpitas	2017 (fire fees only) - internally There has not been an external evaluation of fees in the last 10 years.	2016

Most comparable cities have had a fee study conducted within the last 10 years, and nearly all of these were handled by consultants. Milpitas most recently conducted a fire fees study internally; however, its overall fees have not been evaluated within the last ten years and have not been done so by an external consultant. About half of comparable cities can point to a recently conducted review of development services, which is not the case for Milpitas (except for Fire fees).

4 DEVELOPMENT SERVICES AND PERMITTING OPERATIONS

The following sections address multiple aspects of development services and permitting operations, including the routing of plans, use of technology, approximate workload volume, levels of approval responsibility, scheduling inspections, and measuring performance.

1 Milpitas' Permit Center and Permitting Software Are Similar to Those Used in Other Cities.

The questions below focus on front counter operations and the routing of applications when they are received by each comparable city.

City	Do you have a one-stop permitting center? How is it staffed?	Who does plan intake and routing - for Planning, Building, Engineering, Fire, etc.?	What software application is used to track and manage applications?
Dublin	Partial. Planning and building at the counter. Other disciplines located elsewhere in the building.	Usually building, but depends on project type. Planning for entitlements, etc.	Eden
Fremont	8 Techs assigned to counter. Techs can call disciplines up to the counter as needed to review.	Techs	Accela
Livermore	Planning, engineering, housing, and building all staff the counters at the one-stop center.	Usually building, but depends on project type. Planning for entitlements, etc.	Accela
Mountain View	Building and planning staff at counter, other disciplines available as needed and by appointment.	Building Department - Permit Technicians	Custom, internally developed system
Palo Alto	Building, Planning, Fire, Public Works, and Utilities all have counter staff.	Building department does intake for all building permits. Other departments intake their own plans	Accela
San Mateo	Building, Planning, Public Works, Fire	Building Department	Energov
Santa Clara	Building, Planning Engineering, Water, Fire, & SVP Power	Permit technicians take them all in except for planning department.	Tidemark
Sunnyvale	Building, Planning, Public Works, Structural, Fire and Housing	Permit Technicians or Building Plans Examiners	SunGIS

City	Do you have a one-stop permitting center? How is it staffed?	Who does plan intake and routing - for Planning, Building, Engineering, Fire, etc.?	What software application is used to track and manage applications?
Milpitas	Building Department staff the permit center, other disciplines are called there as needed.	Usually building, but depends on project type. Fire takes in their own.	TRAKiT

Milpitas' operation of the permit center is typical of cities surveyed. Most cities have a permit center where the various disciplines of building, planning, engineering, fire, and housing are present or at least available. The front counter staff in most cities are Building staff (usually Permit Technicians), and they do intake and routing of most applications unless an application is specific to another discipline. This is likewise the practice in Milpitas.

Comparative cities use a variety of application tracking software products. Palo Alto, Livermore, and Fremont use Accela, while Mountain View uses an internally developed system and several others use various popular off-the-shelf products. Milpitas uses TRAKiT, another common off-the-shelf permitting software. Milpitas' permitting center practices are generally similar to those of comparable municipalities.

2 Milpitas Handles a Typical Assortment of Building Permit Applications Over the Counter. The City Does Not Accept Any Encroachment Permits or Fire Systems Permits Over the Counter. Like Most Peer Cities, Milpitas Accepts Online Application Submittal.

The following table summarizes responses to questions about the ease of submitting and processing applications. Specifically, which types of applications, if any, can be reviewed at the counter or submitted online in each municipality.

City	What type of applications / permits are approved over the counter?	Can applicants submit any applications / permits online? If yes, for which types?
Dublin	<u>Planning</u> : temporary use permits, sigs, banners and balloons, building clearances, site waiver, zoning clearances <u>Building</u> : some types of residential renovations, water heaters, AC, signs <u>Public Works</u> : none <u>Fire</u> : none	Yes, limited to large residential and commercial projects currently

City	What type of applications / permits are approved over the counter?	Can applicants submit any applications / permits online? If yes, for which types?
Fremont	<u>Planning</u> : sign permits <u>Building</u> : single-story additions of 700 sqft, window replacements, water heaters <u>Engineering</u> : encroachment permits <u>Fire</u> : none	Solar permits
Livermore	<u>Planning</u> : patio covers, arbors, signs <u>Building</u> : water heaters, HVAC, re-pipes, roofs, kitchen and bath remodels, windows, patio covers, arbors, signs <u>Engineering</u> : Encroachment for simple work <u>Fire</u> : None	Photovoltaic and electric vehicle charger permits can be submitted electronically. Not through the website, but through a separate link.
Mountain View	<u>Building</u> : A/C and furnace, fences, water/sewer line replacement, interior remodel, re-roofing, demolition, service panel, patio/deck, spa. <u>Fire</u> : systems plan check, Tu/Th only.	<u>Building</u> : Residential Furnace, Service Panel, Sewer Line Replacement, Water Line Replacement, Reroof <u>Fire</u> : None
Palo Alto	<u>Planning</u> : None <u>Building</u> : all permits with no plan check required. If plan check is required, then 20 minutes of PC time or less can be done OTC <u>Public Works</u> : small encroachment and street work permits only. If larger project or has traffic control plans, then it's submitted for review <u>Fire</u> : all fire permits are submitted for review	<u>Building</u> : Some simple permit types. Water heaters, re-roof, things that do not require plan check. <u>Planning</u> : scheduling of preliminary entitlement meeting for new residential construction. <u>Public Works & Utilities</u> : None <u>Fire</u> : None
San Mateo	<u>Planning</u> : Driveway Replacements <u>Building</u> : small remodels, re-roofs, siding, window/door installation, pool demo, photovoltaic systems, spas, arbors, heating/AC, water heaters. <u>Fire</u> : Some Fire Sprinkler and Fire Alarm Permits <u>Public Works</u> : Encroachment Permits	No
Santa Clara	Minor residential & commercial electrical, mechanical, and plumbing permits, Tenant Improvement, Minor residential additions that are not affecting the location of electrical service, Residential kitchen and bathroom remodels.	Building Department application that have been approved by the Planning Department, or those not requiring plan check. Water heaters, furnaces, on site gas, sewer, or water lines and re-pipes, Residential electrical service change up to 200 amps at the same location, electrical outlets and fixtures, residential re-roofing

City	What type of applications / permits are approved over the counter?	Can applicants submit any applications / permits online? If yes, for which types?
Sunnyvale	Single family Additions, Interior remodel including re-roof, windows, water heaters, furnace etc. for residential, Commercial TI (limited sq. ft) Signs Fire Sprinklers/alarms Demolition	Building permit applications for Small single family residential projects are available online for water heaters, re-roof, furnace, ac, etc.
Milpitas	<u>Building:</u> SFH - one story additions, interior alterations, garage conversions, patio cover, accessory structures, new roof, outdoor spa, fences, site improvement. Commercial – nonstructural interior alterations under 5,000SF, restaurants non-structural interior modifications. <u>Planning:</u> Zoning Verification Letter <u>Engineering:</u> none <u>Fire:</u> none	Building applications can be submitted online.

The types of building permits which can be issued over the counter in Milpitas are common to other municipalities surveyed, they consist of various types of minor permits such as roofs, accessory structures, patios, fences, and minor renovations.

- While Milpitas does not review fire applications over the counter, some peer municipalities offer this service.
- Most cities surveyed approve simple encroachment permits over the counter, while Milpitas does not.

Most comparable cities have begun to accept some types of permit applications online. This is limited to solar permits and electric vehicle charging stations in some cities, while others are accepting a wide variety of building permit types. San Mateo is the only city which does not accept any online applications. Like most of its peers, Milpitas also accepts online building applications.

3 Milpitas Makes Entitlement Application Decisions Similarly to Comparable Municipalities, Although the Hearing Officer Plays a Smaller Role.

The following table describes how entitlement applications are processed in each comparable municipality, specifically which types of applications can be approved at which levels of authority, and what types of communication or meetings are held to discuss these applications.

City	For planning applications, which applications have final approval at which levels?	What internal methods of communication are used to coordinate entitlement applications? Are regular development review meetings held? If so, how often do they occur and who is present?
Dublin	<u>Staff</u>: temporary use permits, sign permits, banners and balloons, building clearances, site development review waiver, zoning clearances <u>Zoning Admin</u>: Site development review permit, minor use permits <u>Planning Comm</u>: New development, design review permits, CUP's <u>City Council</u>: Ordinance changes, general and specific plan amendments	Meetings held before providing comments back to the applicant. All departments and agencies who commented are present.
Fremont	<u>Staff</u>: single family homes and industrial projects <u>Zoning Administrator</u>: design review for <i>rental</i> residential buildings <u>Planning Commission</u>: design review for all other building types <u>City Council</u>: general plan amendments, re-zoning, etc.	Daily, weekly, and bi-weekly meetings with representatives from each department (staff at daily meetings, management at the less frequent meetings).
Livermore	<u>Staff</u>: ADUs, Signs, Additions, Temp. use, Home occupancy, Site plan design review, Downtown design review <u>Planning Director</u>: manages staff <u>Planning Commission</u>: Conditional use, Some Site Design Reviews, Development agreements, Variances, New developments <u>City Council</u>: New developments	Comments done through Accela workflow and accessible to all divisions. Also email. No regular meetings.
Palo Alto		Planning has development review committee every week. Covers large new projects, includes planning, building, pub. works and utilities, and Fire.

City	For planning applications, which applications have final approval at which levels?	What internal methods of communication are used to coordinate entitlement applications? Are regular development review meetings held? If so, how often do they occur and who is present?
San Mateo	<u>Zoning Admin</u>: small residential, signs, pools and spas, small site plans and permits, temporary use permits, certain variances, <u>Planning Commission</u>: special use permits, large site plans and permits, projects with EIR, variances, large signs <u>Council</u>: Planned developments, rezoning, high rises, general plan amendments	
Sunnyvale	<u>Staff</u>: Those which are NOT “major” projects and comply with existing code. Sign permit. <u>Zoning Admin</u>: Major projects if CEQA exempt or minor ones that request a variance. CUP’s as well. Most variances. <u>Planning Commission</u>: Major projects involving CEQA or those hitting certain design thresholds. Variances if they hit certain triggers. General plan amendments.	Meetings and emails. Planning review committee (PRC) meets monthly. That includes the applicant. Preceded by a pre-PRC meeting which includes all planning staff, occurs bi-weekly. Misc. Plan Permit (MPP) meeting held weekly. All these meetings are planning staff only, not building/fire/engineering, etc. Also, once monthly meeting with all CDD staff.
Milpitas	<u>Staff</u>: Minor site permits, special event permits, minor CUP <u>Planning Commission</u>: Large site permits, variances, larger CUP’s. Appeals of staff decisions. <u>City Council</u>: Amendments to general plan, zoning plan. PUD’s, development agreements.	Staff conduct a weekly development review meeting to discuss projects.

The types of permits decided upon at each level of the planning organization is similar in Milpitas to other cities. Staff decide on small site permits and CUP’s, while the planning commission handles more complex site permits and variances, and the Council is responsible for plan amendments. One key difference is that the hearing officer in Milpitas makes very few decisions¹², whereas Zoning Administrators in other municipalities have extensive decision-making responsibility. The restrictiveness of the Hearing Officer in Milpitas is due to the City’s Municipal Code. Per the City’s Municipal Code, the Hearing

¹² https://library.municode.com/ca/milpitas/codes/code_of_ordinances?nodeId=TITXIZOPLAN_CH10ZO_S64DEREPR

Officer / Planning Division staff can only make decisions on Minor Conditional Use Permits (staff review), Staff Review applications, Minor Site Development Permits, and Special Event Permits (for which the appeal can be heard by the Hearing Officer). Any potential changes to this would require a code amendment to enable the Hearing Officer to play a greater role in discretionary applications relative to Planning Commission or City Council.

Most comparable municipalities have a meeting on a weekly basis to discuss planning applications, and Milpitas is similar to them in this regard.

4 Milpitas' Approach to Applicant Communication and Expedited and Third-Party Reviews Is Similar to That of Peer Cities.

The following table shows responses received from comparable municipalities related to their review of applications and communication with applicants. Specifically, the questions addressed expedited plan review, the provision of comments, and the availability of third-party plan check.

City	Does the City offer expedited plan reviews? If yes, what is the policy for these? What is the fee? Are these in-house or contracted out?	How are comments issued to applicants?	Does the City offer third-party or contracted plan check? If so, what % of applications are contracted?
Dublin	No.	Consolidated listing.	Yes. About 80% of work contracted.
Fremont	No.	Consolidated listing.	Outsourced building plan check when workload is excessive. About 15% of the time currently.
Livermore	No	Consolidated listing.	No
Mountain View	Yes, based on scope rather than a fee. Contracted out.	Consolidated listing.	Yes, they have consultant plan check services performed on behalf of the City.
Palo Alto	No	Separate lists.	Building plan check is 100% consultants. Fire is about 80% outsourced, about 50% of planning is contracted. Public Works and Utilities are all in-house.
San Mateo	No	Consolidated listing.	Yes, about 40-50% of Building Plan Reviews.

City	Does the City offer expedited plan reviews? If yes, what is the policy for these? What is the fee? Are these in-house or contracted out?	How are comments issued to applicants?	Does the City offer third-party or contracted plan check? If so, what % of applications are contracted?
Santa Clara	Yes, In-house overtime plan check available at \$300.00 for 2 hours, at customer request.	Separate lists.	Yes, at the customer request and by approval of the Plans Examiner Manager. Less than 1 % use third party review.
Sunnyvale	Express plan check is available for minor over the counter permit applications. For standard 21 day submittal projects, we may expedite upon building coordinator approval.	Consolidated listing.	Yes, some.
Milpitas	Yes, conducted in-house. Guidelines restrict what permit types may be expedited. There is no fee for this process established per Council's adopted fee schedule.	Consolidated listing.	Yes, third party plan check allowed as of recently.

- Milpitas is similar to three of the eight comparable cities surveyed in offering some type of expedited plan review. The Department has strong guidelines governing this practice.
- Like nearly all peer cities surveyed, Milpitas follows best practice in issuing a consolidated listing of comments to applicants, rather than a separate comments list for each discipline.
- Milpitas offers third party plan check in some cases. While the approaches vary, all other peer cities surveyed besides Livermore also offer third party plan check. In some cities this is based on applicants' request, in others it is a workload consideration, and in others it depends on the type of application.

As seen in the table and bullet points above, Milpitas is very similar to most peer cities in the way it handles communication with applicants and alternate approaches to plan review.

5 Milpitas Offers More Lenient Inspection Scheduling Deadlines and Handles More Inspections In-house than Most Comparable Municipalities.

The following table shows responses from comparable cities related to building inspections – scheduling, performing, and in some cases contracting them out.

City	How are inspections scheduled?	What is the deadline for submitting an inspection request?	What is the target response time for conducting an inspection once it has been requested/scheduled?	Does the City utilize contract building inspectors?
Dublin	Online, call-in, walk-in.	Deadline is 4am same day for online, or 4pm the day before for call-in or walk-in.	24 hours except weekends/holidays	Yes, 100%
Fremont	Online, IVR	3pm day before	Next Day	Yes, when workload dictates
Livermore	Walk-in, call-in, online, and fax.	Deadline is the night before.	Next day. They also offer evening inspections (only for homeowners)	No
Mountain View	Online, phone call with staff, fax, walk-in	3pm for next day	Next Day	Not currently
Palo Alto	Call-in, online, app, IVR, walk-in.	Before 4pm on day prior.	48 hours	Yes. About 50% of inspections.
San Mateo	Walk-in, and over the phone.	3pm for next day	24-48 hours	Yes, when workload dictates
Santa Clara	IVR or online		Next Day	Yes, some.
Sunnyvale	Online, phone, walk in.	Day before	Next Day	Yes, when workload dictates
Milpitas	Online, IVR, walk-in.	6am day of inspection	Next Day	No¹³

- Like most of its peers, Milpitas allows inspections to be scheduled online, through an IVR system, or on a walk-in basis.
- Milpitas aims for next-day inspections, much like the majority of comparable cities (although some of them have slightly longer target times such as 24 or 48 hours). Milpitas offers a more generous deadline for next-day inspection than most, allowing appointments to be scheduled as late as 6am on the day of the inspection.

Milpitas' scheduling requirements are more lenient than most of its peers, and the City is among the few which does not contract for any building inspections.

¹³ The City has the option to contract out certain major developments depending upon staff availability for those types of projects.

6 Milpitas' Goal Turnaround Times for Plan Review Are Longer Than Most of Its Peers. Comparable Municipalities Also Provide Possible Performance Metrics for the City.

The following table shows questions and responses from comparable cities related to efficiency and effectiveness of the development review process. The topics in this section were key processing times for applications, as well as any performance metrics tracked by each organization.

City	What are key target application processing times? Do they differ for first plan review compared to subsequent plan reviews?	What performance metrics or measures are tracked for development services?
Dublin	Commercial - New Construction: 15 business days max Commercial - Tenant Improvement / Interior Renovation: Varies, from OTC to 15 business days Single Family Residential - New Construction: 15 business days max Single Family Residential – Alteration: Varies, from OTC to 15 business days. Subsequent reviews vary from OTC up to 15 business days.	Percent of projects that meet turnaround times. Also, Customer satisfaction: responses to surveys.
Fremont		None currently.
Livermore	Commercial - New Construction 4 weeks on first review and 2 weeks resubmittal Commercial - Tenant Improvement / Interior Renovation: 2 weeks first review and 1 week resubmittal Single Family Residential - New Construction: 4 weeks on first review and 2 weeks resubmittal Single Family Residential – Alteration: One week first review and 3 day resubmittal	Track all turnaround times/ due dates for all planning, engineering, Fire, and Building submittals through a shared spreadsheet
Mountain View		Turnaround times for plan check Number of plan checks Number of issued permits Number of inspections Construction Valuation

City	What are key target application processing times? Do they differ for first plan review compared to subsequent plan reviews?	What performance metrics or measures are tracked for development services?
Palo Alto	Commercial - New Construction 30 days for initial review Commercial - Tenant Improvement / Interior Renovation OTC if small enough or 30 days for initial review Single Family Residential - New Construction 30 days for initial review Single Family Residential - Alteration OTC if small enough or 30 days for initial review 1st review is 30 days, resubmittals are 14 days. Post permit revisions are 14 days for 1st review, and 7 days for resub.	Number of projects being plan checked & type of plan check (OTC or submitted), timeliness of reviews (on-time rate), approval/denial rate (how many rounds of plan check), total number of days from submittal to “ready to issue”.
San Mateo	First plan review is 20-business days and all resubmittals are 10-business days for all projects.	Plan review turn-around time, turn-around in processing plan from approval to packaging plans for issuance, amount of time spent with customers at the counter.
Santa Clara	Regular plan check is 4 to 6 weeks for first round of comments. Resubmittal goal is an additional two week review.	Various aspects from the permit center wait times, inspections, permits issued, permits under review, to help with the development of needed services.
Sunnyvale	Commercial - New Construction: 21 Days for 1st round review. 10 days for resubmittals. Commercial - Tenant Improvement / Interior Renovation: Over the counter same day review Single Family Residential - New Construction: 21 Days for 1st round review. 10 days for resubmittals. Single Family Residential – Alteration: Over the counter same day review	None
Milpitas	Maximum of 30 business days for the most complex projects.	Building: plan review turnaround time, and inspection request times (next day completion.

The plan review timelines in Milpitas can be as long as 30 business days for complex projects, which equates to six weeks. Only one other municipality surveyed stated review timeframes lasting that long. Most cities have a maximum of 3-4 weeks.

Cities track a number of metrics regarding workload and performance. Many of them, like Milpitas, use turnaround times for plan review and aim for next day inspections. Some cities also track various other metrics which Milpitas might consider:

- Wait times
- Construction valuation
- Permit volumes
- Percent of projects meeting turnaround time
- Results of customer satisfaction survey

The tracking of these performance measures allows for City Council, development community and other stakeholders to hold Development services accountable for meeting established goals.

5 DEPOSIT-BASED FEES

The following analysis focuses on deposit-based fees, to the extent that they are used in each comparable municipality.

1 Milpitas' Use of Deposit-Based Fees Is Aligned with the Practices of Many Comparable Cities.

The first set of questions regarding the use of deposit based fees, detailed in the following table, sought to identify where the responsibility for managing deposit accounts lies in each city surveyed.

City	Are any of the City's fees or services deposit-based? If so, in what areas?	Who in the City manages the deposit process? Which department issues the invoices to developers?	Does the City have a central point of contact for the deposit-based fees?
Dublin	Planning	Finance	Finance, with help from planning and engineering.
Fremont	All planning, building, engineering applications are deposit-based.	Community development and public works manage their own. Finance does the billing and collection.	Community Development business manager
Livermore	Some in engineering and public works		
Mountain View	Building plan check	Building generates the payment receipt. Finance collects the money.	No

City	Are any of the City's fees or services deposit-based? If so, in what areas?	Who in the City manages the deposit process? Which department issues the invoices to developers?	Does the City have a central point of contact for the deposit-based fees?
Palo Alto	Planning	Planning manages it and invoices/collects from developer.	Management Analyst
San Mateo	Planning	Individual departments, but fees collected through Finance Department.	No, the point of contact is the staff member handling the project
Santa Clara	No	NA	NA
Sunnyvale	Only for third party review of complex projects such as those requiring EIR.	Community development, but fees collected through Finance Department.	Community development
Milpitas	Some deposit-based fees in planning and engineering	Individual departments collect the deposit, but Finance manages the deposits and issues invoices.	No; however, finance for invoice purposes, project manager for project purposes.

- Most comparable cities (six of the eight surveyed) use deposit-based fees for some aspects of development services and permitting. The degree to which they are used varies, however; Fremont uses deposits for a wide range of project types, while Dublin limits deposit-based fees to planning applications. Milpitas uses deposit-based fees for multiple project types.
- Most cities surveyed manage deposit-based fees through both the community development functions and the Finance Department, with Finance carrying the responsibility for billing and collection in all comparable cities except for Palo Alto. Milpitas follows suit in this respect, with Finance and individual departments managing deposit-based fees, and Finance invoicing applicants.
- There is no common point of contact for deposit-based fees; different cities assign the oversight of these fees to either a designated analyst in the community development department, the individual reviewing the application, or someone in the Finance Department. Milpitas does not have an assigned point of contact, similar to San Mateo and Mountain View.

The comparison above suggests that Milpitas' approach to deposit-based fees is typical among comparable cities.

2 The Lack of Formalized Policies for Deposit-Based Fees in Milpitas Is Common in Peer Cities, But Some Things Can Be Learned from Those Which Do Have an Established Policy.

The second set of questions regarding deposit-based fees, in the table below, asked about the policies that each city has regarding these fees, and how the time associated with them is tracked by staff.

City	Does the City have any thresholds in place regarding when deposits are replenished? Is this a written threshold? Is there a stop work policy based upon this threshold?	Are there written policies and procedures regarding deposit-based fees?	Where do staff track their time on deposits - in timekeeping or in the City's permitting software?
Dublin	No formalized threshold. Stop work if the developer does not respond to request for account replenishment.		Neither. Track it manually and then Finance charges against that deposit.
Fremont	None	No	Timekeeping
Mountain View	Plan check deposit: no replenishment, if they project takes many rounds to approve, consultants begin charging hourly staff time. Stop Work Notices – Are not deposit based. The permit is charged double the fees for all trades except plan check.		Time is not tracked, this part of their regular job duties to process them.
Palo Alto	Policy is 80%. Work stops when deposit is exhausted.	Yes	Timesheet. Contracted plan check is tracked separately.
San Mateo	For Planning Applications, the threshold is 70%.	Yes	Timekeeping
Santa Clara	NA	NA	NA
Sunnyvale	None	No	Neither. Issue requisition and then Finance charges against that deposit.
Milpitas	Threshold is 75%	Yes	Timekeeping

- The cities surveyed can be divided into three camps regarding deposit-based fee policies: those like Santa Clara, which do not use deposit-based fees; those like Dublin and Sunnyvale, which have informal policies regarding deposit-based fees; and those like San Mateo, which have established written policies and thresholds. Milpitas falls in the second camp; the City uses deposit-based fees but only informally adheres to policy. Cities surveyed with formal policies set the threshold

at 70-80% of the deposit, at which point they begin billing the applicant. Work stops when the deposit is exhausted.

- Cities surveyed which track time against deposits typically use timekeeping software. In some cities, review time is tracked separately for billing, but no cities use their permitting software to track time for deposit billing purposes. Most permitting software systems have the capability to track time, but it requires integration with the City's payroll system or financial system to ensure that the hours are billed appropriately.

Milpitas is among the few comparable municipalities which has written policies concerning the use of deposit-based fees, although these policies appear to be similar to the informal practices of most other cities which use them.

Appendix D: Stakeholder Analysis

As part of the Service Delivery Fee Study for Development Services for the City of Milpitas, the Matrix Consulting Group held four (4) Development Community Focus Group Meetings at the Community Center and Milpitas City Hall. These focus group meetings were held as follows:

1. Wednesday, December 5th, 1:00 - 3:00 p.m., Milpitas Community Center
2. Thursday, December 6th, 8:00 - 10:00 a.m., Milpitas Community Center
3. Thursday, December 13th, 2:00 - 4:00 p.m., Milpitas Community Center
4. Friday, December 14th, 9:00 - 10:00 a.m., Milpitas City Hall Committee Meeting Room

In addition to the focus group meetings held, for those who could not attend the meetings in person, an option was available to provide comments via phone call or email to the project team.

The focus group invitations were provided to the Community Development Roundtable participants, as well as to previous Building, Planning, and Land Development customers. A total of 80 invitations were sent for the focus groups and there were eighteen total responses; 14 respondents at the focus group meetings, and 4 respondents via phone and email.

The following subsections introduce focus groups and then a summary of the comments and feedback received in the focus groups.

1 INTRODUCTION & PURPOSE OF FOCUS GROUPS

The purpose of the stakeholder focus groups was to obtain input, feedback, concerns, perceptions, and suggestions for improvement regarding the development review process within Milpitas. These focus groups were structured as an open forum discussion, with no specific questions posed to the group, other than a brief background on the study, and that any and all comments collected through these focus groups and individual interviews would be compiled and presented in the manner of key themes. The respondents were assured that feedback would be reported anonymously. Questions asked by the project team related to the following areas:

- Specific departments / divisions within the City with which they interacted during the development phase – building, planning, land development, fire, economic development, etc.
- Timeframe of the interaction – current, within one year, five years, ten years, etc.

- Level of interaction – counter staff, inspection staff, plan reviewers, etc.
- Other jurisdictions in which they have previously conducted development activities.

The purpose of these questions was to ensure that the project team received information that was specific in nature, was current, and was related to a specific type of service or development project. The information regarding other jurisdictions was to further understand the background of the developer providing input, ensuring their understanding of California and Bay Area specific codes and requirements.

Each focus group lasted approximately one hour, with phone interviews lasting approximately 15 to 20 minutes each. The timeframe for each focus group and phone interview was dictated by the participants, ensuring sufficient time for all stakeholders to provide comments relative to their experiences. At the conclusion of the focus group, the contact information for the project team member conducting the focus group was provided and it was reiterated that any additional comments or input would be accepted throughout the course of the study.

2 KEY THEMES FROM THE STAKEHOLDER FOCUS GROUPS

There were several key themes that emerged from conversations with the stakeholders. These key themes can be divided into positive feedback regarding areas that worked well and feedback related to opportunities for improvement. The following table summarizes the comments for each of these two areas:

Things that Work Well	Opportunities for Improvement
Community Development Roundtable	Cycle and processing times for applications, inspections, reviews, and permits
Commitment to improvement and changes – evidenced by this study	Clarity on fees and charges for development projects – what fees are being paid for what services and when they should be paid
Support from Economic Development and City Management	Unclear submittal requirements – comments made in the process regarding changes that should have been caught in the beginning of the process
Responsive and accessible staff	Cumbersome city codes and policies cited during the review process and on job sites during inspection for failure of inspections
Commitment to customer service	Inability to hire contractors due to City's reputation
	Lack of detailed accounting for PJ accounts
	Scheduling of fire inspections
	Issues with consistency of plan review comments and inspections
	Need for increased staffing to accommodate the development activity

As the table indicates, despite there being several positives, the opportunities for improvement outweighed the items that worked well. All of the items noted in the table above were in reference to all four primary development service areas – building, planning, land development / public works, and fire prevention.

The Stakeholder community was consistent in stating that staff was very supportive, responsive, and committed to customer service, but that other aspects such as policies, codes, fees, and overall timeliness greatly impacted their ability to complete their development projects on time and in a cost efficient manner.

The primary complaint regarding application cycle and permit processing timelines was in relation to significant delays in the overall timeline. The significant delays sometimes occur due to inter-departmental coordination of comments, whereas other delays occur due to multiple rounds of comments, lack of timely inspection scheduling, or failure of inspections for items not identified or codified in the plan review phase of the project. These types of delays can be costly for the developers.

Other more specific comments regarding areas of improvement related to scheduling of fire inspections, the inability to get those scheduled quickly; however, there was the understanding that the City is and was suffering from a lack of staffing resources. Staff turnover was acknowledged by the development community as having an impact on the ability for them to get projects processed in a timely manner, but there was an understanding that there is limited ability for the City to control that aspect of staffing.

The development community and the stakeholders understood the City's current service levels reflected their current resources and conditions, but the desire expressed through these outreach meetings was the ability to have greater transparency regarding both the fees and the service level prior to going through the development process. The transparency in fees was related to both PJ accounts (deposits) as well as the flat fees charged by building. Some developers stated that they are asked for multiple deposits, with little to no detail on the invoices regarding the activities. For the flat fees, they can get charged for plan review fees, but may also have to pay for scheduled plan review meetings, as there is no clarity regarding the number of plan reviews or inspections covered within the current flat fees.

In regards to the service level expectations, an example cited in the meetings was that plan review has a target of 6 weeks, but in the past two to three years, it is rare that plan review is completed within that timeframe. Therefore, the development community would like to hear a target at the onset that is more reflective of staff capacity and availability, even if that target is 8-10 weeks, as that will allow them to better prepare their timelines for the project.

The stakeholders that attended the meetings and provided comments have all worked with other jurisdictions in the bay area such as Santa Clara, Mountain View, Sunnyvale,

Fremont, and San Jose. As such, they are familiar with and understand California environmental regulations, California building codes, as well as the development climate and opportunities within the Bay Area. They stated that despite this experience, many of the development code and policy requirements expressed to them during the development phase in Milpitas are very unique to Milpitas.

All of the stakeholders that provided comments currently have some sort of active development project within the City and / or have had a project within the last three years. This was very important to note, as it indicates that the feedback provided is relevant to current development services and operations.

3 SUMMARY OF STAKEHOLDER FOCUS GROUPS

The overall theme that emerged regarding areas for improvement related to the lack of predictability, consistency, and timeliness of development operations within the City. The development community was glad to be involved in this process and acknowledges the City's commitment to changes and improvement, but recognizes that there are still further and more significant areas for opportunities for improvement in the development process.

As discussed in the introduction, at the conclusion of the focus group meetings, the stakeholders were offered the chance to provide any additional feedback and input to the project team during the remainder of the study.

Appendix E: Employee Survey Results

As part of the Matrix Consulting Group's Service Delivery Fee study for the City of Milpitas, the project team distributed an anonymous survey to employees involved in the City's development review process in order to gauge their opinions on a variety of topics relevant to the study. This survey provided development review staff an opportunity to provide input to the study, and to enhance the project team's understanding of employee opinions. This survey generally asked three types of questions:

- **Demographic Questions:** Respondents were asked to indicate the department they work for, their length of employment, their level of responsibility, and whether they have worked in development services for other agencies.
- **Multiple Choice Questions:** Respondents were presented with a number of multiple choice questions or statements where they indicated their level of agreement or disagreement.
- **Open-ended response questions:** At the end of the survey, staff were given space to provide opinions about the City's development review process in their own words.

The project team provided City staff with an electronic link to the survey via email. A total of fifty-seven (57) surveys were distributed and thirty-six (36) responses were received. This represents an overall response rate of 63%.

1 SUMMARY OF KEY FINDINGS

While a more detailed analysis can be found in the sections below, the following points summarize the key findings from the responses received to this survey:

- Most respondents believe the current processes for development review and permitting are efficient and effective.
- Most respondents believe the City provides good customer services at the permit counter.
- Respondents believe the City provides effective training and resources to staff.
- Most respondents feel management is helpful and efficient and the workplace has a positive environment.

- Most respondents feel they have a very busy workload and many feel they are overworked.

As the points indicate, generally speaking, City staff had a positive outlook on the development services provided to their external customers. The only area for improvement identified was in relation to workload and feeling overwhelmed.

2 SURVEY RESPONDENT DEMOGRAPHICS

While responses to the survey were confidential, the project team asked respondents to indicate some information about their position in order to understand responses better. The following subsections discuss the different types of demographic information gathered through the online survey.

1 Department

The first question in this section asked participants which department they work for in the City of Milpitas. The following table shows the breakout of responses by department, as well as the total number of responses received.

Department	# Received	Percent	Invitations Sent	% of Dept Responding
Building	14	38.9%	24	58%
Engineering	2	5.6%	3	67%
Finance	1	2.8%	2	50%
Fire	8	22.2%	9	89%
Planning	7	19.4%	8	88%
Public Works	3	8.3%	5	60%
Economic Development	1	2.8%	5	20%
Total	36	100%	56	64%

The greatest volume of responses came from personnel in the Building, Fire, and Planning departments, which makes sense as those are the core Development services activities and some of the larger departments surveyed.

2 Length of Employment

The next question in this section asked respondents how long they have worked for the City. The following table shows by range of years worked the number of responses received.

Range of Years	Count	Percent
0-2 Years	21	58.3%
3-5 Years	5	13.9%
6-10 Years	2	5.6%
11+ Years	8	22.2%
Total	36	100%

Based on the table above, there was a range of longevity with the City that was represented in the survey responses, with the largest proportion of staff having worked for the City less than 2 years, but the next highest level of responses was for staff that have worked with the City for more than 11 years.

3 Level of Responsibility

The third question in this section asked respondents what type of position they hold within their department. Their responses are broken out below based upon level of position.

Level of Responsibility	Count	Percent
Admin/Clerical	2	5.6%
Permit Processing/Counter Staff	2	5.6%
Managerial/Supervisory	13	36.1%
Inspections	12	33.3%
Plan Review	2	5.6%
Other (please specify)	5	13.9%
Total	36	100%

The majority of respondents hold managerial/supervisory or inspections positions within the City.

There were five responses that did not pick any of the categories listed, the following points provide further detail:

1. "Plan review and inspections, occasionally counter calls"
2. "Specialist"
3. "Current Planning – Counter staff, permit processing, plan reviews, presenting projects to the Planning Commission"
4. "Senior Planner"
5. "Plan review/inspections/enforcement"

As the points illustrate, the reason some of these responsibilities were not categorized was due to the multiple responsibilities or services that the position provides.

4 Previous Experience

The final question in this section asked survey participants whether they have previously worked in another agency. The following table breaks out the responses:

Worked at another jurisdiction?	Count	Percent
Yes	26	72.2%
No	10	27.8%
Total	36	100%

Approximately 72% of the respondents have worked with another jurisdiction prior to Milpitas. This question was particularly relevant for this study, as the majority of staff and respondents have had very limited tenure with Milpitas, but despite that limited tenure, they have had experience performing these types of services with other jurisdictions. Additionally, experience with other jurisdictions can translate into different perspectives regarding the processes and levels of efficiency achieved by Milpitas.

3 MULTIPLE CHOICE QUESTIONS

The bulk of the survey consisted of sections where respondents were asked to indicate their level of agreement or disagreement with statements about the Department. The response options were “strongly agree” (SA), “agree” (A), “disagree” (D), “strongly disagree” (SD), or “N/A” (NA). The project team broke these multiple choice responses into the following categories:

- **Process Efficiency & Effectiveness:** Questions in this section focused on the efficiency and effectiveness of the development services process within the City.
- **Customer Service:** The questions in this section related to the level of customer service provided by city staff to customers of the development services process.
- **Employee Resources:** Questions in this section addressed the level and types of resources that are available to employees for development services.
- **Management & Workplace Experience:** These questions addressed issues about the workplace culture and management support provided to city staff during the development review process.
- **Workload:** This section addressed issues related to staff workloads.
- **Finance Staff:** This section only required responses from staff in the Finance section as it related to deposit (Private Job / PJ) accounts as it relates to development services.

The following subsections provide the results of the multiple choice questions based upon the categories noted above.

1 Process Efficiency and Effectiveness

The first section of multiple choice questions asked respondents to provide insight regarding the City's development review process and their perception regarding the effectiveness of the existing processes as it relates to timeliness, efficiency, and fees. The table below shows the proportion of respondents who selected each level of agreement or disagreement.

#	Statement	SA	A	D	SD	NA
1	The development review and permitting process in Milpitas is efficient and well-run in terms of the services it delivers.	3%	59%	28%	3%	6%
2	My division is efficient and well-run in terms of the services it delivers.	22%	59%	19%	0%	0%
3	There is good coordination between my division and other departments / divisions that are involved in the development review and permitting process.	6%	53%	31%	3%	6%
4	Our process for reviewing over the counter (express) permits works well.	9%	38%	22%	6%	25%
5	Development review committee meetings are an effective use of time.	6%	38%	28%	3%	25%
6	Our approach to charging private job accounts is efficient.	3%	28%	3%	16%	50%
7	We accurately capture time associated with application review on private job accounts.	6%	31%	25%	9%	28%
8	There are established cycle times and goals for plan review or permit timelines for the processing of development review plans or permits.	12%	50%	22%	3%	13%

The points below summarize the information noted in the response table:

- **Most staff believe the development review process is efficient and well-run:** Statement #1, to this effect, received strong (62%) agreement. Among building division staff, however, 6 of 13 respondents (45%) disagreed. Statement #2, that individual divisions are efficient and well-run, received a very strong majority (81%) of agreement, which was consistent across divisions. Statement #8, that there are established cycle times and goals for plan review or permit timelines for the review process, received a majority (62%) of agreement.

- **Most staff believe divisions coordinate well in the development review and permitting process:** Statement #3, that there is good coordination between respondents' divisions and others involved in the process, received a majority (59%) of agreement.
- **Most staff believe over the counter permit review works well:** Statement #4, that the City's process for reviewing over the counter permits works well, received 15 of 24 (63%) agreeing responses. 8 respondents gave no response.
- **Most staff believe development review committee meetings are an efficient use of time:** 14 of 24 (58%) respondents agreed with Statement #5, that development review committee meetings are an effective use of time. Eight respondents gave no response. However, among planning staff, 5 of the 7 respondents (71%) disagreed. *This finding is especially notable, as Planning is typically the leader and manager of development review committee meetings.*
- **Most staff agree that the City's process for charging PJ accounts is efficient, but have mixed responses related to accurately capturing time:** Statement #6, of the 16 who responded, 10 (63%) agree that project accounts are being charged to by staff in an efficient manner, however, among planning staff, 5 of 6 respondents (83%) disagree with 4 of those responses strongly disagreeing. This once again is an especially important finding, as nearly all of Planning's services and fees are accounted for through PJ accounts. In regards to managerial staff 3 of 5 management/supervisor staff disagreed that the City's process for charging PJ accounts is efficient. The inspection staff was the only category that agreed with that their time charges are efficient as it relates to PJ accounts, but inspection staff bill minimally if at all to PJ accounts, which could help form that perspective. From Statement #7, only 12 respondents (38%) agree accurate time is captured for application review on private job accounts while 11 (34%) disagree.

As the points note, staff believe the development review processes currently in place are fairly efficient and well-run, including the reviews provided over the counter and development review committees. However, there is some disagreement from planning staff regarding the effectiveness of the development review committee, which they manage, as well as the efficiency of the process for charging to PJ accounts.

2 Customer Services

The second section of multiple choice questions asked respondents about services provided to development review customers, and the level of customer service. The table below shows the proportion of respondents who selected each level of agreement or disagreement.

#	Statement	SA	A	D	SD	NA
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#	Statement	SA	A	D	SD	NA
1	Permitting processes in Milpitas are not unnecessarily complex or burdensome for the applicant.	6%	56%	16%	13%	9%
2	Applicants are advised of all application requirements and standards early in the process.	9%	63%	9%	3%	16%
3	The City of Milpitas makes it easy to obtain complete, accurate information about the development review and permitting process.	6%	38%	38%	3%	16%
4	My department prioritizes customer service in the development review and permitting process.	19%	53%	3%	3%	22%
5	My co-workers are polite to customers.	41%	56%	0%	3%	0%
6	My co-workers are committed to doing quality work.	47%	47%	3%	0%	3%
7	The applications submitted by applicants are typically complete enough to allow prompt and complete action by staff.	3%	38%	41%	0%	19%
8	Decisions regarding code interpretations are made consistently in my department, without variation from applicant to applicant.	28%	53%	9%	6%	3%
9	Milpitas provides the ability for customers to provide feedback on their experience with Development Services through in-person feedback or online customer service survey.	9%	41%	25%	0%	25%
10	Applicants have a single point of contact for their permit through the different development applications.	3%	44%	31%	6%	16%
11	There is an established customer service objective to not have applicants wait more than 15 minutes at the permit center.	3%	31%	13%	9%	44%
12	The City of Milpitas' Development Services fees are easy to administer and explain to customers and applicants.	6%	38%	25%	6%	25%
13	I am aware of what resources are provided to our customers on our website.	9%	53%	25%	6%	6%
14	The City of Milpitas' Development Services fees are available online and at the City's permit center.	9%	66%	0%	0%	25%

The points below provide a narrative summary of the information included in the previous table:

- **Generally, most staff believe the permitting process for the City is easy for applicants:** from Statement #1, 62% of staff agree that the process for applicants is not difficult (6 of 12 managerial/supervisory staff disagreed with the statement) and from Statement #4 where 72% of staff felt their department prioritized customer services related to the permitting process.
- **Staff have mixed responses regarding providing applicants with accurate information:** For Statement #3, approximately 44% of the respondents agreed that accurate information was provided and 60% of inspections staff agreed. However, approximately 41% of respondents disagreed and 70% of management

and supervisory staff disagreed, suggesting that there is a wide divergence of views for this issue among staff.

- **Most staff agree that the application process information provided for applicants is efficient:** Statements #2, #8, and #14, all received significantly more agreement than disagreement, showing that staff believes applicants are provided with all necessary information, applications are interpreted consistently, and fees information is easily available. However, Statement #7 indicated that applicants still submit incomplete applications with 41% agreeing and 41% disagreeing.
- **Most staff agree that application resources provided to applicants is efficient:** Statements #10, #12, and #13, had a higher proportion of respondents that agreed than disagreed, indicating that staff believe applicants are provided with a single point of contact and fees are easy to explain and administer. However, approximately 4 of 7 planning staff disagree with Statement #13 that the staff themselves are aware of the types of resources available on the City's website. This is important, as if staff themselves are unaware, they cannot direct applicants to that information; highlighting a staff training issue. It is important to note that the majority of planning staff is new to the department and this could be the reason for the lack of their awareness.
- **Most staff believe they provide quality customer service:** Statements #5, #6, #9, and #11 all received mostly agreeing responses showing that staff believes good customer service is provided at the permit center by being polite, providing quality work, short wait times, and an accessible way for customers to provide feedback. However, 4 of 5 of planning staff disagree with Statement #9 that customers have a way to provide feedback and 4 of 7 management/supervisory staff disagreed with Statement #11 that applicants wait time is no more than 15 minutes.

The points in this section provide important insight that while generally employees believe customer service is a priority for the department and information is provided to customers in an accurate manner; there is quite a bit of disagreement from management and supervisory staff regarding the level of customer service and whether accurate information is provided and the level of wait time for customers. This is important as this shows a disconnect between observation from management and supervisory staff and the level of service being provided overall by employees.

3 Employee Resources

The third section of multiple choice questions asked respondents about the resources available to city employees throughout the process. The following table shows the proportion of respondents who selected each level of agreement or disagreement.

#	Statement	SA	A	D	SD	NA
1	I have the materials, equipment, and tools I need to do my work right.	6%	66%	13%	13%	3%
2	My division has an efficient records management and document management system.	6%	50%	31%	13%	0%
3	My department has clear, well-documented policies and procedures on plan review and permitting.	10%	52%	26%	10%	3%
4	I am able to effectively utilize TRAKiT.	19%	56%	16%	6%	3%
5	I receive formal ongoing training in the technical skills required to fulfill my role.	9%	53%	16%	13%	9%
6	I am able to consistently meet the City of Milpitas' timelines and turnaround goals for plan review and permitting.	6%	41%	25%	6%	22%

As the table indicates, the majority of staff agreed that they have the resources that they need to perform their work efficiently and effectively. Each of the six statements in this section received a majority of at least 56% agreement, indicating that staff generally feel they have the tools, training, and technology needed to fulfill their responsibilities. However, 71% of Planning division staff disagreed that records and documents are managed efficiently.

4 Management and Workplace Experience

The fourth section of multiple choice questions asked respondents about their experience with managers and the workplace culture. The table below shows the proportion of respondents who selected each level of agreement or disagreement.

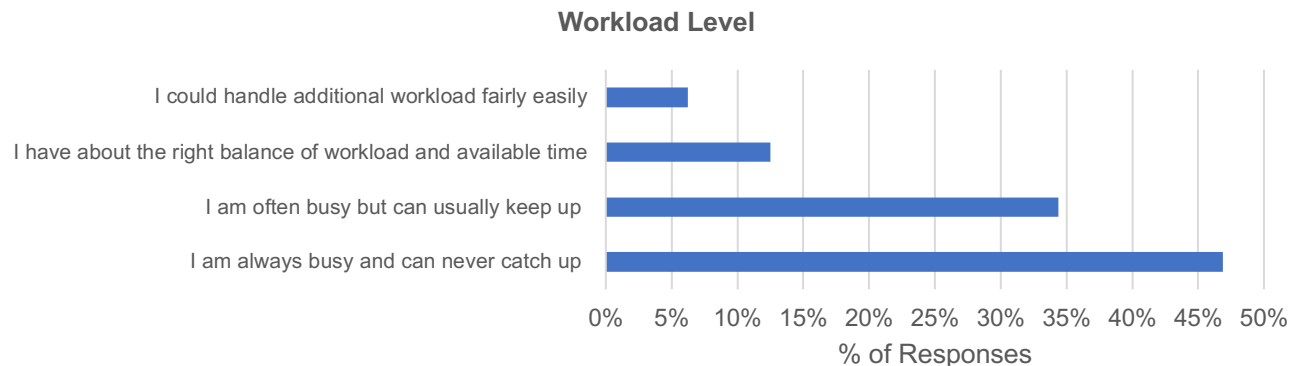
#	Statement	SA	A	D	SD	NA
1	My division is effectively managed regarding the development review and permitting processes.	9%	56%	16%	3%	16%
2	Managers in my Department involve staff in collective problem-solving.	25%	50%	16%	6%	3%
3	I am encouraged to think creatively and question the way we do things in order to solve problems.	19%	56%	16%	6%	3%
4	Managers in my Department are receptive to new ideas and employee suggestions.	19%	72%	3%	6%	0%
5	When mistakes are made, managers and supervisors focus on correcting the mistake with a learning approach rather than on placing blame.	22%	66%	6%	3%	3%
6	My voice is heard and my opinions seem to count.	22%	56%	13%	6%	3%
7	I am empowered to act within the scope of my expertise, training, and experience.	31%	56%	6%	3%	3%

#	Statement	SA	A	D	SD	NA
8	I receive enough recognition and appreciation for the quality of my work.	16%	66%	3%	6%	9%
9	Someone at work encourages my professional development.	13%	66%	6%	13%	3%
10	I know what is expected of me at work.	25%	59%	6%	6%	3%
11	The mission / purpose of this organization makes me feel my job is important.	31%	56%	6%	3%	3%

Overall, staff feel strongly that they are properly managed and have an inviting workplace. The majority of staff agreed with all statements, and this was apparent across all departments and levels of responsibility. The only variation in responses was from inspection staff, with approximately 42% of inspection staff disagreeing that managers involve staff in problem solving and the same proportion disagreeing that they are encouraged to think creatively and question the way problems are solved.

5 Workload

The fifth section of multiple choice questions asked respondents about how much work they are provided. The following figure shows the proportion of responses received by workload statement description.



Approximately 47% of staff felt that they either had the right balance of workload or that they could keep up with their existing workload, while 47% responded that they are unable to ever catch up to their workload. Only 6% of staff indicated that they have the capacity to add on additional workload. Planning staff provided the majority of “right balance” responses; 3 of 7 respondents in that division indicated that they have an appropriate workload for their available time.

6 Finance Staff Questions

The sixth section of multiple choice questions was limited to finance staff, and asked questions related to their support to development review staff. The respondents were

asked a series of statements as it relates to billing for PJ accounts and the fee schedule. The results of this section indicated that staff was in agreement with the following statements:

- Clear Policies and Procedures regarding deposit-based fee accounts.
- Clarity regarding the rate that must be utilized for billing to deposit accounts based upon the type of application being processed.
- Utilization of a blended hourly rate for each department / division rather than different rates for different staff.
- Staff annually updates the hourly rates used to bill to deposit accounts.
- There is clarity in the deposit process regarding when the applicant must be billed, how often, and to whom the bill is sent.
- Finance staff prepares monthly reports for all deposit accounts showing the status of current account accounts financially and within the project.
- There is clear communication between Finance and development staff regarding the applications that require Private Job (PJ) accounts.
- Billing to deposit accounts occurs through timesheets.
- A review of deposit accounts is conducted to ensure that they are sufficient based upon total amounts billed in the previous year.
- Finance staff time is not billed to deposits directly.

As the points above indicate, Finance staff agreed with the majority of statements regarding deposit accounts. There were only two statements where there was disagreement, which were as follows:

- There are established thresholds upon which if a deposit account reaches, Finance staff informs development staff to stop work until further payment is received.
- Finance staff annually updates the City's Master Fee Schedule.

The two points of disagreement are critical for understanding the City's current fee amounts, as well as the deposit-based process that exists for the City to recover its costs as it relates to Planning, Public Works, and Land development services.

4 OPEN RESPONSE QUESTIONS

The final section of the survey asked respondents to respond to a number of questions in their own words. This question was open to all respondents regardless of their department. The project team asked three primary questions:

1. What could Milpitas do to improve the level of customer service in the development review and permitting process?
2. What could Milpitas do to streamline the development review and permitting process?
3. What do you think Milpitas could do to better communicate with applicants regarding the status of their permits while under review, including any comments or revisions that need to be made?

The following points provide analysis of the responses provided by participants for each of these three questions.

1 Improve Customer Service

The first question asked respondents how they think customer service could be improved in the development review and permitting process. Twenty responses were received. The common themes for this question are summarized in the following points:

- Clearly communicate realistic turnaround times, city policies regarding scope of work, and permitting timelines
- Increase staffing levels and resources
- Develop automatic fee calculators
- Revise and clarify the PJ system
- Provide more information on the City's website

The two most common response themes among these answers were to provide greater information to applicants regarding the City's development processes, policies, permit standards, California building codes, and other information on the City's website (7 responses) and adding additional staff (3 responses). This aligns with earlier answers, where participants indicated in multiple choice sections that they feel they are overworked.

2 Streamline the Development Review or Permitting Process

The second open response question asked survey participants what they think the City could do to improve the development review or permitting process. A total of 21 responses were received. The following points summarize the responses received:

- Develop clearer submittal guidelines during the permitting phase including checklists and checking for complete submittals at intake
- Have a one stop shop for development services
- Utilize third party resources if insufficient staffing levels
- Unify records management into one centralized permitting system

The most common theme among these responses was to develop a checklist or submittal for applications (5 responses). While respondents said earlier in the survey that development review and permitting processes are generally efficient, the responses in this statement provide greater insight regarding further areas for opportunity for improvement for the City to provide a higher level of service.

3 Communicating with Applicants

The third open response question asked customers what they believe the City could do to better communicate with applicants during review of their permit. Twenty responses were received. The following points highlight the themes of the responses:

- Update the City's website to have a prominent link to status updates and promote the use of the online TRAKiT status system.
- No improvements needed as status updates are available
- Gather email / contact information at submittal to ensure that any information is accurately communicated.

The primary theme appearing in these answers is to use an online status checking system for applicants (7 responses), so that applicants can review the status of their application from an online system. The City already has the ability for some permit information to be viewed through the online TRAKiT module. However, it seems that there needs to be greater internal and external awareness of this tool, including potentially a more prominent link on the City's website.

4 Other Comments Regarding Development Services

After all of the questions and statements, the survey respondents were asked to provide comments regarding any other areas which they felt would be beneficial for the project

team to have input regarding for the service delivery study and analysis. The primary comments in this section related to the following aspects:

- Need for additional staff and resources in all of the departments / divisions to handle the current and projected workload.
- Develop cohesive and consistent development review processes.
- Allow for continuing education and internal staff training regarding codes and development processes.
- Focus on records management and retention for documents in a centralized place.

The points in this section mirror the comments provided throughout the open ended section and the multiple choice questions.

5 OVERALL SUMMARY

Overall, the results of the survey were a critical component of the project team obtaining input from employees in the development services process, regarding a variety of topics. As the introduction summarized, generally employees have a favorable outlook towards the services that they provide, but there are opportunities for improvement especially as it relates to staffing needs, improving workload balance, and providing accurate and clear information to customer regarding submittals. These findings will be considered by the project team to develop potential recommendations for opportunities for improvement within the City's development review process.

Appendix F: Descriptive Profile

The following descriptive profile outlines the organization, structure, and staffing of departments involved in the development review application, permitting, and inspection processes, including Planning, Building, Engineering, Public Works, Fire, and Finance. The information contained in the profile has been developed through a number of interviews conducted with representatives from the respective Departments involved the process.

The primary objective of this profile is to review and confirm our current understanding of the development review, permitting, and inspection processes. Consequently, no analysis or findings are contained in this document. Instead, this document focuses on outlining the following items:

- The organizational structure of each area of the Department within the project scope.
- Descriptions of the main functions and work areas of each Department.
- The authorized (budgeted) and actual (currently filled) number of positions by classification assigned to each unit, including any contracted positions.
- The roles, objectives, and responsibilities of each unit associated with development activity.
- Revenues and expenditures associated with the organizational units.
- Workload and permitting activity associated with each division.
- Existing workflows for development review activities.
- Understanding of the local ordinances that impact the review, permitting, and inspection processes.

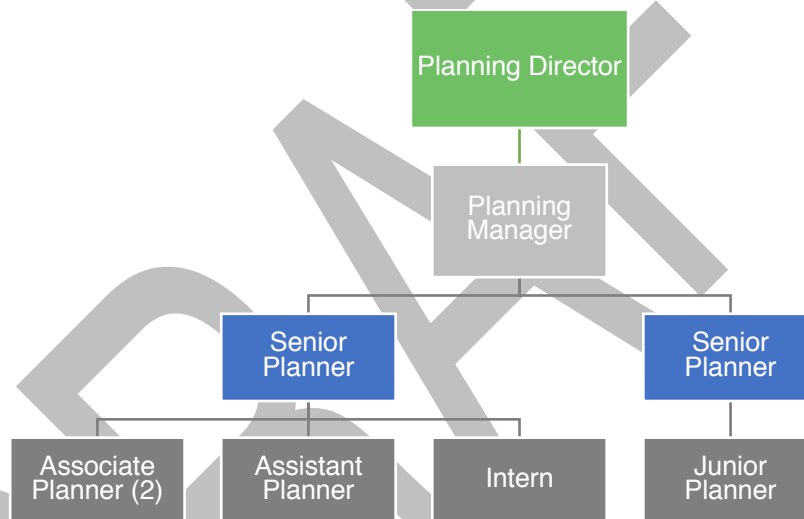
The profile is the first deliverable of this project and will help serve as a foundation for our assumptions regarding staffing and current organizational characteristics of the functional areas included in the scope of the study.

2. Planning

Planning is responsible for the coordination and review of applications related to land use (zoning) and the land entitlement process for existing and new development projects. Additionally, Planning is tasked with the administration of the City's long range planning efforts including maintaining the City's General Plan, Zoning Ordinances, and Specific Plans. This includes the administration of zoning ordinance, land use and development regulations.

1 ORGANIZATIONAL STRUCTURE

The following chart outlines the staff and structure of the Planning Department:



2 STAFFING

The following table summarizes key roles and responsibilities of each position within the Department with substantial involvement in the various land use processes.

Unit / Division	Curr.	Auth.	Position	Description
Administration	1	1	Director	- Provides oversight and direction to staff of the Division. - Actively participates in the day-to-day operational oversight of the division ensuring continuous operations of the Planning Department.
	1	1	Planning Manager	Planning Manager is the primary staff member leading long range planning efforts and is supplemented by various Planners.
Planning	2	2	Senior Planner	Senior Planners serve as the project manager for the largest and most complex land entitlement permits. Also, oversee the processing and review of all planning permits.
	2	2	Associate Planner	Associated Planners process a variety of planning review applications, serve as planner of day to staff the permit center counter.
	1	1	Junior Planner	Junior Planner processes special event permits and sign permits.
	1	1	Assistant Planner	All planners are responsible for project management for the applications they review, also are responsible for tracking application expenditures and notifying the applicant of additional fees needed.

3 EXPENDITURES AND REVENUE

The project team also collected information regarding expenditures and revenue for the Planning Division. The following table shows for the past three fiscal years and the current year, the expenses and revenues associated with the Planning Division broken out by major cost category and revenue type:

Category	FY16	FY17	FY18	FY19 Adopted
Personnel Services	\$813,517	\$998,907	\$1,803,760	\$2,032,198
Supplies & Contractual	\$449,324	\$305,166	\$38,310	\$38,390
TOTAL PLANNING EXPENSES	\$1,262,841	\$1,304,073	\$1,842,070	\$2,070,588
Planning Fees	\$2,823	\$5,491	\$4,588	\$5,000
PJ Overhead Charges	\$265,670	\$125,690	\$227,711	\$368,000
PJ Labor Reimbursement	\$89,974	\$42,726	\$78,344	\$200,000
PJ Vendor Reimbursement	\$308,007	\$93,172	\$16,712	\$20,000
Planning Plan Check Fee	\$9,263	\$15,854	\$14,763	\$12,000
TOTAL PLANNING REVENUE	\$675,737	\$282,933	\$342,118	\$605,000
NET PLANNING COSTS	(\$587,104)	(\$1,021,140)	(\$1,499,952)	(\$1,465,588)
PLANNING COST RECOVERY %	54%	22%	19%	29%

As the previous table indicates, the Planning Division's cost recovery declined from a high of 54% in FY16 to a low of 22% in FY17 and in FY19 it is projected to recover approximately 29% of its costs. The primary reason for the increase in costs is due to shifting of costs from contracted planning staff in FY16 and FY17 to in-house staff in FY18 and FY19.

4 WORKLOAD

The Planning Division provided data regarding the types and number of permits and applications processed. The following table shows by Permit type the number of permits processed for the last three fiscal years and for FY19 to date.

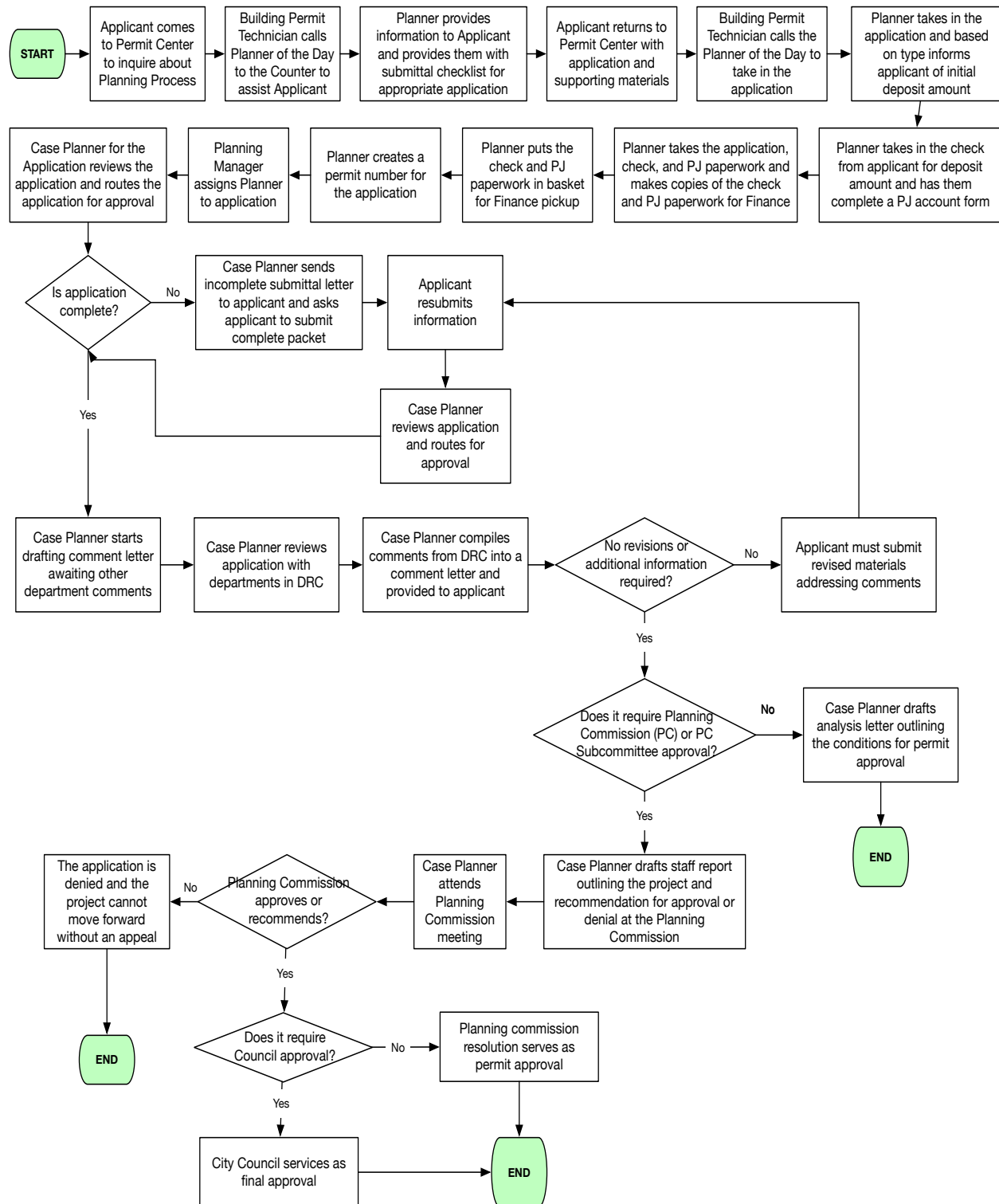
Permit Type	FY16 # of Permits	FY17 # of Permits	FY18 # of Permits	FY19 YTD # of Permits
Minor Conditional Use Permit	13	11	12	6
Environmental Impact Assessment	7	3	7	1
General Plan Amendment	1	4	1	1
Major Tentative Map	9	2	1	
Minor Tentative Map	1			
Minor Tentative Map Amendment			1	
Minor Site Development Permit	136	224	249	82
Minor Site Development Permit Amendment	2	3	5	2
Site Development Permit Amendment	3	1	1	3
Pre-Application	7	6	2	2
Special Events	3			
Zoning Verification Letter	1	1		
Parcel Map		1	1	
Density Bonus			1	1
Large Family Child Care			3	3
Planned Unit Development Amendment			2	
Development Agreements				1
TOTAL # OF PERMITS	183	256	286	102

As the table above indicates, the workload for the Planning Division increased significantly between FY16 and FY17, by approximately 40%. The workload only increased by 12% between FY17 and FY18. For FY19 the division is projected to hit approximately the same workload level as the prior two years. The primary increase in applications is the Minor Site Development Permit category, as all other applications have varied from year to year.

5 PLANNING WORKFLOW

The project team met with staff in the Planning Division to map out the basic process steps for a Planning Application. The following graphics show the workflow for a planning application:

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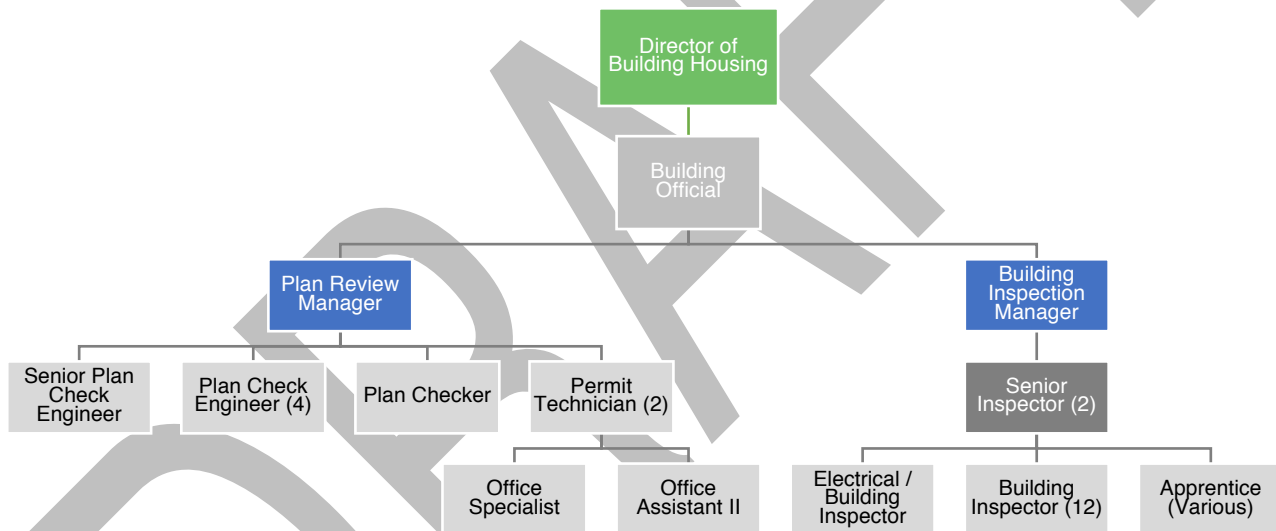
The flowchart indicates there are a variety of steps that need to take place in order for a Planning application process to be fully completed and processed. Part of this process also includes taking in the initial deposit amount and making sure that appropriate hours are tracked to the Private Job (PJ) account.

3. Building and Housing

The Building Division is responsible for the enforcement of the City's building and life safety codes through the application review, permitting, and inspection processes. Building is comprised of two operational areas: Plan Check and Inspection. It should be noted the Housing and Code Enforcement related activities of this Department are not included in this study as they do not directly relate to the development review process.

1 ORGANIZATIONAL STRUCTURE

The following chart outlines the organization of functions in the Building Division portion of the Building and Housing Department. The Housing and Code Enforcement sections are not represented below.



2 STAFFING

The following table provides the personnel and major tasks of staff for the Building Department.

Unit / Division	Curr.	Auth.	Position	Description
Administration	1	1	Director	- Provides oversight and direction to staff of the Division. - Actively participates in the day-to-day operational oversight of the division ensuring continuous operations of the Building Department.

Unit / Division	Curr.	Auth.	Position	Description
Plan Check	1	1	Building Official	Building Official provides oversight of all Building related operations of the Department and is responsible for administration of both plan check and inspection activities, including the resolution of issues.
	0	1	Plan Review Manager	Plan Review Manager serves as the Supervisor of unit and is responsible for the day to day administration of the unit. Also conducts plan check functions for major projects.
	1	1	Senior Plan Check Engineer	Senior Plan Check Engineer is responsible for conducting plan check on complex projects and providing support to Plan Checkers.
	1	4	Plan Check Engineer	Conduct plan check functions for the City related to all building applications and permits.
	1	1	Plan Checker	- Plan Checkers reviews over the counter permits for customers and issues permits in conjunction with permit technicians. - Works with inspectors to resolve design / inspection issues in the field.
	1	2	Permit Technician	- Permit Technicians are responsible for the intake of all building applications, inputting information into the software system and responsible for the routing of plans to all reviewers. Assist in the issuance of permits. - Office Specialist / Assistants serve as receptionist for City Hall and the Building Department, they may also input new applications into the software system. Assist customers with answering review related questions and calculate fees associated with application review and permit issuances.
	1	0	Permit Technician – Contract	
	1	1	Office Specialist	
	1	1	Office Assistant II	
Inspections	1	1	Inspection Manager	Manager oversees the administrative functions and ensures the day-to-day operations of the unit. Assists in the resolution of issues in the field and supports permit counter staff for inspection related inquiries.
	2	2	Senior Building Inspector	Responsible for conducting all building inspections related to construction within the City.
	1	1	Electrical / Building Inspector	Seniors serve as leads for inspection teams and are responsible for the assignment of workload among all inspectors.
	5	9	Building Inspector	Inspectors conduct field inspections for building permits.

Unit / Division	Curr.	Auth.	Position	Description
	2	3	Building Inspector (Temporary)	- Inspectors assist with counter inquiries. - Temporary inspectors perform the same duties as Building Inspectors, while classified as temporary they are full time inspectors.
	0	3	Apprentice	Apprentice are newly hired individuals who are receiving on the job training and obtaining inspector certifications with the intent of becoming Temporary Building Inspectors.

3 EXPENDITURES AND REVENUE

The project team also collected information regarding expenditures and revenue for the Building Department. The following table shows for the past three fiscal years and the current year, the expenses and revenues associated with the Building Department broken out by major cost category and revenue type:

Category	FY16	FY17	FY18	FY19 Adopted
Personnel Services	\$2,797,979	\$3,180,751	\$4,847,474	\$5,213,095
Supplies & Contractual	\$95,914	\$160,935	\$191,088	\$172,196
TOTAL BUILDING EXPENSES	\$2,893,893	\$3,341,686	\$5,038,562	\$5,385,291
Building Permits & Plan Check	\$5,871,202	\$7,545,221	\$9,981,598	\$7,199,714
Building Service Charges	\$2,182	\$3,676	\$2,566	\$1,500
PJ Overhead Charges - Building	\$941	\$1,921	\$1,740	\$0
PJ Labor Reimbursement - Bldg	\$4,609	\$977	\$806	\$0
Building State Mandated Fee	\$11,918	\$20,599	\$11,835	\$15,000
Records Retention Bldg	\$63,540	\$99,247	\$94,575	\$75,000
TOTAL BUILDING REVENUE	\$5,954,392	\$7,671,641	\$10,093,120	\$7,291,214
NET BUILDING COSTS	\$3,060,499	\$4,329,955	\$5,054,558	\$1,905,923
BUILDING COST RECOVERY %	206%	230%	200%	135%

As the table indicates, the Building Department has significant net costs on an annual basis from a high of \$5.0 million in FY18 to a projected low surplus of \$1.9 million in FY19. However, it is important to note that it is expected for Building Departments to generate higher revenue than costs, as the revenue collected is meant to cover the cost of plan review and permits for future years as well as the current year. The Building Department's costs have increased significantly and this is due to an increase in staffing levels.

4 WORKLOAD

The Building Department provided data regarding the types and number of permits and applications processed. The following table shows by major category of development activity the number of permits processed for the last three fiscal years.

Development Project Type	FY16 # of Permits	FY17 # of Permits	FY18 # of Permits
Buildings greater than 50,000 sq. ft.	14	23	13
Commercial New Buildings / Additions less than 50,000 sq. ft.	47	149	26
Commercial Tenant Improvement less than 50,000 sq. ft.	93	107	108
Commercial Alteration and Miscellaneous	223	288	270
Single Family Residential New Building	106	34	7
Other permit types (MEP, Small Projects, etc.)	4,068	4,391	4,554
TOTAL PERMITS	4,551	4,992	4,978

As the table indicates, the number of permits have been between 4,500 to 5,000 permits annually. The largest number and volume of permits is the standalone or unique permits. However, in FY17 there was a significant bump in projects or buildings greater than 50,000 sq. ft. This was primarily due to the Building Code change and update that year, which resulted in updated rules and regulations for permit compliance and conformance.

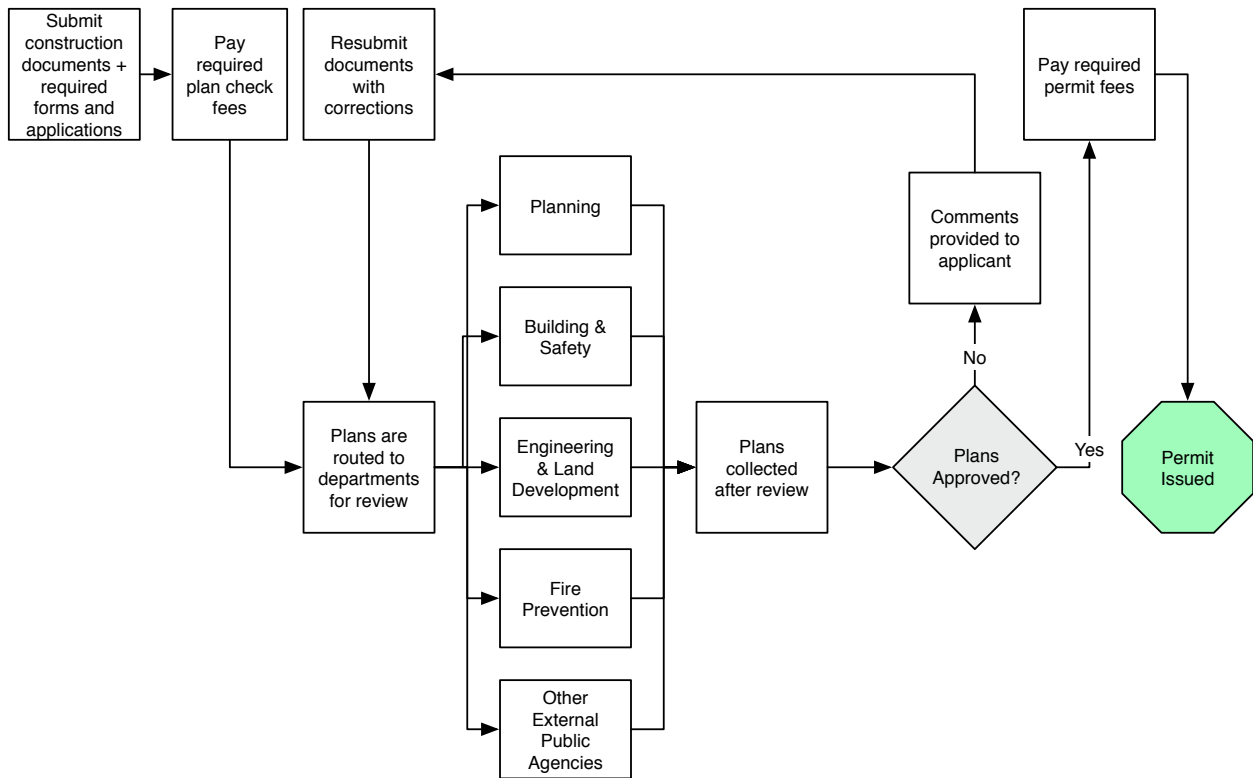
The project team also collected information such as the number of plan reviews conducted and inspections conducted. The following table shows the number of plan checks submitted and the number of inspections completed.

Category	FY16	FY17	FY18
Plan Checks submitted	1,330	1,655	1,473
Inspections completed	17,221	18,235	25,530

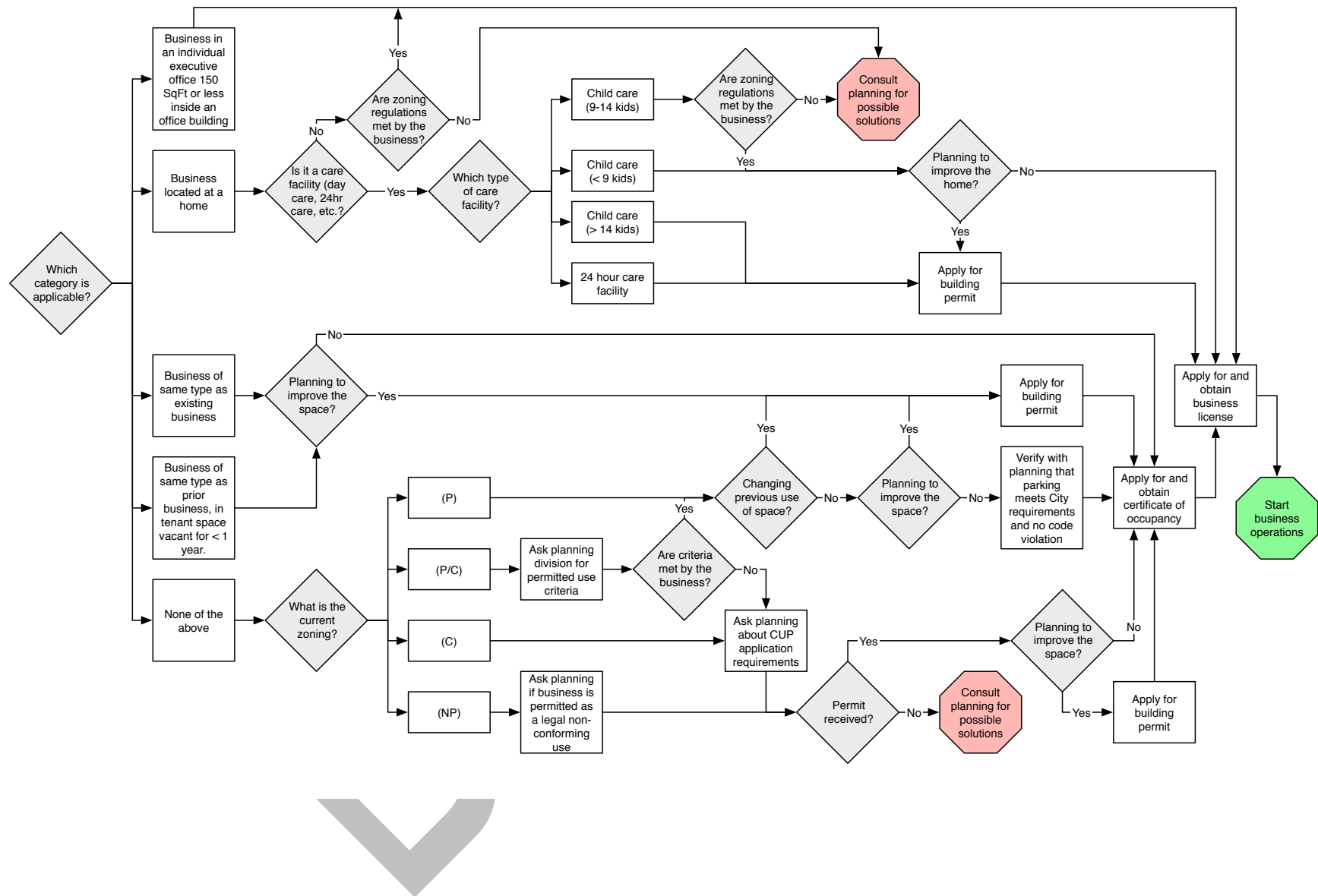
As the table indicates, the activity for Plan checks initially increased between FY16 and FY17, but declined in FY18. However, the inspection activity has increased consistently each year. Between FY16 and FY18 the number of inspections completed increased by approximately 48%.

5 BUILDING WORKFLOW

Based upon interviews with staff and existing workflows for the Department, the project team developed the following Building Workflow.



As the flowchart indicates Building is not the only department involved in the review of building plans. Once the Building plans are reviewed and approved, the Building Permit fees are collected and building permit issued. However, upon permit issuance is when all the different inspections to ensure compliance commence, prior to issuance of the Certificate of Occupancy. The following flowchart provides a more detailed overview of the entire process.

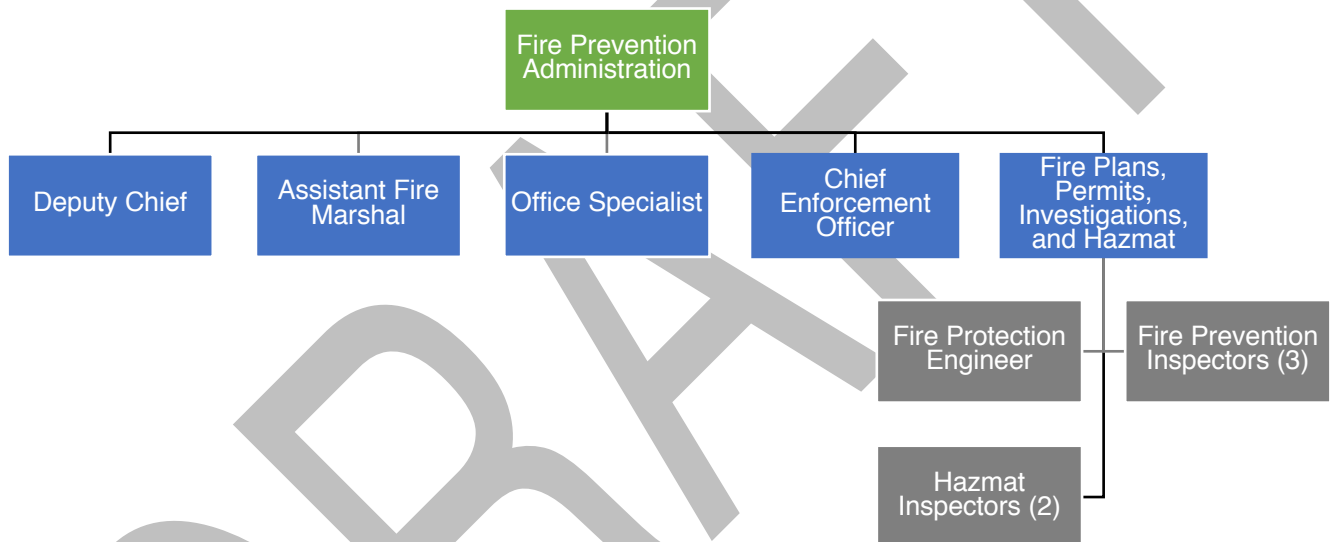


4. Fire Department

The Fire Department is responsible for enforcement of the fire code along with ensuring life safety components for all construction activities within the City. Additionally, they are responsible for the permitting and inspection of hazardous materials. These services are found under the Fire Prevention division within the Fire Department.

1 ORGANIZATIONAL STRUCTURE

The following chart outlines the organization of the Fire Prevention division.



2 STAFFING

The following table provides the personnel and major tasks of staff for functional areas within Fire Prevention.

Unit / Division	Curr.	Auth.	Position	Description
Administration	1	1	Deputy Chief	- Provides administrative and day-to-day oversight of the Fire Prevention Division. - Supports the Deputy Chief in their duties, and serves in their absence.
	1	1	Assistant Fire Marshal	- Coordinates the plan review and inspection process. - Conducts plan review for all development applications.

Unit / Division	Curr.	Auth.	Position	Description
	1	1	Chief Enforcement Officer	Enforcement Officer is task with conducting inspections, investigation, and enforcement issues related to the adopted fire code. Has the ability to cite for violations. Performs compliance checks for projects under construction and finished projects.
	1	1	Office Specialist	Office Specialist provides administrative support to the Unit and is responsible for scheduling fire inspection requests.
Fire Plans & Permits	0	1	Fire Protection Engineer	Serves as the primary plan checker for fire prevention, suppression, and fire alarm applications for the City.
Inspections & Investigations	3	3	Fire Prevention Inspector	Responsible for conducting fire prevention inspections for facilities under construction. Additionally, conduct annual fire related inspections.
HazMat	2	2	HazMat Inspector	Conduct plan review for hazardous material applications. Conducts inspections during the construction process and as required by law thereafter.

3 EXPENDITURES AND REVENUE

The project team also collected information regarding expenditures and revenue for the Fire Prevention Division. The following table shows for the past three fiscal years and the current year, the expenses and revenues associated with the Fire Prevention Division broken out by major cost category and revenue type:

Category	FY16	FY17	FY18	FY19 Adopted
Personnel Services	\$1,826,311	\$1,770,140	\$2,465,352	\$2,762,911
Supplies & Contractual	\$80,324	\$60,902	\$124,478	\$95,331
TOTAL FIRE PREVENTION EXPENSES	\$1,906,635	\$1,831,042	\$2,589,830	\$2,858,242
Fire Permits (includes Hazardous Materials)	\$1,264,284	\$1,793,371	\$1,743,708	\$1,915,000
Life Safety Annual Permits	\$301,963	\$291,477	\$286,929	\$455,000
Fire Inspections	\$110,454	\$126,608	\$226,254	\$212,000
PJ Overhead Charges - Fire	\$21,391	\$13,545	\$10,605	\$10,000
PJ Labor Reimbursement - Fire	\$13,258	\$7,695	\$5,722	\$5,000
Unwanted Alarms - Fire	\$45,300	\$31,200	\$31,500	\$40,000
Fire Enforcement	\$0	\$0	\$7,941	\$0
Sale of Maps & Documents - Fire	\$15	\$6	\$30	\$0
Fire Electronic Archive	\$9,325	\$11,332	\$12,800	\$10,000
Fire GIS Mapping	\$164	\$0	\$0	\$0
Fire Automation Fee	\$21,912	\$22,381	\$22,102	\$22,000
TOTAL FIRE PREVENTION REVENUE	\$1,788,066	\$2,297,615	\$2,347,591	\$2,669,000
NET FIRE PREVENTION COSTS	(\$118,569)	\$466,573	(\$242,239)	(\$189,242)
FIRE PREVENTION COST RECOVERY %	94%	125%	91%	93%

As the table indicates the Fire Prevention Division's costs have increased significantly between FY17 and FY18 due to staffing increases. Overall, the Fire Prevention division generally is showing a deficit, with a surplus in FY17. The amount of the deficit varies from a low of \$119,000 to a high of \$242,000. The department is recovering between 91% to 94% of its costs.

4 WORKLOAD

Workload information was requested by the project team for the Fire Prevention Division. The following table shows the number of permits by type for the past three fiscal years:

Permit Type	FY16 # of Permits	FY17 # of Permits	FY18 # of Permits
Building Construction Permits	409	497	343
Building Occupancy Permits	217	237	262
Planning Use Permits	16	7	8
Fire Permits	704	930	956
TOTAL PERMITS	1,346	1,671	1,569

As the table above indicates, the workload for the Fire Prevention division has increased over the past three fiscal years, with the biggest workload increase in relation to Fire permits, which covers Fire Code permits and Hazardous material permits.

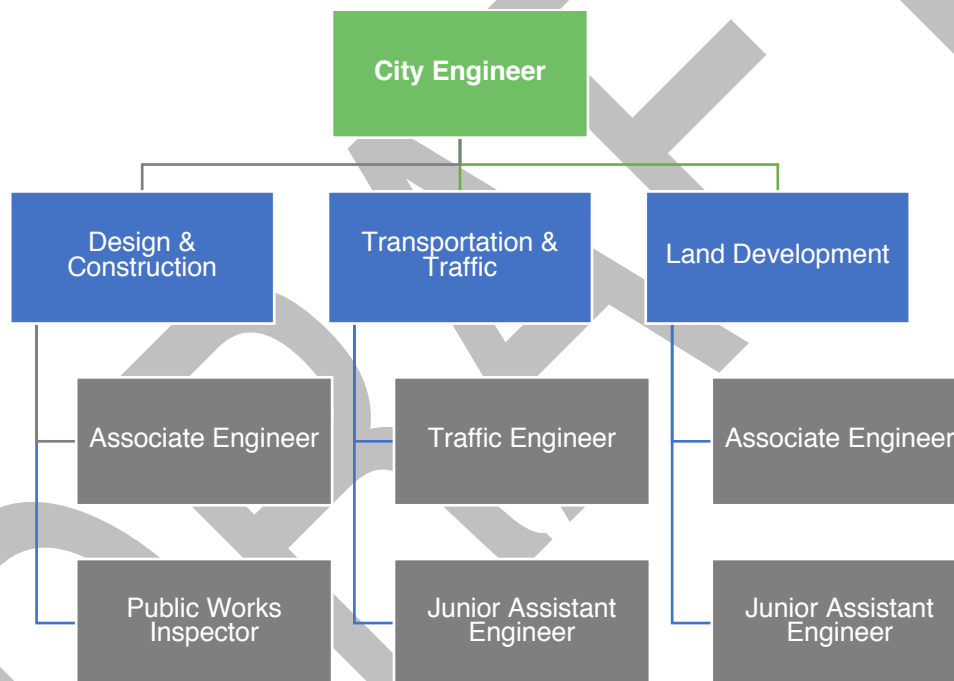
The Fire Prevention Division is also responsible for conducting annual Fire business inspections. On average, the Division is responsible for inspecting approximately 1,011 businesses annually.

5. Engineering

Engineering is responsible for the review and permitting of private land development within the City. Responsibilities include review of traffic impact and transportation analysis for new development projects, management of the national flood insurance program, municipal storm water program, issuance of encroachment permits, and construction inspections of capital improvements for private development projects.

1 ORGANIZATIONAL STRUCTURE

The following chart outlines the positions that are responsible for development review and permitting functions within Engineering and their respective functional groups.



2 STAFFING

The following table provides the personnel and major tasks of staff tasked with development review and permitting activities within Engineering.

Unit / Division	Curr.	Auth.	Position	Description
Traffic Engineering	1	1	Traffic Engineer	Direct and manage the traffic priorities for the City.
	1	1	Associate Civil Engineer	Review development plans for existing and proposed traffic control signs and signs.

Unit / Division	Curr.	Auth.	Position	Description
Land Development	1	1	Junior / Asst. Civil Engineer	• Coordinate with Public Works and Land Development regarding design of development projects and impact on roadways.
	1	1	Principal Civil Engineer	Responsible for the review all development applications for compliance with civil and site development regulations.
	3	3	Associate Engineer	
	2	2	Junior Engineer	• Junior Engineer works with Supervising Principal Engineer on review of projects, conducts basic and functional review of development projects, and coordinates with inspection staff.
	1	1	Engineer Aide	• Conducts basic and functional review of development projects, and coordinates with inspection staff.
	2	1	Administrative Analyst	
	1	1	Sr. Public Works Inspector	• Responsible for private development infrastructure inspections that are in the City's right-of-way or connects to the City's utility network.
	2	2	Public Works Inspector	
	1	1	Temp. PW Inspector	• Inspections are billed to PJ accounts for land development.
			Public Works Inspector	

3 EXPENDITURES AND REVENUE

The project team also collected information regarding expenditures and revenue for the Engineering Department. The following table shows for the past three fiscal years and the current year, the expenses and revenues associated with Engineering broken out by major cost category and revenue type:

Category	FY16	FY17	FY18	FY19 Adopted
Personnel Services	\$2,724,544	\$2,492,434	\$2,911,337	\$3,710,009
Supplies & Contractual	\$3,865,697	\$3,463,237	\$1,325,281	\$874,044
TOTAL ENGINEERING EXPENSES	\$6,590,241	\$5,955,671	\$4,236,618	\$4,584,053
PJ Overhead Charges - PW / E	\$646,615	\$504,879	\$976,091	\$1,042,000
PJ Labor Reimbursement - PW / E	\$272,721	\$176,707	\$350,800	\$700,000
PJ Vendor Reimbursement - PW / E	\$902,005	\$880,073	\$45,000	\$300,000
Engineering Plan Check Fee	\$2,440	\$15,264	\$2,000	\$2,000
Sale of Maps and Doc - PW / Eng.	\$4,049	\$3,864	\$2,000	\$2,000
Rent, Lease, & Concession - PW / Eng.	\$28,000	\$28,000	\$25,000	\$25,500
Encroachment	\$4,950	-\$11,383	\$15,000	\$15,000
TOTAL ENGINEERING REVENUE	\$1,860,780	\$1,597,404	\$1,415,891	\$2,086,500
NET ENGINEERING COSTS	(\$4,729,461)	(\$4,358,267)	(\$2,820,727)	(\$2,497,553)
ENGINEERING COST RECOVERY %	28%	27%	33%	46%

As the table indicates, Engineering costs have declined, which is due to reimbursements from CIP. The net costs for the Department have declined due to lowering costs and increased revenue, which has resulted in increased cost recovery for the Department.

4 WORKLOAD

The following table shows some basic workload information and performance measures for the Engineering Division for the last three years.

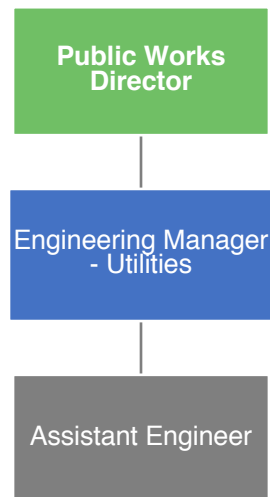
Performance Measures	Actual 2015-16	Actual 2016-17	Projected 2017-18	Estimated 2018-19
Review first submittals of private development plans within 20 working days	85%	25%	35%	75%
Encroachment Permits Processed	178	158	203	225
Development Improvement Agreements prepared for Council	6	10	9	10

6. Public Works

The Public Works Department is responsible for a variety of functions, including: maintenance, traffic signals, facilities, fleet services, and utilities. In the context of development services, the Public Works department reviews projects that have an impact on the utility infrastructure for the City.

1 ORGANIZATIONAL STRUCTURE

The following chart outlines the positions that are responsible for development review and permitting functions within Public Works and their respective functional groups.



2 STAFFING

The following table provides the personnel and major tasks of staff tasked with development review and permitting activities within Public Works.

Unit / Division	Curr.	Auth.	Position	Description
Utilities Engineering	1	1	Engineering – Manager Utilities	Engineering Manager is responsible for conducting complicated development reviews and ensuring compliance with regulatory standards.
	3	3	Assistant Engineer	Assistant Engineer conducts all basic development reviews for projects that impact utilities as well as provide comments regarding the requirements for any utility mitigation plans – Storm water, Water, Sewer, Trash, etc.

3 EXPENDITURES AND REVENUE

The project team also collected information regarding expenditures and revenue for the Utilities Engineering Section. The following table shows for the past three fiscal years and the current year, the expenses and revenues associated with Utilities Engineering broken out by major cost category and revenue type:

Category	FY16	FY17	FY18	FY19 Adopted
Personnel Services	\$0	\$0	\$1,382,945	\$1,165,981
Supplies & Contractual	\$0	\$0	\$762,350	\$769,523
TOTAL UTILITIES ENGINEERING EXPENSES	\$0	\$0	\$2,145,295	\$1,935,504
Public Works Cost Recovery	\$19,692	\$103,116	\$20,000	\$20,000
TOTAL UTILITIES ENGINEERING REVENUE	\$19,692	\$103,116	\$20,000	\$20,000

Category	FY16	FY17	FY18	FY19 Adopted
NET UTILITIES ENGINEERING COSTS	\$19,692	\$103,116	(\$2,125,295)	(\$1,915,504)
UTILITIES ENGINEERING COST RECOVERY %	0%	0%	1%	1%

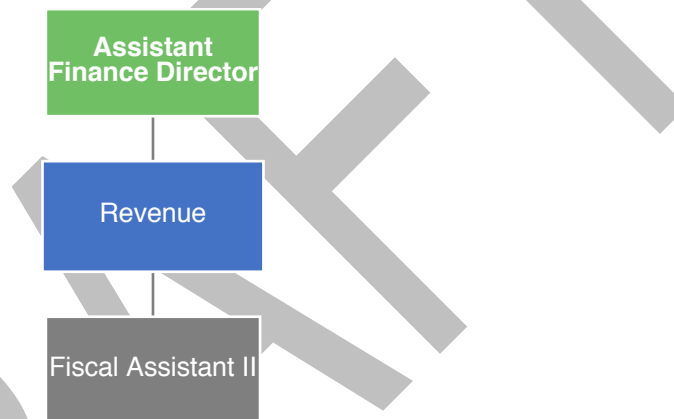
As the table indicates, the Utilities Engineering Division is a new division; however, its budgeted revenues as compared to its expenditures are resulting in a deficit. It is important to note that the entire budget for the Utilities Engineering division should not be offset from development fee revenue as there are other functions of that division.

7. Finance

The City's Finance Department consists of a variety of divisions and services, including: accounting, budget, purchasing, and administration. The City's Accounting Division is closely involved in the Development review process, as that division is responsible for reviewing and processing the Private Job (PJ) accounts.

1 ORGANIZATIONAL STRUCTURE

The following chart provides the reporting structure and functional location of the two positions involved in the PJ accounts process.



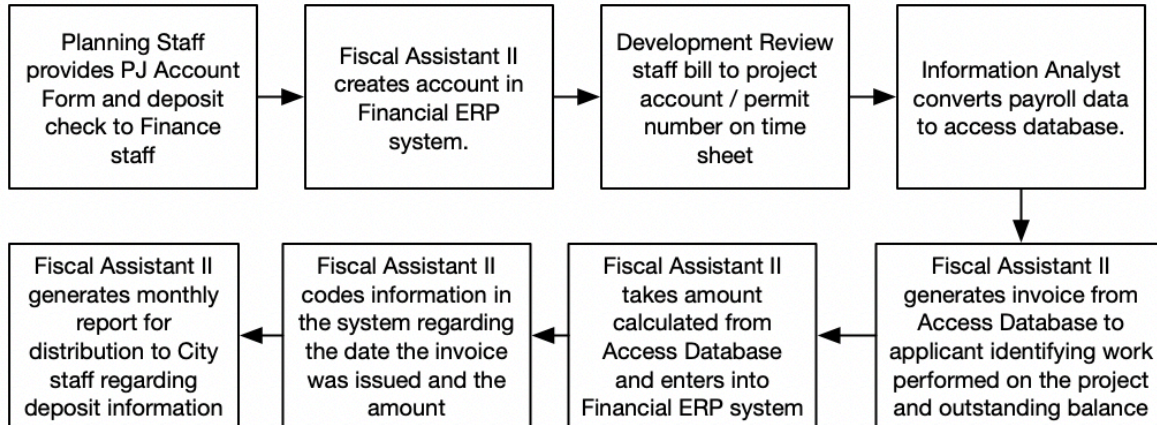
2 STAFFING

The following table provides the personnel and major tasks of staff tasked with development review activities within Finance.

Unit / Division	Curr.	Auth.	Position	Description
Administration	1	1	Assistant Finance Director	Oversees and manages the PJ account process including reviewing outstanding invoices and working with staff in Development services to review those accounts.
Revenue	1	1	Fiscal Assistant II	Fiscal Assistant II is the primary position responsible for inputting, tracking, and issuing invoices associated with deposit-related services.

3 FINANCE DEPOSIT ACCOUNT PROCESS

The project team met with staff in the Finance department to discuss the PJ account process and identify the steps involved in processing deposits. The following graphic shows the workflow for PJ accounts.



As the process indicates, there are two main systems that are utilized by the Finance staff – Access Database and Finance ERP system.

8. Local Ordinances and Statues

The following table summarizes the key statutes, ordinances, and regulations enforced by the various development review divisions as part of the discretionary land use entitlement and building review and permitting process.

Statute, Ordinance, or Regulation (Local Only)	Department(s) Utilizing	Issues Regulated
Title II Building Regulations	Building Department and Fire	All building regulations including: permitting, solar, demolition, commercial and residential building codes, mechanical, electrical, plumbing, fence, pools / spas, energy code, grading, excavation, and erosion, green building, historical structures, and various other building related issues.
Title VIII Public Works	Public Works and Engineering	Public utilities (water and waste water), backflow regulations, water conservation and landscaping.
Title X Streets and Sidewalks	Public Works and Engineering	Regulation of infrastructure in the public right-of-way.
Title XI Zoning, Planning, and Annexation	Planning, Public Works, and Engineering	Land use regulations, including zoning, land subdivision, private and public improvements, storm water, and floodplain.
Title V – Public Health, Safety, and Welfare	Fire Department	Chapter 300 – State adopted fire code and locally adopted amendments. Chapter 301-303 – Hazardous material permitting, inspection, removal, and remediation.

It should be noted that a variety of regional, state, and federal standards also apply to the development review and permitting process. Due to the large volume of individual regulations, these regulations will not be listed as part of this document.

Report on the Development Review Cost of Services (User Fee) Study

CITY OF MILPITAS, CALIFORNIA



April 2019

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1. Introduction and Executive Summary

This report presents the **draft** results of the Cost of Services (User Fee) Study conducted by the Matrix Consulting Group for the City of Milpitas as it relates to their Development Review functions.

1 PROJECT BACKGROUND AND SCOPE OF WORK

The Matrix Consulting Group was retained by the City of Milpitas to assess the organizational structure, staffing levels, service delivery, and user fees related to the development review, permitting, and inspection process. The study was designed to provide an understanding of these operation and potential opportunities for improvement. The results of the organizational review and analysis have been provided under separate cover to the City.

Development review, permitting, and inspection activities for the City of Milpitas occur in multiple city departments including: Planning, Building, Fire, Engineering (Land Development and Traffic), and Public Works (Utilities Engineering). The project team worked with staff in those departments to analyze the cost of service relationships that exist between fees for service activities.

The results of this Study provide a tool for understanding current service levels, the cost and demand for those services, and what fees for service can and should be charged. Implementation of these results will allow the City to align streamlined processes with fees that accurately account for the services provided, and provide applicants with a reliable and more predictable schedule of fees.

2 GENERAL PROJECT APPROACH AND METHODOLOGY

The methodology employed by the Matrix Consulting Group is a widely accepted “bottom up” approach to cost analysis, where time spent per unit of fee activity is determined for each position within a Department or Division. Once time spent for a fee activity is determined, all applicable City costs are then considered in the calculation of the “full” cost of providing each service. The following table provides an overview of the cost components used to establish the “full” cost of providing services included in this Study:

Table 1: Cost Components Overview

Cost Component	Description
Direct	Fiscal Year 2018/19 Budgeted salaries, benefits and allowable expenditures.

Cost Component	Description
Indirect	Division, departmental administration / management and clerical support. Citywide overhead costs were also included from the City's most recent version of the Cost Allocation Plan.

Together, the cost components in the table above comprise the calculation of the total “full” cost of providing any particular service, regardless of whether a fee for that service is charged.

The work accomplished by the Matrix Consulting Group in the analysis of the proposed fees for service involved the following steps:

- **Staff Interviews:** The project team interviewed City staff from different departments regarding their need for clarification to the structure of existing fee items, or for addition of new fee items.
- **Stakeholder Interviews:** The project team held several stakeholder meetings to interview members of the City's Community Development Roundtable, and provide others in the community to provide input regarding the City's current processes as it relates to fees.
- **Data Collection:** Data was collected for each permit / service, including time estimates. In addition, all budgeted costs and staffing levels for Fiscal Year 18/19 were entered into the Matrix Consulting Group's analytical model.
- **Cost Analysis:** The full cost of providing each service included in the analysis was established.
- **Review and Consensus of Results with City Staff:** Department and City management have reviewed and reached consensus regarding these documented results.

A more detailed description of user fee methodology, as well as legal and policy considerations are provided in subsequent chapters of this report.

3 SUMMARY OF RESULTS

When comparing FY 18-19 fee-related budgeted expenditures with fee-related revenue generated in Fiscal FY 17-18 the City is under-recovering its costs for development review activities by approximately \$2.0 million and recovering about 81% of its fee-related costs annually. The following table outlines these results on a departmental basis:

Table 2: Departmental Cost Recovery Based on Fee-Related Revenue & Expenditures

Department	Revenue at Current Fee	Total Annual Cost	Annual Surplus / (Deficit)	Cost Recovery %
Building	\$5,034,660	\$6,348,836	(\$1,314,176)	79%
Engineering (Land Dev.)	\$1,381,091	\$1,400,689	(\$19,598)	99%
Fire Prevention	\$2,104,851	\$2,500,347	(\$395,496)	84%
Planning	\$343,763	\$667,262	(\$323,499)	52%
TOTAL	\$8,864,365	\$10,917,134	(\$2,052,769)	81%

If the City were able to charge full cost for all of its services it would be able to recover approximately \$2.0 million in additional revenue. The primary source of this deficit is Building Fees associated with standalone permits. The detailed documentation of the Study will show an over-collection for certain fees (on a per unit basis), and an undercharge for others. Overall, the City is providing an annual subsidy to fee payers for fee-related services included in this analysis.

The display of the cost recovery figures shown in this report are meant to provide a basis for policy development discussions among Council members and City staff, and do not represent a recommendation for where or how the Council should act. The setting of the “rate” or “price” for services, whether at 100 percent full cost recovery or lower, is a policy decision to be made only by the Council, often with input from City staff and the community.

4 CONSIDERATIONS FOR COST RECOVERY POLICY AND UPDATES

The Matrix Consulting Group recommends that the City use the information contained in this report to discuss, adopt, and implement a formal Cost Recovery Policy, and a mechanism for the annual update of fees for service.

1 Adopt a Formal Cost Recovery Policy

While the City already has a formalized policy as part of its ordinance (Refer to Table 38 of this report), the Matrix Consulting Group strongly recommends that the City amend the ordinance to reference an internal policy document. The internal policy document should represent cost recovery levels for each department included in this Study. This will enable City staff and Council to make amendments and changes to the policy document depending upon development climate and affordability. Whenever a cost recovery policy is established at less than 100% of the full cost of providing services, a known gap in funding is recognized and must be recovered through other revenue sources and / or general fund subsidy. The Matrix Consulting Group considers a formalized cost recovery policy for various fees for service an industry Best Management Practice.

2 Adopt an Annual Fee Update / Increase Mechanism

The purpose of a comprehensive update is to completely revisit the analytical structure, service level estimates and assumptions applied in previous studies, and to account for any major shifts in cost components or organizational structures. The Matrix Consulting Group believes it is a best management practice to perform a complete update of a Fee Assessment every 3 to 5 years. In between comprehensive updates, the City could utilize published industry economic factors such as CPI or other regional factors to update the cost calculations established in the Study on an annual basis. The City could also consider the use of its own anticipated labor cost increases such as step increases, benefit enhancements, or cost of living raises. Utilizing an annual increase mechanism would ensure that the City receives appropriate fee and revenue increases that reflect growth in costs.

2. Legal Framework and Policy Considerations

A “user fee” is a charge for service provided by a governmental agency to a public citizen, customer, or group. In California, several constitutional laws such as Propositions 13, 4, and 218, State Government Codes 66014 and 66016, and more recently Prop 26 and the Attorney General’s Opinion 92-506 set the parameters under which the user fees typically administered by local government are established and administered. Specifically, California State Law, Government Code 66014(a), stipulates that user fees charged by local agencies “...may not exceed the estimated reasonable cost of providing the service for which the fee is charged”.

1 GENERAL PRINCIPLES AND PHILOSOPHIES REGARDING USER FEES

Local governments are providers of many types of general services to their communities. While all services provided by local government are beneficial to constituents, some services can be classified as globally beneficial to all citizens, while others provide more of a direct benefit to a specific group or individual. The following table provides examples of services provided by local government within a continuum of the degree of community benefit received:

Table 3: Services in Relation to Benefit Received

“Global” Community Benefit	“Global” Benefit and an Individual or Group Benefit	Individual or Group Benefit
• Police • Park Maintenance	• Recreation / Community Services • Fire Suppression / Prevention	• Building Permits • Planning and Zoning Approval • Site Plan Review • CUPA • Facility Rentals

Funding for local government is obtained from a myriad of revenue sources such as taxes, fines, grants, special charges, user fees, etc. In recent years, alternative tax revenues, which typically offset subsidies for services provided to the community, have become increasingly limited. These limitations have caused increased attention on user fee activities as a revenue source that can offset costs otherwise subsidized (usually) by the general fund. In Table 3, services in the “global benefit” section tend to be funded primarily through voter approved tax revenues. In the middle column of the table, one typically finds a mixture of taxes, user fee, and other funding sources. Finally, in the “individual / group benefit” section of the table, lie the services provided by local government that are typically funded almost entirely by user fee revenue.

The following are two central concepts regarding the establishment of user fees:

- **Fees should be assessed according to the degree of individual or private benefit gained from services.** For example, the processing and approval of a land use or building permit will generally result in monetary gain or benefit only to the applicant, whereas Police services and Fire Suppression are examples of services that are essential to the safety of the community at large.
- **A profit-making objective should not be included in the assessment of user fees.** In fact, California laws require that the charges for service be in direct proportion to the costs associated with providing those services. Once a charge for service is assessed at a level higher than the actual cost of providing a service, the term “user fee” no longer applies. The charge then becomes a tax subject to voter approval.

Therefore, it is commonly accepted that user fees are established at a level that will recover up to, and not more than, the actual fully loaded cost of providing a particular service.

2 GENERAL POLICY CONSIDERATIONS REGARDING USER FEES

Undoubtedly, there are programs, circumstances, and services that justify a subsidy from a tax based or alternative revenue source. However, it is essential that jurisdictions prioritize the use of revenue sources for the provision of services based on the continuum of benefit received.

Within the services that are typically funded by user fees, the Matrix Consulting Group recognizes several reasons why City staff may not advocate the full cost recovery of particular services. The following factors are key policy considerations in setting fees at less than 100 percent of cost recovery:

- **Limitations posed by an external agency.** The State or an outside agency will occasionally set a maximum, minimum, or limit the jurisdiction’s ability to charge a fee at all. Examples include the Transportation Permits in Public Works, as well as Public Records Requests for charging for time spent copying and retrieving public documents in the City’s Administrative office.
- **Encouragement of desired behaviors.** Keeping fees for certain services below full cost recovery may provide increased compliance from the community. For example, if the cost of a permit for a water heater is greater than the actual cost of purchasing a water heater, it might discourage residents from pulling permits.
- **Effect on demand for a particular service.** Sometimes raising the “price” charged for services might reduce the number of participants in a program. This is

largely the case in Parks and Recreation Programs, such as camps and classes, where participants may compare the City's fees to surrounding jurisdictions or other options for support activities.

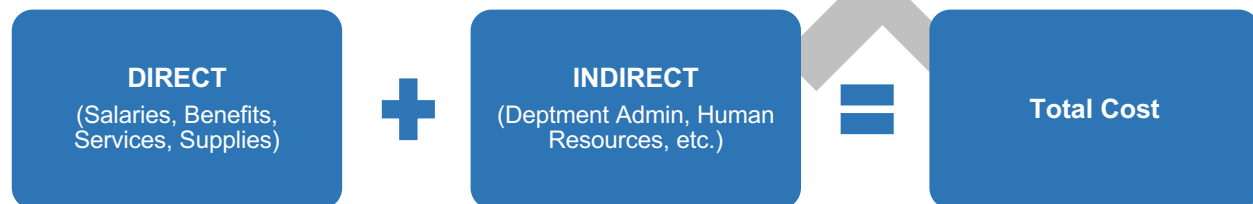
- **Benefit received by user of the service and the community at large is mutual.** Many services that directly benefit a group or individual equally benefit the community as a whole. Examples include community event booth inspections, multi-family housing inspections with affordable housing component.

The Matrix Consulting Group recognizes the need for policies that intentionally subsidize certain activities. The primary goals of a User Fee Study are to provide a fair and equitable basis for determining the costs of providing services, and assure that the City complies with State law.

Once the full cost of providing services is known, the next step is to determine the "rate" or "price" for services at a level which is up to, and not more than the full cost amount. The City Council is responsible for this decision, which often becomes a question of balancing service levels and funding sources. The placement of a service or activity within the continuum of benefit received may require extensive discussion and at times fall into a "grey area". However, with the resulting cost of services information from a User Fee Study, the City Council can be assured that the adopted fee for service is reasonable, fair, and legal.

3. User Fee Study Methodology

The Matrix Consulting Group utilizes a cost allocation methodology commonly known and accepted as the “bottom-up” approach to establishing User Fees. The term means that several cost components are calculated for each fee or service. These components then build upon each other to comprise the total cost for providing the service. The following chart describes the components of a full cost calculation:



The general steps utilized by the project team to determine allocations of cost components to a particular fee or service are:

- Calculate fully burdened hourly rates by position, including direct & indirect costs;
- Develop time estimates for each service included in the study; and
- Distribute the appropriate amount of other cost components to each fee or service based on the staff time allocation basis, or another reasonable basis.

The results of these allocations provide detailed documentation for the reasonable estimate of the actual cost of providing each service. The following sections highlight critical points about the use of time estimates and the validity of the analytical model.

1 TIME ESTIMATES ARE A MEASURE OF SERVICE LEVELS REQUIRED TO PERFORM A PARTICULAR SERVICE

One of the key study assumptions utilized in the “bottom up” approach is the use of time estimates for the provision of each fee related service. Utilization of time estimates is a reasonable and defensible approach, especially since experienced staff members who understand service levels and processes unique to the City developed these estimates.

The project team worked closely with City staff in developing time estimates with the following criteria:

- Estimates are representative of average times for providing services. Estimates for extremely difficult or abnormally simple projects are not factored into this analysis.

- Estimates reflect the time associated with the position or positions that typically perform a service.
- Estimates provided by staff are reviewed and approved by the division / department, and often involve multiple iterations before each final time estimate is finalized and used in the Fee Study.
- Estimates are reviewed by the project team for “reasonableness” against their experience with other agencies.
- Estimates were not based on time in motion studies, as they are not practical for the scope of services and time frame for this project.

The Matrix Consulting Group acknowledges that while the use of time estimates is not perfect, it is the best alternative available for setting a standard level of effort on which to base a jurisdiction’s fees for service, and this approach meets and is consistent with the requirements of California law.

The alternative to time estimating is actual time tracking, often referred to billing on a “time and materials” basis. Except in the case of anomalous or sometimes very large and complex projects, the Matrix Consulting Group believes this approach to not be cost effective or reasonable for the following reasons:

- Accuracy in time tracking is compromised by the additional administrative burden required to track, bill, and collect for services in this manner.
- Additional costs are associated with administrative staff’s billing, refunding, and monitoring deposit accounts.
- Customers often prefer to know the fees for services in advance of applying for permits or participating in programs.
- Applicants may request assignment of less expensive personnel to their project.
- Departments can better predict revenue streams and staff needs using standardized time estimates and anticipated permit volumes.

Situations arise where the size and complexity of a given project warrants time tracking and billing on a “time and materials” basis. The Matrix Consulting Group has recommended taking a deposit and charging actual costs for such fees as appropriate and these will be discussed further in subsequent chapters.

2 CROSS CHECKS ENSURE THE VALIDITY OF OUR ANALYTICAL MODEL

In addition to the collection of time estimate data for each fee or service included in the User Fee Study, annual volume of activity data assumptions is also a critical component. By collecting data on the estimated volume of activity for each fee or service, a number of analyses are performed which not only provide useful information regarding allocation of staff resources, but also provide valuable cross checks that ensure the validity of each model. This includes assurance that 100% of staff resources are accounted for and allocated to a fee for service, or “other non-fee” related categories. Since there are no objectives to make a profit in establishing user fees, it is very important to ensure that services are not estimated at a level that exceeds budgeted resource capacity. By accounting for not more than 100% of staff resources, no more than 100% of costs will be allocated through the study.

4. Results Overview

The motivation behind a cost of services (user fee) analysis is for the City Council and departmental staff to maintain services at a level that is both accepted by and effective for the community, and also to maintain control over the policy and management of these services.

It should be noted that the results presented in this report are not a precise measurement. In general, a cost of service analysis takes a “snapshot in time”, where a fiscal year of adopted budgeted cost information is compared to the same fiscal year of revenue, and workload data available. Changes to the structure of fee names, along with the use of time estimates allow only for a reasonable projection of subsidies and revenue. Consequently, the City Council and department staff should rely conservatively upon these estimates to gauge the impact of implementation going forward.

Discussion of results in the following chapters is intended as a summary of extensive and voluminous cost allocation documentation produced during the study. Each chapter will include detailed cost calculation results for each major permit category including the following:

- **Modifications or Issues:** discussions regarding any revisions to the current fee schedule, including elimination or addition of fees.
- **“Per Unit” Results:** comparison of the full cost of providing each unit of service to the current fee for each unit of service (where applicable).
- **Annualized Results:** utilizing volume of activity estimates annual subsidies and revenue impacts were projected.
- **Jurisdictional Comparison:** a brief comparison of current permits and services with other local jurisdictions.

The full analytical results were provided to City staff under separate cover from this summary report.

5. Building

The Building and Housing Department in the City of Milpitas is responsible for enforcing the City's building's codes as well as reviewing construction plans, providing inspections, and processing permits. The Housing and Code Enforcement functions of the Department are minimally involved with the Department's fees. The following subsections provide an overview of modifications made to the Building department's fee schedules, the detailed per unit analysis results, the potential annual revenue impacts, and a comparison of certain fees to other jurisdictions.

1 FEE SCHEDULE MODIFICATIONS

In discussions with staff, it was determined that the current fee schedule in place by Building was cumbersome and complicated. Therefore, it was proposed that a clarified and streamlined fee schedule be developed for Building Services. The modifications to the fee schedule included the following:

- **Elimination of redundant categories:** The project team worked with staff to streamline the fee schedule by creating a singular category that could be applicable to multiple categories. For example, miscellaneous fees such as re-inspections or plan check revisions could be applicable to any permit and should just have a singular section.
- **Consolidation of similar categories:** The categories for residential remodels and new construction are fairly similar in terms of effort as well as number of stories; as such, the project team worked with staff to consolidate into a singular set of fees based upon the square footage of the residential project.
- **Expansion of Fee Categories:** Currently, the City only has fee schedules for a few types of occupancies, such as Tenant Improvements. There was discussion to expand the list of categories to add fee schedules to account for new construction permits, and account for all occupancy types.

Overall, the changes proposed to the Building Fee schedule will streamline, clarify, and create a more transparent fee schedule that allows for the department to administer a fee schedule in line with City staff and developer expectations.

2 PER UNIT ANALYSIS – FLAT FEES

The Building Department currently collects standalone fees for miscellaneous residential remodel projects, grading, site improvements, mobile home fees, mechanical, electrical, and plumbing fees. The total cost calculated for each service includes direct staff costs,

Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and surplus or deficit associated with each flat fee for Building.

Table 4: Per Unit Results – Building – Miscellaneous, MEP, and Flat Fees

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
1. RESIDENTIAL			
B. Combination Permits			
Attached Garage - 1 to 3 cars	\$819	\$1,241	(\$422)
Detached Garage or Shed	\$683	\$1,066	(\$383)
Bathroom Remodel (1 or more if inspected at same time)	\$576	\$908	(\$332)
Kitchen Remodel	\$576	\$1,320	(\$744)
Standard Patio Encl / Sun Room, manufactured	\$758	\$1,169	(\$411)
Engineered Patio Encl / Sun Room, custom	\$796	\$1,223	(\$427)
Garage conversion	\$758	\$1,169	(\$411)
Green House	\$608	\$963	(\$355)
Patio Cover	\$608	\$963	(\$355)
Window, Skylight or Exterior Door	\$451	\$806	(\$355)
C. Miscellaneous Construction			
Sound Wall	\$796	\$1,244	(\$448)
Structural Roof Conversions - Per Sq. Ft.	\$1.25	\$1.91	(\$1)
AC Condenser Replacement	\$141	\$257	(\$116)
Furnace Replacement	\$141	\$309	(\$168)
Water Heater Replacement	\$141	\$309	(\$168)
Solar Permit – 15kw or less	\$141	\$500	(\$359)
Solar Permit – above 15kw – base		\$500	
Solar Permit – above 15kw – per kw		\$15	
Solar Thermal – 10kwh or less		\$450	
Solar Thermal – 10kwh or more - base		\$450	
Solar Thermal – 10kwh or more – per kwh		\$15	
Fireplace reconstruction	\$301	\$609	(\$308)
Siding/stucco replacement	\$301	\$514	(\$213)
Seismic Strengthening	\$301	\$609	(\$308)
D. Mobilehome Permit Fees			
Permit Issuance Fee	\$115	\$176	(\$61)
Awning, each	\$196	\$315	(\$119)
Porch larger than 12 sf. Each	\$196	\$315	(\$119)
Deck larger than 12 sf. Each	\$196	\$417	(\$221)
Cabana, each	\$196	\$423	(\$227)
Ramada, each	\$196	\$423	(\$227)
Private garage, each	\$196	\$841	(\$645)
2. COMMERCIAL			
B. Miscellaneous Construction			
Permit Issuance Fee		\$132	(\$132)
<u>Equipment Installation</u>			
Each Type – Plan Check	\$346	\$435	(\$89)
Each Piece - Inspection	\$150	\$412	(\$262)
Racks, each type			

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
First rack / Each Rack Type	\$323	\$744	(\$421)
Each 5 additional racks or fraction thereof	\$162	\$206	(\$44)
Roof Screen	\$647	\$950	(\$303)
Fences	\$647	\$950	(\$303)
Monument Sign			
Not Electrical	\$323	\$629	(\$306)
Including Electrical	\$323	\$786	(\$463)
Wall Mounted Sign			
Not Electrical	\$240	\$423	(\$183)
Including Electrical	\$240	\$581	(\$341)
Solar – 50kw or less	\$649	\$1,000	(\$351)
Solar – 50kw – 250kw – Base		\$1,000	
Solar – 50kw – 250kw – per kw above 50kw		\$7	
Solar – 250+ kw – Base		\$2,400	
Solar – 250+ kw – per kw		\$5	
Structures not listed: See hourly rates for pc and insp			
C. Other Plan Check, Inspection and Permit Fees			
Certificate of Occupancy (inspection, record review, printing)	\$395	\$639	(\$244)
Temporary Building Permit Issuance	\$534	\$394	(\$104)
Accessibility Exception Request	\$345	\$523	(\$178)
Christmas Tree Lot	\$150	\$294	(\$144)
Faithful Performance Bond Execution	\$114	\$306	(\$192)
3. Grading			
Permit Issuance Fee		\$132	(\$132)
Plan Check:			
0 - 10,000 Cubic Yards	\$173	\$435	(\$262)
Add for each additional 10,000 cy or fraction thereof		\$109	
Over 100,000 Cubic Yards	\$346	\$1,414	(\$1,068)
Over 100,000 Cubic Yards – add for each additional 10,000 cy or fraction thereof		\$54	(\$54)
Inspection:			
0 - 10,000 Cubic Yards	\$496	\$720	(\$224)
Add for each additional 10,000 cy or fraction thereof	\$65	\$103	(\$38)
Over 100,000 Cubic Yards	\$1,083	\$1,646	(\$563)
Over 100,000 Cubic Yards – add for each additional 10,000 cy or fraction thereof	\$33	\$51	(\$18)
4. Site Improvement			
Permit Issuance		\$132	
Plan Check			
0-50,000 sq. ft		\$2,176	
50,001-100,000 sq. ft		\$3,046	
100,001-500,000 sq. ft		\$8,703	
500,001+ sq. ft - per sq. ft.		\$1.31	
Inspection			
0-50,000 sq. ft	\$8,750	\$3,293	\$5,457
50,001-100,000 sq. ft	\$10,000	\$4,939	\$5,061
100,001-500,000 sq. ft	\$19,000	\$10,289	\$8,711

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
500,001+ sq. ft - per sq. ft.	\$0.022	\$1.71	(\$1.69)
5. Pools or Spas			
Swimming Pool - Private	\$376	\$935	(\$559)
Swimming Pool - Public	\$526	\$1,473	(\$947)
Spa - separate	\$226	\$935	(\$709)
Private Pool & Spa together	\$526	\$1,564	(\$1,038)
Existing Pools / Spas – Mechanical, Electrical, Plumbing - per trade	\$323	\$512	(\$189)
6. Re-Roofing			
Single-Family and Two-Family	\$401	\$603	(\$202)
Multi-Family, Residential, each building	\$564	\$969	(\$405)
Commercial/Industrial, each building	\$727	\$1,226	(\$499)
7. Miscellaneous Fees			
Change of Address, per request	\$381	\$600	(\$219)
Extension of Plan Check	\$37	\$88	(\$51)
Extension of Building Permit	\$37	\$88	(\$51)
Records Research	\$30	\$88	(\$58)
Records Research with Documentation, per Address	\$59	\$132	(\$73)
Report of Monthly Building Permit Activity (no charge to public agencies)	\$51	\$88	(\$37)
Reprinting Building Permit Cards	\$30	\$59	(\$29)
Alternative Materials or Methods of Construction Request	\$400	\$653	(\$253)
8. Other Plan Check and Inspection Permit Fees			
Reinspection Fee – per reinspection	\$114	\$309	(\$195)
Demolition Permit	\$150	\$506	(\$356)
Revision / Deferred Submittal Plan Check – per hour	\$173	\$218	(\$45)
9. Hourly Rates			
Hourly Rates:			
Plan Check	\$173	\$218	(\$45)
Inspection	\$150	\$206	(\$56)
Afterhours (Overtime) Hourly Rates:			
Plan Check	\$260	\$260	(\$0)
Inspection	\$225	\$245	(\$20)
10. ELECTRICAL			
Electrical Permit Issuance	\$115	\$176	(\$61)
Plan Check Fee - (min. 1 hr) - per hour	\$173	\$218	(\$45)
Receptacle Outlets, multiple on one circuit - first 20	\$73	\$103	(\$30)
Receptacle Outlets, multiple on one circuit - each additional 20	\$57	\$86	(\$29)
Receptacle, fed from dedicated circuit - each	\$33	\$51	(\$18)
Switches, Dimmers, Occupancy sensors, Sensor Power Packs, etc. - first 20	\$73	\$103	(\$30)
Switches, Dimmers, Occupancy sensors, Sensor Power Packs, etc. - each additional 20	\$57	\$86	(\$29)
Lighting Fixtures, Sockets - first 20	\$73	\$103	(\$30)
Lighting Fixtures, Sockets - each additional 20	\$57	\$86	(\$29)
Track lighting with fixtures - per linear feet	\$1.00	\$1.03	(\$0)
Pole/Platform-Mounted/Theatrical Fixtures - each	\$33	\$51	(\$18)

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
Circuit Breaker Panel/Subpanel, Lighting Control Panel – each	\$57	\$86	(\$29)
Residential Equipment or Appliance, fed from dedicated circuit – each	\$33	\$51	(\$18)
Commercial Equipment or Appliance, fed from dedicated circuit – each	\$57	\$86	(\$29)
Power pole for cubicles – each	\$33	\$51	(\$18)
Generator, portable – each	\$73	\$103	(\$30)
Generator, 10 kW or less – each	\$120	\$103	\$17
Generator, more than 10 kW – each	\$176	\$154	\$22
Electrical vehicle charging station, residential – each	\$33	\$51	(\$18)
Electrical vehicle charging station, commercial – each	\$57	\$86	(\$29)
HEPA filter - first 20	\$73	\$103	(\$30)
HEPA filter - each additional 20	\$57	\$86	(\$29)
Time Clock – each	\$33	\$51	(\$18)
Junction box, fed from dedicated circuit – each	\$33	\$51	(\$18)
Sign, lighting systems from one branch circuit - first one	\$120	\$206	(\$86)
Sign, lighting systems from one branch circuit - each additional	\$73	\$103	(\$30)
Services - not over 200 amps (new or change) – each	\$73	\$103	(\$30)
Services - 201 amps - 1000 amps (new or change) - each	\$120	\$206	(\$86)
Services - over 1000 amperes (new or change) - each	\$175	\$257	(\$82)
Power Apparatus (UPS) or Transformer - each	\$57	\$86	(\$29)
Miscellaneous Apparatus, Conduits & Conductors - each	\$57	\$86	(\$29)
Construction Temporary Power Pole with service panel, each pole	\$57	\$103	(\$46)
Elevator - each	\$120	\$206	(\$86)
Special Circuitry, per circuit	\$57	\$86	(\$29)
MECHANICAL			
Mechanical Permit Issuance	\$115	\$176	(\$61)
Plan Check Fee (min. 1 hr) - per hour	\$173	\$218	(\$45)
Install Furnace or Heater, Residential (not including duct work)	\$88	\$137	(\$49)
Install, Relocate, Replace Flue Vent (not including with appliance)	\$57	\$103	(\$46)
Install Hood with Mechanical Exhaust - Residential	\$33	\$86	(\$53)
Install Hood with Mechanical Exhaust - Commercial	\$88	\$206	(\$118)
Duct Work per unit or System	\$57	\$86	(\$29)
Install Industrial-type Incinerator	\$88	\$154	(\$66)
Install/Replace Boiler - Each	\$57	\$103	(\$46)
Install/Replace Condenser, VAV or Fan Coil 0-5 ton <2000 CFM - Each	\$57	\$103	(\$46)
Install/Replace Condenser, VAV or Fan Coil Over 5 ton >2000 CFM - Each	\$120	\$206	(\$86)
Roof-top HVAC package unit including duct work	\$120	\$206	(\$86)
Dryer vent, residential - each	\$33	\$86	(\$53)
Dryer vent, commercial - each	\$57	\$206	(\$149)

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
Pump - each	\$73	\$154	(\$81)
Install/Replace Fire or Fire/Smoke Dampers - 5 (or portion of)	\$57	\$103	(\$46)
Non-portable Evaporative Cooler	\$57	\$154	(\$97)
Single Bathroom Ventilation Fan and Duct	\$33	\$86	(\$53)
Ventilation System, not HVAC	\$33	\$103	(\$70)
Other Regulated Appliance	\$57	\$154	(\$97)
Process Piping:			
Hazardous process piping system - first 4 outlets	\$73	\$154	(\$81)
Hazardous process piping system (over 4 outlets) - per outlet	\$73	\$86	(\$13)
Non-hazardous process piping system - first 4 outlets	\$73	\$154	(\$81)
Non-hazardous process piping system (over 4 outlets) - per outlet	\$73	\$86	(\$13)
PLUMBING			
Plumbing Permit Issuance	\$115	\$176	(\$61)
Plan Check Fee (min. 1 hr) - per hour	\$173	\$218	(\$45)
Plumbing Fixtures - First 5 traps (or portion of)	\$73	\$154	(\$81)
Plumbing Fixtures - Each Additional trap	\$33	\$86	(\$53)
Building Drain or Sewer (New or Replacement)	\$73	\$154	(\$81)
Rain Water Drainage System	\$73	\$103	(\$30)
Water Heater and Vent	\$88	\$154	(\$66)
Gas Piping System - (each appliance)	\$73	\$103	(\$30)
Automatic Gas Shut-off Device (Seismic or Excess Flow) if not part of new gas piping system	\$73	\$103	(\$30)
Industrial Waste Pre-Treatment System	\$120	\$206	(\$86)
Grease Trap	\$73	\$154	(\$81)
Grease Interceptor	\$88	\$206	(\$118)
Water System Installation, new	\$73	\$309	(\$236)
Water System Installation, re-pipe	\$120	\$206	(\$86)
Pump - each	\$73	\$154	(\$81)
Repair/Alteration of Drain/Vent	\$73	\$154	(\$81)
Landscape Sprinkler System	\$73	\$154	(\$81)
Landscape Reclaim Water - per valve	\$175	\$257	(\$82)
Backflow Protection - first 5	\$57	\$154	(\$97)
Backflow Protection - each additional 5 (or portion of)	\$33	\$86	(\$53)
Reclaim Water System, No Irrigation	\$175	\$309	(\$134)
Private Sewage Disposal System	\$57	\$103	(\$46)

The fees for Miscellaneous, Electrical, Mechanical, and Plumbing permits are generally under-recovering their costs. There are only a handful of permits which show an over-recovery and those are related to Site Improvement Inspections. It is important to note that the permits referenced in the table above are stand-alone permits. Any electrical, mechanical, or plumbing permits that would be part of a new construction, tenant improvement, or shell project would be part of the square footage permit or plan check fee for that type of project. On average, the Building Department is recovering approximately 61% of its costs on a per-unit basis.

3 PER UNIT RESULTS – SINGLE-FAMILY / DUPLEX NEW, ADDITIONS, REMODELS, AND ADDITIONAL DWELLING UNITS

The Building Department currently charges Single-Family / Duplex New Residential based upon number of stories and Additions, Remodels, and Additional Dwelling Units also based upon the number of stories and size of the project. The current fee schedule is complex and cumbersome and requires information such as number of stories and type of project.

During discussions with staff it was determined that there is not a significant amount of difference in plan check and inspection time between new residential or residential remodel. Therefore, it was decided to not only simplify the process, but to more accurately reflect the support associated with review and inspection, hence the residential new and remodel categories would be combined into a singular category. Additionally, the current schedule calculates fees depending upon the number of stories; however, discussions with staff revealed that the primary driver of effort is the size of the development and not the number of stories. Therefore, the number of stories was also removed from the fee schedule.

Due to the significant changes in the fee schedule, the project team was unable to compare the current fees to the proposed fee structure. The following table shows the proposed fee structure for single-family / duplex residential projects:

Table 5: Per Unit Results – Single-Family / Duplex – New, Additions, Remodels, Additional Dwelling Units

Sq. Ft.	Plan Check	Inspection
100	\$251.38	\$411.57
200	\$360.17	\$617.35
300	\$523.35	\$823.14
400	\$958.50	\$1,131.82
500	\$1,176.08	\$1,646.28
per 100	\$148.19	\$164.63
1,000	\$1,917.00	\$2,469.42
per 100	\$174.06	\$164.63
1,500	\$2,787.31	\$3,292.56
per 100	\$174.06	\$246.94
2,000	\$3,657.61	\$4,527.27
per 100	\$148.19	\$329.26
2,500	\$4,398.53	\$6,173.55
per 100	\$130.55	\$329.26
3,000	\$5,051.26	\$7,819.82
per 100	\$74.09	\$144.05
4,000	\$5,792.19	\$9,260.32
per 100	\$87.03	\$205.78
5,000	\$6,662.49	\$11,318.17
per 100	\$43.52	\$102.89

As aforementioned, due to the changes in the fee structure it is difficult to compare the current fee structure to the proposed more streamlined fee structure. For example, based on the current fee structure if there is a residential remodel of 100 sq. ft. of 1 story, the current plan check fee would be \$182 and the Inspection would be \$210; compared to the total cost of \$251 and \$412, respectively. The streamlined fee structure shown in the table above enables the City to accurately collect fees for residential projects, and allows applicants to easily estimate their plan check and inspection fees for residential projects.

4 PER UNIT RESULTS – MULTI-FAMILY / COMMERCIAL

Similar to Single-Family / Duplex projects, the current fee schedule for Multi-Family / Commercial projects is complex. The current fee schedule charges projects based upon the occupancy, the construction material, and the square footage of the project. However, if the project is above 50,000 square feet, the fee is calculated based upon the value of the project. To further complicate the fee calculation, for any new construction project, the current fee schedule requires the applicant to pay for a shell plan check and inspection fee, as well as a Tenant Improvement (TI) plan check and inspection fee. This type of complicated fee structure is not only unique to Milpitas, but also makes it difficult for developers or applicants to estimate their plan check or permit fees.

Therefore, the project team worked with City staff to not only refine the existing fee structure, but to also alter the application of fees to be consistent with best management practices and building code guidelines. The proposed fee structure would still be based upon the square footage and occupancy type of the project; however, there would be categories for new construction, tenant improvements, and shell. This type of classification ensures that any efficiency that is gained by new construction in terms of all aspects of construction happening simultaneously is captured through the new construction category and there is no need for charging a Shell Permit and TI Permit. The following table shows the proposed fee structure for Multi-Family / Commercial Projects:

Table 6: Per Unit Results – Multi-Family / Commercial – Plan Check and Inspection

Occupancy	Sq. Ft.	Plan Check		Inspection	
		Base	Per 100 s.f.	Base	Per 100 s.f.
A - Assembly - New Construction	1,500	\$4,054.26	\$59.12	\$10,353.55	\$133.41
	7,500	\$7,601.74	\$84.46	\$14,790.79	\$123.15
	15,000	\$13,936.53	\$76.02	\$23,665.26	\$82.10
	30,000	\$25,339.14	\$14.08	\$42,597.47	\$37.63
	75,000	\$31,673.93	\$18.58	\$66,558.54	\$39.00
	150,000	\$45,610.45	\$30.41	\$82,828.40	\$55.42
A - Assembly - Tenant Improvement	500	\$1,520.77	\$66.53	\$2,880.99	\$61.74
	2,500	\$2,851.45	\$95.05	\$4,115.70	\$98.78
	5,000	\$5,227.66	\$85.54	\$6,585.12	\$105.36
	10,000	\$9,504.84	\$21.31	\$11,853.21	\$44.45
	25,000	\$12,701.09	\$35.71	\$18,520.64	\$18.11
	50,000	\$21,629.39	\$43.26	\$23,047.90	\$46.10

Occupancy	Sq. Ft.	Plan Check		Inspection	
		Base	Per 100 s.f.	Base	Per 100 s.f.
B - Business - New Construction	1,000	\$3,834.01	\$82.77	\$7,202.47	\$77.17
	5,000	\$7,144.66	\$114.08	\$10,289.24	\$123.47
	10,000	\$12,848.65	\$101.44	\$16,462.79	\$131.70
	20,000	\$22,992.34	\$18.72	\$29,633.02	\$55.56
	50,000	\$28,608.13	\$29.43	\$46,301.59	\$27.16
	100,000	\$43,320.91	\$43.32	\$59,883.39	\$59.88
B - Business - Tenant Improvement	500	\$1,469.46	\$64.29	\$3,151.08	\$67.52
	2,500	\$2,755.23	\$91.84	\$4,501.54	\$108.04
	5,000	\$5,051.26	\$82.66	\$7,202.47	\$115.24
	10,000	\$9,184.11	\$15.31	\$12,964.45	\$48.62
	25,000	\$11,480.14	\$20.21	\$20,256.95	\$19.81
	50,000	\$16,531.40	\$33.06	\$25,208.64	\$50.42
E - Education - New Construction	500	\$1,724.34	\$75.44	\$3,961.36	\$84.89
	2,500	\$3,233.13	\$107.77	\$5,659.08	\$135.82
	5,000	\$5,927.41	\$96.99	\$9,054.53	\$144.87
	10,000	\$10,777.11	\$17.96	\$16,298.16	\$61.12
	25,000	\$13,471.39	\$23.71	\$25,465.88	\$24.90
	50,000	\$19,398.80	\$38.80	\$31,690.87	\$63.38
E - Education- Tenant Improvement	100	\$1,823.57	\$398.91	\$2,520.86	\$270.09
	500	\$3,419.19	\$569.86	\$3,601.23	\$432.15
	1,000	\$6,268.51	\$512.88	\$5,761.98	\$460.96
	2,000	\$11,397.29	\$94.98	\$10,371.56	\$194.47
	5,000	\$14,246.62	\$125.37	\$16,205.56	\$79.23
	10,000	\$20,515.13	\$205.15	\$20,166.92	\$201.67
F - Factory - New Construction	5,000	\$5,574.61	\$19.17	\$8,231.39	\$41.16
	25,000	\$9,408.62	\$43.19	\$16,462.79	\$98.78
	50,000	\$20,205.04	\$13.92	\$41,156.97	\$28.81
	100,000	\$27,167.45	\$8.04	\$55,561.91	\$7.55
	250,000	\$39,222.30	\$4.46	\$66,880.08	\$14.40
	500,000	\$50,365.67	\$10.07	\$102,892.43	\$20.58
F - Factory - Tenant Improvement	2,000	\$2,147.42	\$18.19	\$2,244.93	\$18.71
	10,000	\$3,602.55	\$43.65	\$3,741.54	\$44.90
	20,000	\$7,967.94	\$14.46	\$8,231.39	\$14.97
	40,000	\$10,860.56	\$8.09	\$11,224.63	\$8.57
	100,000	\$15,717.04	\$4.64	\$16,369.25	\$4.68
	200,000	\$20,352.53	\$10.18	\$21,046.18	\$10.52
H - Hazardous Materials - New Construction	1,000	\$4,382.71	\$95.87	\$8,102.78	\$86.82
	5,000	\$8,217.59	\$136.96	\$11,575.40	\$138.90
	10,000	\$15,065.58	\$123.26	\$18,520.64	\$148.17
	20,000	\$27,391.96	\$22.83	\$33,337.15	\$62.51
	50,000	\$34,239.95	\$30.13	\$52,089.29	\$25.47
	100,000	\$49,305.53	\$49.31	\$64,822.23	\$64.82
H – Hazardous Materials - Tenant Improvement	1,000	\$2,191.36	\$47.94	\$4,321.48	\$46.30
	5,000	\$4,108.79	\$68.48	\$6,173.55	\$74.08
	10,000	\$7,532.79	\$61.63	\$9,877.67	\$79.02
	20,000	\$13,695.98	\$11.41	\$17,779.81	\$33.34
	50,000	\$17,119.98	\$15.07	\$27,780.96	\$13.58
	100,000	\$24,652.77	\$24.65	\$34,571.86	\$34.57
	2,000	\$2,634.42	\$28.81	\$5,401.85	\$28.94
	10,000	\$4,939.54	\$41.16	\$7,716.93	\$46.30

Occupancy	Sq. Ft.	Plan Check		Inspection	
		Base	Per 100 s.f.	Base	Per 100 s.f.
I - Institutional (Nursing Homes, Supv envir.) – New Construction	20,000	\$9,055.82	\$37.05	\$12,347.09	\$49.39
	40,000	\$16,465.12	\$6.86	\$22,224.76	\$20.84
	100,000	\$20,581.40	\$9.06	\$34,726.19	\$8.49
	200,000	\$29,637.22	\$14.82	\$43,214.82	\$21.61
I - Institutional (Nursing Homes, Supv Env.) – Tenant Improvement	1,000	\$1,064.03	\$23.28	\$2,250.77	\$24.12
	5,000	\$1,995.06	\$33.25	\$3,215.39	\$38.58
	10,000	\$3,657.61	\$29.93	\$5,144.62	\$41.16
	20,000	\$6,650.19	\$5.54	\$9,260.32	\$17.36
	50,000	\$8,312.74	\$7.32	\$14,469.25	\$7.07
	100,000	\$11,970.35	\$11.97	\$18,006.17	\$18.01
L - Labs	2,000	\$2,812.33	\$30.76	\$4,321.48	\$23.15
	10,000	\$5,273.11	\$43.94	\$6,173.55	\$37.04
	20,000	\$9,667.37	\$39.55	\$9,877.67	\$39.51
	40,000	\$17,577.03	\$7.32	\$17,779.81	\$16.67
	100,000	\$21,971.29	\$9.67	\$27,780.96	\$6.79
	200,000	\$31,638.66	\$15.82	\$34,571.86	\$17.29
M - Mercantile - New Construction	500	\$2,179.38	\$95.35	\$4,501.54	\$96.46
	2,500	\$4,086.34	\$136.21	\$6,430.78	\$154.34
	5,000	\$7,491.61	\$122.59	\$10,289.24	\$164.63
	10,000	\$13,621.12	\$22.70	\$18,520.64	\$69.45
	25,000	\$17,026.40	\$29.97	\$28,938.50	\$28.30
	50,000	\$24,518.01	\$49.04	\$36,012.35	\$72.02
M - Mercantile - Tenant Improvement	250	\$1,000.74	\$87.56	\$1,800.62	\$77.17
	1,250	\$1,876.38	\$125.09	\$2,572.31	\$123.47
	2,500	\$3,440.03	\$112.58	\$4,115.70	\$131.70
	5,000	\$6,254.60	\$20.85	\$7,408.25	\$55.56
	12,500	\$7,818.25	\$27.52	\$11,575.40	\$22.64
	25,000	\$11,258.29	\$45.03	\$14,404.94	\$57.62
R-1 - Residential, Hotels - New Construction	2,000	\$9,750.78	\$106.65	\$24,758.49	\$132.63
	10,000	\$18,282.72	\$152.36	\$35,369.27	\$212.22
	20,000	\$33,518.31	\$137.12	\$56,590.84	\$226.36
	40,000	\$60,942.39	\$25.39	\$101,863.50	\$95.50
	100,000	\$76,177.98	\$33.52	\$159,161.72	\$38.91
	200,000	\$109,696.30	\$54.85	\$198,067.92	\$99.03
R-1 - Residential Hotels - Tenant Improvement	500	\$2,317.95	\$101.41	\$5,761.98	\$123.47
	2,500	\$4,346.15	\$144.87	\$8,231.39	\$197.55
	5,000	\$7,967.94	\$130.38	\$13,170.23	\$210.72
	10,000	\$14,487.16	\$24.15	\$23,706.42	\$88.90
	25,000	\$18,108.96	\$31.87	\$37,041.27	\$36.22
	50,000	\$26,076.90	\$52.15	\$46,095.81	\$92.19
R-2 - Residential Multi-Family - New Construction	2,000	\$20,395.79	\$10.67	\$56,719.45	-\$146.30
	10,000	\$21,249.65	\$177.08	\$45,015.44	\$270.09
	20,000	\$38,957.70	\$159.37	\$72,024.70	\$288.10
	40,000	\$70,832.18	\$29.51	\$129,644.46	\$121.54
	100,000	\$88,540.22	\$38.96	\$202,569.47	\$49.52
	200,000	\$127,497.92	\$63.75	\$252,086.45	\$126.04
R-2 - Residential Multi-Family - Tenant Improvement	500	\$2,950.89	\$129.10	\$6,302.16	\$135.05
	2,500	\$5,532.92	\$184.43	\$9,003.09	\$216.07
	5,000	\$10,143.69	\$165.99	\$14,404.94	\$230.48
	10,000	\$18,443.08	\$30.74	\$25,928.89	\$97.23

Occupancy	Sq. Ft.	Plan Check		Inspection	
		Base	Per 100 s.f.	Base	Per 100 s.f.
R-4 - Care / Assisted Living - New Construction	25,000	\$23,053.85	\$40.57	\$40,513.89	\$39.61
	50,000	\$33,197.54	\$66.40	\$50,417.29	\$100.83
	2,000	\$5,953.10	\$65.11	\$13,504.63	\$72.35
	10,000	\$11,162.07	\$93.02	\$19,292.33	\$115.75
	20,000	\$20,463.79	\$83.72	\$30,867.73	\$123.47
	40,000	\$37,206.89	\$15.50	\$55,561.91	\$52.09
	100,000	\$46,508.61	\$20.46	\$86,815.49	\$21.22
R-4 - Care / Assisted Living - Tenant Improvement	200,000	\$66,972.40	\$33.49	\$108,037.05	\$54.02
	1,000	\$2,899.58	\$63.43	\$7,202.47	\$77.17
	5,000	\$5,436.71	\$90.61	\$10,289.24	\$123.47
	10,000	\$9,967.29	\$81.55	\$16,462.79	\$131.70
	20,000	\$18,122.35	\$15.10	\$29,633.02	\$55.56
	50,000	\$22,652.94	\$19.93	\$46,301.59	\$22.64
	100,000	\$32,620.23	\$32.62	\$57,619.76	\$57.62
S-1 - Storage, Moderate Hazard - New Construction	1,000	\$3,546.20	\$77.57	\$6,752.32	\$72.35
	5,000	\$6,649.13	\$110.82	\$9,646.17	\$115.75
	10,000	\$12,190.07	\$99.74	\$15,433.86	\$123.47
	20,000	\$22,163.77	\$18.47	\$27,780.96	\$52.09
	50,000	\$27,704.71	\$24.38	\$43,407.74	\$21.22
	100,000	\$39,894.78	\$39.89	\$54,018.52	\$54.02
S-2 – Storage, Low Hazard - New Construction	1,000	\$1,950.16	\$42.66	\$3,961.36	\$42.44
	5,000	\$3,656.54	\$60.94	\$5,659.08	\$67.91
	10,000	\$6,703.66	\$54.85	\$9,054.53	\$72.44
	20,000	\$12,188.48	\$10.16	\$16,298.16	\$30.56
	50,000	\$15,235.60	\$13.41	\$25,465.88	\$12.45
	100,000	\$21,939.26	\$21.94	\$31,690.87	\$31.69
S - Storage - Tenant Improvement	500	\$1,443.80	\$63.17	\$2,475.85	\$53.05
	2,500	\$2,707.12	\$90.24	\$3,536.93	\$84.89
	5,000	\$4,963.06	\$81.21	\$5,659.08	\$90.55
	10,000	\$9,023.74	\$15.04	\$10,186.35	\$38.20
	25,000	\$11,279.68	\$19.85	\$15,916.17	\$15.56
	50,000	\$16,242.74	\$32.49	\$19,806.79	\$39.61
U - Utility - Misc. - New Construction	150	\$583.33	\$85.07	\$1,080.37	\$77.17
	750	\$1,093.75	\$121.53	\$1,543.39	\$123.47
	1,500	\$2,005.20	\$109.37	\$2,469.42	\$131.70
	3,000	\$3,645.83	\$20.25	\$4,444.95	\$55.56
	7,500	\$4,557.28	\$26.74	\$6,945.24	\$22.64
	15,000	\$6,562.49	\$43.75	\$8,642.96	\$57.62
U - Utility - Misc. - Tenant Improvement	100	\$810.85	\$177.37	\$1,530.52	\$163.98
	500	\$1,520.35	\$253.39	\$2,186.46	\$262.38
	1,000	\$2,787.31	\$228.05	\$3,498.34	\$279.87
	2,000	\$5,067.83	\$42.23	\$6,297.02	\$118.07
	5,000	\$6,334.79	\$55.75	\$9,839.09	\$48.10
	10,000	\$9,122.09	\$91.22	\$12,244.20	\$122.44
Shell Building	5,000	\$5,268.84	\$23.05	\$9,903.40	\$21.22
	25,000	\$9,879.07	\$32.93	\$14,147.71	\$33.95
	50,000	\$18,111.63	\$29.64	\$22,636.33	\$36.22
	100,000	\$32,930.24	\$5.49	\$40,745.40	\$15.28
	250,000	\$41,162.81	\$7.24	\$63,664.69	\$6.22
	500,000	\$59,274.44	\$11.85	\$79,227.17	\$15.85

Due to the significant difference between the current fees and the proposed / recommended fees it is difficult to calculate the current percentage of cost recovery for building plan check and inspection support. The proposed fee schedule also includes all Mechanical, Electrical, and Plumbing time associated with plan check and inspection, eliminating the need for additional calculation and charges.

5 CROSS-DEPARTMENTAL SUPPORT

As part of the plan check process, the Building Department is not the only department that evaluates and reviews plans. As such, the Department routes plans to Engineering (Land Development), Planning, and Fire. The Fire Department currently charges fees on its fee schedule related to Building Department support. As part of this study, the project team worked with staff in Planning and Land Development to identify their support spent on Building permits. To be consistent with Fire Prevention, the support provided by Planning and Land Development have been added to their respective fee schedules and will be discussed in their section of the report.

6 ANNUAL REVENUE IMPACTS

Due to the differences in structure for the department, the project team was only able to compare the revenue collected for each major category to the total annual cost associated with that category. The following table shows this breakout by major project type category:

Table 7: Annual Revenue Impacts – Building

Category	Revenue at Current	Revenue at Total Cost	Annual Surplus / (Deficit)	Cost Recovery %
Flat Fees	\$1,799,526	\$3,030,923	(\$1,231,398)	59%
Res	\$247,759	\$299,349	(\$51,590)	83%
Non-Res	\$2,987,376	\$3,018,564	(\$31,188)	99%
TOTAL	\$5,034,660	\$6,348,836	(\$1,314,176)	79%

As the table above indicates, the Building Department is currently under-recovering for its fee-related costs by approximately \$1.3 million annually. The primary source of this deficit are the standalone fees and permits.

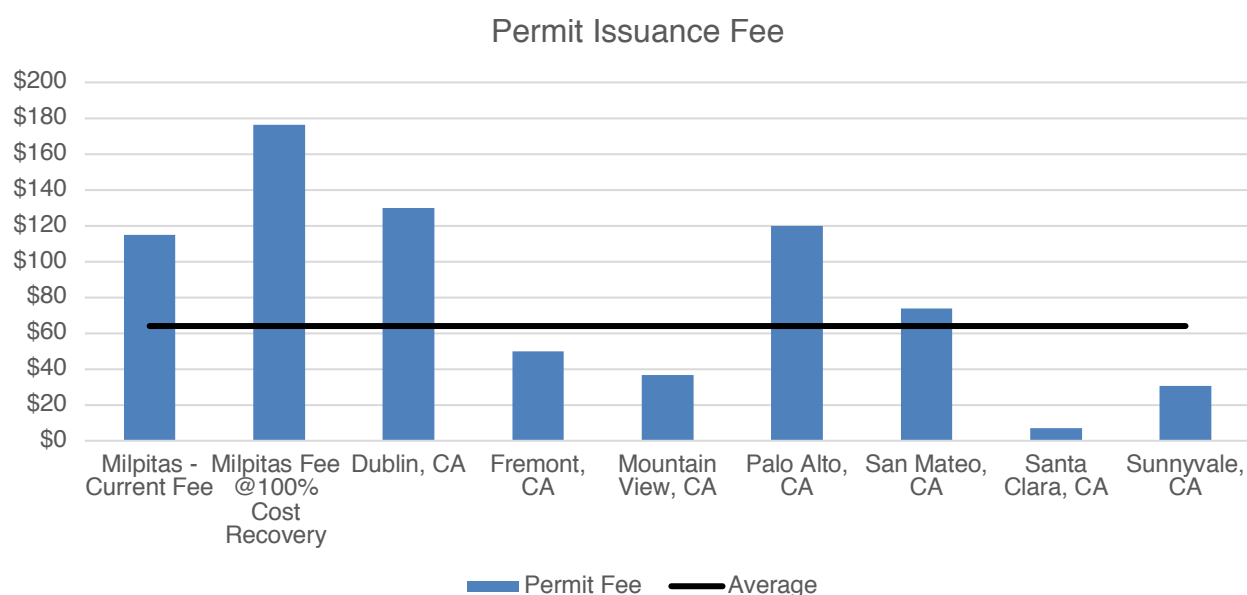
7 COMPARATIVE SURVEY

As part of this study, the City requested a comparison of how their current fees and total cost related to other similar sized and regionally located jurisdictions. Due to the varied nature in how building fees are calculated (flat fees, valuation, occupancy and square footage, or other tiered ranges), the project team looked to develop specific project scenarios to provide a like for like comparison. For New Construction and Tenant Improvement scenarios, only Permit and Plan Check fees were compared, as the

tabulation of how Mechanical, Electrical, and Plumbing fixtures are accounted for can vary widely from jurisdiction to jurisdiction. The following subsections compare the flat fees and building type / project-based scenarios for Building services to other surrounding jurisdictions.

1 Permit Issuance Fee

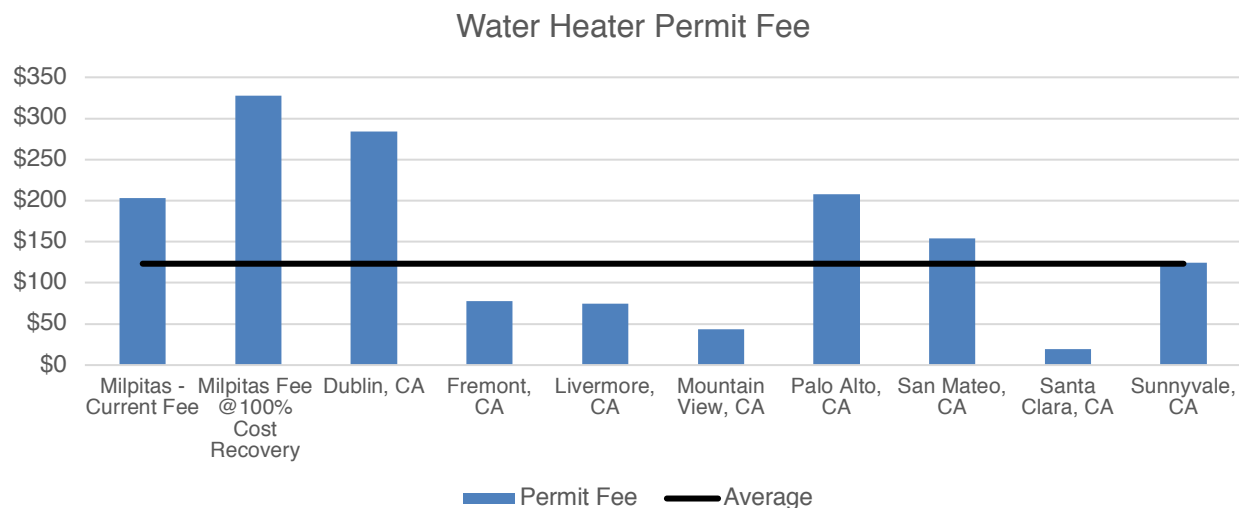
One of the most common types of fees is a permit issuance fee. The City of Milpitas currently charges a permit issuance fee of \$115 and the project team calculated the fully burdened cost to be \$176. The following graph shows how the department's current fee and total cost compare to other local jurisdictions for Permit Issuance.



As the graph indicates, the City's current fee and full cost fee are higher than the average of \$64 charged by surrounding jurisdictions. The City's full cost fee is slightly higher than the next highest number of \$130 permit issuance fee for the City of Dublin.

2 Water Heater

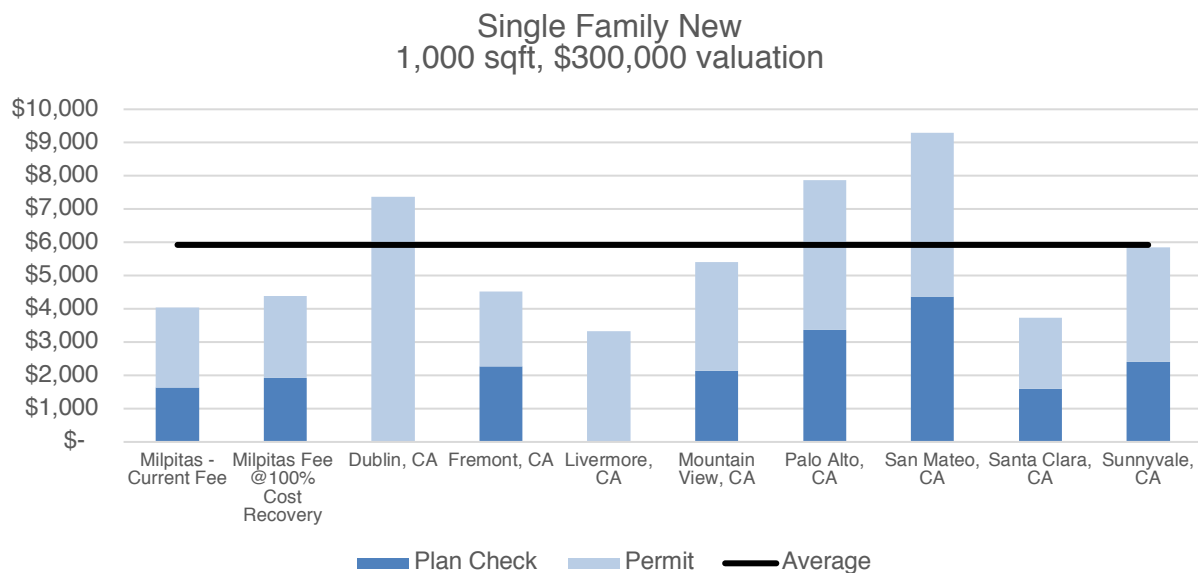
Another common flat fee permit is Water Heater. In order to pull a water heater permit, most jurisdictions require a water heater permit fee and a permit issuance fee. The City of Milpitas currently charges a flat fee of \$88 for a Water Heater Permit and \$115 for Permit Issuance. The full cost was calculated at \$154 for the Water Heater and \$176 for the Permit Issuance Fee. The following graph shows how the department's current fee and total cost compare to other local jurisdictions for Water Heater Permits (including permit issuance fee).



As the graph indicates, the City's current and full cost fee similar to permit issuance is higher than the average fee of \$123 charged by surrounding jurisdictions. This average is being skewed with the outliers of Mountain View and Santa Clara. Even if Mountain View and Santa Clara are eliminated the average fee increases from \$123 to \$154; which brings the average fee only slightly closer to Milpitas. The only other jurisdiction that is charging similar to Milpitas for Water heater permits is the City of Dublin at \$284.

3 Single Family – New – 1,000 sq. ft. (\$300,000 Valuation)

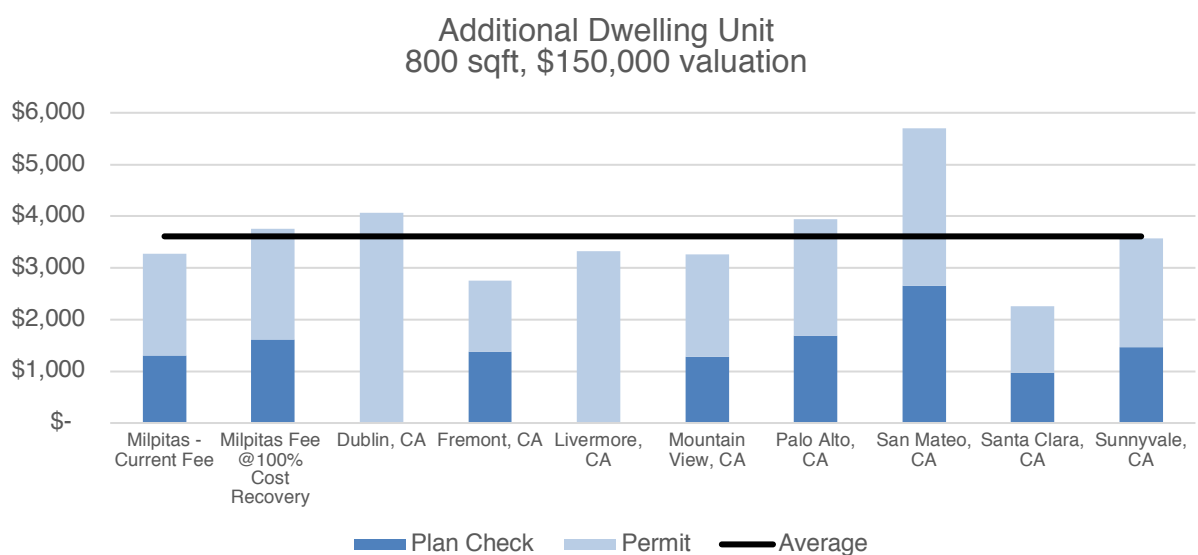
The City of Milpitas currently assesses fees for New Single-Family homes based upon the size of the home and the number of stories; during discussions with staff, it was decided that the number of stories would be eliminated as a criterion and built into the cost calculation. The City currently charges a fee of \$4,045 for plan check and inspection of a 1,000 sq. ft. Single Family New Home, and the project team calculated the cost at \$4,386 for plan check and inspection. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph indicates, the City's current and full cost fee are below the average fee of \$5,923 charged by surrounding jurisdictions. The reason for such differences in fees is that other than the City of Livermore, all other jurisdictions charge the fee based upon the valuation of the project.

4 Additional Dwelling Unit – 800 sq. ft. (\$150,000 valuation)

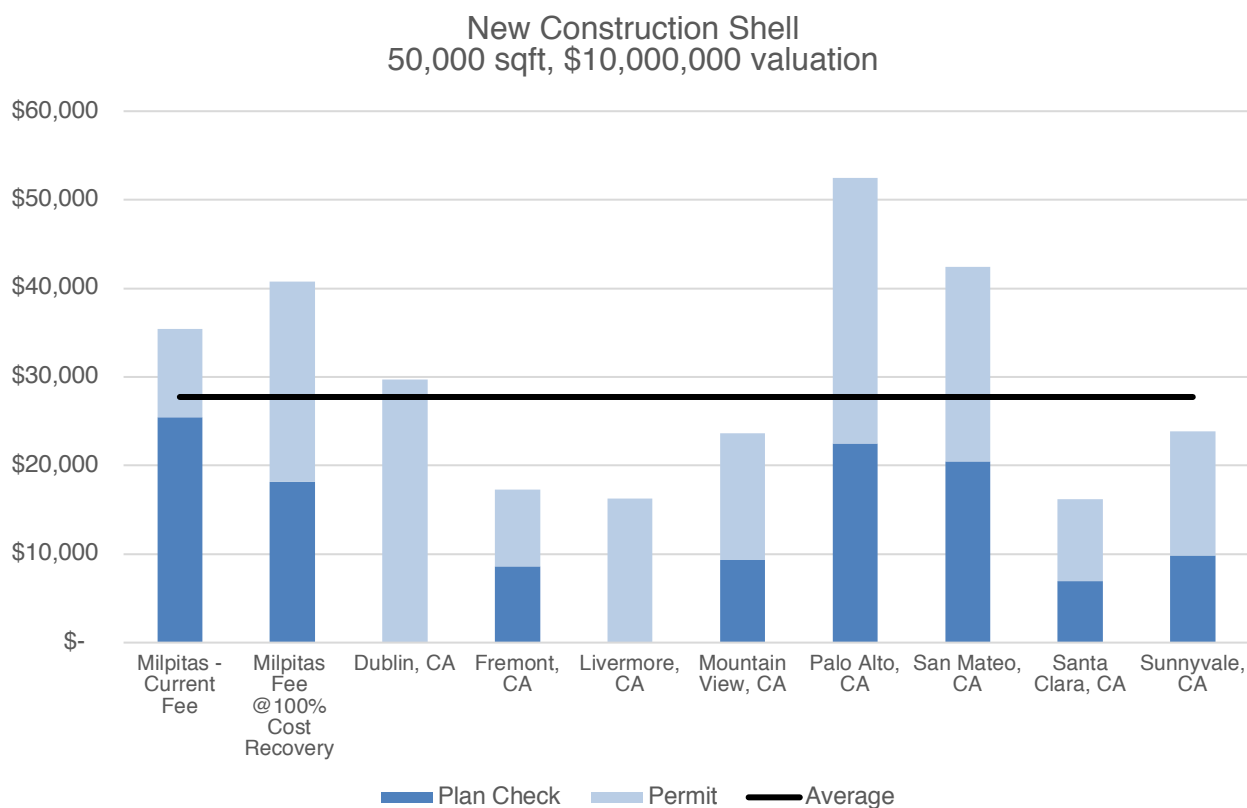
The City of Milpitas currently charges \$3,277 for plan check and inspection of an 800 sq. ft. Additional Dwelling Unit and the project team calculated the full cost to be slightly lower at \$3,761. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph above indicates, the City's current is slightly below the average fee of \$3,610 charged in surrounding jurisdictions. The City's full cost fee of \$3,761 is only slightly higher than the average fee. The City of San Mateo is the only outlier at \$5,696, if this is removed, the average fee declines to \$2,900; which is closer to the City of Milpitas's current fee cost.

5 New Construction – Shell – 50,000 sq. ft. (\$10,000,000 Valuation)

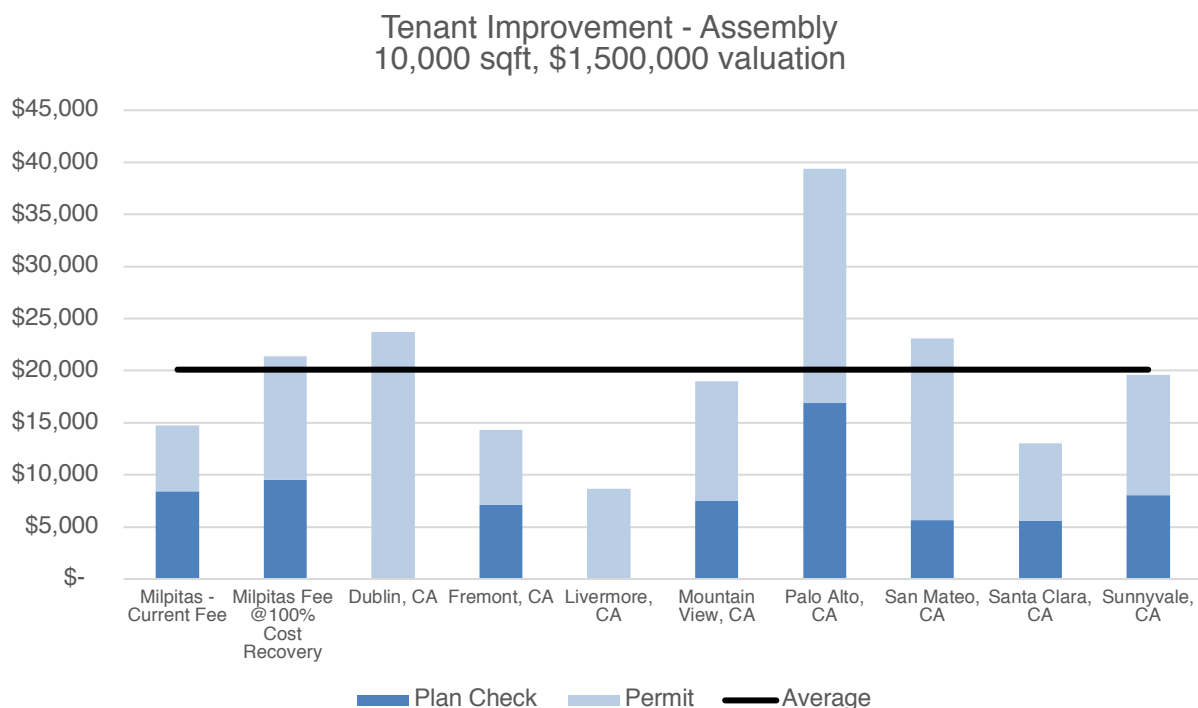
The City of Milpitas currently charges \$35,422 for Plan Check and Inspection for a New Construction Shell Building that is 50,000 sq. ft.; through this study, the project team calculated the full cost of the permit and plan check process to be \$40,748. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph above indicates, the City of Milpitas' current and full cost fee is above the average fee of \$27,732 being charged by surrounding jurisdictions for a similar project. The City's current fee is higher than six of the eight jurisdictions surveyed, with only the cities of Palo Alto and San Mateo having a higher total fee.

6 Tenant Improvement – Assembly – 10,000 sq. ft. (\$1.5 million valuation)

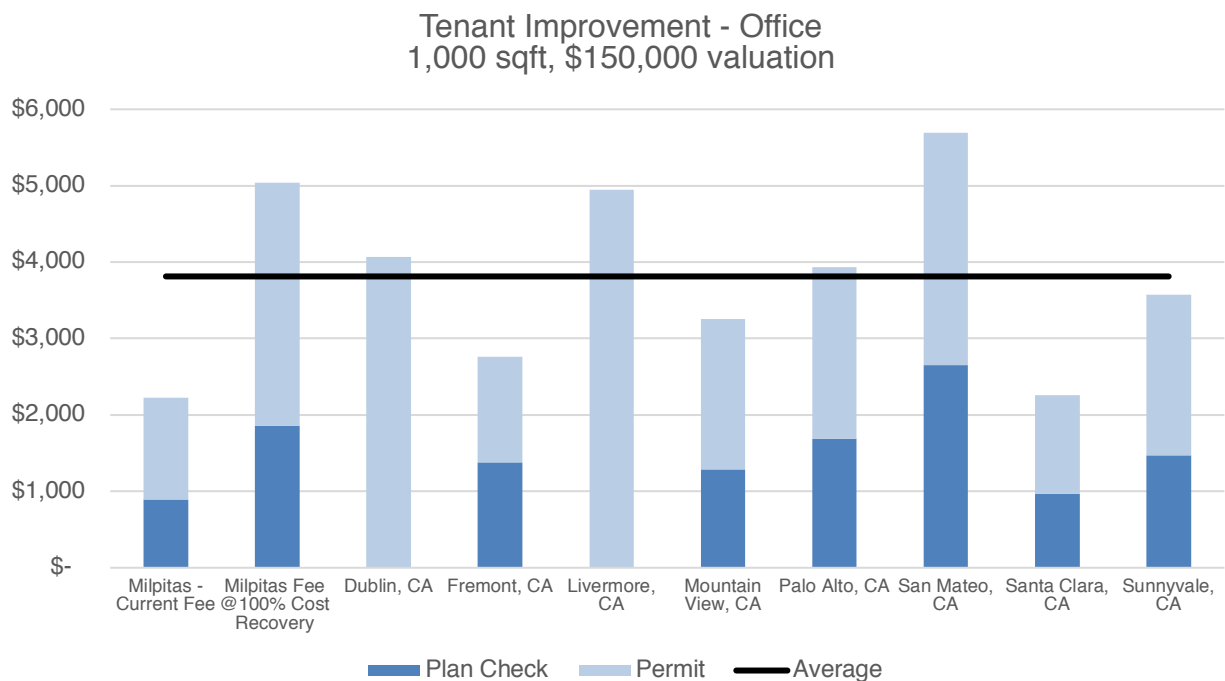
The City of Milpitas currently charges \$14,722 to plan review and permit a 10,000 sq. ft. Tenant Improvement to an Assembly. The project team calculated the full cost of plan checking and permitting to be \$21,358. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph above indicates, the City's current fee of \$14,722 is below the average fee of \$20,099 charged by surrounding jurisdictions; however, the full cost fee at \$21,358 is only slightly above the average. The City of Palo Alto is skewing the average for this calculation, and if that is removed from the calculation, the average fee becomes \$15,000; which is much closer to the City's current fee.

7 Tenant Improvement – Business – 1,000 sq. ft. (\$150,000 Valuation)

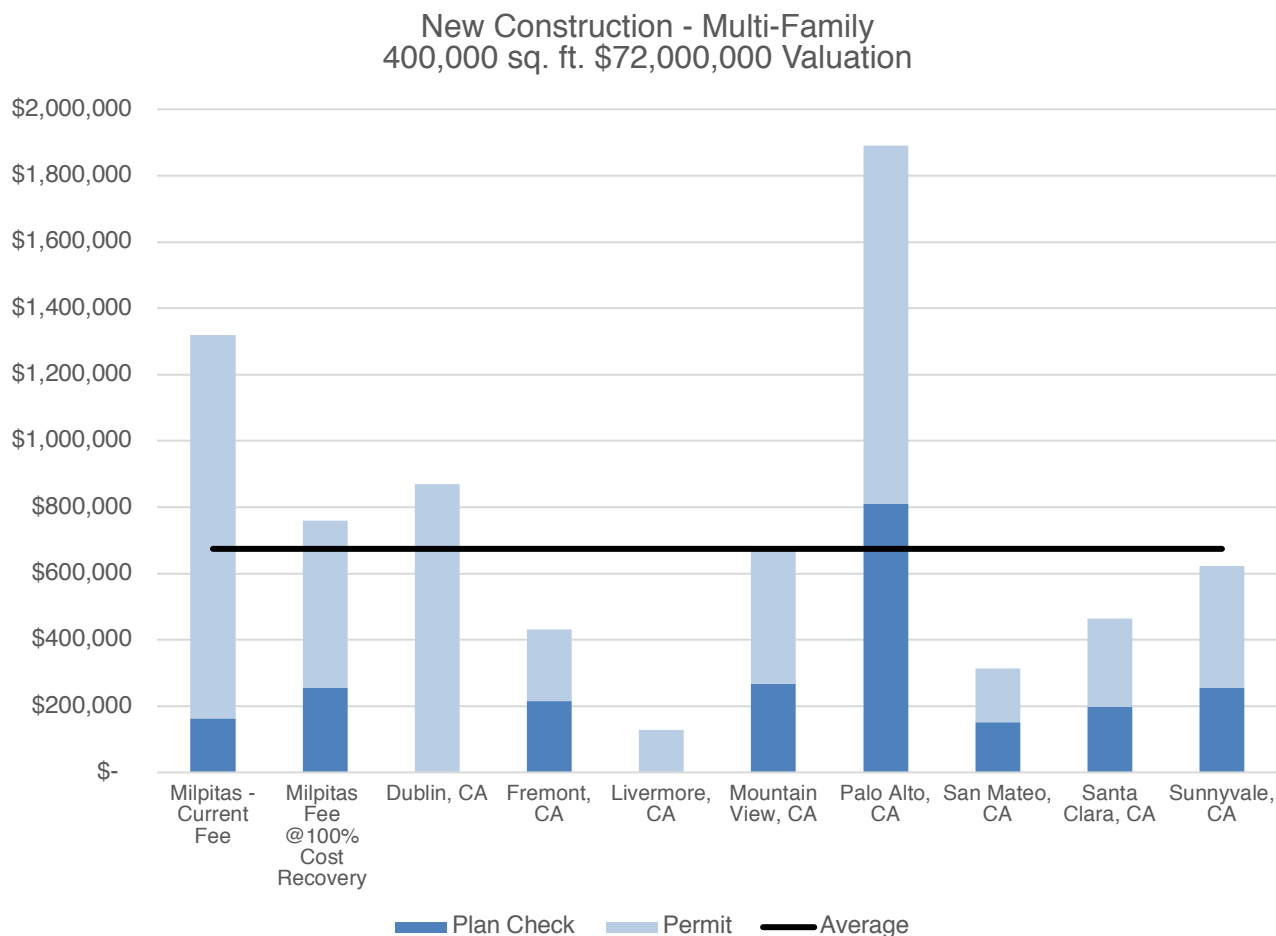
The City of Milpitas currently charges \$2,229 to plan review and permit a 1,000 sq. ft. Tenant Improvement to a Business. The project team calculated the full cost of plan checking and permitting to be \$5,043. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph indicates, the City's current fee of \$2,229 is below the average fee of \$3,813 charged by surrounding jurisdictions; however, its full cost fee of \$5,043 is above the average charged by surrounding jurisdictions.

8 New Construction – Multi-Family – 400,000 sq. ft. (\$72 million)

The City of Milpitas currently charges based on the valuation of a project if the project is larger than 50,000 sq. ft.; to ensure consistency of project charging, during this study it was determined that all plan check and permit fees should be calculated based upon square footage. The City currently charged a fee of \$1,320,135 to plan review and permit a 400,000 sq. ft. New Construction – Multifamily Project valued at \$72 million. The project team calculated the full cost of plan checking and permitting this same project at \$759,164. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph indicates the City's current fee is significantly higher than the surrounding jurisdictions with the only exception being the City of Palo Alto. The City's full cost fee at \$759,000 is only slightly above the average fee of \$674,000 charged by surrounding jurisdictions. The average fee is being skewed by Palo Alto, so if we remove them from the average calculation, the average fee drops to \$438,000; which is lower than both the current fee and the full cost fee.

6. Engineering (Land Development and Traffic)

The Engineering Department is responsible for reviewing and inspecting all private development that occurs in the public right-of-way. Additionally, the Department is responsible for conducting any traffic analysis or traffic impact reviews as part of the encroachment or off-site improvements process. The following subsections provide an overview of modifications made to the Engineering fee schedule, the detailed per unit analysis results, the potential annual revenue impacts, and a comparison of certain fees to other jurisdictions.

1 FEE SCHEDULE MODIFICATIONS

In discussions with staff in the Engineering Department, there were minimal modifications being proposed to their current fee schedule. The Department currently only charges one flat fee for Minor Encroachment permits. Through this process, the department identified two other processes that may be part of larger development projects, could also occur as standalone projects and as such should have fees updated for these processes – Lot Line Adjustment / Lot Merger and Street Alley Vacation / Easement in the Right-Of-Way.

The project team worked with staff in the Land Development section to identify areas where assistance to the Planning and Building Department is provided to identify scenarios where Land Development provides project support. This support and review are separate from the plan review, project administration, and inspections associated with off-site improvements for Public Works / Land Development specific permits. These new categories for building support have been added to the Department's fee schedule. This addition allows Land Development to be consistent with Fire Prevention; who also lists support for Building as part of their fee schedule.

The majority of Engineering's fees are deposit-based or private job (PJ) accounts. For these items, the Department takes an initial deposit based upon the cost of the project and staff bill any time and materials associated with the plan review and inspection of these items to the private job. The use of PJ accounts helps ensure that the City is able to achieve cost recovery, as the work being reviewed and inspected by Engineering can vary by type of improvement, location of improvement, and length of time to complete an improvement. Additionally, utilizing deposits, enables the City to account for not only staff time spent reviewing and inspecting improvements, but any materials that may be utilized by the City can also be billed. These fees have been discussed in the deposit-based fees section of this chapter.

2 DETAILED PER UNIT ANALYSIS – FLAT FEES

As aforementioned, there are only three flat fees for Land Development – minor encroachment, lot line adjustment, and street alley / vacation; however, there is also the addition of support to Building and Planning Departments. The support to the building department has been reflected here, to be consistent with other departments that charge separate fees for building reviews. The support provided by Land Development for Planning fees are shown in the Planning fee chapter as cross-departmental support, per current practice of Planning collecting the fee on behalf of all other departments. The following table details the fee name, current fee, total cost for Land Development staff, and surplus or deficit associated with each Land Development fee.

Table 8: Per Unit Results – Land Development

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
Minor Encroachment Permit	\$450	\$1,675	(\$1,225)
Lot Line / Merger Adjustment	\$615	\$1,774	(\$1,159)
Street / Alley Easement Vacation	\$545	\$2,294	(\$1,749)
Building Support:			
Single Family / Duplex – New or Addition		\$587	
Commercial / Industrial – New		\$1,958	
Commercial / Industrial – TI		\$196	
Commercial / Industrial – Site Improvement and / or Grading		\$1,762	

As the table indicates, Land Development is currently under-recovering for all of its three services. It has an average per unit cost recovery of 28%.

It is important to note that the Lot Line / Merger Adjustment cost listed above only accounts for time spent by Land Development staff. Planning staff also spend a significant amount of time on this service as well. The following table shows for each of the fees listed above any cross-departmental support:

Table 9: Per Unit Results – Land Development with Planning Support

Fee Name	Current Fee	Land Development Cost Per Unit	Planning Cost Per Unit	Total City Cost Per Unit	Surplus / (Deficit) per Unit
Minor Encroachment Permit	\$450	\$1,675	\$0	\$1,675	(\$1,225)
Lot Line / Merger Adjustment	\$615	\$1,774	\$1,383	\$3,157	(\$2,542)
Street / Alley Easement Vacation	\$545	\$2,294	\$0	\$2,294	(\$1,749)

With the inclusion of Planning department staff support for the Lot Line / Merger Adjustment Category, the under-recovery of \$1,159 increases by approximately \$600 to become an under-recovery of approximately \$2,542. With this update to the detailed per

unit results, the average per unit recovery for Engineering services declines from 28% to 23%.

3 DEPOSIT-BASED FEES

The Engineering Department currently charges two different deposit amounts based upon the Engineer's Construction Estimate. The following table shows the department's current structure for PJ estimates:

Table 10: Current PJ Account Structure

Public Improvements	Deposit
Up to \$40,000 Construction Cost Estimate	\$4,000
Greater than \$40,000 Construction Cost Estimate	10% of Construction Cost Estimate

For any project that is estimated to cost \$40,000 or less such as typical utility encroachments, the department currently collects \$4,000 as an initial deposit. During discussions with staff it was determined that while this deposit may be sufficient for plan review and / or inspection separately, it is insufficient for both types of activities. The concept behind a deposit-based fee is to obtain cost recovery on services and to also collect a sufficient deposit amount initially so as to minimize any additional billings or invoicing.

Therefore, in review of the PJ account information, as well as discussion with staff, the project team is proposing the following structure for PJ accounts for Land Development:

Table 11: Proposed Fee Structure

Public Improvements	Deposit
Plan Review:	
Up to \$50,000	\$5,000
\$50,001 - \$200,000	\$10,000
\$200,001 - \$500,000	\$15,000
Over \$500,001	\$20,000
Inspection:	
Up to \$50,000 Construction Cost Estimate	\$5,000
Greater than \$50,000 Construction Cost Estimate	10% of Construction Cost Estimate

The proposed Public Improvements Deposit structure is a bit more nuanced as it breaks apart Plan Review and Inspection. Having two separate types of deposits is consistent with other jurisdictions, as well as ensures that the City is able to start recovering for its costs for plan review prior to inspection.

4 ANNUAL RESULTS – FLAT FEES

Due to the nature and concept of deposit-based fees, it is difficult to calculate potential revenue impacts associated with those services. However, the project team did collect annual workload information regarding the flat fees. Engineering is under-recovering for its fee-related services by approximately \$20,000. The following table shows the annual workload volume, projected revenue at current fee, total annual cost, and the associated surplus or deficit.

Table 12: Annual Results – Flat Fees – Engineering

Fee Name	Annual Volume	Revenue at Current Fee	Annual Cost	Annual Surplus / (Deficit)
Minor Encroachment Permit	16	\$7,200	\$26,798	(\$19,589)
TOTAL		\$7,200	\$26,798	(\$19,589)

Overall, Engineering is recovering approximately 27% of its costs related to flat fees. The 27% subsidy is directly related to Minor Encroachment Permits.

5 ANNUAL RESULTS – OVERALL REVENUE

The primary source of revenue for Land Development is deposit-based fees (PJ Accounts). These fees and deposits were not evaluated by the project team, other than to evaluate the initial deposit for structure and sufficiency. Additionally, during discussion with staff it was identified that the deposit-based fees are very closely tracked, monitored, and updated by staff in Land Development. Therefore, the project team assumed that all revenue collected for deposit-based fees was consistent with the cost associated with those services. The following table shows by major revenue category, the revenue at current fee, the total annual cost, the annual surplus / (deficit), and the cost recovery percentage.

Table 13: Annual Revenue Impacts – Land Development

Category	Revenue at Current	Revenue at Total Cost	Annual Surplus / (Deficit)	Cost Recovery %
Flat Fees	\$7,200	\$26,798	(\$19,598)	27%
Deposit-Based Fees	\$1,373,891	\$1,373,891	\$0	100%
TOTAL	\$1,381,091	\$1,400,689	(\$19,598)	99%

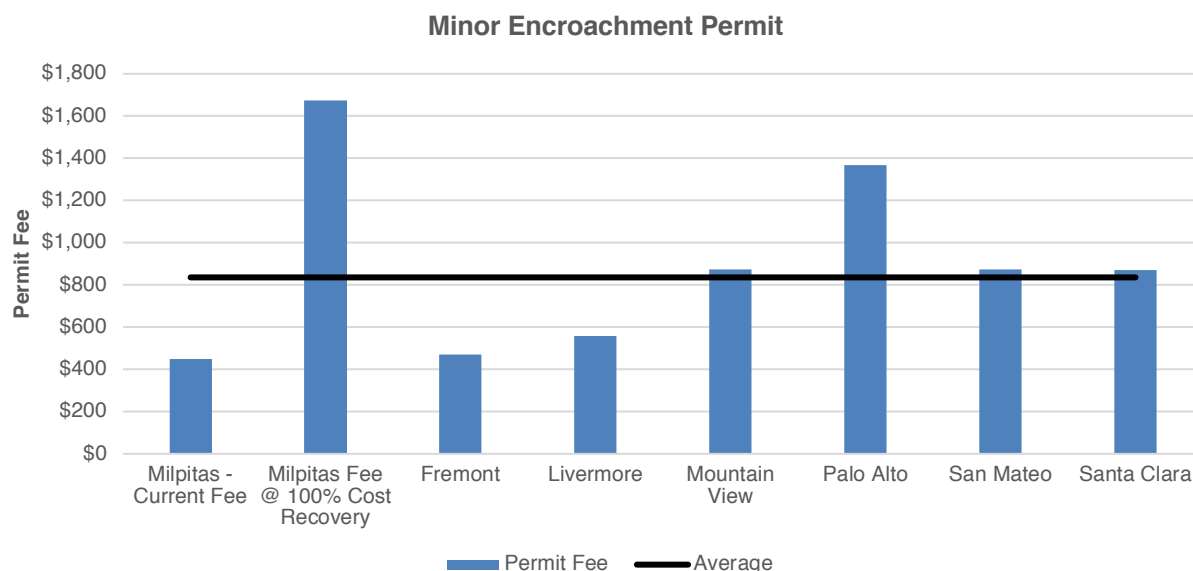
As the table indicates, Land Development is recovering approximately 99% of its costs. However, as aforementioned, this cost recovery is dependent upon the department ensuring that it is billing all plan review and inspection time to the appropriate deposit account.

6 COMPARATIVE SURVEY

As part of this study, the City requested a comparison of how their current fees and total cost related to other similar sized and regionally located jurisdictions. The following subsections compare the flat fees for Engineering to other surrounding jurisdictions.

1 Minor Encroachment Permit

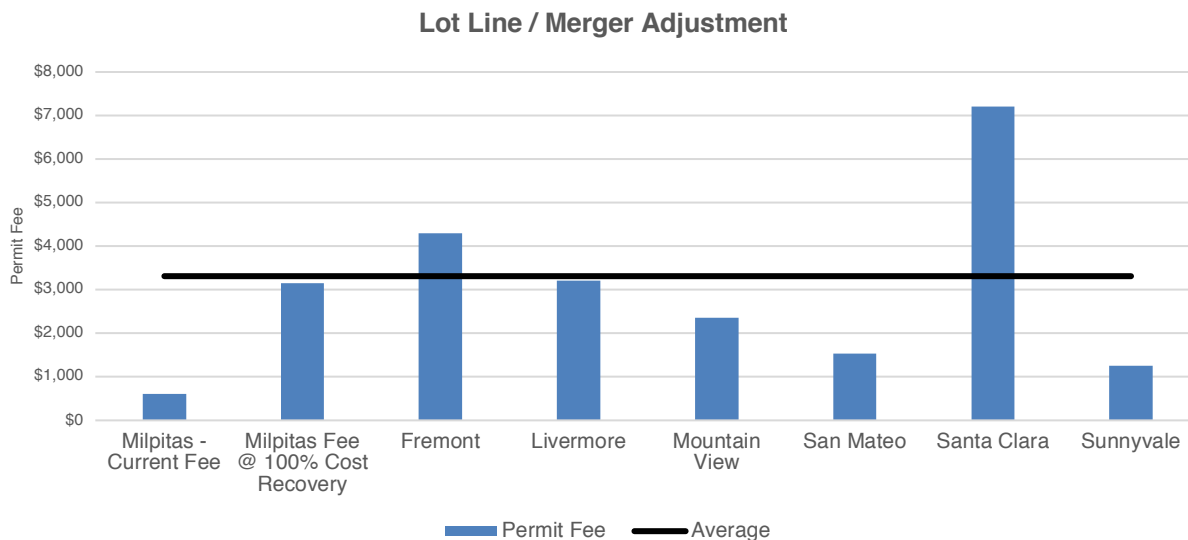
The City of Milpitas currently charges a \$450 flat fee for Minor Encroachment permits. Through this cost of services analysis, the project team calculated the full cost to provide the service to be \$1,675. The following graph shows how the department's current fee and total cost compare to other local jurisdictions for Minor Encroachment Permits.



The City's current fee for minor encroachment permits at \$450 is below the average of surrounding jurisdictions, which is \$836. However, its full cost calculated for minor encroachment permits at \$1,675 is significantly higher than the average fee.

2 Lot Line / Merger Adjustment

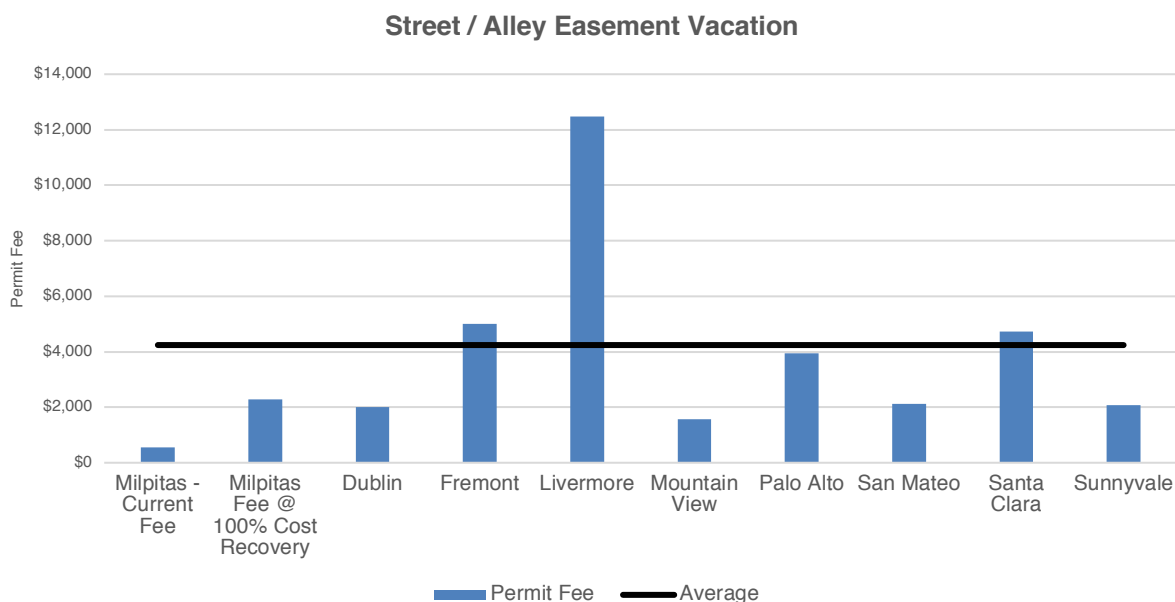
The City of Milpitas currently charges \$615 for a Lot Line / Merger Adjustment permit and through this cost of services analysis, the project team calculated the full cost to be \$3,157 (Engineering + Planning). The following graph shows how the Department's current fee and total cost compare to other local jurisdictions for Lot Line / Merger adjustments.



As the chart indicates, the City's current fee and full cost fee are both below the average of \$3,311 charged by surrounding jurisdictions. The high average fee is being skewed due to Santa Clara's fee. If the outlier is removed, the average fee drops to \$2,500.

3 Street / Alley Easement Vacation

The City of Milpitas currently charges \$545 for a Street / Alley Easement Vacation permit in the Public Right-of-Way and through this cost of services analysis, the project team calculated the full cost to be \$2,294. The following graph shows how the Department's current fee and total cost compare to other local jurisdictions for Street / Alley Easement Vacations.



As the chart indicates, the City's current and full cost fee are below the average of \$4,241 charged by other jurisdictions. This high average is a result of Livermore's fee. If Livermore's fee is excluded, the average fee would be close to \$3,000; which, is still higher than the City's current and full cost recovery fee amounts.

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7. Fire Prevention

The Fire Prevention Division is part of the Fire Department. It is responsible for conducting all fire / life safety development review and inspection activities as it relates to enforcement of fire codes. The activities include conducting fire and arson investigations, hazard abatement, and code enforcement. The following subsections provide an overview of modifications made to the Fire Prevention Division's fee schedules, the detailed per unit analysis results, the potential annual revenue impacts, and a comparison of certain fees to other jurisdictions.

1 FEE SCHEDULE MODIFICATIONS

In discussion with the Fire Prevention division staff there were minimal modifications made to their fee schedule. The current version of the Fire Prevention fee schedule has been gradually changing as new services are being provided. The modifications made to the Fire fee schedule were in relation to the following:

- **Addition of New Fees:** The division wanted to add a singular new fee under its Annual Operational permits for a Combustible Dust Producing Facility. This is to account for an additional type of operational permit that will be issued by Fire.
- **Expansion of Fee Categories:** Currently, the malls category under annual operational permits covered any mall (small or large). In an effort to be more reflective of the true cost it takes to issue these annual operational permits, the division recommended breaking these out into three categories – small, medium, and large – based upon the square footage of the mall. These new categories can help account for the true cost associated with each type of mall.
- **Consolidation of Fee Categories:** The division charges for underground tanks separately based upon whether they are vacuum pressure hydrostatic or not; however, during discussions it was determined that this should be consolidated into a singular category.
- **Description Clarification:** The division also worked with the project team to clarify the wording in the fee schedule around several of the fees to ensure that they accurately captured when and how the fee would be charged and to which type of businesses the fee was applicable.

Ultimately, the modifications made to the fees are meant to further refine the fee schedule to ensure that any and all services that are fee-related are reflected upon the City's fee schedule.

2 PER UNIT ANALYSIS

The Fire Prevention Division collects fees related to annual operational permits, hazardous material permits, and building plan check and inspection services. The total cost calculated for each service includes direct staff costs, departmental and citywide overhead. The following table details the fee name, current fee, total cost, and surplus or deficit associated with Fire Development Review fees.

Table 14: Per Unit Results – Fire

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
ANNUAL OPERATIONAL PERMITS			
A-1 Occupancy (theaters and other small viewing halls)	\$828	\$1,105	(\$277)
A-2 Occupancy (Food & Drink Establishment)	\$621	\$835	(\$214)
A-3 Occupancy (Worship, recreation, or amusement)	\$621	\$835	(\$214)
A-4 & A-5 Occupancy (indoors or outdoors sport event structures)	\$1,449	\$1,913	(\$464)
High Piled Storage	\$828	\$1,105	(\$277)
Malls			
Mall - small (0 to 50,000 s.f.)	\$1,449	\$822	\$627
Mall - medium (50,001 to 100,000 s.f.)	\$1,449	\$1,374	\$75
Mall - large (over 100,000 s.f.)	\$1,449	\$1,913	(\$464)
Combustible Dust Producing Facility	\$0	\$552	(\$552)
Motels	\$621	\$835	(\$214)
Hotels & Multi-Story Structures (<5 stories)	\$1,242	\$1,644	(\$402)
Hotels & Multi-Story Structures (5+ stories) - per floor	\$311	\$276	\$34
Commercial Daycare - Small (<100 children or elderly)	\$414	\$539	(\$125)
Commercial Daycare - Large (100+ children or elderly)	\$828	\$1,078	(\$250)
Residential - Small Family Daycare (8 or fewer children)	\$0	\$270	(\$270)
Residential - Large Family Daycare (9-14 children)	\$104	\$135	(\$31)
Residential - Elderly Care (6 or fewer people)	\$0	\$135	(\$135)
Small Apartments (3-4 units)	\$311	\$270	\$41
Medium Apartments (5-15 units)	\$1,242	\$1,078	\$164
Large Apartments (more than 15 units)	\$1,656	\$1,618	\$38
Small Chemical User (Example: doctor/dentist, dry cleaner, photo shop, graphic design, print shop, automobile engine repair, propane, CO2 beverage dispensing system, battery systems, emergency generators, pools, etc.)	\$414	\$565	(\$151)
Medium Chemical User (Example: automobile body shop, research and design, analytical labs, pool supplies, big-box retail stores)	\$1,035	\$1,400	(\$365)
Large Chemical User (Semiconductor or similar facilities)	\$1,656	\$2,209	(\$553)
Plating Shops	\$1,242	\$1,670	(\$428)
Small Toxic Gas - Annual Monitoring Certification	\$828	\$1,078	(\$250)
Large Toxic Gas - Annual Monitoring Certification	\$1,656	\$2,157	(\$501)
Mobile Fueling - Vendor	\$1,035	\$1,400	(\$365)
Mobile Fueling - Site	\$1,035	\$1,400	(\$365)
Underground Tanks	\$621	\$849	(\$228)
Urban Runoff Inspections - Industrial	\$414	\$565	(\$151)
Urban Runoff Inspections - Restaurants (once every 2 years)	\$414	\$565	(\$151)

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
Other Miscellaneous Annual Inspections Fee - per hour	\$207	\$270	(\$63)
CONSTRUCTION REVIEW / PERMIT / INSPECTION			
Building Life / Safety:			
Demolition Fees:			
Interior or Partial Building or Misc. Demolition	\$414	\$540	(\$126)
Complete Building with or without Site Demolition	\$621	\$811	(\$190)
Grading Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.			
Less than 1 acre	\$414	\$540	(\$126)
1-5 acres	\$621	\$811	(\$190)
Greater than 5 acres	\$828	\$1,081	(\$253)
Site Improvement Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.			
Less than 1 acre	\$621	\$811	(\$190)
1-5 acres	\$1,242	\$1,621	(\$379)
Greater than 5 acres – per acre	\$414	\$270	\$144
New Building – Shell:			
Less than 5,000 sq. ft.	\$621	\$811	(\$190)
5,000-25,000 sq. ft.	\$1,242	\$1,621	(\$379)
25,000-50,000 sq. ft.	\$1,863	\$2,432	(\$569)
50,000+ sq. ft. – per sq. ft.	\$0.04	\$0.05	(\$0.01)
New Building – New Construction:			
Less than 5,000 sq. ft.	\$621	\$811	(\$190)
5,000-25,000 sq. ft.	\$1,656	\$2,161	(\$505)
25,000-50,000 sq. ft.	\$3,105	\$4,053	(\$948)
50,000+ sq. ft. – per sq. ft.	\$0.06	\$0.08	(\$0.02)
Additions, Alterations, and Tenant Improvements:			
Less than 5,000 sq. ft.	\$621	\$515	\$106
5,000-25,000 sq. ft.	\$1,656	\$2,035	(\$379)
25,000-50,000 sq. ft.	\$3,105	\$3,800	(\$695)
50,000+ sq. ft. – per sq. ft.	\$0.06	\$0.08	(\$0.02)
Missed Plan Check by Appointment	\$207	\$270	(\$63)
Revision to Project Fee - per hour (min 1 hr)	\$207	\$270	(\$63)
Tents, Canopies, or Membrane Structures:			
4 or less	\$621	\$810	(\$189)
5+	\$828	\$1,080	(\$252)
Temporary Assembly (Indoors or outdoors), with or w/out tent			
Occupancy 50-299	\$621	\$810	(\$189)
Occupancy 300-999	\$1,035	\$1,350	(\$315)
Occupancy 1000+	\$1,656	\$2,160	(\$504)
Fire Extinguishing Systems: These are typically deferred submittals and reviewed and inspected after building plan submittals.			
Fire Service Underground:			
New or Replace - each	\$1,035	\$1,349	(\$314)
Repairs	\$414	\$540	(\$126)
Fire Sprinkler Systems:			
Less than 2,000 sq. ft.	\$621	\$784	(\$163)
2,000+ sq. ft. – per sq. ft.	\$0.14	\$0.20	(\$0.06)
Hood & Duct Systems – Each	\$828	\$1,080	(\$252)

Fee Name	Current Fee	Total Cost Per Unit	Surplus / (Deficit) per Unit
FM 2000 (under floor systems, etc.) each	\$828	\$1,080	(\$252)
Other (deluge, foam, preaction, etc.) each	\$828	\$1,080	(\$252)
Fire Alarm Systems:			
Additions, Alterations, or Repairs: If more than 10 devices than the New Fire Alarm fee applies.			
1-5 Devices	\$414	\$540	(\$126)
5-10 Devices	\$828	\$1,080	(\$252)
New Fire Alarm:			
Less than 5,000 sq. ft.	\$828	\$1,080	(\$252)
5,000+ sq. ft. – per sq. ft.	\$0.12	\$0.18	(\$0.05)
Hazardous Materials - Building Construction:			
Small TI (Example: registration form, inert compressed gas system installations)	\$414	\$547	(\$133)
Medium TI (Construction not otherwise classified as Small or Large TI. Example: emergency generator, lift stations, aboveground tanks, treatment systems, battery systems, CO2 beverage dispensing system, propane system, large tank installations)	\$1,035	\$1,371	(\$336)
Large TI (H Occupancy, Plating)	\$1,863	\$2,465	(\$602)
Toxic Gas Tools (furnaces, implanter, reactors)	\$1,656	\$2,195	(\$539)
Closure - process / tools	\$621	\$824	(\$203)
Closure - Facility			
Small TI	\$0	\$412	(\$412)
Medium TI	\$621	\$824	(\$203)
Large TI	\$1,035	\$1,371	(\$336)
<u>Underground Tank Installation:</u>	\$0	\$0	\$0
4 Tank System or less with Title 23 Requirement	\$4,140	\$4,931	(\$791)
Each additional tank	\$414	\$553	(\$139)
<u>Underground Tank Removal:</u>			
2 Tank System or Less	\$1,656	\$2,201	(\$545)
Each additional tank	\$207	\$277	(\$70)
CERS & APSA			
CERS	\$414	\$553	(\$139)
APSA	\$414	\$553	(\$139)
MISCELLANEOUS FEES:			
After Hours or Fast-Track Plan Check, Inspection - 3 hrs min at OT Rate	\$932	\$953	(\$21)
Alternate Materials & Methods Review	\$82	\$981	(\$899)
New Occupancy (new business) with no Hazardous Materials	\$207	\$270	(\$63)
New Occupancy (new business) with Hazardous Materials	\$414	\$539	(\$125)
Smoke Detectors Verifications (new owner)	\$207	\$270	(\$63)
Title 19 5-year automatic fire sprinkler certification	\$621	\$784	(\$163)
Failure to cancel a scheduled inspection 24 hrs. prior	\$207	\$270	(\$63)
Temporary Certificate of Occupancy	\$104	\$135	(\$31)
Standard Hourly Rate - per hour	\$207	\$270	(\$63)
Overtime Hourly Fee - per hour	\$311	\$318	(\$7)
Other activities not listed - per hour	\$207	\$270	(\$63)
Emergency Response Mapping - new projects - per hour	\$207	\$245	(\$38)

The majority of the Fire Prevention Division's fees are under-recovering. The under-recovery ranges from a low of \$0.02 per square foot for some of the development permits

to a high of \$899 for Alternate Methods and Materials. There are only a handful of permits for which there is an over-recovery. Some of this over-recovery will be addressed with the breakout of the mall permits into different categories. Other fees demonstrating a surplus are representative of changes in processes and efficiencies adopted by the department to help reduce the cost for fire inspections and permits. The average per unit cost recovery for Fire Prevention is approximately 81%.

3 ANNUAL RESULTS

The Fire Prevention Division is under-recovering for its fee-related costs by approximately \$395,500. The following table shows the annual workload volume, projected revenue at current fee, total annual cost, and the associated surplus or deficit.

Table 15: Annual Results – Fire

Fee Name	Annual Volume	Annual Revenue	Total Cost - Annual	Surplus / (Deficit) - Annual
ANNUAL OPERATIONAL PERMITS				
A-1 Occupancy (theaters and other small viewing halls)	2	\$1,656	\$2,209	(\$553)
A-2 Occupancy (Food & Drink Establishment)	171	\$106,191	\$142,785	(\$36,594)
A-3 Occupancy (Worship, recreation, or amusement)	139	\$86,319	\$116,065	(\$29,746)
A-4 & A-5 Occupancy (indoors or outdoors sport event structures)	1	\$1,449	\$1,913	(\$464)
High Piled Storage	39	\$32,292	\$43,080	(\$10,788)
Motels	9	\$5,589	\$7,515	(\$1,926)
Hotels & Multi-Story Structures (<5 stories)	10	\$12,420	\$16,438	(\$4,018)
Hotels & Multi-Story Structures (5+ stories) - per floor	3	\$932	\$828	\$103
Commercial Daycare - Small (<100 children or elderly)	32	\$13,248	\$17,255	(\$4,007)
Commercial Daycare - Large (100+ children or elderly)	7	\$5,796	\$7,549	(\$1,753)
Residential - Small Family Daycare (8 or fewer children)	61	\$0	\$16,446	(\$16,446)
Residential - Large Family Daycare (9-14 children)	45	\$4,658	\$6,066	(\$1,409)
Small Apartments (3-4 units)	197	\$61,169	\$53,113	\$8,055
Medium Apartments (5-15 units)	1	\$1,242	\$1,078	\$164
Large Apartments (more than 15 units)	21	\$34,776	\$33,971	\$805
Small Chemical User	348	\$144,072	\$196,756	(\$52,684)
Medium Chemical User	62	\$64,170	\$86,824	(\$22,654)
Large Chemical User (Semiconductor or similar facilities)	5	\$8,280	\$11,046	(\$2,766)
Plating Shops	5	\$6,210	\$8,350	(\$2,140)
Small Toxic Gas - Annual Monitoring Certification	3	\$2,484	\$3,235	(\$751)
Large Toxic Gas - Annual Monitoring Certification	2	\$3,312	\$4,314	(\$1,002)
Other Miscellaneous Annual Inspections Fee - per hour	14	\$2,898	\$3,775	(\$877)
CONSTRUCTION REVIEW / PERMIT / INSPECTION				
Building Life / Safety:				
Demolition Fees:				
Interior or Partial Building or Misc. Demolition	9	\$3,726	\$4,861	(\$1,135)

Fee Name	Annual Volume	Annual Revenue	Total Cost - Annual	Surplus / (Deficit) - Annual
Complete Building with or without Site Demolition	2	\$1,242	\$1,621	(\$379)
Grading Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.				
Less than 1 acre	10	\$4,140	\$5,401	(\$1,261)
1-5 acres	2	\$1,242	\$1,621	(\$379)
Site Improvement Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.				
Less than 1 acre	11	\$6,831	\$8,916	(\$2,085)
1-5 acres	13	\$16,146	\$21,074	(\$4,928)
New Building – New Construction:				
Less than 5,000 sq. ft.	531	\$329,751	\$430,404	(\$100,653)
5,000-25,000 sq. ft.	7	\$11,592	\$15,128	(\$3,536)
25,000-50,000 sq. ft.	6	\$18,630	\$24,317	(\$5,687)
50,000+ sq. ft. – per sq. ft.	840,046	\$52,167	\$68,054	(\$15,887)
Additions, Alterations, and Tenant Improvements:				
Less than 5,000 sq. ft.	187	\$116,127	\$96,263	\$19,864
5,000-25,000 sq. ft.	42	\$69,552	\$85,455	(\$15,903)
25,000-50,000 sq. ft.	15	\$46,575	\$56,995	(\$10,420)
50,000+ sq. ft. – per sq. ft.	452,147	\$28,078	\$34,913	(\$6,835)
Tents, Canopies, or Membrane Structures:				
4 or less	11	\$6,831	\$8,907	(\$2,076)
5+	6	\$4,968	\$6,481	(\$1,513)
Fire Extinguishing Systems: These are typically deferred submittals and reviewed and inspected after building plan submittals.				
Fire Sprinkler Systems:				
Less than 2,000 sq. ft.	242	\$150,282	\$189,822	(\$39,540)
2,000+ sq. ft. – per sq. ft.	3,198,451	\$447,783	\$411,621	\$36,162
Hood & Duct Systems – Each	14	\$11,592	\$15,122	(\$3,530)
Other (deluge, foam, preaction, etc.) each	5	\$4,140	\$5,401	(\$1,261)
Fire Alarm Systems:				
Additions, Alterations, or Repairs: If more than 10 devices than the New Fire Alarm fee applies.				
1-5 Devices	70	\$28,980	\$37,806	(\$8,826)
5-10 Devices	45	\$37,260	\$48,607	(\$11,347)
New Fire Alarm:				
Less than 5,000 sq. ft.	119	\$98,532	\$128,540	(\$30,008)
MISCELLANEOUS FEES:				
New Occupancy (new business) with Hazardous Materials	23	\$9,522	\$12,402	(\$2,880)
TOTAL		\$2,104,851	\$2,500,347	(\$395,497)

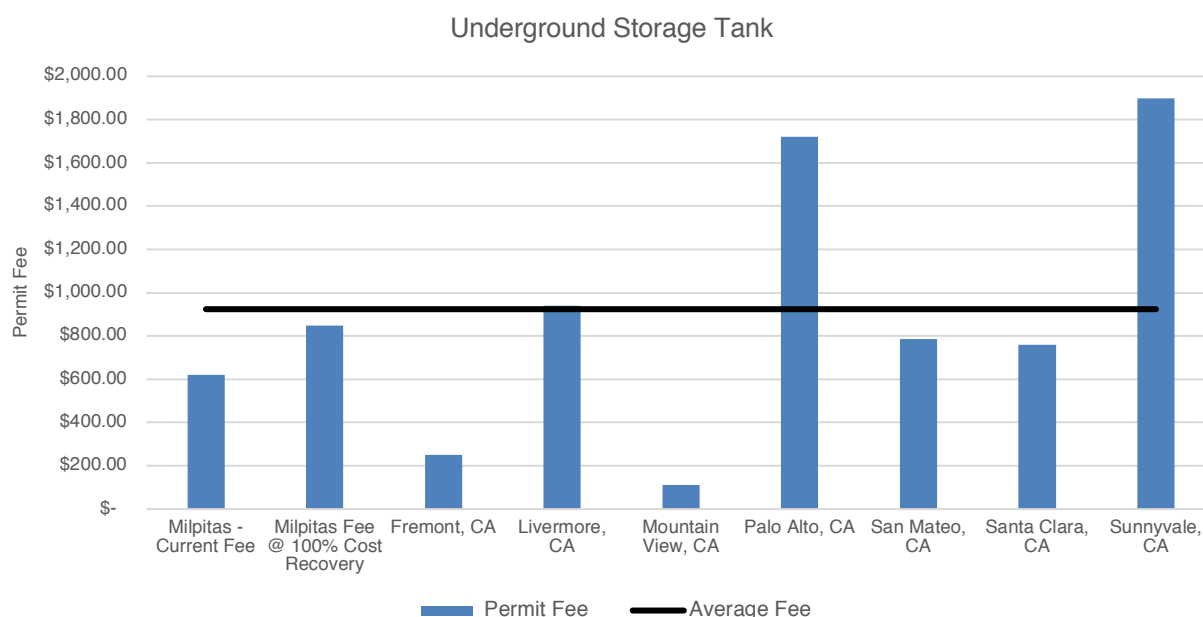
As the table above indicates, the Fire Prevention Division is recovering approximately 84% of its fee-related costs annually. The 84% cost recovery represents a deficit of approximately \$395,000. The largest component of this deficit is new construction permits for building projects. Updating fire fees to full cost recovery will help ensure that this deficit is minimized.

4 COMPARATIVE SURVEY

As part of this study, the City requested a comparison of how their current fees and total cost related to other similar sized and regionally located jurisdictions. The following subsections provide a comparative look at the services evaluated by the project team related to Fire Prevention fees.

1 Underground Storage Tank

The City is currently charging a flat fee of \$621 for Underground Storage Tank permits. Through this study, the total cost of providing this service was calculated at \$849. The following graph shows how the Department's current fee and total cost compare to other local jurisdictions.

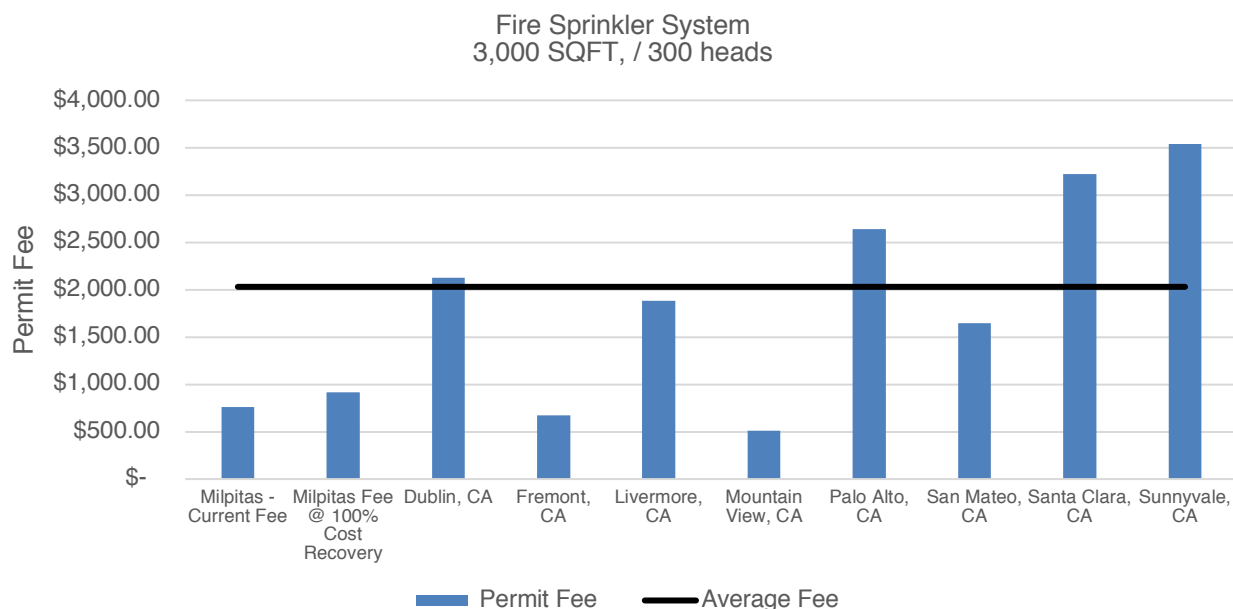


As the graph above indicates, the current fee charged by the City of Milpitas, as well as the full cost, are below the average fee of \$924 associated with surrounding jurisdictions. The City's current and proposed fees are above those of Fremont and Mountain View, and in line with San Mateo and Santa Clara. Both Palo Alto and Sunnyvale's fees are above the jurisdictional average.

2 Fire Sprinkler System Plan Check and Inspection – 3,000 sq. ft. / 300 Heads

The City currently charges a singular fee amount for fire sprinkler plan check and inspection, with projects less than 2,000 square feet being charged \$621, while projects greater than 2,000 square feet are charged \$621 plus \$0.14 per additional square foot above 2,000. Through this study, the total cost calculated for projects less than 2,000

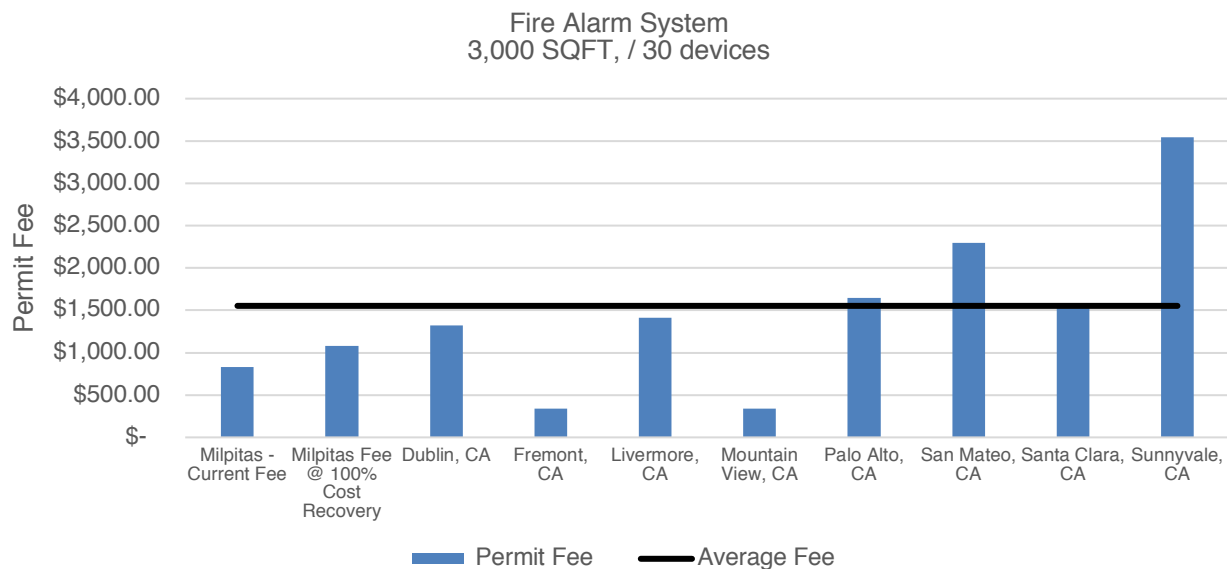
square feet was \$784, and \$0.13 per square foot beyond 2,000. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph above shows, both the current fee charged by the City, as well as the full cost are below the average fee of \$2,030 associated with surrounding jurisdictions. The City's current and full cost amounts are in line with Fremont and Mountain View, with Palo Alto, Santa Clara, and Sunnyvale well above the average. Of the jurisdictions surveyed, Milpitas is the only jurisdiction that assesses fees based on square footage. Most of the jurisdictions surveyed assess fees based on a per head metric; however, Mountain View charges hourly, and Sunnyvale charges 70% of the building permit fee. It should be noted that while Milpitas's use of square footage is not common among surveyed jurisdictions, it is used by other Fire Departments across the state and the Country.

3 Fire Alarm Systems Plan Check and Inspection – 3,000 SQFT / 30 Devices

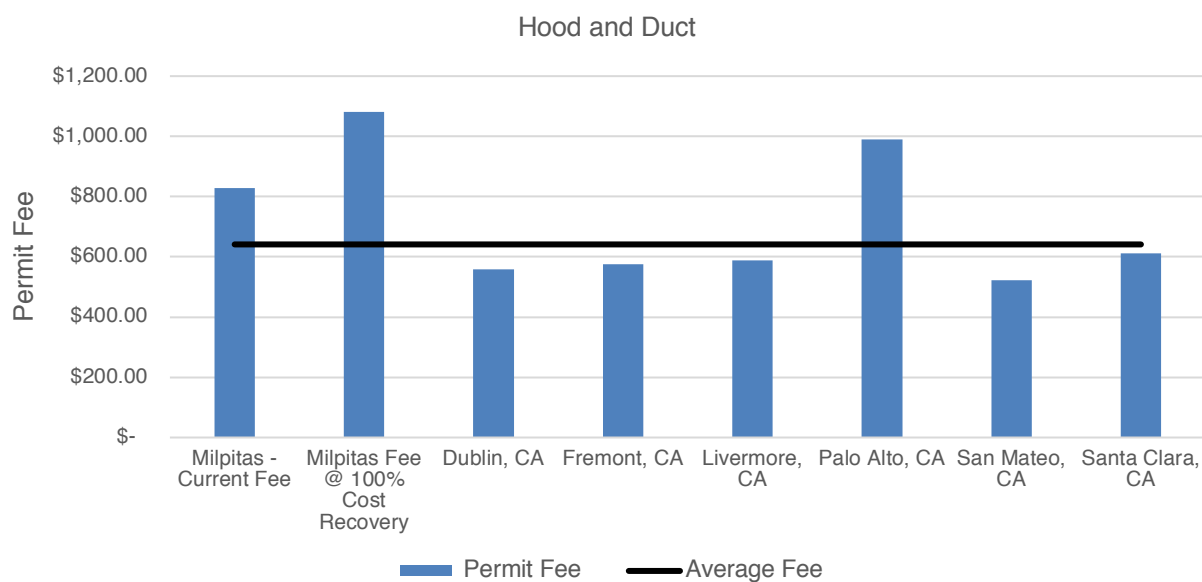
Fire alarm system plan check and inspection services are based on square footage, with projects less than 5,000 square feet being charged \$828, while projects greater than 5,000 square feet are charged \$828 plus \$0.12 per additional square foot above 5,000. This study calculated that projects less than 5,000 square feet cost the City \$1,080, and \$0.18 per square foot beyond 5,000. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



Similar to the Sprinkler fees, the current fee charged by the City, along with the full cost of alarm system permits is below the average fee of \$1,553 charged by surveyed jurisdictions. Both Fremont and Mountain View have the lowest fees for fire alarm systems, while San Mateo and Sunnyvale have fees above the jurisdictional average. The majority of jurisdictions surveyed assess fees based on the number of devices or appliances, while Sunnyvale charges 70% of the building permit fee.

4 Hood & Duct System Plan Check and Inspection

The City is currently charging a flat fee of \$828 for hood and duct systems. Through this study, the total cost calculated is \$1,080. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



Unlike the previous three scenarios, the City's current fee, as well as the total cost are above the jurisdictional average. Palo Alto's fee skews the average, as the remaining jurisdictions are all below the average. Mountain View and Sunnyvale were excluded from this graph, as they charge fees based on the value of the hood and duct system.

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8. Planning

The Planning Department is responsible for reviewing development applications for compliance with zoning regulations and ordinances. Furthermore, the Department is also responsible for long-range planning activities which help inform policy decisions related to the overall growth and development of the City. The following subsections provide an overview of modifications made to the Planning Department's fee schedules, the detailed per unit analysis results, the potential annual revenue impacts, and a comparison of certain fees to other jurisdictions.

1 FEE SCHEDULE MODIFICATIONS

During discussions with staff the primary modification made to the Planning Fee schedule was to convert a variety of deposit-based fees (private job account fees) to flat fees. Converting deposit-based fees to flat fees has the following advantages:

- **Transparency in cost for services** – The flat fee clearly indicates to the developer and the applicant up front the cost for that type of permit.
- **Reduced administrative effort and cost** – Flat fees mitigate the need for Planners to keep track of their time on individual projects; as well as time for the Planning Manager and Director to review those charges. Additionally, it reduces effort for staff in the Finance department related to generating invoices and bills.

Due to these advantages as well as the ability to estimate a standardized amount of time for most planning applications, the project team worked with staff to convert the majority of their fees from deposits to flat fees. There are still certain fees due to the complexity of their nature that are being recommended to remain as deposit-based fees. The proposed deposit-based (PJ Account) fees will be discussed in the deposit-based fees section.

The project team also worked with staff to identify fees for which the City is currently providing services, but there is no specific permit or fee amount in place. The project team in conjunction with City staff identified these new fees as follows:

- **Conceptual Plan Review** – This fee allows the applicant to meet with Planning staff similar to a Pre-Application review, but it is a limited meeting in nature, and is a review of the planning project at the very beginning prior to any project development. The purpose is to meet with applicants to discuss the concept behind their initial project and the requirements for compliance.
- **Pre-Application Single Family / Additional Dwelling Units** – There is only one initial deposit amount for the Pre-Application process currently. However, in review of the PJ account information, the project team discovered that the Pre-Application

support can vary based upon the type of project. Therefore, the decision was made to create a new category to represent the support associated with smaller types of projects such as single-family or additional dwelling units.

- **Temporary Signs** – The fee is meant to permit temporary signs including banners for compliance with City requirements. The fee is charged currently as an hourly rate; for ease of applicants and administrative staff time, the project team discussed identifying it as its own permit type with a flat fee amount.
- **Noticing Fee** – The cost associated with staff time and materials for noticing is currently captured through the PJ account system; however, with the transitioning of the PJ accounts to flat fees, it is important to identify this as a separate cost for any noticing done by City staff.
- **Home Occupation Permit (Business License Review)** – Currently, Planning staff review the majority of business licenses that are related to home occupation permits for zoning compliance. There is no fee for this service. This is a fairly typical fee on many other fee schedules; and as such is being recommended to be added to the City's fee schedule.
- **Tree Removal** – The department currently reviews any tree removals as a part of a development project; however, there is currently no separate fee for the review of the information and inspection of the tree removal. As such, the project team worked with staff to identify this as a new fee to be added to the schedule.
- **Temporary Use Permit** – The Planning Department reviews temporary facilities and structures for a temporary use permit occasionally, but processes them as a minor conditional use or minor site development permit. To be consistent with other surrounding jurisdictions; as well as for transparency, a separate fee for temporary use permit was identified.
- **Building Support** – The department currently reviews and is responsible for conducting inspections as part of the building plan review and permitting process. However, there is no specific fee on the fee schedule to help capture this support. Therefore, a flat fee is being proposed to be added for plan check and inspection support for Building projects.

Ultimately the modifications to the Planning Fee schedule help the fee schedule become more transparent, user-friendly, and reflective of services being provided by the Department.

2 PER UNIT ANALYSIS – FLAT FEES

The Planning Department collects a variety of fees related to use permits, site development permits, special events, and pre-application reviews. The total cost calculated for each service includes direct staff costs, departmental and citywide overhead. The following table details the fee name, current fee, Planning's cost, and surplus or deficit associated with each Planning Department flat fee.

Table 16: Per Unit Results – Planning

Fee Name	Current Fee / Deposit	Planning Cost Per Unit	Surplus / (Deficit) per Unit
Special Events:			
Application - minor events	\$250	\$909	(\$659)
Application - major events	\$750	\$5,054	(\$4,304)
Conceptual Review - Planning Staff Only - per meeting		\$348	
Pre-Application Review Process:			
Single Family / Additional Dwelling Units	\$5,000	\$2,073	\$2,927
All Others	\$5,000	\$5,821	(\$821)
Tentative Maps:			
Parcel Map	\$5,000	\$9,290	(\$4,290)
Tract Map	\$10,000	\$13,935	(\$3,935)
Minor Site Development:			
Staff Review	\$250	\$929	(\$679)
Staff Review - Hill Side	\$750	\$1,846	(\$1,096)
Requiring PC / CC Approval	\$750	\$5,565	(\$4,815)
Site Development:			
New Development	\$20,000	\$8,092	\$11,908
Additions/Alterations 200+ sf	\$3,000	\$2,073	\$927
Minor Conditional Use Permit:			
Staff Review	\$165	\$909	(\$744)
Requiring PC / CC Approval	\$750	\$2,328	(\$1,578)
Conditional Use Permit:			
Single Family Districts	\$50	\$110	(\$60)
Family Day Care Homes	\$375	\$665	(\$290)
All Other CUPs	\$3,000	\$12,152	(\$9,152)
Signs:			
Temporary (Including Banners)		\$110	
Permanent (including Wall Signs)	\$151	\$219	(\$68)
Freestanding signs over 6ft in height	\$151	\$438	(\$287)
Billboards	\$151	\$909	(\$758)
Variance:			
Single Family	\$375	\$681	(\$306)
Signs	\$700	\$937	(\$237)
Multi-Family / Non-Residential	\$3,000	\$2,328	\$672

Fee Name	Current Fee / Deposit	Planning Cost Per Unit	Surplus / (Deficit) per Unit
Miscellaneous Fees:			
Appeal to Planning Commission / City Council	\$100	\$1,858	(\$1,758)
Time Extensions	\$300	\$767	(\$467)
Noticing Fee		\$549	
Planning Research - per hour	\$40	\$232	(\$192)
Zoning Conformance Letter	\$40	\$219	(\$179)
Home Occupation Permit		\$55	
Tree Removal		\$222	
Temporary Use Permit		\$809	
Building Support		\$465	

The fees highlighted in blue are the services on the current fee schedule that are PJ accounts, but will be transitioned to flat fees. Hence, the information in the first column represents the deposit amount and any over-recovery would be the potential refund owed to the applicant. Additionally, as discussed in the introduction to this table, this only reflects the costs associated with Planning staff and the deposit that is taken reflects costs for Engineering and Fire Services, and very rarely building services as well.

In regards to cost recovery on a per unit basis for Planning's cost only, the City is under-recovering for the majority of its fees. This under-recovery varies from a low of \$68 for the permanent signs to a high of \$758 for the billboard signs. The average per unit cost recovery is 63%.

As the Planning Department is transitioning the majority of its fees from deposits to flat fees, the project team worked with staff in Engineering and Fire to capture their time spent on Planning applications. The following table shows by fee name, the current fee or deposit amount, Planning's total cost, Engineering's Total Cost, Fire's Total Cost, the City's overall total cost, and the resulting surplus / (deficit) per unit.

Table 17: Per Unit Results – Planning – Total City Cost

Fee Name	Current Fee / Deposit	Planning Cost Per Unit	Eng. Total Cost Per Unit	Fire Total Cost Per Unit	Total City Cost Per Unit	Surplus / (Deficit) per Unit
Special Events:						
Application - minor events	\$250	\$909			\$909	(\$659)
Application - major events	\$750	\$5,054	\$376	\$135	\$5,565	(\$4,815)
Conceptual Review - Planning Staff Only - per meeting		\$348			\$348	
Pre-Application Review Process:						
Single Family / Additional Dwelling Units	\$5,000	\$2,073	\$265	\$270	\$2,608	\$2,392
All Others	\$5,000	\$5,821	\$1,535	\$1,082	\$8,438	(\$3,438)

Fee Name	Current Fee / Deposit	Planning Cost Per Unit	Eng. Total Cost Per Unit	Fire Total Cost Per Unit	Total City Cost Per Unit	Surplus / (Deficit) per Unit
Tentative Maps:						
Parcel Map	\$5,000	\$9,290	\$2,488	\$1,082	\$12,860	(\$7,860)
Tract Map	\$10,000	\$13,935	\$3,633	\$1,082	\$18,650	(\$8,650)
Minor Site Development:						
Staff Review	\$250	\$929	\$1,339	\$676	\$2,944	(\$2,694)
Staff Review - Hill Side	\$750	\$1,846	\$1,479	\$811	\$4,136	(\$3,386)
Requiring PC / CC Approval	\$750	\$5,565	\$1,618	\$1,623	\$8,806	(\$8,056)
Site Development:						
New Development	\$20,000	\$8,092	\$5,296	\$2,164	\$15,552	\$4,448
Additions/Alterations 200+ sf	\$3,000	\$2,073	\$1,844	\$541	\$4,458	(\$1,458)
Minor Conditional Use Permit:						
Staff Review	\$165	\$909	\$139	\$135	\$1,183	(\$1,018)
Requiring PC / CC Approval	\$750	\$2,328	\$209	\$270	\$2,807	(\$2,057)
Conditional Use Permit:						
Single Family Districts	\$50	\$110	\$139	\$270	\$519	(\$469)
Family Day Care Homes	\$375	\$665		\$270	\$935	(\$560)
All Other CUPs	\$3,000	\$12,152	\$835	\$1,082	\$14,069	(\$11,069)
Signs:						
Temporary (Including Banners)		\$110			\$110	
Permanent (including Wall Signs)	\$151	\$219	\$98		\$317	(\$166)
Freestanding signs over 6ft in height	\$151	\$438	\$98		\$536	(\$385)
Billboards	\$151	\$909			\$909	(\$758)
Variance:						
Single Family Signs	\$375	\$681	\$70	\$203	\$954	(\$579)
	\$700	\$937			\$937	(\$237)
Multi-Family / Non-Residential	\$3,000	\$2,328	\$70	\$541	\$2,939	\$61
Miscellaneous Fees:						
Appeal to Planning Commission/City Council	\$100	\$1,858			\$1,858	(\$1,758)
Time Extensions	\$300	\$767			\$767	(\$467)
Noticing Fee		\$549			\$549	(\$549)
Planning Research - per hour	\$40	\$232			\$232	(\$192)
Zoning Conformance Letter	\$40	\$219			\$219	(\$179)
Home Occupation Permit		\$55			\$55	(\$55)
Tree Removal		\$222			\$222	(\$222)
Temporary Use Permit		\$809			\$809	(\$809)

As the table indicates, once the cross-departmental support for Engineering and Fire services is added, the City is generally under-recovering for its services; suggesting that the initial deposit amount may not be sufficient to help recover the costs associated with the permitting process. The average per unit cost recovery for Planning services declines from 63% to 45% on a per unit basis.

3 DEPOSIT-BASED FEES

Currently, the Planning Department charges the majority of its fees as deposit-based fees. As aforementioned in the modifications section there are several advantages to converting deposit-based fees to flat fees. As such, the project team worked with staff to significantly reduce the number of deposit-based fees. However, there are certain services which are still extraordinary in nature and every single application can vary so greatly that it is difficult to estimate an average amount of time accurately. These fees are being recommended to remain as deposit-based fees. As part of the discussion of deposit-based fees, the project team reviewed recommended deposit amounts with City staff. The following table shows by fee name, the current deposit amount, and the proposed deposit amount.

Table 18: Deposit-Based Fees – Planning

Deposit-Based Fee Name	Current Deposit	Proposed Deposit
Amendments, General Plan, Zoning, or Specific Plan (Map or Text)	\$20,000	\$20,000
Development Agreements	\$20,000	\$20,000
Environmental Review/CEQA clearance	\$20,000	\$35,000
Planned Unit Development	\$20,000	\$20,000

Other than the Environmental Review / CEQA Clearance deposit, the project team believes that the current deposit amounts are appropriate. The current deposit amount for Environmental Review / CEQA Clearance is low at the current level of \$20,000 as many jurisdictions usually assess a fee for between \$25,000-\$50,000 for these services.

4 ANNUAL RESULTS – FLAT FEES

Due to the significant restructuring of fees and converting fees from deposit-based to flat fees the project team only evaluated the annual revenue impact associated with non-deposit-based fees (currently). The following table shows the annual workload, the projected annual cost at current workload, and the associated surplus / (deficit).

Table 19: Annual Results – Planning – Current Flat Fees

Fee Name	Annual Volume	Revenue at Current Fee - Annual	Total Cost - Annual	Surplus / (Deficit) - Annual
Conditional Use Permit:				
Family Day Care Homes	3	\$1,125	\$1,996	(\$871)
Miscellaneous Fees:				
Appeal to Planning Commission/City Council	2	\$200	\$3,717	(\$3,517)
Zoning Conformance Letter	8	\$320	\$1,753	(\$1,433)
TOTAL		\$1,645	\$7,467	(\$5,822)

Based on the current flat fees, the Planning Department is recovering approximately 22% of its costs or is under-recovering by approximately \$5,800 annually. This under-recovery is primarily due to the appeal fee.

5 ANNUAL RESULTS – OVERALL

The transitioning of fees from deposit-based, which are meant to be full cost recovery to flat fees has made it difficult for the project team to conduct an overall revenue analysis. However, the project team did collect information regarding total charges from Planning billed for FY17-18, as well as the flat fee revenue sources and compared the overall cost calculated through this study for those same services. The following table shows by major revenue category, the revenue at current fee, the total annual cost, the annual surplus / (deficit), and the cost recovery percentage.

Table 20: Annual Revenue Impacts – Planning

Category	Revenue at Current	Revenue at Total Cost	Annual Surplus / (Deficit)	Cost Recovery %
Flat Fees	\$1,645	\$7,467	(\$5,822)	22%
Deposit-Based Fees	\$342,118	\$659,796	(\$317,678)	52%
TOTAL	\$343,763	\$667,262	(\$323,499)	52%

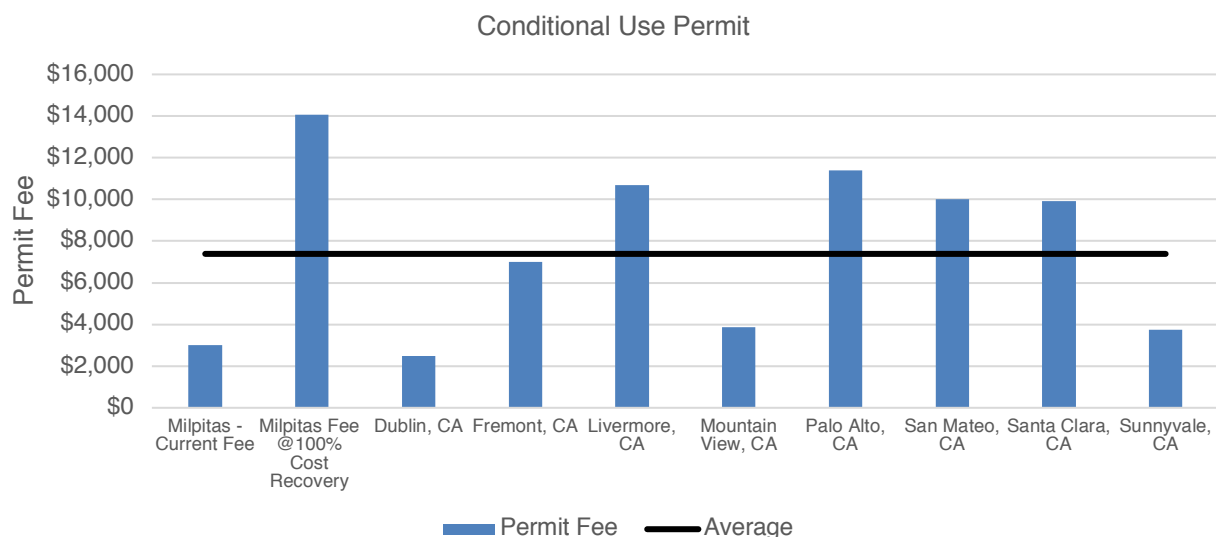
As the table indicates, the Planning Department is recovering approximately 52% of its costs related to current planning components of development review activities. The largest deficit is associated with deposit-based fees, as the current system of tracking time on deposit-based fees has not been utilized consistently or effectively by City planners due to high turnover. As such, the conversion of these fees to flat fees will allow the City to more accurately capture the cost associated with reviewing and approving planning applications.

6 COMPARATIVE SURVEY

As part of this study, the City requested a comparison of how their current fees and total cost related to other similar sized and regionally located jurisdictions. The following subsections provide a comparative look at the services evaluated by the project team related to planning fees.

1 Conditional Use Permit

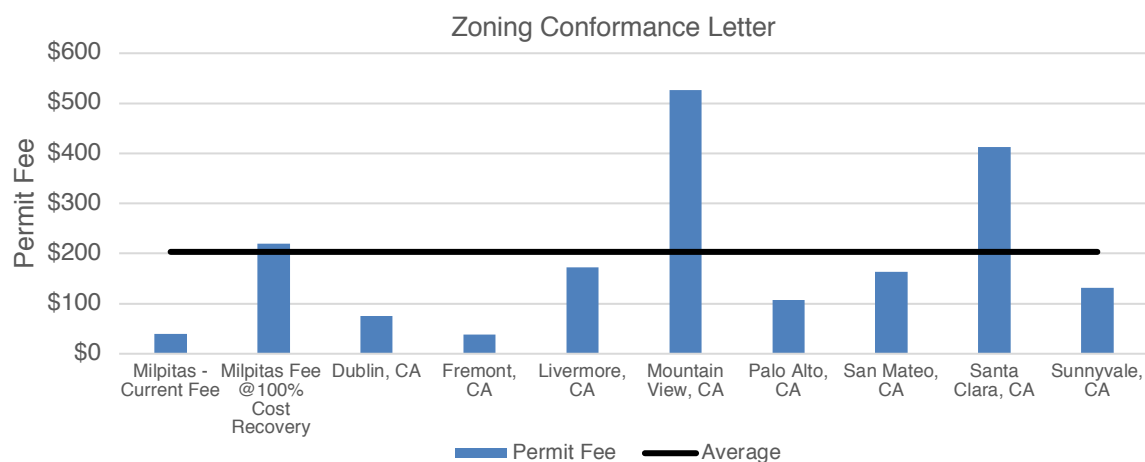
The City of Milpitas currently assesses a conditional use permit for all non-single family permits as a \$3,000 initial deposit. Through this study, the project team calculated the full cost of the permit at \$14,069. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the chart above indicates the City's current fee / deposit for the conditional use permit at \$3,000 is below the average fee / deposit of \$7,387 that is charged by other surrounding jurisdictions. It is important to note that other than Santa Clara, Sunnyvale, and Mountain View; all other jurisdictions charge conditional use permits as a deposit-based fee. Therefore, even if their current deposit amount is low, they could be billing for up to and / or more than Milpitas' full cost flat fee amount.

2 Zoning Verification / Conformance Letter

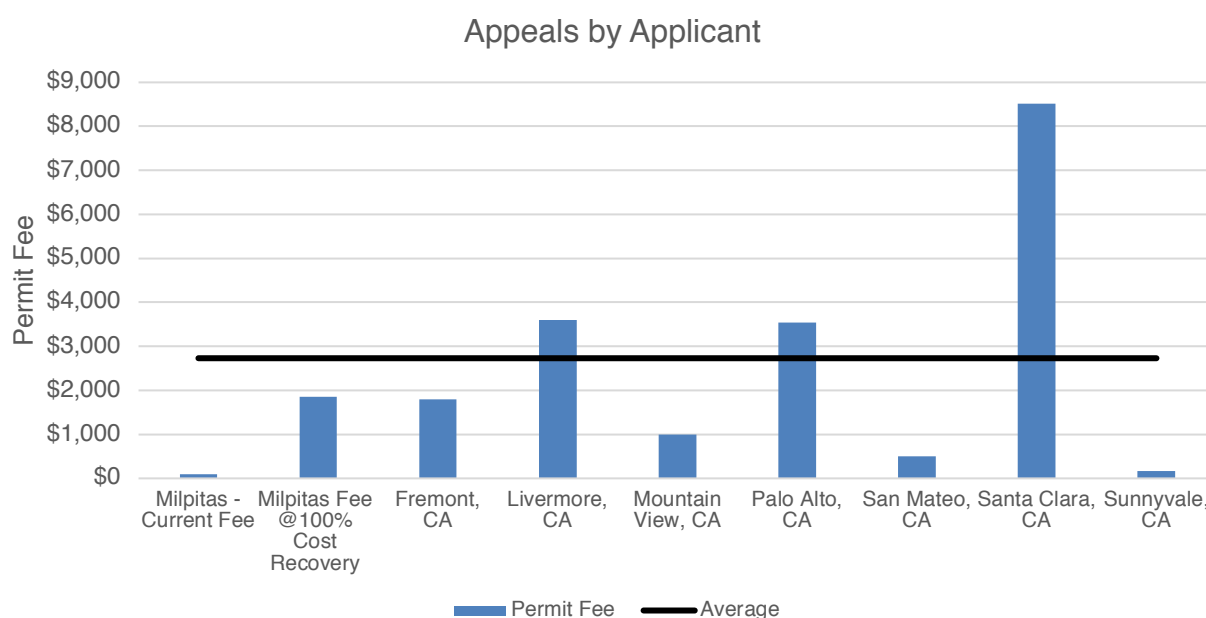
The City of Milpitas currently assesses a flat fee for zoning verification / conformance letter at \$40; through this cost of services analysis the full cost was calculated at \$219. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph above indicates, the City's current fee for the zoning conformance letter at \$40 is below the average of \$203 charged by other jurisdictions. However, the full cost calculated at \$219 is only slightly above this average fee amount.

3 Appeal to Planning Commission / City Council – by Applicant

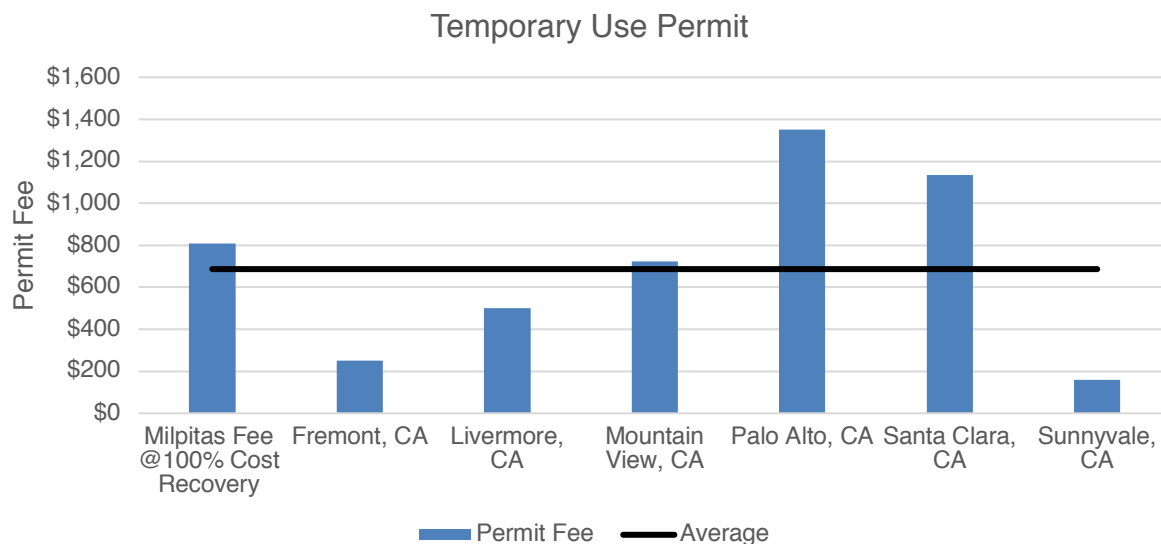
The City of Milpitas currently assesses a flat fee of \$100 for appeals to Planning Commission and / or City Council; whether those appeals are by the applicant or by the members of the public. The project team calculated that the full cost of processing an appeal is approximately \$1,858. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph indicates, Milpitas' current and full cost fee are significantly below the average fee of \$2,731 charged by surrounding jurisdictions. The average is affected by Santa Clara, who at \$8,513 is an outlier. The City of Dublin was excluded from this graph as it charges time and material for any appeals that are initiated by the applicant. The removal of Santa Clara from the graph and the average calculation reduces the average fee to \$1,767; which, is closer to the \$1,858 full cost for the City of Milpitas.

4 Temporary Use Permit

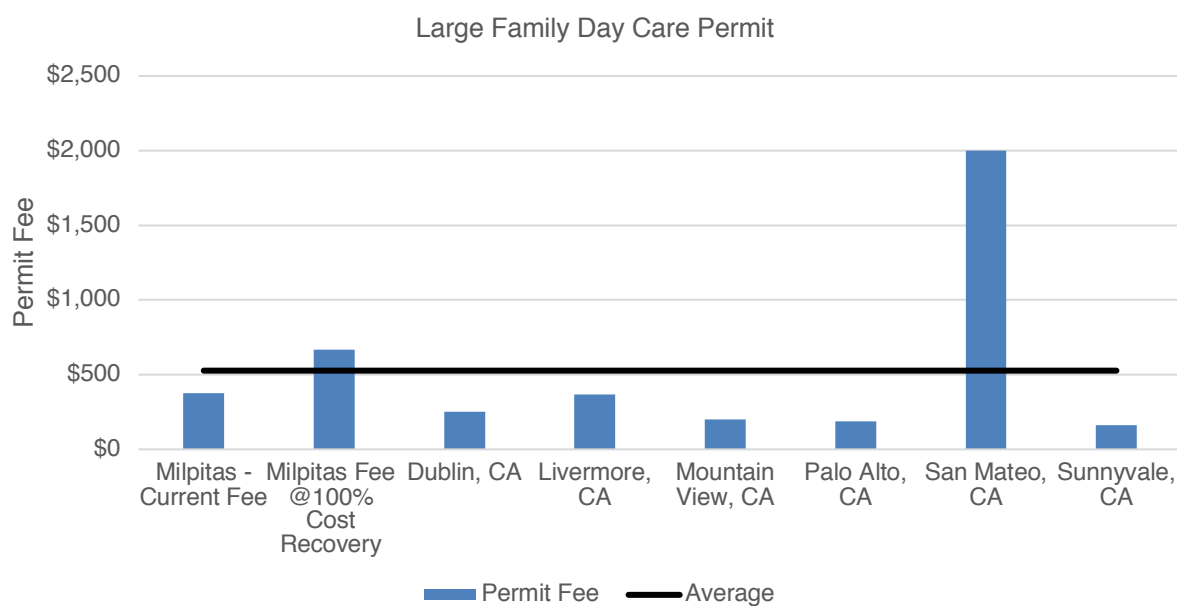
As part of this study, the project team worked with the Planning Department to add a new fee for temporary use permit. This fee was calculated at a full cost of \$806. The following graph shows how the Department's current fee and total cost compare to other local jurisdictions.



As the chart indicates, Milpitas' full cost of \$806 is only slightly higher than the average fee of \$687 being charged by surrounding jurisdictions. Jurisdictions such as Dublin and San Mateo do not have separate fees for temporary use permits.

5 Daycare Permits

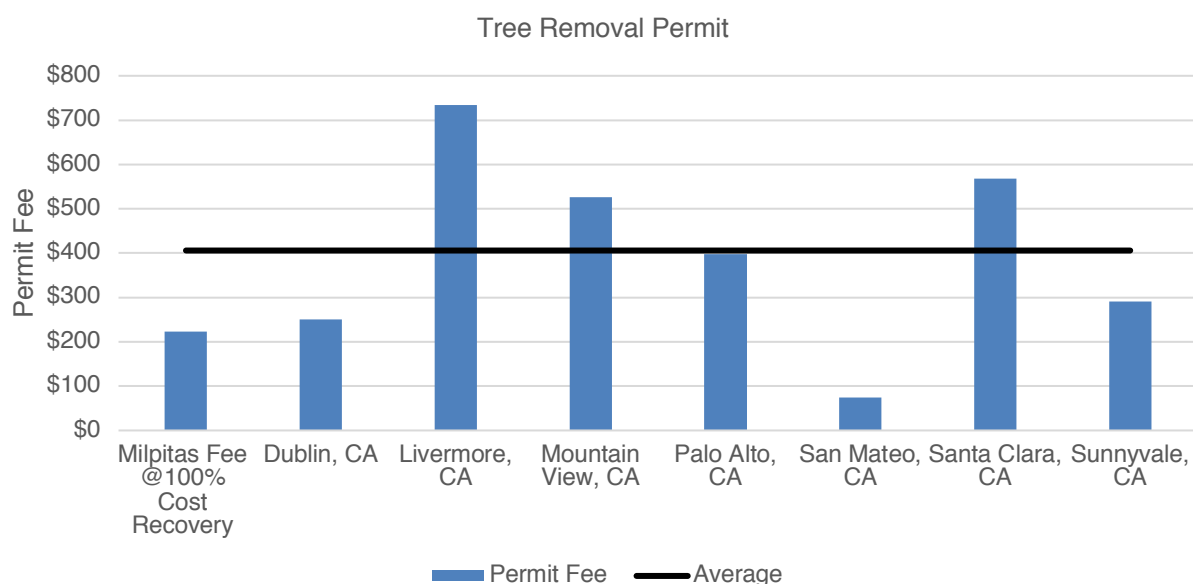
The Planning Department currently charges a flat conditional use permit fee of \$375 for large family daycare. As part of this study, the project team calculated the full cost of this service to be \$665. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



Based upon the graphic above, the City's current fee is below the average of \$527 charged by jurisdictions; but its full cost is slightly higher. However, this average is influenced by San Mateo's flat fee of \$2,000. The removal of the outlier would reduce the average to \$233; which, would be below even the City's current fee for large family day care permits.

6 Tree Removal Permit

Through this study the project team worked with City staff to identify a permit for tree removal and it was costed out at \$222. The following graph shows how the department's current fee and total cost compare to other local jurisdictions.



As the graph indicates, the City's full cost of \$222 is below the average fee of \$406 being charged by surrounding jurisdictions. The only jurisdiction with a lower fee than the City's full cost is the City of San Mateo, which charges \$75.

9. Development Services Surcharges

There are two typical surcharges assessed as part of the development review process and fee structure – general plan / community planning fee and technology / permit automation fee. The City of Milpitas currently charges both types of fees as part of its development review process. The following subsections discuss the current fee(s) charged by the City and the proposed fee calculated by the project team.

1 COMMUNITY PLANNING FEE

The City of Milpitas currently assesses a community planning fee as part of its building permit process. The community planning fee is meant to account for updates to the general plan, zoning ordinance, specific plan, Midtown Specific Plan, Transit Area Specific Plan, Bike and Pedestrian Master Plan, Parks Master Plan, Climate Action Plan, and other long-range planning activities, which are all part of the General Planning effort. This is a fairly typical fee assessed by many jurisdictions and it is calculated as a percentage of the building permit fee. The concept behind charging it on building permits is that any development project requiring a building permit makes enough of an impact on the community to require the need for an update to the zoning code and general plan.

The project team worked with staff in the Planning department to estimate the annual percentage of time spent by staff as it relates to long-range planning efforts. In addition to internal staff cost there are contracted costs associated with updates to the general plan and zoning code. The following table shows by cost component the total cost associated with each type of cost factor, the life of the cost factor, and the resulting annual cost:

Table 21: Community Planning Fee Cost Components

Cost Component	Cost Amount	Life of Cost	Annual Cost
Annual Staff Cost	\$193,505	1	\$193,505
General Plan Update	\$1,500,000	10	\$150,000
Technical Update	\$750,000	5	\$150,000
TOTAL			\$493,505

As the table above indicates, the project team estimated slightly under \$200,000 annually for staff cost. It is important to note that the \$200,000 cost factor assumes a fully burdened rate and cost for staff support. The cost amounts for the comprehensive update and the technical updates are estimates based upon other surrounding jurisdictions. While the comprehensive updates usually occur on a 10-year cycle, there is usually an interim update that occurs for some of the more technical elements.

In order to assess this fee as a percentage of the building permit fee, the project team took the annual cost associated with the community planning fee and divided it by the

total building permit revenue generated for FY17-18. The following table shows the calculation for the proposed community planning fee:

Table 22: Community Planning Fee Calculation

Cost Category	Amount
Total Community Planning Fee Annual Cost	\$493,505
FY17-18 Building Permit Revenue	\$9,981,598
Community Planning Fee - % of Building Permit Revenue	5%

As the table indicates, the calculated community planning fee is 5% of the Building permit fee. The City currently charges this fee as 5% of the building permit fee. Based upon the calculations conducted, the City should continue to assess this fee as 5% of the building permit fee. This 5% will enable the City to accurately collect funds for annual community planning efforts.

The City already follows best management practice by collecting and accounting for these funds in a separate community planning fee fund. The project team recommends that the City continue that practice. Additionally, this fund should be utilized as a resource in the City to help pay for staffing and contracted activities related to community planning efforts.

2 TECHNOLOGY FEE (PERMIT AUTOMATION FEE)

A 2.5% surcharge on permit fees is charged on most building and fire permits known as a permit automation fee. In discussions with staff and based upon comparison of other jurisdictions, it was determined that this fee should be called a technology fee. The nomenclature of technology fee allows the City to more accurately convey the intent behind the fee, which is to support the costs associated with the City's various permitting systems, the staff time for managing those permit systems, and digitizing of city projects and plans for access through the permit system; as well as bring the fee name in line with standardized practice.

As part of this study, the project team evaluated the current technology fee percentage. The city currently collects the funds for the technology fee in a separate fund. The following table shows the FY18-19 budgeted expenses for the permit automation fund by major expense category:

Table 23: Technology Fee Annual Expenses

Cost Component	Annual Cost
Personnel Services	\$348,832
Contractual Services & Supplies	\$369,539
TOTAL	\$745,371

As the table above indicates, the annual expenditures from the technology fee are approximately \$745,000. Nearly half of that cost is personnel costs as there is a full-time plan checker funded by the technology fee; additionally, there are Information Services Division staff that are paid from that fund. Typically, the staff that are budgeted out of this fund are staff that are directly related to the implementation and management of the permitting software system. While the plan checker funded through the technology fee does serve as the de-facto TRAKiT system administrator within the City, their primary role is to plan check rather than provide this support. Additionally, as there is currently no dedicated position from Information Systems (IS) that provides support to the TRAKiT software or to the other permitting systems there should be no personnel costs included for that position. Based upon these items, the only costs that should be considered as part of the technology fee are contractual services & supplies associated with purchase and maintenance of the permitting system.

As the current technology fee (formerly permit automation fee) is based on a percentage of permit fees, the project team took the total applicable technology fee expenses and divided it by the total permit revenue (excluding the technology fee and the community planning fee):

Table 24: Technology Fee Calculation

Cost Category	Amount
Technology Fee Annual Cost	\$369,539
Total Permit Revenue (Building, Planning, Engineering, Fire)	\$14,087,198
Technology Fee - % of Permit Fee	2.62%

As the table above indicates, the project team calculated the technology fee at 2.62% of the Permit Fee. This 2.62% of the Permit Fee is higher than the current fee of 2.5% charged by the City. Currently, the 2.5% charge is only applied on Building and Fire Permits and not on Planning or Land Development fees. It is the project team's recommendation that this percentage be applied to all development-related permits and for any PJ accounts, it should be applied upon the initial deposit amount. The City's current fee of 2.5%, as it is below the maximum rate of 2.62% is appropriate to continue to be charged. However, if the City would like to ensure appropriate cost recovery it should increase the fee to 2.6%.

The City should continue to account for the funds for the technology fee in a separate technology fee fund. This fund should be monitored and monies from this fund should only be used to support or fund staff that have direct impact on working on the permitting system.

10. Impact of Organizational Analysis

The project team has provided an organizational analysis for Development Review services under separate cover to the City. This organizational analysis provided several different staffing recommendations; which can be funded through fees or other revenue options. While the City has yet to determine if recommendations will be implemented immediately or in the future, as well as how fiscal impacts will be offset, the project team has calculated the impact of those organizational shifts and recommendations should the City choose to implement recommendations, and offset costs through fees. The following subsections discuss each of the specific recommendations and their impact upon fees.

1 ADDITION OF TRAKiT ADMINISTRATOR

One of the primary recommendations of the study was to implement and add a new position to administer TRAKiT and provide support for all of the permit automation features. The discussion in the organizational analysis was that this position should be paid for through the Permit Automation Fee Fund or the Technology Fee.

To capture the cost associated with the TRAKiT administrator, the project team recalculated the Technology Fee. The project team assumed that the personnel costs built into the current Permit Automation Fee fund of \$166,000 from IT services could easily be used to represent the full personnel costs associated with this position. Therefore, the following table shows the revised total annual cost for the Technology Fee:

Table 25: Technology Fee Annual Expenses

Cost Component	Annual Cost
Personnel Services	\$166,000
Contractual Services & Supplies	\$396,539
TOTAL	\$535,539

The total annual cost for the Technology Fee would result in the total costs for the technology fund increasing from \$370,000 to approximately \$535,000. The \$535,000 would then be used to calculate the updated Technology Fee. The following table shows the revised Technology Fee;

Table 26: Technology Fee Calculation

Cost Category	Amount
Technology Fee Annual Cost	\$535,539
Total Permit Revenue (Building, Planning, Engineering, Fire)	\$14,087,198
Technology Fee - % of Permit Fee	3.80%

Based upon the calculation, the City would need to increase its current fee of 2.5% applied on permit fees to 3.8% to capture the increased costs associated due to the inclusion of the TRAKiT System Administrator.

2 USE OF ADMINISTRATIVE HEARING PROCESS

The service delivery analysis states that the Planning Department should consider transitioning some of its permits to an administrative hearing process. The administrative hearing process not only helps expedite the review and decrease turnaround times. There are several permit categories that could qualify for an administrative hearing; which include: Minor Conditional Use Permits, Minor Site Development Permits, Site Development Permits, as well as Major Conditional Use Permits or Variance applications.

For both the Minor Conditional Use Permit and Minor Site Development Permit there are two subcategories – Administrative Approval or PC Subcommittee Approval. The transition to the administrative hearing process would simply mean the elimination of the PC Subcommittee Approval Fee category. However, for Site Development permits it would mean a reduction in time spent processing the permit as there would be less time for developing a staff report and attending a subcommittee meeting. The following table shows the full cost fee calculated by the project team for each of the relevant permits and the proposed cost based upon the administrative hearing implementation:

Table 27: Per Unit Results – Planning – Total City Cost

Fee Name	Total City Cost Per Unit	Revised Total City Cost Per Unit	Difference
Minor Site Development:			
Staff Review	\$2,944	\$2,944	\$0
Staff Review - Hill Side	\$4,136	\$4,136	\$0
Requiring PC Subcommittee Approval	\$8,806		
Site Development:			
New Development	\$15,552	\$12,769	(\$2,783)
Additions/Alterations 200+ sf	\$4,458	\$4,003	(\$455)
Minor Conditional Use Permit:			
Staff Review	\$1,183	\$1,183	\$0
Requiring PC / CC Approval	\$2,807		
Conditional Use Permit:			
All Other CUPs	\$14,069	\$11,940	(\$2,129)
Variance:			
Multi-Family / Non-Residential	\$2,939	\$2,357	(\$582)

As the table above indicates, the primary impact to Planning would be the elimination of the Requiring PC / CC approval fee categories. For the Site Development fee category, Conditional Use Permit all other CUPs and Variance Multi-Family / Non-Residential, the reductions represent about a 10% to 20% decline in staff effort. This seems appropriate

as eliminating a step in the approval process will not cut the time and effort in half, but there will be some reduction in effort.

3 INCLUSION OF ADDITIONAL FIRE PROTECTION ENGINEER

The other more immediate recommendation from the service delivery analysis was the addition of a Fire Protection Engineer position to the Fire Prevention Division. The addition of this position will drive up the overall cost of the Fire Prevention Division. The following table shows by fee name, the total fee calculated at current staffing and the total fee calculated at recommended staffing.

Table 28: Per Unit Results – Fire

Fee Name	Total Cost Per Unit – Current Staffing	Total Cost Per Unit – Proposed Staffing	Difference
ANNUAL OPERATIONAL PERMITS			
A-1 Occupancy (theaters and other small viewing halls)	\$1,105	\$1,003	(\$102)
A-2 Occupancy (Food & Drink Establishment)	\$835	\$754	(\$81)
A-3 Occupancy (Worship, recreation, or amusement)	\$835	\$754	(\$81)
A-4 & A-5 Occupancy (indoors or outdoors sport event structures)	\$1,913	\$1,751	(\$162)
High Piled Storage	\$1,105	\$1,003	(\$102)
Malls			\$0
Mall - small (0 to 50,000 s.f.)	\$822	\$751	(\$71)
Mall - medium (50,001 to 100,000 s.f.)	\$1,374	\$1,253	(\$121)
Mall - large (over 100,000 s.f.)	\$1,913	\$1,751	(\$162)
Combustible Dust Producing Facility	\$552	\$502	(\$50)
Motels	\$835	\$754	(\$81)
Hotels & Multi-Story Structures (<5 stories)	\$1,644	\$1,502	(\$142)
Hotels & Multi-Story Structures (5+ stories) - per floor	\$276	\$251	(\$25)
Commercial Daycare - Small (<100 children or elderly)	\$539	\$498	(\$41)
Commercial Daycare - Large (100+ children or elderly)	\$1,078	\$997	(\$81)
Residential - Small Family Daycare (8 or fewer children)	\$270	\$249	(\$21)
Residential - Large Family Daycare (9-14 children)	\$135	\$125	(\$10)
Residential - Elderly Care (6 or fewer people)	\$135	\$125	(\$10)
Small Apartments (3-4 units)	\$270	\$249	(\$21)
Medium Apartments (5-15 units)	\$1,078	\$997	(\$81)
Large Apartments (more than 15 units)	\$1,618	\$1,495	(\$123)
Small Chemical User (Example: doctor/dentist, dry cleaner, photo shop, graphic design, print shop, automobile engine repair, propane, CO2 beverage dispensing system, battery systems, emergency generators, pools, etc.)	\$565	\$505	(\$60)
Medium Chemical User (Example: automobile body shop, research and design, analytical labs, pool supplies, big-box retail stores)	\$1,400	\$1,259	(\$141)
Large Chemical User (Semiconductor or similar facilities)	\$2,209	\$2,007	(\$202)
Plating Shops	\$1,670	\$1,509	(\$161)
Small Toxic Gas - Annual Monitoring Certification	\$1,078	\$997	(\$81)
Large Toxic Gas - Annual Monitoring Certification	\$2,157	\$1,993	(\$164)

Fee Name	Total Cost Per Unit – Current Staffing	Total Cost Per Unit – Proposed Staffing	Difference
Mobile Fueling - Vendor	\$1,400	\$1,259	(\$141)
Mobile Fueling - Site	\$1,400	\$1,259	(\$141)
Underground Tanks	\$849	\$766	(\$83)
Urban Runoff Inspections - Industrial	\$565	\$505	(\$60)
Urban Runoff Inspections - Restaurants (once every 2 years)	\$565	\$505	(\$60)
Other Miscellaneous Annual Inspections Fee - per hour	\$270	\$249	(\$21)
CONSTRUCTION REVIEW / PERMIT / INSPECTION			
Building Life / Safety:			
Demolition Fees:			
Interior or Partial Building or Misc. Demolition	\$540	\$492	(\$48)
Complete Building with or without Site Demolition	\$811	\$735	(\$76)
Grading Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.			
Less than 1 acre	\$540	\$492	(\$48)
1-5 acres	\$811	\$735	(\$76)
Greater than 5 acres	\$1,081	\$978	(\$103)
Site Improvement Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.			
Less than 1 acre	\$811	\$735	(\$76)
1-5 acres	\$1,621	\$1,470	(\$151)
Greater than 5 acres – per acre	\$270	\$243	(\$27)
New Building – Shell:			
Less than 5,000 sq. ft.	\$811	\$735.21	(\$76)
5,000-25,000 sq. ft.	\$1,621	\$1,470.42	(\$151)
25,000-50,000 sq. ft.	\$2,432	\$2,205.62	(\$226)
50,000+ sq. ft. – per sq. ft.	\$0.05	\$0.05	\$0
New Building – New Construction:			
Less than 5,000 sq. ft.	\$811	\$735.21	(\$76)
5,000-25,000 sq. ft.	\$2,161	\$1,963	(\$198)
25,000-50,000 sq. ft.	\$4,053	\$3,676	(\$377)
50,000+ sq. ft. – per sq. ft.	\$0.08	\$0.07	(\$0)
Additions, Alterations, and Tenant Improvements:			
Less than 5,000 sq. ft.	\$515	\$479	(\$36)
5,000-25,000 sq. ft.	\$2,035	\$1,898	(\$137)
25,000-50,000 sq. ft.	\$3,800	\$3,547	(\$253)
50,000+ sq. ft. – per sq. ft.	\$0.08	\$0.07	(\$0)
Missed Plan Check by Appointment	\$270	\$243	(\$27)
Revision to Project Fee - per hour (min 1 hr)	\$270	\$243	(\$27)
Tents, Canopies, or Membrane Structures:			
4 or less	\$810	\$741	(\$69)
5+	\$1,080	\$984	(\$96)
Temporary Assembly (Indoors or outdoors), with or w/out tent			
Occupancy 50-299	\$810	\$741	(\$69)
Occupancy 300-999	\$1,350	\$1,234	(\$116)
Occupancy 1000+	\$2,160	\$1,969	(\$191)
Fire Extinguishing Systems: These are typically deferred submittals and reviewed and inspected after building plan submittals.			

Fee Name	Total Cost Per Unit – Current Staffing	Total Cost Per Unit – Proposed Staffing	Difference
Fire Service Underground:			
New or Replace - each	\$1,349	\$1,234	(\$115)
Repairs	\$540	\$492	(\$48)
Fire Sprinkler Systems:			
Less than 2,000 sq. ft.	\$784	\$728	(\$56)
2,000+ sq. ft. – per sq. ft.	\$0.20	\$0.12	(\$0)
Hood & Duct Systems – Each	\$1,080	\$984	(\$96)
FM 2000 (under floor systems, etc.) each	\$1,080	\$984	(\$96)
Other (deluge, foam, preaction, etc.) each	\$1,080	\$984	(\$96)
Fire Alarm Systems:			
Additions, Alterations, or Repairs: If more than 10 devices than the New Fire Alarm fee applies.			
1-5 Devices	\$540	\$492	(\$48)
5-10 Devices	\$1,080	\$984	(\$96)
New Fire Alarm:			
Less than 5,000 sq. ft.	\$1,080	\$984	(\$96)
5,000+ sq. ft. – per sq. ft.	\$0.18	\$0.17	(\$0)
Hazardous Materials - Building Construction:			
Small TI (Example: registration form, inert compressed gas system installations)	\$547	\$498	(\$49)
Medium TI (Construction not otherwise classified as Small or Large TI. Example: emergency generator, lift stations, aboveground tanks, treatment systems, battery systems, CO2 beverage dispensing system, propane system, large tank installations)	\$1,371	\$1,251	(\$120)
Large TI (H Occupancy, Plating)	\$2,465	\$2,247	(\$218)
Toxic Gas Tools (furnaces, implanter, reactors)	\$2,195	\$2,004	(\$191)
Closure - process / tools	\$824	\$753	(\$71)
Closure - Facility			
Small TI	\$412	\$376	(\$36)
Medium TI	\$824	\$753	(\$71)
Large TI	\$1,371	\$1,251	(\$120)
Underground Tank Installation:			
4 Tank System or less with Title 23 Requirement	\$4,931	\$4,494	(\$437)
Each additional tank	\$553	\$510	(\$43)
Underground Tank Removal:			
2 Tank System or Less	\$2,201	\$2,016	(\$185)
Each additional tank	\$277	\$255	(\$22)
CERS & APSA			
CERS	\$553	\$510	(\$43)
APSA	\$553	\$510	(\$43)
MISCELLANEOUS FEES:			
After Hours or Fast-Track Plan Check, Inspection - 3 hrs min at OT Rate	\$953	\$875	(\$78)
Alternate Materials & Methods Review	\$981	\$920	(\$61)
New Occupancy (new business) with no Hazardous Materials	\$270	\$249	(\$21)
New Occupancy (new business) with Hazardous Materials	\$539	\$498	(\$41)
Smoke Detectors Verifications (new owner)	\$270	\$249	(\$21)
Title 19 5-year automatic fire sprinkler certification	\$784	\$728	(\$56)

Fee Name	Total Cost Per Unit – Current Staffing	Total Cost Per Unit – Proposed Staffing	Difference
Failure to cancel a scheduled inspection 24 hrs. prior	\$270	\$249	(\$21)
Temporary Certificate of Occupancy	\$135	\$125	(\$10)
Standard Hourly Rate - per hour	\$270	\$246	(\$24)
Overtime Hourly Fee - per hour	\$318	\$292	(\$26)
Other activities not listed - per hour	\$270	\$249	(\$21)
Emergency Response Mapping - new projects - per hour	\$245	\$230	(\$15)

As the table indicates, the addition of a Fire Protection Engineer will actually result in lowering the fees, as while there will be additional direct cost, the current indirect cost will be allocated over more individuals. The level of fee reduction is as low as \$0.01 cents per sq. ft. to a high of \$437 for 4 Tank System or Less. If the Fire Prevention Division was at the recommend staffing level currently, the under-recovery for the division would go from 84% and a subsidy of \$395,000 to 92% or a subsidy of \$184,000.

The changes to the Fire Prevention Division would also impact Planning's Fees, as the Fire Protection Engineer spends time reviewing planning applications. This impact would be minimal; however, it is important. The following table shows for Planning fees, the total cost calculated through the study at current staffing levels and the total cost fee at the recommended staffing levels:

Table 29: Per Unit Results – Planning – Total City Cost

Fee Name	Total City Cost Per Unit – Current Staffing	Total City Cost Per Unit – Recommended Staffing	Difference
Special Events:			
Application - minor events	\$909	\$909	\$0
Application - major events	\$5,565	\$5,552	(\$13)
Conceptual Review - Planning Staff Only - per meeting	\$348	\$348	\$0
Pre-Application Review Process:			
Single Family / Additional Dwelling Units	\$2,608	\$2,581	(\$27)
All Others	\$8,438	\$8,328	(\$110)
Tentative Maps:			
Parcel Map	\$12,860	\$12,750	(\$110)
Tract Map	\$18,650	\$18,540	(\$110)
Minor Site Development:			
Staff Review	\$2,944	\$2,876	(\$68)
Staff Review - Hill Side	\$4,136	\$4,054	(\$82)
Requiring PC / CC Approval	\$8,806	\$8,641	(\$165)
Site Development:			
New Development	\$15,552	\$15,332	(\$220)
Additions/Alterations 200+ sf	\$4,458	\$4,403	(\$55)
Minor Conditional Use Permit:			

Fee Name	Total City Cost Per Unit – Current Staffing	Total City Cost Per Unit – Recommended Staffing	Difference
Staff Review	\$1,183	\$1,170	(\$13)
Requiring PC / CC Approval	\$2,807	\$2,780	(\$27)
Conditional Use Permit:			
Single Family Districts	\$519	\$492	(\$27)
Family Day Care Homes	\$935	\$908	(\$27)
All Other CUPs	\$14,069	\$13,959	(\$110)
Signs:			
Temporary (Including Banners)	\$110	\$110	\$0
Permanent (including Wall Signs)	\$317	\$317	\$0
Freestanding signs over 6ft in height	\$536	\$536	\$0
Billboards	\$909	\$909	\$0
Variance:			
Single Family	\$954	\$933	(\$21)
Signs	\$937	\$937	\$0
Multi-Family / Non-Residential	\$2,939	\$2,884	(\$55)
Miscellaneous Fees:			
Appeal to Planning Commission/City Council	\$1,858	\$1,858	\$0
Time Extensions	\$767	\$767	\$0
Noticing Fee	\$549	\$549	\$0
Planning Research - per hour	\$232	\$232	\$0
Zoning Conformance Letter	\$219	\$219	\$0
Home Occupation Permit	\$55	\$55	\$0
Tree Removal	\$222	\$222	\$0
Temporary Use Permit	\$809	\$809	\$0

Similar to the Fire Prevention specific permits, the addition of the Fire Protection Engineer will help drive the overall cost down for Planning applications. This impact is minimal and ranges from a low of \$13 for Minor Conditional Use Permit for Staff Reviews to a high of \$220 for New Site Development. Overall, the impact to planning fees is less than 1% of the total cost per unit.

4 ADDITION OF LONG-RANGE PRINCIPAL PLANNER AND ADDITIONAL PLANNING STAFF TO BE FUNDED THROUGH COMMUNITY PLANNING FEE

As part of the organizational analysis, the project team is recommending that there needs to be the addition of a long-range principal planner to the Department to focus solely on general planning efforts. In addition to the dedicated Principal Planner position, there also needs to be another Planner (at the Assistant level) to help support the long-range planning efforts. These efforts include updates to the codes, helping the City lead the way in 21st century planning trends, as well as ensure that any modifications or updates to the General Plan are accounted for and concurrent with the code. As the focus of this position will be on long-range efforts, this position should be funded through the Community Planning Fee. Based upon this recommendation, the project team has made a slight alteration to the current community planning fee calculation:

Table 30: Community Planning Fee Cost Components

Cost Component	Cost Amount	Life of Cost	Annual Cost
Annual Staff Cost	\$438,657	1	\$758,837
General Plan Update	\$1,500,000	10	\$150,000
Technical Update	\$750,000	5	\$150,000
TOTAL			\$1,058,837

The primary change to the table is in relation to annual staff cost. Previously the annual staff cost included portions of specific planners as well as Planning Manager and Planning Director. Per the proposed organizational change, there will still be time and support for Planning Manager, and Planning Director, as well as the full-time cost of the Principal Planner and the Assistant Planner will be borne by this fund. As the City does not currently have a Principal Planner as part of their salary schedule, the project team estimated the cost of the position based upon the mid-point between the Sr. Planner and the Planning Manager. The following table shows the updated cost calculation based upon these assumptions:

Table 31: Community Planning Fee Calculation

Cost Category	Amount
Total Community Planning Fee Annual Cost	\$1,058,837
FY17-18 Building Permit Revenue	\$9,981,598
Community Planning Fee - % of Building Permit Revenue	11%

As the table indicates, the revised Community Planning Fee would be 11% of the Building Permit Fee, this would represent a 6% increase from the current fee of 5% of Building Permit Fees. This additional annual fee revenue will help support Planning's ability to be proactive as it relates to general planning efforts.

5 ADDITION OF PERMIT NAVIGATOR POSITION

Per the service delivery report, there is a recommendation to enhance the City's service to the development community and residents by creating a permit navigator position. The permit navigator position would be responsible for managing the development project from start to finish and serve as the liaison between the City and the developer as it relates to development fees and processes. While the Permit Navigator position is being proposed to be located organizationally in the Planning Department, it will touch upon all development fees (Planning, Building, Engineering, and Fire). As such the support and cost for this position should be accounted for on all fees and not just Planning's fees.

The project team is proposing that the simplest and most streamlined approach for accounting for the support of this position would be to develop and administrative

surcharge or Permit Navigation / Support Surcharge. This surcharge would be calculated as a percentage of the permit fee – similar to the Technology Fee.

The project team is recommending that this position come in similar to the Principal Planner compensation and expertise level. Therefore, the assumptions utilized for the Community Planning fee in terms of cost of the Permit Navigator can also be used in the development of this permit navigation surcharge. Similarly, the fee revenue used for the Technology Surcharge can serve as the basis for the Permit Navigation Surcharge. The following table shows the proposed calculation:

Table 32: Permit Navigator Fee Calculation

Cost Category	Amount
Permit Navigator Fee Annual Cost	\$373,307
Total Permit Revenue (Building, Planning, Engineering, Fire)	\$14,087,198
Permit Navigator Fee - % of Permit Fee	2.65%

As the table above indicates, the Permit Navigator surcharge would be approximately 2.65% on every single development-related permit. This surcharge would help fund this position, and enable the position to respond to development inquiries as it relates to any and all types of development review services. This permit navigator surcharge would not be optional, but rather applied on all permits pulled similar to the technology fee and community planning surcharge.

6 OTHER ORGANIZATIONAL IMPACTS

The only other organizational and service delivery impact in the report that would directly impact fees is the addition of a cross-trained Community Development or Development Services Technician position. Per the project team's recommendation, the addition of this position should be a long-term goal of the City. As such, when this type of position is added within the City, at that point, the development services application fees should again be re-evaluated to ensure that the administrative support and overhead for these new Technicians are accounted for on all development applications and not just building permits.

11. Comparative Survey

As part of this Development Review Cost of Services (User Fee) study for the City of Milpitas, the Matrix Consulting Group conducted a comparative survey of fees. The City identified eight jurisdictions to be included in the comparative survey: Dublin, Fremont, Livermore, Mountain View, Palo Alto, San Mateo, Santa Clara, and Sunnyvale.

While this report will provide the City with a reasonable estimate and understanding of the true costs of providing services, many jurisdictions also wish to consider the local “market rates” for services as a means for assessing what types of changes in fee levels their community can bear. However, a comparative survey does not provide adequate information regarding the relationship of a jurisdiction’s cost to its fees. Three important factors to consider when comparing fees across multiple jurisdictions are: population, development services (Building, Planning, Engineering, and Fire) budget and workforce size. The following tables provide this information regarding the jurisdictions included in the comparative survey.

Table 33: Ranking of Jurisdictions by Population

Jurisdiction	2017 Census
Dublin	60,939
Palo Alto	67,178
Milpitas	78,106
Mountain View	81,438
Livermore	88,232
San Mateo	104,748
Santa Clara	127,134
Sunnyvale	153,656
Fremont	234,962

Table 34: Ranking of Jurisdictions by Development Services Budget

Jurisdiction	FY 18/19 Budget
Livermore	\$3,305,496
Dublin	\$3,510,038
Sunnyvale	\$3,847,430
Mountain View	\$5,024,801
Palo Alto	\$5,036,724
San Mateo	\$5,102,720
Milpitas	\$5,385,291
Santa Clara	\$9,050,661
Fremont	\$10,723,065

Table 35: Ranking of Jurisdictions by Development Services Workforce Size

Jurisdiction	FY 16 / 17 FTE
Dublin	7.50
San Mateo	13.00
Livermore	15.00
Sunnyvale	17.25
Palo Alto	17.28
Mountain View	18.25
Milpitas	25.00
Santa Clara	37.90
Fremont	46.30

Based on the data shown in the above tables, the City of Milpitas ranks lower than the average in terms of population, but on the higher end as it relates to development services operating budget and workforce.

While the above comparative information can provide some perspective when paralleling Milpitas' fees with other jurisdictions, another key factor to consider is when a comprehensive analysis was last undertaken. The following table outlines when the last fee analysis was conducted by each surveyed jurisdiction.

Table 36: Last Comprehensive Fee Analysis

Jurisdiction	Response
Dublin	2018
Fremont	2015
Livermore	2017
Mountain View	In progress
Palo Alto	2016
San Mateo	2018
Santa Clara	In progress
Sunnyvale	2009

As the table above indicates, the City of Milpitas' development review services are unique in that there has not been a comprehensive fee analysis done in over five years. The only other jurisdiction is Sunnyvale; who has not had their fees externally evaluated in the last 10 years.

Along with keeping these statistics in mind, the following issues should also be noted regarding the use of market surveys in the setting of fees for service:

- Each jurisdiction and its fees are different, and many are not based on actual cost of providing services.
- The same "fee" with the same name may include more or less steps or sub-activities. In addition, jurisdictions provide varying levels of service and have

varying levels of costs associated with providing services such as staffing levels, salary levels, indirect overhead costs, etc.

In addition to the issues noted above, market surveys can also run the risk of creating a confusing excess of data that will obscure rather than clarify policy issues. Because each jurisdiction is different, the Matrix Consulting Group recommends that the information contained in the market comparison of fees be used as a secondary decision-making tool, rather than a tool for establishing an acceptable price point for services.

On average, the survey showed that the City's fees are in line with the jurisdictions surveyed, with some fees higher than other jurisdictions and other fees significantly lower. Some of the survey results have been included in this report, and complete survey results have been provided to staff under separate cover.

12. Cost Recovery

The following sections provide guidance regarding how and where to increase fees, determining annual update factors, and developing cost recovery policies and procedures.

1 FEE ADJUSTMENTS

This study has documented and outlined on a fee-by-fee basis where the City is under and over collecting for its fee-related services. City and Department management will now need to review the results of the study and adjust fees in accordance with Departmental and City philosophies and policies. The following dot points outline the major options the City has in adjusting its fees.

- **Over-Collection:** Upon review of the fees that were shown to be over-collecting for costs of services provided, the City should reduce the current fee to be in line with the full cost of providing the service.
- **Full Cost Recovery:** For fees that show an under-collection for costs of services provided, the City may decide to increase the fee to full cost recovery immediately.
- **Phased Increase:** For fees with significantly low-cost recovery levels, or which would have a significant impact on the community, the City could choose to increase fees gradually over a set period of time.

The City will need to review the results of the fee study and associated cost recovery levels and determine how best to adjust fees. While decisions regarding fees that currently show an over-recovery are fairly straight forward, the following subsections, provide further detail on why and how the City should consider either implementing Full Cost Recovery or a Phased Increase approach to adjusting its fees.

1 Full Cost Recovery

Based on the permit or review type, the City may wish to increase the fee to cover the full cost of providing services. Certain permits may be close to cost recovery already, and an increase to full cost may not be significant. Other permits may have a more significant increase associated with full cost recovery.

Increasing fees associated with permits and services that are already close to full cost recovery can potentially bring a Department's overall cost recovery level higher. Often, these minimal increases can provide necessary revenue to counterbalance fees which are unable to be increased.

The City should consider increasing fees for permits for which services are rarely engaged to full cost recovery. These services often require specific expertise and can involve more complex research and review due to their infrequent nature. As such, setting these fees at full cost recovery will ensure that when the permit or review is requested, the City is recovering the full cost of its services.

2 Phased Increases

Depending on current cost recovery levels some current fees may need to be increased significantly in order to comply with established or proposed cost recovery policies. Due to the type of permit or review, or the amount by which a fee needs to be increased, it may be best for the City to use a phased approach to reaching their cost recovery goals.

As an example, you may have a current fee of \$200 with a full cost of \$1,000, representing 20% cost recovery. If the current policy is 80% cost recovery, the current fee would need to increase by \$600, bringing the fee to \$800, in order to comply. Assuming this particular service is something the City provides quite often, and affects various members of the community, an instant increase of \$600 may not be feasible. Therefore, the City could take a phased approach, whereby it increases the fee annually over a set period until cost recovery is achieved.

Raising fees over a set period of time not only allows the City to monitor and control the impact to applicants, but also ensure that applicants have time to adjust to significant increases. Continuing with the example laid out above, the City could increase the fee by \$150 for the next four years, spreading out the increase. Depending on the desired overall increase, and the impact to applicants, the City could choose to vary the number of years by which it chooses to increase fees. However, the project team recommends that the City not phase increases for periods greater than five years, as that is the maximum window for which a comprehensive fee assessment should be completed.

2 ANNUAL UPDATES

Conducting a comprehensive analysis of fee-related services and costs annually would be quite cumbersome and costly. The general rule of thumb for comprehensive fee analyses is between three and five years. This allows for jurisdictions to ensure they account for organizational changes such as staffing levels and merit increases, as well as process efficiencies, code or rule changes, or technology improvements.

Developing annual update mechanisms allow jurisdictions to maintain current levels of cost recovery, while accounting for increases in staffing or expenditures related to permit services. The two most common types of update mechanisms are Consumer Price Index

(CPI) and Cost of Living Adjustment (COLA) factors. The following points provide further detail on each of these mechanisms.

- **COLA / Personnel Cost Factor:** Jurisdictions often provide their staff with annual salary adjustments to account for increases in local cost of living. These increases are not tied to merit or seniority, but rather meant to offset rising costs associated with housing, gas, and other livability factors. Sometimes these factors vary depending on the bargaining group of a specific employee. Generally speaking these factors are around two or three percent annually.
- **CPI Factor:** A common method of increasing fees or cost is to look at regional cost indicators, such as the Consumer Price Index. These factors are calculated by the Bureau of Labor Statistics, put out at various intervals within a year, and are specific to states and regions.

The City should review its current options internally (COLA) as well as externally (CPI) to determine which option better reflects the goals of departments and the City. If choosing a CPI factor, the City should outline which particular CPI should be used, including specific region, and adoption date. If choosing an internal factor, again, the City should be sure to specify which factor if multiple exist.

3 POLICIES AND PROCEDURES

This study has identified the permit areas where the City is under-collecting the cost associated with providing services. This known funding gap is therefore being subsidized by other City revenue sources. Based on the information provided in this report, at a global or per unit level, the City may not have any issues with using non-fee related revenue to account for the current deficit.

Development of cost recovery policies and procedures will serve to ensure that current and future decision makers understand how and why fees were determined and set, as well as provide a road map for ensuring consistency when moving forward. The following subsections outline typical cost recovery levels and discuss the benefits associated with developing target cost recovery goals and procedures for achieving and increasing cost recovery.

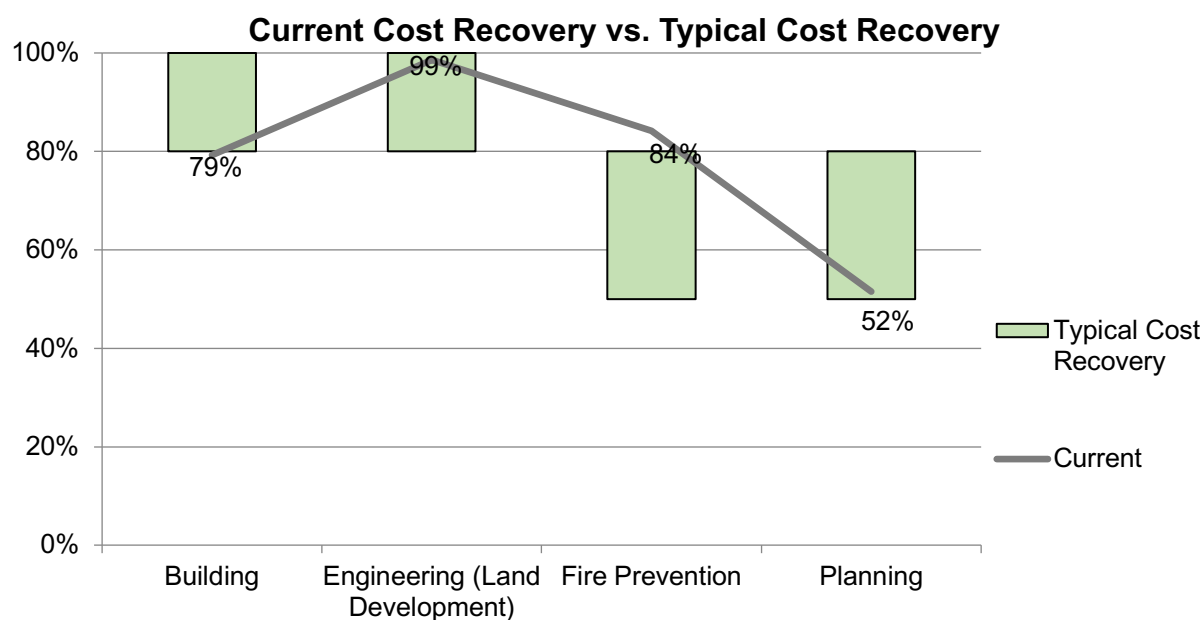
1 Typical Cost Recovery

The Matrix Consulting Group has extensive experience in analyzing local government operations across the United States and has calculated typical cost recovery levels. The table on the following page outlines these cost recovery levels by department.

Table 37: Typical Cost Recovery Levels by Department

Department	Typical Cost Recovery
Building	80 – 100%
Planning	50 – 80%
Fire	50 – 80%
Public Works / Engineering	80 – 100%

Information presented in the table above is based on the Matrix Consulting Group's experience in analyzing local government's operations across the United States and in California and reflects the *typical* cost recovery levels observed by local adopting authorities. The following graph depicts how Milpitas compares to industry cost recovery standards.



As the graph above indicates, the City of Milpitas is within the typical cost recovery levels for all services, with the exception of Building who at 79% is slightly below and Fire Prevention, who at 84%, is slightly above the typical cost recovery seen for those services.

2 Development of Cost Recovery Policies and Procedures

The City of Milpitas currently accounts for its cost recovery policy in the City's ordinance IV-3-4.00 Schedule of Fees and Charges. The following table shows the excerpt from the ordinance for the services that are relevant to development review activities:

Table 38: City of Milpitas Cost Recovery Percentages

Service Center	Cost Recovery %
Planning inquiry/research fee	100
Floodplain letter	100
Zoning letter	100
Zoning code interpretation	50
Appeal of staff interpretation	0
Appeal of planning commission decision	100
Zoning code text amendment	100
Zone change	100
Preliminary plan review	100
Development agreement	100
Development agreement amendment	100
Basic development services	100
General plan amendment	100
Planned unit development	100
S Zone applications	100
Planned signage program	100
Amendments/modifications to previous approvals	100
Tentative map	100
Parcel map	100
Newspaper advertisement	100
Planning time extension	100
General plan maintenance	100
Building plan check	100
After hours plan check	100
Plan check revisions	100
After hours plan check and inspection	100
Temporary building permit	100
Temporary building permit inspection (courtesy)	100
Building inspection	100
Building inspection—miscellaneous services	100
State strong motion fees	100
Mobile home unit inspection	80
Mobile home park common area inspection	0
Grading inspection	100
Fire construction inspection	100
Building time extension	100
Building reinspection	100
Certificate of occupancy	100
Mechanical inspection	100
Plumbing inspection	100
Electrical inspection	100
Reroofing plan check and inspection	Single Family—100 Multi-Family—100 Commercial Industrial—100
Pool and spa plan check and inspections	100
Demolition plan check and inspection	100
Building resale inspection	100
Christmas tree lot permit	100

Service Center	Cost Recovery %
Environment categorical exemption	0
Environmental initial study and negative declaration	100
Environmental impact report	100
Variance	50—100
Use permits	100
Use permits	50—100
City council appeal	0—100
Lot line/merger adjustment	100
Encroachment permit processing	100
Street/alley easement/vacation	100
Street name change	100
Street address change	100
Special use permit	0—100
Overwide/overweight load review	0
Concealed weapon permit review	0
New home occupation review	50
Records research	100

As the table above indicates, with the exception of certain items, the majority of the development-review activities are expected to recover 100% of their costs per the City's ordinance. The City's current ordinance is extremely specific and is based upon specific types of services rather than at a departmental or more general level. Additionally, as it is in the ordinance, any changes to this policy requires an ordinance amendment.

It is the project team's recommendation that the City consider extracting this table from the ordinance and modifying the language to state that per council-adopted policies the cost recovery percentages for each department or type of service area will be updated. These policies would be internal in nature and then taken to Council for approval, enabling Council to have final approval regarding City philosophy and goals regarding development review services. A department specific cost recovery policy would allow the City to better control the cost recovery associated with the different types of services being provided and the benefit being received by the community.



CITY OF MILPITAS

455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479

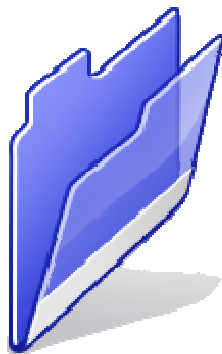
GENERAL INFORMATION: 408-586-3000, www.ci.milpitas.ca.gov

4/16/2019

Agenda Item No. 13



ATTACHMENT RELATED TO AGENDA ITEM AFTER AGENDA PACKET DISTRIBUTION





April 16, 2019

Mayor and City Council
455 E. Calaveras Blvd.
Milpitas, CA 95035

Re: 4/16/19 City Council Agenda Item 13

Honorable Mayor and City Council,

I represent McCarthy Ranch and we are the developers of McCarthy Creekside and Sprig Center in Milpitas. We would like to express our support for the development review process study. This study and Milpitas' commitment to improving their development process provides the development community with the opportunity to continue to do business in Milpitas. This study identifies and helps address several key problems that can be a roadblock to responsible development, including:

- Staffing levels and organizational structure
- Delays in the development review process
- Use of technology in the development process
- Inconsistencies related to the review process

With this study and as recommendations are implemented, this will provide benefit to more than just the development community. The study will also benefit the City, staff, and Milpitas residents. Eliminations in redundancies and streamlining processes will help speed the process and provide more certainty in the development review process. It is our hope and belief that staff's efforts will make the process smoother, more predictable, more efficient, and shorter while maintaining the rigor of the review.

Thank you for your commitment to this review. We appreciate your efforts and look forward to supporting your efforts to improve this process.

Sincerely,

Joey McCarthy

Item Attachment Documents:

14. Receive Fire Department Standards of Cover Briefing

Rick Frawley, 408-586-2424

Recommendation:

Receive Fire Department Standards of Cover Briefing completed by Citygate Associates



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive Fire Department Standards of Cover Briefing
Category:	Public Safety
Meeting Date:	4/16/2019
Staff Contact:	Rick Frawley, 408-586-2424
Recommendation:	Receive Fire Department Standards of Cover Briefing completed by Citygate Associates

Background:

The Milpitas Fire Department commissioned Citygate Associates to conduct a staffing needs assessment and operations evaluation. This assessment is known as a Standards of Cover (SOC). In December 2018, the Citygate team spent three days in Milpitas to interview personnel and review on-site operations. Citygate has analyzed available data and reviewed staff workload. The data and interviews required for the comparison to industry best practices is being analyzed and reviewed by both Citygate and Fire Department leadership. The recommended changes in staffing and operations will be coordinated in a strategic planning review and evaluated in the budget request process.

The Citygate team will be assisting with a summary of findings to Council. The Fire Department staff will present an update of the pending results to the City Council at the Council meeting.

Analysis:

As a result of the fiscal challenges that impacted the City in 2001 and 2008, the Fire Department was required to reduce its staffing levels and adjust deployment and services levels.

Currently, the City population and service demands are growing. The Fire Department's potential growth and service delivery model should be analyzed to ensure that community and public safety needs are addressed. In coordination with the City Manager, the Fire Department's leadership team wished to have a professional and independent staffing and operations analysis to receive a staffing needs assessment and identify potential opportunities to improve operations. The Fire Department leadership team is evaluating and prioritizing the recommendations. This comprehensive review of Fire operations forms a roadmap and long-term plan that would take several years to implement. The report data is currently being analyzed to create a needs assessment for potential growth should Council choose to move forward with final recommendations.

Fiscal Impact:

There is no fiscal impact associated with receiving the Fire Department Standard of Cover briefing. Resource requests that have been prioritized for the FY19-20 year will be considered during the operating budget discussions.

Recommendation:

Receive Fire Department Standards of Cover Briefing completed by Citygate Associates.

Attachment:

Fire Dept. Standards of Coverage powerpoint slides from Citygate Assoc.

Standards of Coverage and Headquarters Services Assessment

City of Milpitas

Presented on April 16, 2019



CITYGATE ASSOCIATES, LLC
FIRE & EMERGENCY SERVICES

The Business of Better Government



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Fire Service Delivery Policy Choices

- There are no mandatory federal or state regulations directing the level of fire service response times and outcomes. Thus, communities have the level of service they desire and can afford
- The body of regulations on fire services state that *if fire services are provided at all, they must be done so with the safety of the firefighters and citizens in mind*
- Deployment is about the **speed** and **weight** of the response:
 - **Speed** = single neighborhood-based units
 - **Weight** = multiple units amassing quickly enough to stop serious fires

Service Level Goals

- Time-temperature curve in building fires
- EMS survivability in full arrest
- Suppress other outdoor fires before they spread to buildings and wildland areas
- Keep small fires small
- Save people with potentially fatal medical emergencies
- This study deals with response time goals for fires and technical rescue
- Policy goal – Provide adequate response times *to all similar risk and population density neighborhoods*

Risk Assessment

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Risk Assessment

- Hazards evaluated
 - Building fire
 - Vegetation fire
 - Medical emergency
 - Hazardous materials
 - Technical rescue

Impact Severity Factors

- Population density
- Building density
- Critical facilities
- Service capacity
- Vehicle traffic volume
- Hazard mitigation
- Historic service demand
- Population demography
- High-risk occupancies
- Economic resources
- Natural resources
- Cultural resources
- Water supply
- Response performance

Risk Assessment – Overall Risk Ratings by Hazard

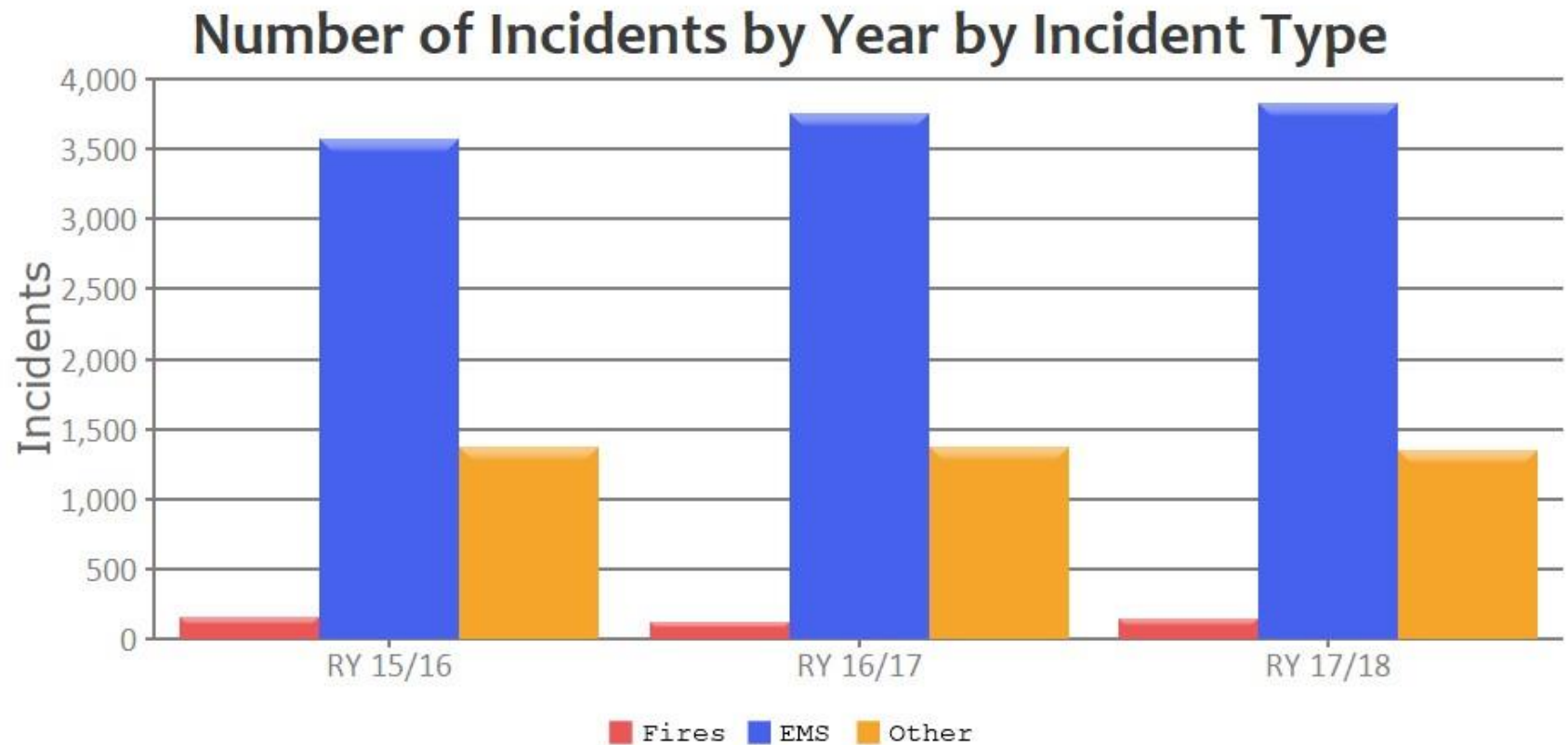
Hazard		Planning Zone			
		Sta. 1	Sta. 2	Sta. 3	Sta. 4
1	Building Fire	<i>Moderate</i>	<i>Moderate</i>	<i>Moderate</i>	<i>Moderate</i>
2	Vegetation Fire	<i>Low</i>	<i>Moderate</i>	<i>Low</i>	<i>Low</i>
3	Medical Emergency	<i>High</i>	<i>High</i>	<i>High</i>	<i>High</i>
4	Hazardous Material	<i>Moderate</i>	<i>Moderate</i>	<i>Moderate</i>	<i>Moderate</i>
5	Technical Rescue	<i>Moderate</i>	<i>Low</i>	<i>Low</i>	<i>Low</i>

Service Demand

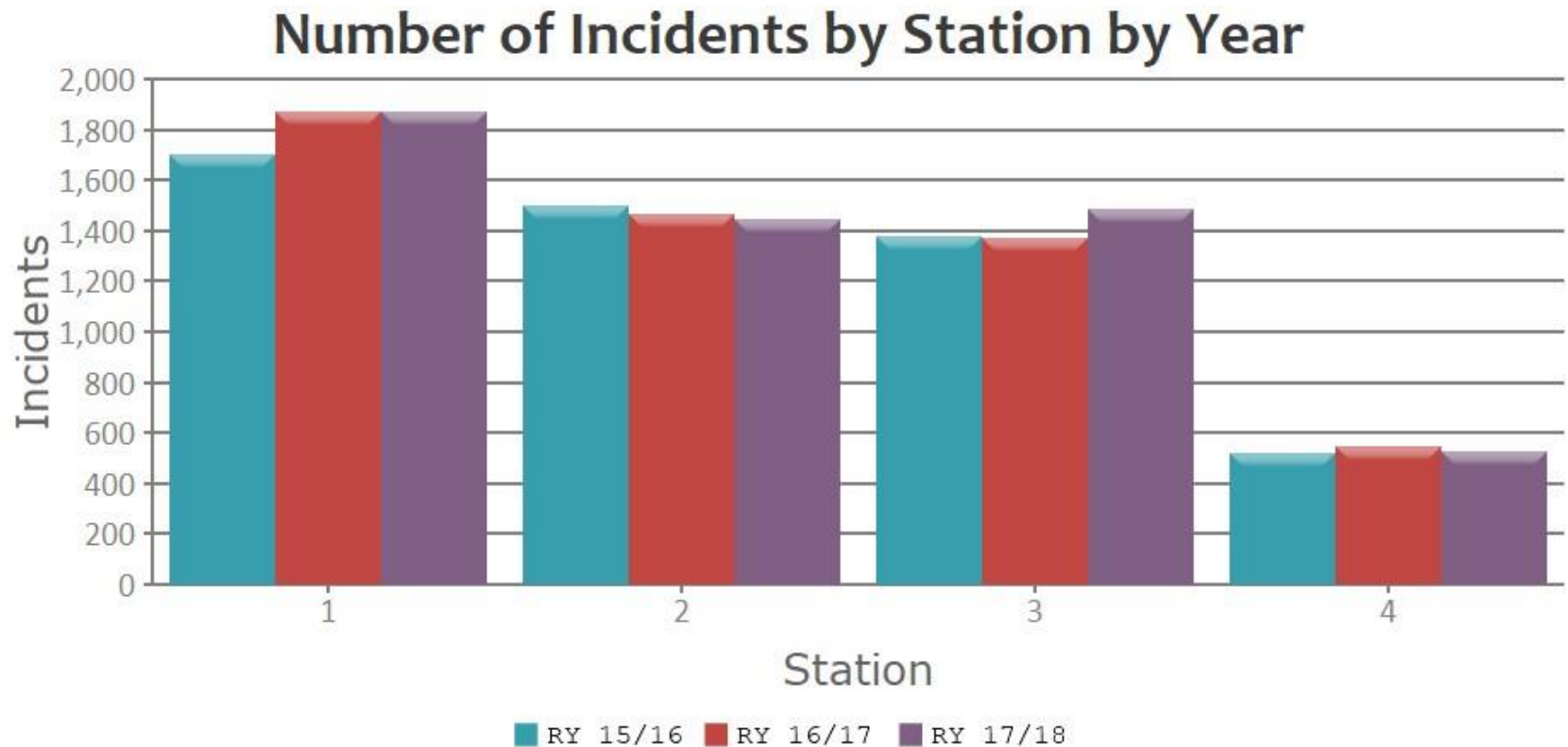
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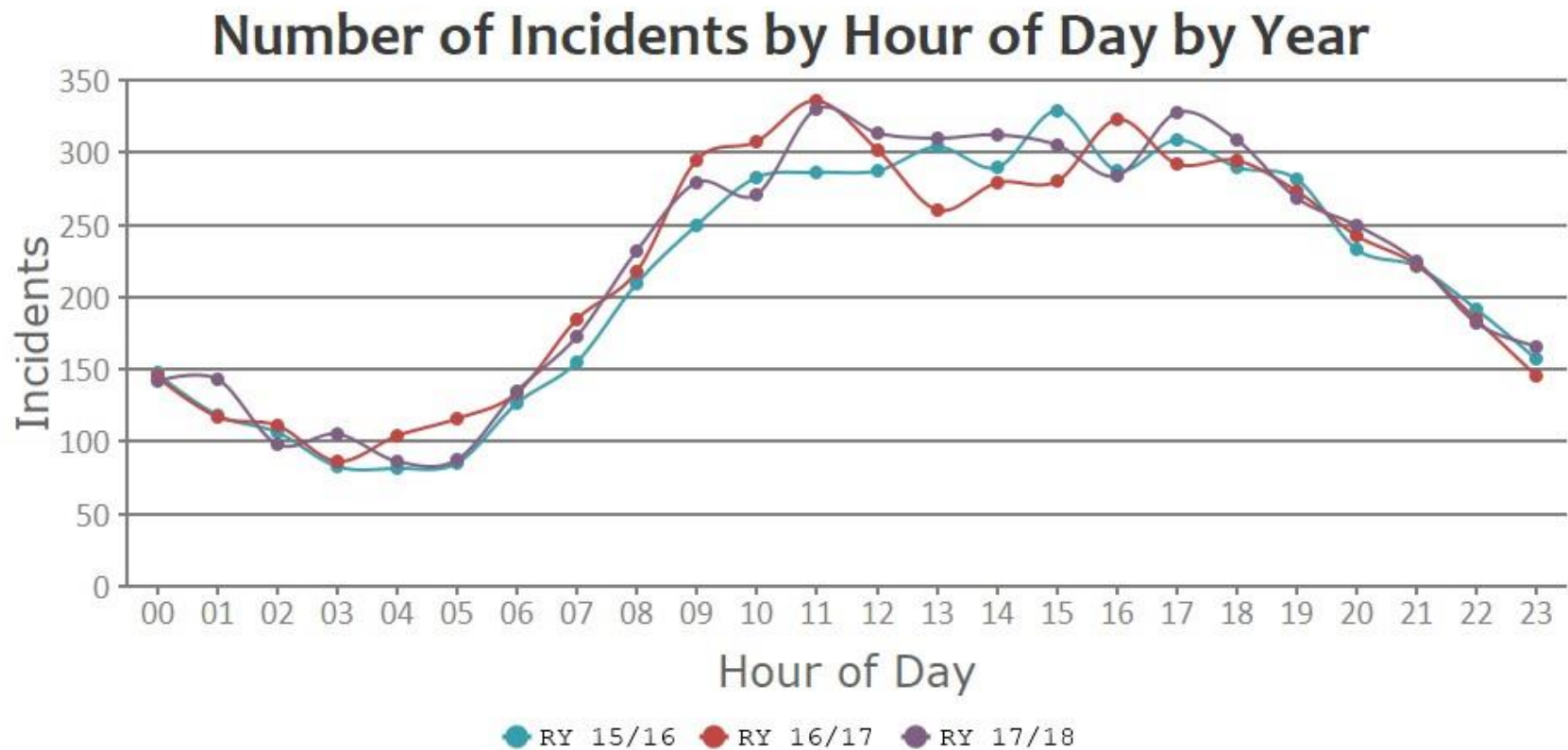
Service Demand by Incident Type



Annual Service Demand by Station



Service Demand by Hour of Day



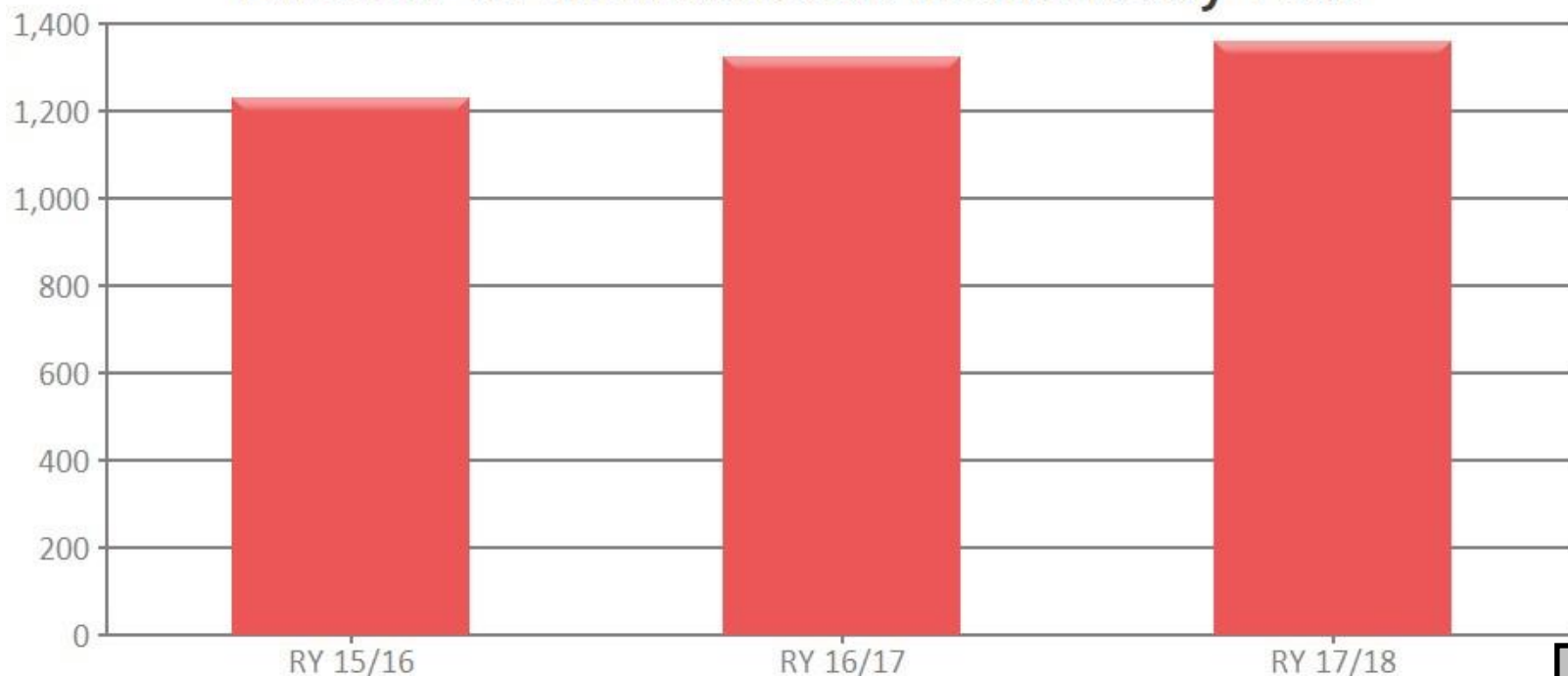
Service Demand by Incident Type

Incident Type	17/18
321 EMS call, excluding vehicle accident with injury	3,443
322 Vehicle accident with injuries	237
700 False alarm or false call, other	96
743 Smoke detector activation, no fire – unintentional	94
745 Alarm system sounded, no fire – unintentional	92
324 Motor vehicle accident no injuries	90
735 Alarm system sounded due to malfunction	57
651 Smoke scare, odor of smoke	55
100 Fire, other	18
140 Natural vegetation fire, other	18
111 Building fire	16

Simultaneous Incident Activity

Number of Simultaneous Incidents	Percentage of All Incidents 2018
1 or more	25.53%
2 or more	3.68%
3 or more	.39%

Number of Simultaneous Incidents by Year



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Response Time Performance

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Current Milpitas Deployment Goals

- 1981 Fire Master Plan
 - It is a tactical objective of the Department to deploy a first-due engine company within five (5) minutes (from first report to arrival) of a request for assistance to 90% of all alarms
- Safety Element of the City's 1994 General Plan states:
 - Element 5.c-l-1: Maintain a response time of four (4) minutes or less for all urban service areas
- City Budget 17/18 – Maintain response time of 5 minutes, 90% of the time

Deployment Best Practices

- Call Processing/Dispatch
 - NFPA: 90 seconds or less (90%)
- Crew Turnout
 - NFPA: 80 seconds or less (90%)
 - Citygate: 2:00 minutes or less (90%)
- First-Due Travel
 - NFPA: 4:00 minutes or less (90%)
- Total Response Time = 7:30
- Multiple Unit Travel – 15 Personnel Minimum
 - NFPA: 8:00 minutes or less (90%)

Response Time Performance – Time to 90%

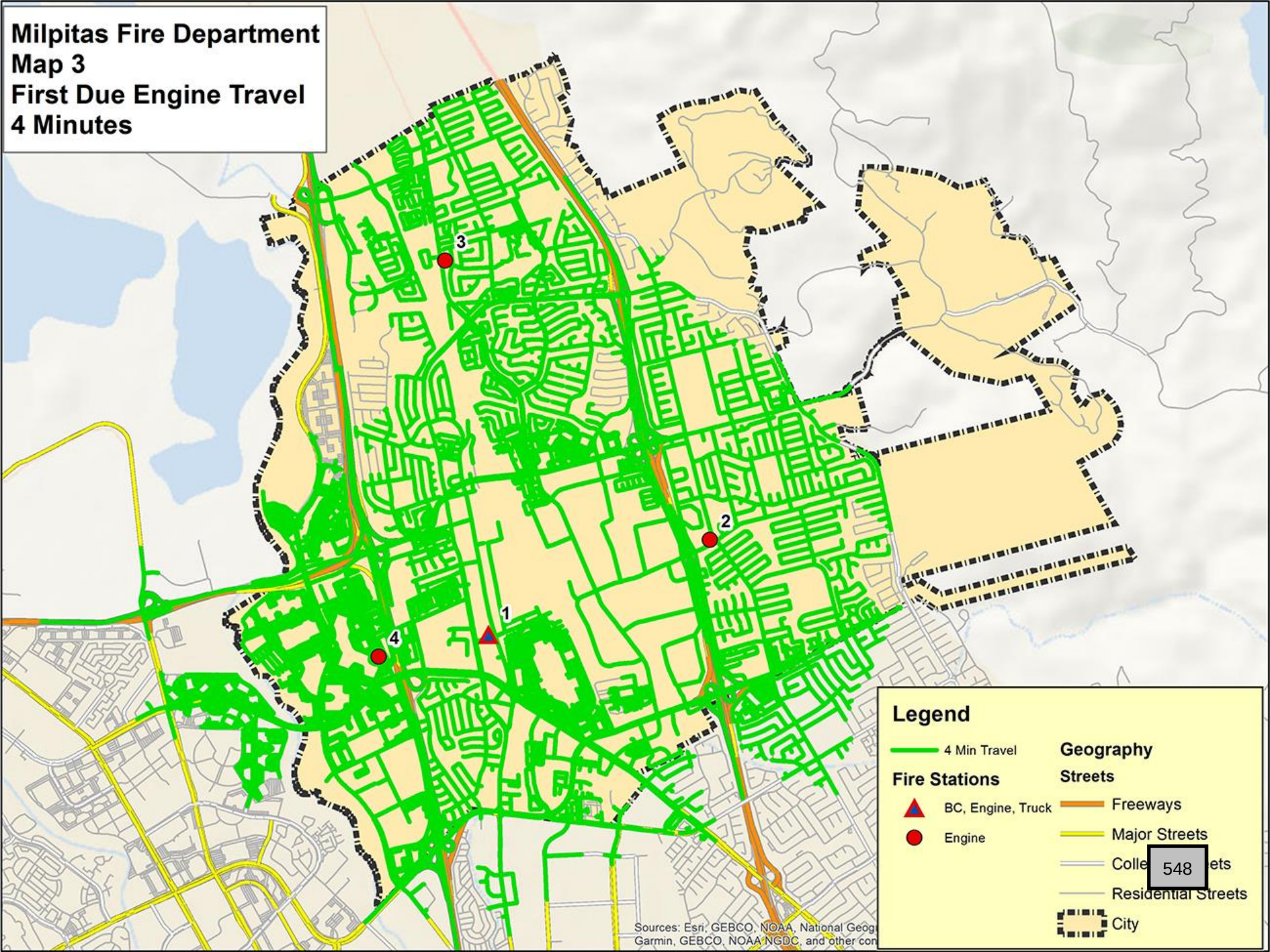
Response Component	17/18	Citygate Goal
Dispatch Process	1:33	1:30
Crew Turnout	1:52	2:00
First-Unit Travel	5:04	4:00
Dispatch to Arrival	6:09	6:00
Call Received to First-Unit Arrival	7:15	7:30
Multi-Unit First Alarm <u>Travel</u>	17/18	Goal
Residential	9:26	8:00

Deployment Coverage Maps

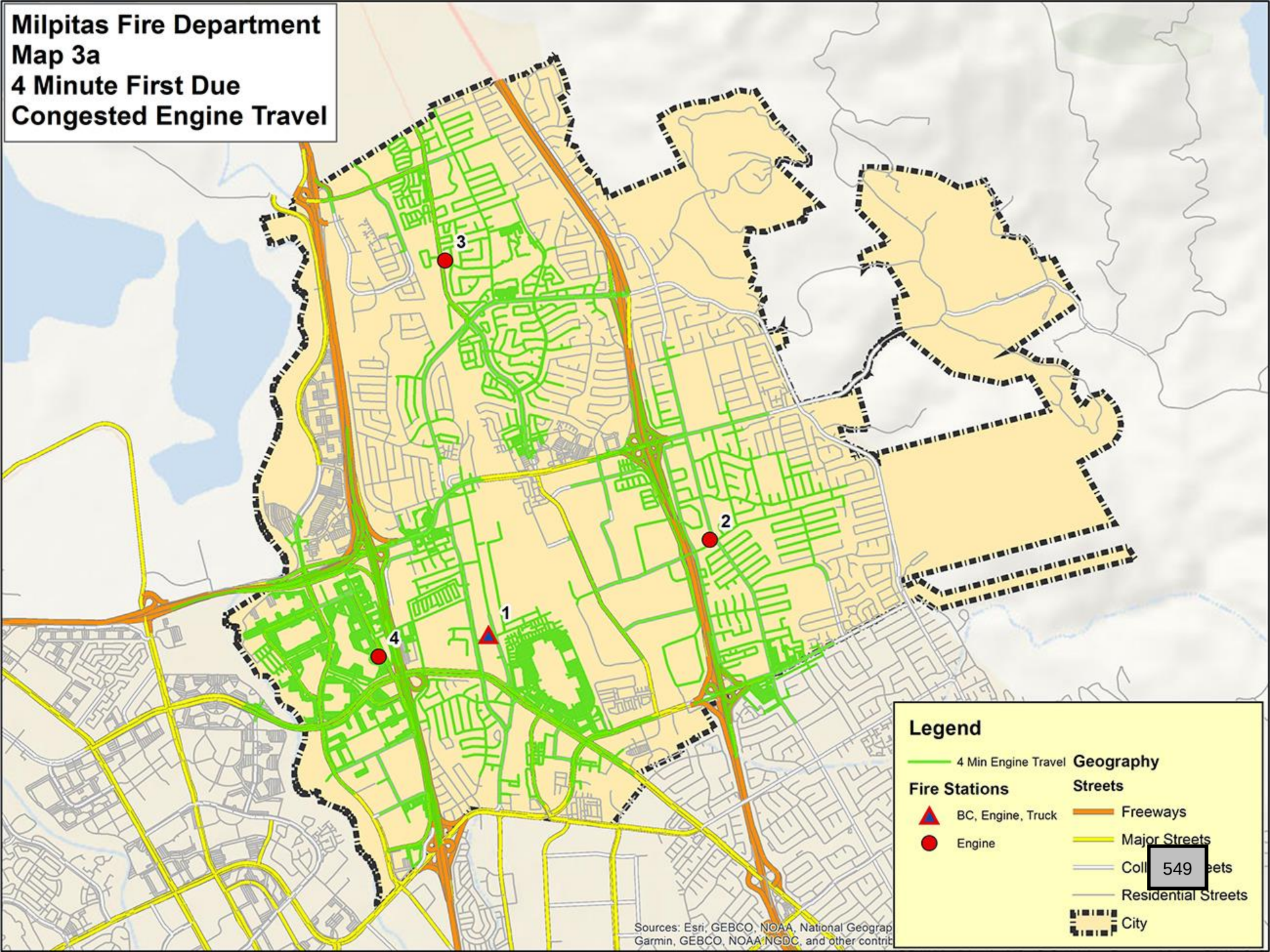
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Milpitas Fire Department
Map 3
First Due Engine Travel
4 Minutes

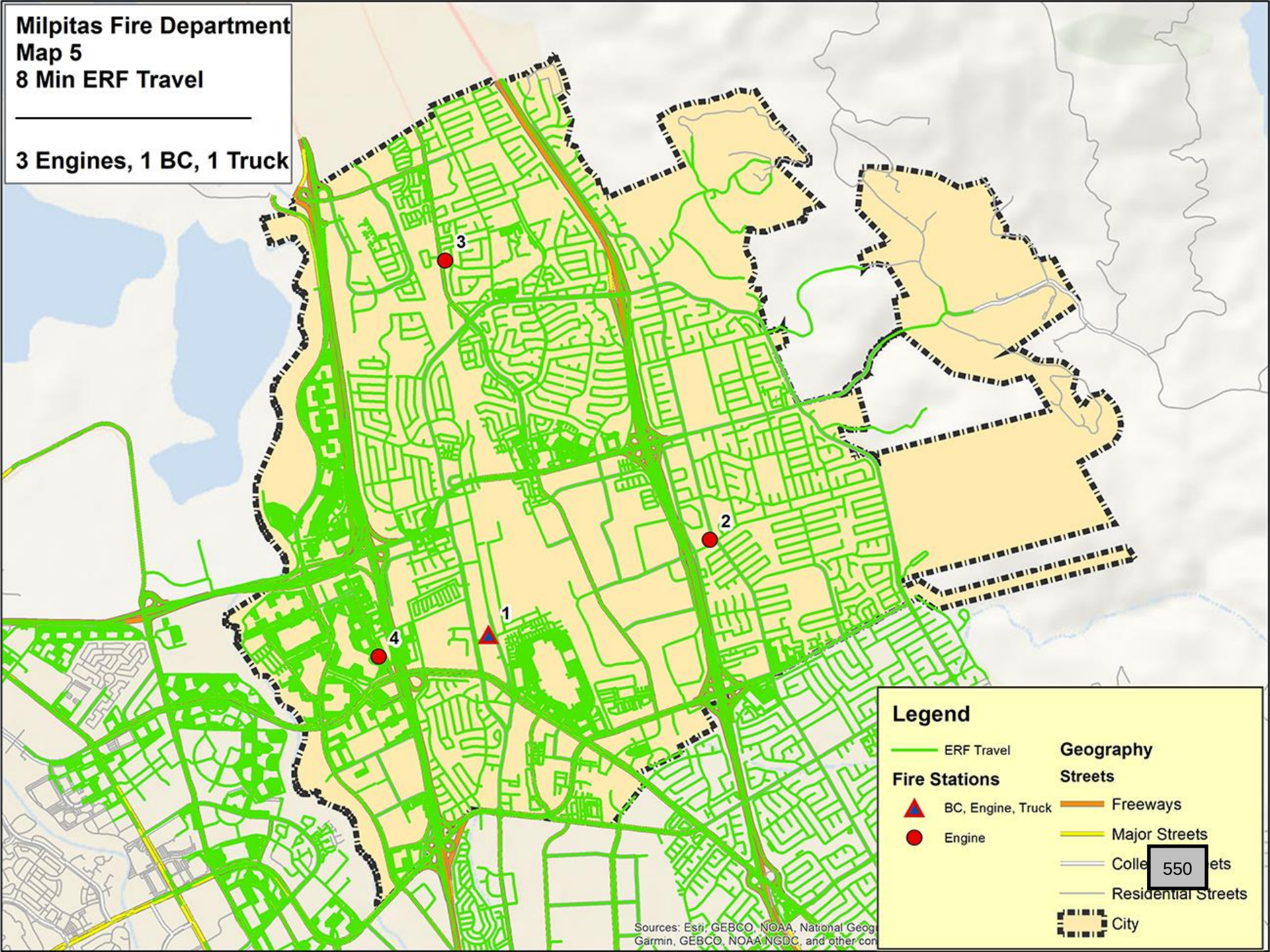


Milpitas Fire Department
Map 3a
4 Minute First Due
Congested Engine Travel



Milpitas Fire Department
Map 5
8 Min ERF Travel

3 Engines, 1 BC, 1 Truck



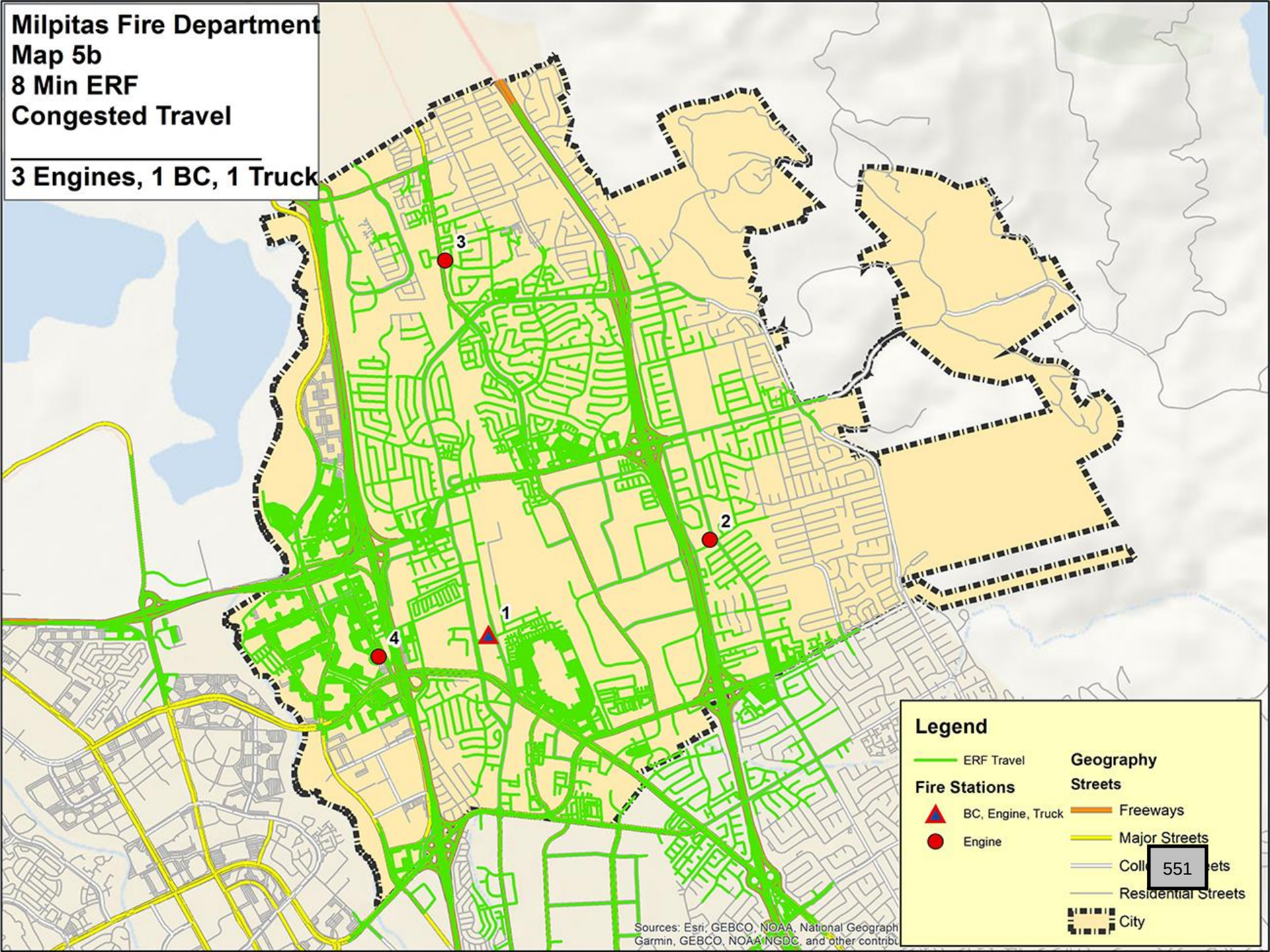
Legend

- | | |
|----------------------|---------------------|
| ERF Travel | Geography |
| Fire Stations | Streets |
| BC, Engine, Truck | Freeways |
| Engine | Major Streets |
| | College Streets |
| | Residential Streets |
| | City |

Sources: Esri, GEBCO, NOAA, National Geographic, Garmin, GEBCO, NOAA, NGDC, and other contributors

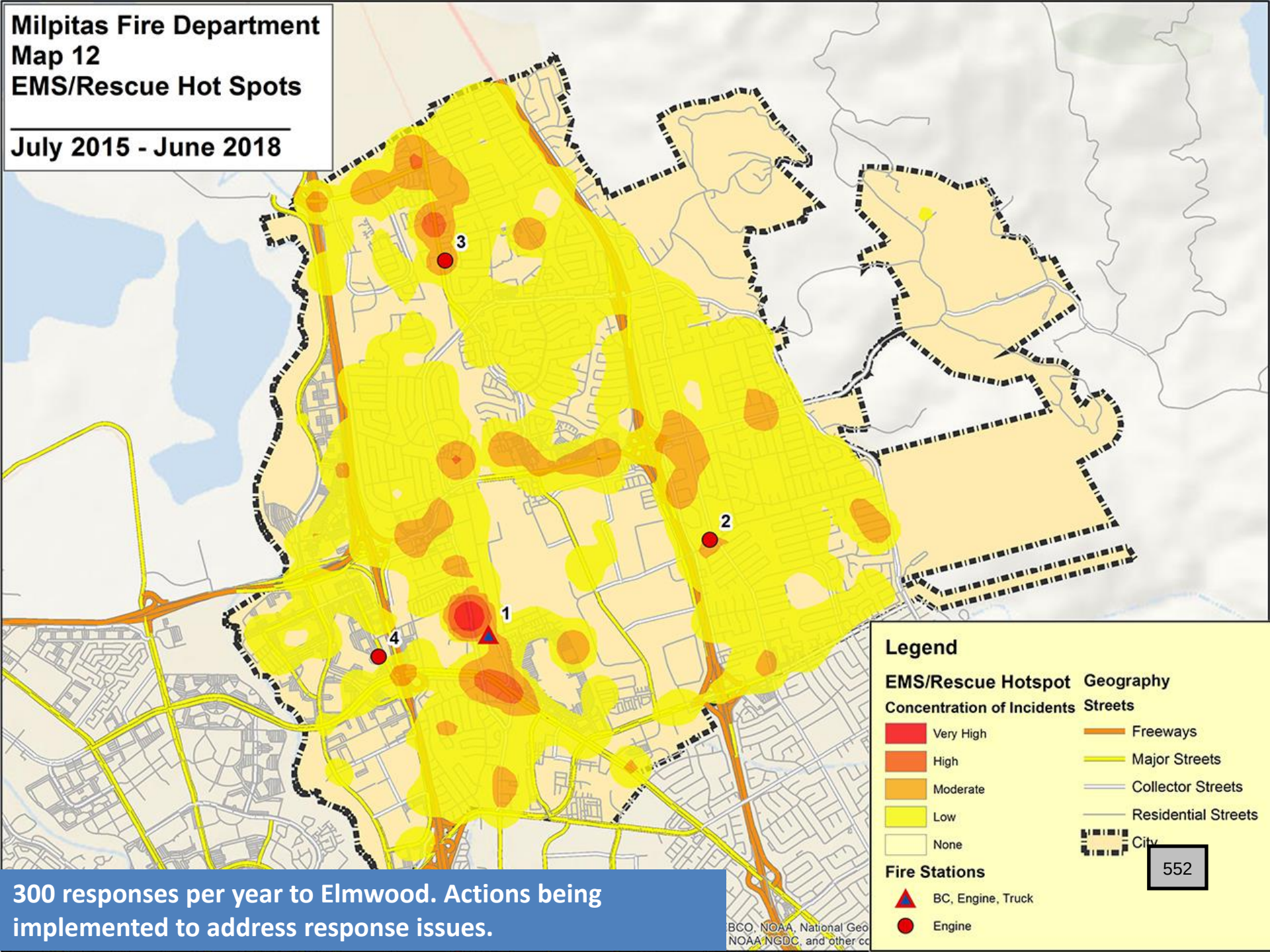
Milpitas Fire Department
Map 5b
8 Min ERF
Congested Travel

3 Engines, 1 BC, 1 Truck

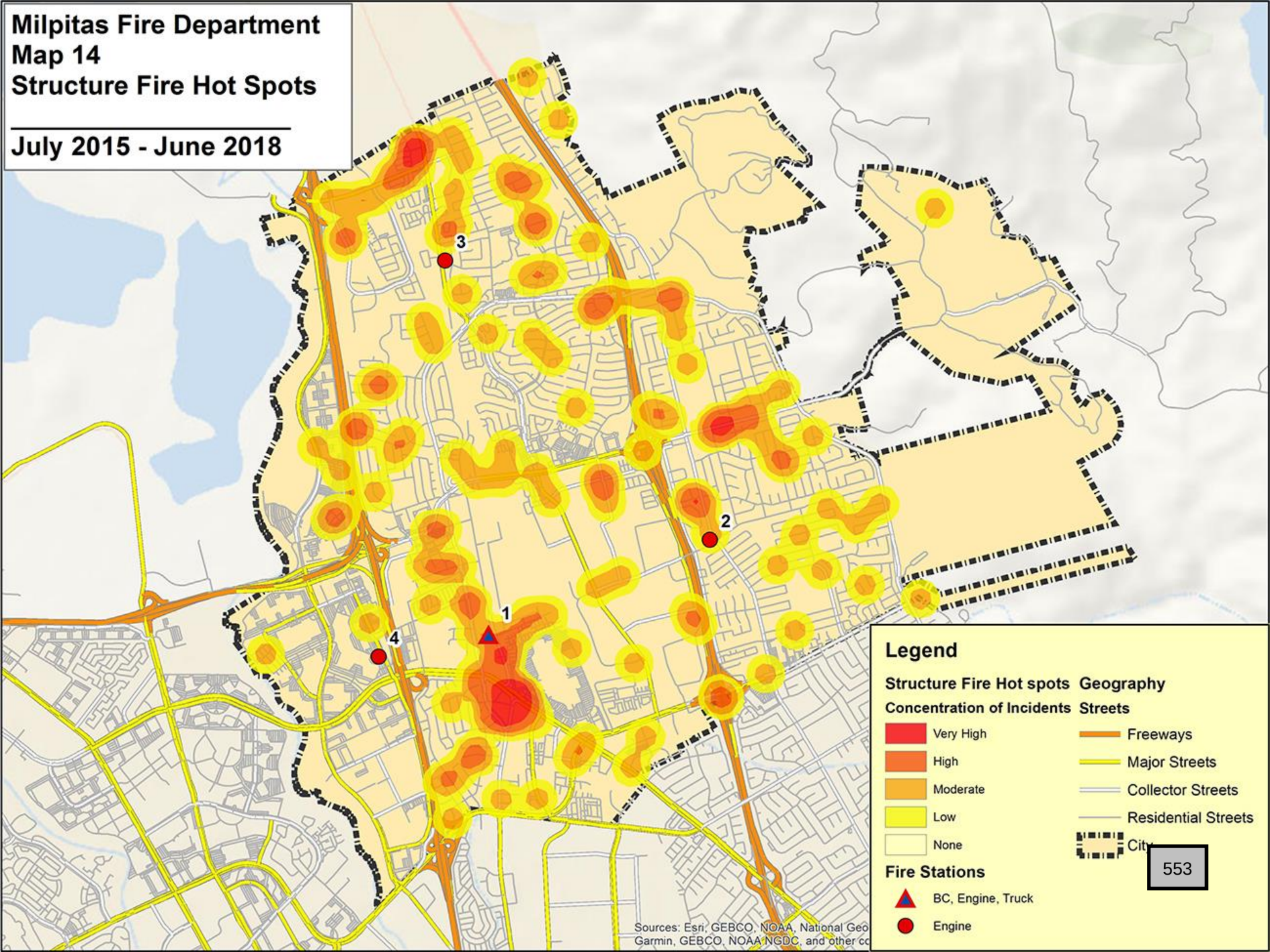


Milpitas Fire Department
Map 12
EMS/Rescue Hot Spots

July 2015 - June 2018



Milpitas Fire Department
Map 14
Structure Fire Hot Spots
July 2015 - June 2018



Sources: Esri, GEBCO, NOAA, National Geo
Garmin, GEBCO, NOAA, NGDC, and other co

Road Mile Coverage at 4:00 Minutes Travel

Measure	Miles	Percent of Miles Covered	Percent Loss
Total Miles in City	300.6		
Current Stations @ 4:00 Minutes	246.4	82%	
After Traffic Congestion	164.3	55%	27%
Multiple-Unit First Alarm	289.5	96%	
After Traffic Congestion	223.7	74%	22%

Deployment Findings Summary

- Longer travel times are due to the the road network design and traffic, not the quantity of stations
- 9-1-1 call to arrival times are excellent @ 7:15 minutes
- Station locations have been evaluated and the analysis doesn't warrant movement of the stations
- Daily staffing of 16 firefighters and one Battalion Chief, totaling 17, only provides a total response force sufficient for a single emerging serious fire incident or two to three EMS incidents
- Mutual Aid partnerships with Santa Clara County and Alameda Fire Agencies enhance reciprocal response capabilities
- Working to address challenges associated with the County ambulance contract. Considering deploying an ambulance to ensure timely transport for residents of Milpitas

Headquarters Staff Capacity

- Insufficient Office Specialist capacity
- The fire headquarters unit is still very small – lack of sustainable capacity and redundancy
- Administrative duties are pushed down to line personnel and, while beneficial for career development, this is also a limited solution

Use of Overtime

- Use of vacation and sick leave amounts is reasonable per the firefighters' labor contract and Citygate's experience
- Budget process for overtime needs a more robust estimation model, not an annual flat year over year estimated number
- Slightly overstaffing each platoon with two to three firefighters each is very cost effective as all but \$30,000 per year of each positions' compensation is used to offset overtime

Recommendations and Next Steps



Deployment Recommendations Summary

- Update deployment measures to include dispatch processing
- Add a fourth firefighter per day to the ladder truck crew (Mid-Year Budget Action)
- Staff ambulance for low-acuity incident response and a transport capable back-up (Budget Discussion)
- After re-deploying the staffing, evaluate the cost of constant staffing versus returning to overstaffing the platoons by two to three firefighters

Headquarters Recommendations Summary

- Add support staff including Office Specialist and Analyst positions to relieve workload capacity gaps, provide redundant capacity for critical business services, and conduct critical data analysis and project coordination.
- Improve the overtime budget forecast-to-actual model
- Continue to use overstaffing, revenues allowing
- Explore opportunities to maximize revenue sources permitted in the municipal code related to Fire Prevention activities

Next Steps

- Review and absorb the content, findings, and recommendations of this report
- Adopt an updated response time measure as part of the annual budget process
- Ask staff to return to the City Council with an implementation plan for this study's recommendations within the context of Citywide priorities
- Develop a funding strategy for rebuilding Fire Stations 2 and 3 plus updates to Station 1 & Fire Administration
- Council consideration of ladder truck and ambulance staffing changes in the operating budget

Discussion

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Item Attachment Documents:

15. Approve Standardized Commission Bylaws

Renee Lorentzen, 408-586-3409, Chris Diaz, 405-586-3041

Recommendation:

Approve Standardized Commission Bylaws



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve Standardized Commission Bylaws
Category:	Leadership and Support Services
Meeting Date:	4/16/2019
Staff Contact:	Renee Lorentzen, 408-586-3409, Chris Diaz, 405-586-3041
Recommendation:	Approve Standardized Commission Bylaws

Background:

On August 21, 2018, prior City Council approved a new Commissioner Handbook that outlined helpful topics for Commissioners and Alternates including standard rules and procedures for serving on a commission, rules for attendance, protocols to be followed during a meeting, celebrations and annual Work Plans. At this meeting the Council also approved the modernization of Commission names and advisory topics. To be included in the Handbook was standardized Commission Bylaws, which would allow Commissions to have seven (7) Commissioners and two (2) Alternates, a commissioner term length of three (3) years, term limits for Commissioners, and updated advisory topics.

Staff has drafted standardized Commission Bylaws and associated addendums for 11 City Commissions to accompany the approved Handbook. The aforementioned Addendums are meant to capture each individual Commission's advisory area, meeting date, time, and location, and any special membership requirements or recommended areas of interest. Planning Bylaws will be brought to City Council separately due to the need for an ordinance to change the Planning Commission provisions in the Municipal Code.

Analysis:

There currently exists several versions of Commission Bylaw documents with different language for each commission, concerning advisory areas, membership requirements, length of terms for both commissioners and alternates, number of commissioner and alternate seats, and restrictions on serving consecutive years as a Commission Chair. The implementation of standardized Bylaws affords consistency across Commissions and allows for the efficient management and support of those Council advisory bodies.

Policy Alternatives:

Alternative 1: Do not approve Standardized Bylaws

Pros: Not approving standardized Commission Bylaws would leave the existing Commission Bylaws in place and maintain the status quo for the short-term.

Cons: Not approving standardized Commission Bylaws would perpetuate Commissions running inconsistently, and inefficiently. As some Bylaws are out are now out of date concerning their commission title, advisory area and membership requirements, staff would need to bring each Commission's Bylaws individually to City Council for review and approval. Not approving standardized Bylaws also renders the Commission Handbook incomplete and would require a re-draft by staff.

Reason not recommended: Creating consistency and efficiency for City Commissions is important to maximizing the effectiveness of each Commission in its role on advising City Council on topics important to the City Council and residents of Milpitas.

Fiscal Impact: The adoption of the standardized Bylaws would support effective and efficient work on Commissions by both Commissioners and Staff Liaisons, thus reducing City staff time addressing Commission issues that could be spent on other City priority projects and tasks.

Recommendation: Approve the Standardized Commission Bylaws.

Attachments:

- a) Draft Standardized Commission Bylaws
- b) Addendums to Bylaws for all Commissions
- c) Commissioner Handbook – adopted by Council in 2018

CITY OF MILPITAS

COMMISSION BY-LAWS

Section 1. Purpose

A Commission serves as an active advisory group to the City Council on a variety of topics as directed by the City Council. These Commission By-Laws are applicable to all Commissions except for the Planning Commission, which is governed by the Municipal Code, Chapter 500. In addition to these By-Laws, each Commission shall have an addendum that is specific to the Commission and includes information about the Commission scope, member eligibility, and meeting frequency.

Section 2. Membership

A Commission is composed of seven (7) members and two (2) alternates appointed by the Mayor and approved by the City Council. All members and alternates shall be Milpitas residents, 18 years or older, unless otherwise noted in the Commission Bylaws Addendum. The City Council may appoint a Council liaison to serve on the Commission in a non-voting capacity.

Section 3. Term of Office & Removal

The term of office is three years, or until the seat is filled, for every Commission and is tied to specific seats, not actual Commission members or alternates. A Commission member or alternate is appointed for the term of the seat, which can be less than three years, based on the time of appointment. A Commission member can re-apply at the end of each term and is eligible to re-apply for a total of three full terms on any one Commission. No member shall serve more than three (3) consecutive terms on one Commission but is eligible to apply for other Commissions.

Members and alternates are expected to attend all meetings. When any member or alternate has three or more absences in a 12-month period, the City Clerk's Office shall forward this information to the City Council for review and possible removal of the member or alternate from the Commission. Any member or alternate of the Commission may be removed from office at any time by a simple majority vote of the City Council at a regularly scheduled Council meeting, with or without cause.

Members and alternates may apply for reappointment by submitting a letter or e-mail of interest to the Mayor with a copy to the City Clerk prior to the expiration of his/her term of office. Any member or alternate of the Commission who wishes to resign MUST submit a letter of resignation or email to the Mayor with a copy to the City Clerk. Resignations will be confirmed by the City Council at a regularly scheduled Council meeting.

Section 4. Vacancies

Vacancies will be filled for the unexpired portion of the term by the Mayor with the approval of the City Council.

Section 5. Officers

A Chair and Vice Chair will be selected annually at the first meeting of the calendar year from the appointed members for a term of one year. The Chair will call for meetings and preside over all sessions. In the absence of the Chair and Vice Chair, the member with longest continuous service on the Commission will preside.

Section 6. Meetings

Commissions shall hold regular meetings at a predetermined day, week, time and location. All meetings shall be open to the public. Should a scheduled meeting occur on a holiday, said meeting will be deferred to the same day of the following week or to a date agreed upon by a majority of the Commission. Special meetings may be called by majority vote, the Chair, Staff Liaison, or the City Council. No meetings will be held in the month of July. Notice of any special meeting shall be given as required by law. Except as otherwise provided by these Bylaws, the Commission shall follow the latest edition of Robert's Rules of Order for the orderly conduct of meetings.

Section 7. Quorum

Any FOUR (4) members, including alternates, shall constitute a quorum for the transaction of business.

Section 8. Voting and Seating of Alternates

Voting authority is extended to the SEVEN (7) regular members. An alternate member shall vote only if seated in the absence of a regular member. In the event that a regular member is absent, alternate members shall be seated in order of their alternate position. If a member arrives after an alternate has been seated, the alternate shall remain as the voting member until the end of the meeting.

Section 9. Duties of Commission to be Advisory Only

It is intended that the Commission shall be an advisory body to the City Council.

Section 10. Subcommittees

Other committees within the Commission will be subcommittees of the Commission. The Commission may appoint such subcommittees, with at least one Commission member on the subcommittee, but not more than three members so as not to constitute a quorum.

Section 11. Assistance of Staff

The City Manager of the City of Milpitas shall provide the Commission with such information and staff assistance as the Commission may from time to time request subject to the limitations imposed by the City Council. The staff member designated by the City Manager shall attend meetings of the Commission, meetings of the Commission subcommittee as necessary, and submit such reports as said Commission may request and as deemed necessary or desirable, subject to limitations imposed by the City Council. The role of the Staff Liaison on a Commission is defined and should be referred to in the City of Milpitas Commissioner Handbook.

Section 12. Amendments

These Bylaws are subject to change through amendments approved by the City Council.

PASSED AND ADOPTED [DATE].

Addendums:

- 1) Arts Commission
- 2) Community Advisory Commission
- 3) Economic Development and Trade Commission
- 4) Energy and Environmental Sustainability Commission
- 5) Library and Education Advisory Commission
- 6) Parks, Recreation and Cultural Resources Commission
- 7) Public Safety and Emergency Preparedness Commission
- 8) Senior Advisory Commission
- 9) Science, Technology, and Innovation Commission
- 10) Veterans Commission
- 11) Youth Advisory Commission

CITY OF MILPITAS
COMMISSION BYLAWS
Addendum: Arts Commission

The Arts Commission was established by the Milpitas City Council on October 17, 2000.

Advisory Area

This Commission will advise Council on matters pertaining to the arts in Milpitas, as well as serve as the advisory body for the Public Art Program.

Meetings

The Arts Commission shall hold meetings the 4th Mondays of January, March, May, September and November at 7:00 PM at the Committee Conference Room in City Hall, or a another designated location.

PASSED AND ADOPTED [DATE].

CITY OF MILPITAS
COMMISSION
BYLAWS
Addendum: Community Advisory Commission

The Community Advisory Commission was established by the Milpitas City Council on July 20, 1954.

Advisory Area

This Commission will advise Council on matters affecting Milpitas residents, especially those relating to community improvement, beautification, and Community Development Block Grant program funding.

Meetings

The Community Advisory Commission shall hold meetings the 1st Wednesday of every month except July, at 7:00 PM at the Committee Conference Room in City Hall, or another designated location.

PASSED AND ADOPTED [DATE].

**CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS**

Addendum: Economic Development and Trade Commission

The Economic Development and Trade Commission was originally established by the Milpitas City Council on February 18, 2003. On August 21, 2018, the City Council merged this Commission's advisory areas to include those of the dissolved Sister Cities Commission, which would be addressed through an international trade advisory area.

Advisory Area

This Commission will advise the Council on business issues, cultivate international trade relationships, and make recommendations on the design, development, and implementation of economic development in the City of Milpitas.

Membership

All members and alternates shall be Milpitas residents, OR own a business or be currently employed at a business located within the City limits of Milpitas.

Members of the Economic Development and Trade Commission are most appropriate, but not limited to the following areas of expertise or interest:

- Chamber of Commerce
- Milpitas Unified School District/Education
- Technology and Trade
- Business (may include, but not limited to, retail, restaurant, hotel, commercial, etc.)
- Real Estate (may include, but not limited to, brokers, developers, property owners, etc.)
- Resident

The City Council may confirm a Milpitas Unified School District Board Member liaison to serve on the Commission. This Member is selected by the Milpitas Unified School District Board and confirmed by Council at a City Council meeting.

Meetings

The Economic Development and Trade Commission shall hold meetings the 2nd Mondays of every month except, December and July, at 4:30 PM at the Committee Conference Room in City Hall, or a designated location.

PASSED AND ADOPTED [DATE].

**CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS**

Addendum: Energy and Environmental Sustainability Commission

The Energy and Environmental Sustainability Commission was originally established by the Milpitas City Council on February 18, 2003. On August 21, 2018, the City Council added the advisory areas of energy and environmental sustainability, including climate action.

Advisory Area

This Commission will advise the Council on major policy areas related to energy, environmental sustainability, climate action, recycling, and waste reduction.

Membership

All members and alternates shall be Milpitas residents, OR own a business or be currently employed at a business located within the City limits of Milpitas.

Members of the Energy and Environmental Sustainability Commission are most appropriate, but not limited to the following areas of expertise or interest:

- Environmental Interest Group (local community group or non-profit)
- Business (may include, but not limited to, retail, restaurant, hotel, commercial, etc.)
- Resident

The City Council may confirm a Milpitas Unified School District Board Member or MUSD Staff member liaison to serve on the Commission. This Member is selected by the Milpitas Unified School District Board (if Board Member) or by the Milpitas Unified Superintendent (if Staff Member) and confirmed by Council at a City Council meeting.

Meetings

The Energy and Environmental Sustainability Commission shall hold meetings the 3rd Wednesday of every month except July, at 6:00 PM at the Committee Conference Room in City Hall, or a designated location.

PASSED AND ADOPTED [DATE].

CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS
Addendum: Library and Education Commission

The Library and Education Commission was originally established by the Milpitas City Council on January 17, 1961. On August 21, 2018, the City Council added the advisory areas of Library education and literacy initiatives and programs.

Advisory Area

This Commission will advise the Council on matters pertaining to the operation of library services, library education and literacy initiatives and programs, and facilities.

Meetings

The Library and Education Commission shall hold meetings the 3rd Monday of every January, March, May, September, and November, at 7:00 PM at the Milpitas Library Conference Room, or a designated location.

PASSED AND ADOPTED [DATE].

**CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS**

Addendum: Parks, Recreation and Cultural Resources Commission

The Parks, Recreation and Cultural Resources Commission was originally established by the Milpitas City Council on May 25, 1964. It was combined with the Cultural resources Preservation Board in 1992. On August 21, 2018, the City Council added the advisory areas of bicycle and pedestrian matters of the dissolved Bicycle and Pedestrian Commission.

Advisory Area

This Commission will advise the Council on matters pertaining to recreation, bicycle and pedestrian trails and access, historic preservation, planning and development of new and existing parks and facilities, and identifying, protecting, and enhancing structures and other features reflecting special aspects of the City's Cultural heritage.

Meetings

The Parks, Recreation and Cultural Resources Commission shall hold meetings the 1st Monday of every month except July, at 7:00 PM at the Committee Conference Room in City Hall, or a designated location.

PASSED AND ADOPTED [DATE].

**CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS**

Addendum: Public Safety and Emergency Preparedness Commission

The Public Safety and Emergency Preparedness Commission was originally established by the Milpitas City Council on May 17, 1998. On August 21, 2018, the City Council added the advisory areas of public safety, crime, and quality of life.

Advisory Area

This Commission will advise the Council on matters pertaining to emergency preparedness and disaster planning, public safety, crime, and resident quality of life.

Membership

All members and alternates shall be Milpitas residents, OR own a business or be currently employed at a business located within the City limits of Milpitas.

Members of the Public Safety and Emergency Preparedness Commission are most appropriate, but not limited to the following areas of expertise or interest:

- Resident
- Business (may include, but not limited to, manufacturing, restaurant, hotel, commercial, food retailer, etc.)
- Community Interest Non-profit Group

The City Council may confirm a Milpitas resident student representative who is currently enrolled in a MUSD high school or continuation school. This student will assume a non-voting liaison role on the Commission and represent the youth and teen community on the Commission advisory areas.

The City Council may confirm a Milpitas Unified School District Board Member to serve on the Commission. This Member is selected by the Milpitas Unified School District Board and confirmed by Council at a City Council meeting.

Meetings

The Public Safety and Emergency Preparedness Commission shall hold meetings the 3rd Thursday of every January, March, May September and November, at 7:00 PM at the Training Room in Fire Station #1, or a designated location.

PASSED AND ADOPTED [DATE].

CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS
Addendum: Senior Advisory Commission

The Senior Advisory Commission was originally established by City Council on December 14, 1978 as an advisory committee to the Parks, Recreation and Cultural Resources Commission on matters pertaining to seniors. On April 20, 1993, City Council established it as its own Commission.

Advisory Area

This Commission will advise the Council on matters pertaining to senior residents recreational, social, educational, and health services in Milpitas.

Membership

All members and alternates shall be Milpitas residents of senior age, 50 years and over, and be members of the Milpitas Barbara Lee Senior Center.

Meetings

The Senior Advisory Commission shall hold meetings the 4th Tuesday of February, April, June, August, October, and December, at 1:30 PM at Room 140/141 in the Barbara Lee Senior Center, or a designated location.

PASSED AND ADOPTED [DATE].

**CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS**

Addendum: Science, Technology and Innovation Commission

The Science, Technology and Innovation Commission was originally established by City Council on September 6, 1994. On August 21, 2018, the City Council updated the name of the Commission.

Advisory Area

This Commission will advise the Council on matters pertaining to technology services benefitting the Milpitas community.

Meetings

The Science, Technology and Innovation Commission shall hold meetings the 3rd Monday of every month, except July, at 7:00 PM at the Committee Conference Room in City Hall, or another designated location.

PASSED AND ADOPTED [DATE].

CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS
Addendum: Veterans Commission

The Veterans Commission was established by City Council on December 1, 2009.

Advisory Area

This Commission will advise the Council on services and programs affecting Milpitas veterans.

Membership

All members and alternates shall be Milpitas residents who are honorably discharged U.S. veterans or are actively serving members in any branch of the U.S. military.

Meetings

The Veterans Commission shall hold meetings the 1st Wednesday of February, April, June, August, October, and December, at 5:30 PM at the Committee Conference Room in City Hall, or another designated location.

PASSED AND ADOPTED [DATE].

CITY OF MILPITAS
STANDARD COMMISSION
BYLAWS
Addendum: Youth Advisory Commission

The Youth Advisory Commission was established by City Council in April 1996.

Advisory Area

This Commission will advise the Council on matters pertaining to youth and teens in Milpitas.

Membership

All members and alternates shall be Milpitas resident students in grades 7-12.

Meetings

The Youth Advisory Commission shall hold meetings the 2nd Thursdays of every month, except July, at 7:00 PM at the Committee Conference Room in City Hall, or another designated location.

PASSED AND ADOPTED [DATE].



CITY OF MILPITAS
COMMISSIONERS HANDBOOK
2018

Welcome to City of Milpitas

Service as a Volunteer Commissioner



CITY OF MILPITAS

OFFICE OF MAYOR RICH TRAN

455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479
PHONE: 408-586-3050, FAX: 408-586-3056, www.ci.milpitas.ca.gov

Welcome and congratulations on joining the City of Milpitas team as a City Commissioner or Alternate! I am delighted that you are joining us, as your appointment is important to your Commission's role in advising the Milpitas City Council as topics and initiatives important to the Milpitas community.

Included in this Commissioner Handbook is information on areas such as participating in a public meeting, attendance, and the role of Commissioners, the staff and council liaisons. I am hopeful that you will use this handbook as a guide to help you at your meetings and as you work with your Commission on your annual Work Plan and advisory areas.

I look forward to all the great work you will do on your Commission and on behalf of the Milpitas City Council, thank you for your service to the Milpitas community!

Sincerely,

Rich Tran
Mayor

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CITY OVERVIEW

City of Milpitas is a California municipality of approximately 78,000 residents, and was incorporated as a General Law City in January of 1954. Elected City Officers are the Mayor (term of 2 years) and four elected City Councilmembers (terms of 4 years each). Those leaders are elected by Milpitas voters on the ballot in November elections held each even year.

City Council is the body responsible for making all major policy decisions and direction for the City of Milpitas, including adoption of the City's annual budget. The City Council votes at regular City Council meetings on all expenditures, major land use plans, infrastructure projects and facility and program activities. The Council relies on input from many sources, including the 14 Advisory Commissions along with other Task Forces, Ad Hoc Committees and residents at large.

CURRENT CITY COMMISSIONS

As of the publication of this manual, the following are 12 City of Milpitas Commissions for which residents may volunteer to serve by Mayoral appointment:

Arts Commission
Community Advisory Commission
Economic Development and Trade Commission
Energy and Environmental Sustainability Commission
Library and Education Advisory Commission
Parks, Recreation and Cultural Resources Commission
Planning Commission
Public Safety and Emergency Preparedness Commission
Senior Advisory Commission
Science, Technology and Innovation Commission
Veterans Commission
Youth Advisory Commission

All Commissions will consist of 7 appointed Commissioners. All Commissions, except the Planning Commission, will also have 2 appointed Alternate Members.

AD HOC CITIZEN TASK FORCES AND COMMITTEES

From time to time, as needs arise, the Milpitas City Council may choose to appoint residents to serve on ad hoc advisory bodies. Examples have included the Citizens Budget Task Force, Campaign Finance Reform Committee and Citizens Task Force on Water Rates. Each body to which members are appointed by the City Council shall report back to the Council at appropriate intervals and upon conclusion of the task assigned by the Council. Members' service concludes once a final report is provided to City Council, or as City Council directs.

Role of Commissioners, Alternate Members, Chair & Vice Chair, City Staff and City Council

Commissioners serve as voluntary members from the community advising the City Council on policies related to the purpose of their Commission. They are expected to attend all meetings, actively participate and deliberate, and vote on any matters that are requested for recommendation to the City Council.

Alternate Members serve only in the absence of a voting member. When a voting Commissioner is absent from a regularly scheduled Commission meeting, the Commission Chair shall call upon an alternate to be seated at the table or dais to participate in a voting role at the meeting. If a regular voting Commissioner arrives subsequently, that person shall not participate as a voting member.

Once per year, Commissioners will vote to elect a **Chair and Vice Chair of the Commission**. The Chair is responsible for leading the regular meetings of the Commission. The Chair shall call the meeting to order, state items to be discussed on the agenda, permit all members the opportunity to be heard, allow for comments from the public, call for a vote when required and work directly with the staff liaison to ensure a successful meeting. The Vice Chair shall serve the role of Chair in the absence of the Chair. No Commissioner shall serve more than three years as the Chair or Vice Chair of any Milpitas Commission.

A **City staff liaison** to your Commission is available to provide staff support and work closely with the Chair to develop the meeting agendas and any information gathered for benefit of the Commissioners. Staff shall assist in guiding the work of the Commission, provide agendas and take meeting minutes. The City Manager shall assign appropriate staff liaison(s) to each Commission.

Keep in mind that volunteer City Commissioners do not direct or delegate work tasks to staff or Council liaisons. Commission annual work plan activities and assignments are to be completed by Commissioners.

The City Attorney may be available to provide legal advice when asked by the staff liaison regarding the Brown Act, parliamentary procedure, or on topics related to the Commission's business. Except for the Planning Commission, the City Attorney will not attend Commission meetings on a regular basis.

Milpitas Mayor and City Council together serve as the ultimate deliberative body regarding all business and policy matters for the City of Milpitas. Significant work by Commissions shall result in recommendations to the City Council, which will then vote to approve any City policy or expenditure.

Membership – Application Process, Method of Appointment, Departure, Terms of Service and Term Limits

Requirement to serve: the main requirement to be appointed to a Commission is to be a current resident of Milpitas over age 18 (except Youth Advisory Commission).

Additional requirements for select Commissions are reflected in the approved By-Laws. For example, members of the Economic Development Commission are not required to be residents, however, they shall represent various segments of the business community.

APPLICATION & APPOINTMENT

To apply for service on any City of Milpitas Commission, residents or interested persons shall complete a Commission Application and submit the form to the City Clerk. Form may be submitted in person, by US postal mail or by e-mail. Form is available at the City Clerk's office and on the City website. If requested, applicants may be asked to complete a supplemental questionnaire.

Copies of applications are provided to the Mayor for his/her consideration. Per Government Code, the Mayor of a General Law city holds the power of appointment, upon confirmation by the City Council. The Mayor may appoint two Councilmembers to a City Council Subcommittee to review applications, interview applicants and make recommendations for appointment or re-appointment to all Commissions. The City Council must vote to affirm all appointments to Commissions by the Mayor.

Applicants may express interest in serving on more than one Commission. However, residents may only serve on one Commission at a time, except by special exception of the City Council. City employees may not be appointed to Commissions.

RE-APPOINTMENT

Appointed Commissioners may seek to be re-appointed upon the expiration of their current term. Re-appointment to a new term is not automatic, but rather must be recommended by the Mayor and confirmed by the City Council. Those seeking re-appointment to a new term shall contact the Mayor to express their request.

The length of a Commissioner's term of service on a Commission is specified in the Commission by-laws and these do vary by Commission. Alternate members (non-voting) may have shorter terms than voting Commissioners.

When a Commission term is vacant and a new member is appointed to fill the vacancy, the term of service and expiration of the term remains the same as the original appointment, i.e. the expiration and length of the term is static.

Alternate members are appointed by the Mayor and Council, and shall be available to be seated as a voting member at a regular Commission meeting when a voting Commissioner is absent. Alternate members do not deliberate or vote when all regular members are present at the Commission meeting.

TERM LIMITS

City Council shall establish a policy limiting Commissioners to serve a maximum of three full terms. At the end of three terms, a voting Commissioner's service is concluded (not applicable to Alternate Members). Residents may submit a new application to serve on a different Commission at any time. However, the length of one term of a Commission must expire before an applicant may be considered for appointment again to a Commission on which he/she previously served.

Bylaws and Orientation by Staff

All City of Milpitas Commissions have written By-Laws by which Commissioners and staff abide, which are written by the City Attorney. By-laws may be viewed on the City's website and are provided to all Commissioners from their staff liaison.

A template for the basic edition of all Commission by-laws is included with this handbooks, in the appendix.

Links to all Commission's By-laws can be found online on each Commission page:

<http://www.ci.milpitas.ca.gov/our-government/commission/>

The staff liaison shall provide an orientation in person to newly appointed Commissioners. Extensive training is provided in particular to the Planning Commission, commensurate with those duties related to land use decision making – serving as a quasi-judicial body - per the Milpitas Municipal Code. Staff shall ensure that contact information is provided by the Commissioner allowing communication via email for distribution of agendas or other important information.

A nameplate is created for each new Commissioner. Business cards up to 50 each annually may be printed by staff, in house, on City standard format for Commissioners for City business purposes only. City of Milpitas business cards with City logo may not be printed privately or by an outside party.

ANNUAL WORKPLAN

Each Commission shall discuss and prepare its annual work plan, which shall be submitted and approved by City Council. The work plan is a list of the anticipated topics, assignments and goals that Commissioners will focus on over a 12 months' period. In turn, the Council may request an annual report listing accomplishments of each Commission based on the work plan. All Reports may be presented at one meeting to the City Council annually.

ANNUAL BUDGET

City Council shall allocate \$1,000 annually for each Commission. Funds are to be used towards City Council approved Work Plan tasks and projects, and administrative costs related to the Commission. Those Commissions that determine a need for additional funding shall return to City Council with a stated request for more funds and the purpose for those. City Council shall approve or deny any request for such expenditures.

REQUIRED ATTENDANCE / POLICY FOR REMOVAL

All appointed Commissioners (and Committee or other ad hoc body members) are expected to attend all regular meetings. Meetings are scheduled at specified times each month or at regular intervals. Attendance and participation in the business of the Commission is necessary for the success of the Commission in achieving its annual work plan goals. When a Commissioner is unable to attend a meeting, it is courteous to notify the City staff liaison and Commission Chair of expected absence.

If any Commissioner is absent from three or more meetings in a year, that information will be reported to the City Council and can be grounds for removal. This policy allows for another resident to be appointed to the Commission. Attendance is tracked by staff and the City Clerk shall report to the City Council quarterly.

RESIGNATION

If a Commissioner is no longer available to serve, he or she must submit resignation in writing by sending a written communication to the Mayor and the City Clerk. This is per adopted City Council Resolution No. 7702. The written resignation must then be accepted by City Council via action on consent calendar at a regular meeting.

By state law, a 20-day Notice of Vacancy must then be posted by the City Clerk to invite new applicants for the vacant Commission seat.

PARTICIPATION

When attending Commission meetings, all voting members have the opportunity and right to participate and be heard. The Chair of the Commission holds the

responsibility for decorum at the meetings, and shall permit each Commissioner to offer comments and make any motions on matters on the meeting agenda.

Additionally, some Commissions expect participation by Commissioners outside of the regular meetings. For example, Planning Commissioners may attend the annual Planners Institute offered by the League of California Cities. Several Commissions participate in various joint events throughout the year and other participation in Commission events may be required, as identified in the adopted annual work plan.

CELEBRATION

The Mayor and City Council appreciate the service of each and every Commissioner. As a way to express their appreciation, once each year in the spring, the City Council hosts an event to honor current Commissioners for their service. This may be a luncheon event at the Community Center or another facility. Each Mayor and City Council will determine and plan the celebration annually, as desired and budgeted, for the Commissioners, Alternate Members and their guests to enjoy.

FUNDRAISING

Several Commission work plans (approved by City Council) call for fundraising efforts, and those funds may then be utilized for events, contribution to non-profits, or for service provision. Money raised on behalf of the City of Milpitas will be held by the City of Milpitas as part of and in accordance with best practices of the city's Finance Department. Any requests for funds to be dispersed will require City Council approval. City staff will work with Commissions to ensure proper accounting procedures and practices are followed to reflect compliance with City and state regulations alongside ethical action.

ETHICS AND EXPECTED STANDARDS OF PERFORMANCE

City Commissioners are representatives of the City while serving in their role as volunteer Commissioners, both while in attendance at meetings and while present at City functions as a Commissioner. All Commissioners and Alternate Members shall adhere to ethical behavior at all times and that entails compliance with the City of Milpitas Standard Operating Procedure 16-1 “Code of Conduct for Public Officials” (see appendix). The code requires dedicated service, equal treatment, understanding potential for and avoiding conflicts of interest, and not participating in political activity while performing Commission duties.

City officials including appointed City Commissioners shall be required to participate in state-mandated ethics training (commonly referred to as AB1234). Such training is available online from the FPPC, on YouTube, and from the City Attorney.

Here are links to ethics training courses available:

Fair Political Practices Commission:

<http://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/ethics-training.html>

Institute for Local Government:

<http://www.ca-ilg.org/ethics-education-ab-1234-training>

Upon completion of the training, Commissioners shall file a signed certificate with the City Clerk, which shall remain on file in the Clerk’s office for the length of service of the Commissioner.

California's Ralph M. Brown Act

The Brown Act or Open Meetings law is found in the California Government Code section 54950 et seq. This significant law was enacted in 1953 to guarantee the public's right to attend and participate in all meetings of local legislative bodies. Those bodies include commissions, committees, boards or other body of a local agency, whether permanent or temporary, decision-making (such as Planning Commission) or advisory (all others). Most importantly, according to this law, all meetings must be properly noticed for participants and for the public. City staff must ensure this occurs for all Commissions.

Notably, a majority of the members of any Commission may not discuss or deliberate on any business within the subject matter jurisdiction of the Commission except at a noticed meeting, and this includes in person interactions as well as serial or indirect communications.

The agenda for a regular meeting must be posted in a location at the meeting site and freely accessible to members of the public at least 72 hours before the meeting. Any meeting not established as a regular meeting is a "Special" meeting and a special meeting agenda must be posted at least 24 hours prior to the meeting. Agendas must be posted at the building where the meeting occurs, and in Milpitas, also on the City's website. Agendas for all meetings held at Milpitas City Hall are posted on the outside board for this purpose at the northwest entry to the building.

Meetings that are not properly noticed are not permitted. That would include "serial" meetings – which would be when one Commissioner contacts another, who then contacts another Commissioner by phone, e-mail or in person. All business of the Commission must be listed on the agenda, posted, and discussed at a public meeting held in an accessible location. Therefore, care must be taken to ensure that if a quorum (half of the members + 1) is gathered at a public or private place, no public business shall be discussed. For this purpose, e-mail communication between Commissioners should be avoided including the use of "Reply All" to any staff notices sent via e-mail to the entire Commission.

City of Milpitas Open Government Ordinance

In 2005, Milpitas City Council adopted the Open Government Ordinance and amended it in 2009. This is the local version of the City's "Sunshine Law" and ensures that all public business of the city government is conducted in public. It enhances Brown Act requirements. This law is available to read and review in the City's published Milpitas Municipal Code online, as Title I Chapter 310 found here:

Parliamentary Procedure at Meetings

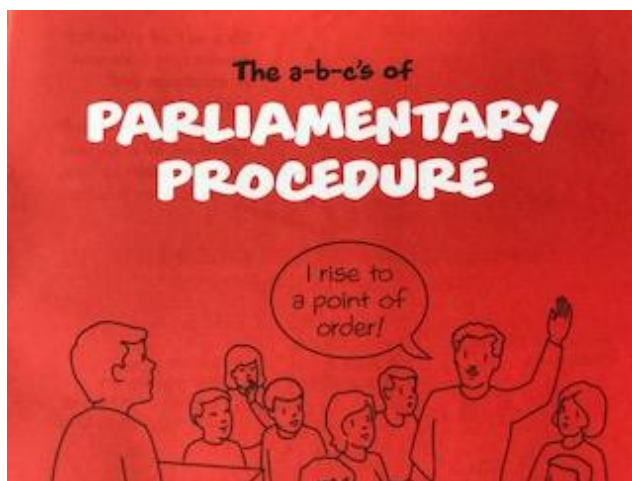
Meetings shall operate using standard parliamentary procedures following an approved meeting agenda. Most entities follow Robert's Rules of Order (or, in the alternative Rosenberg's). Procedures generally include:

1. Establish and post a written agenda.
2. Agenda includes a Call to Order, Roll Call, note start and ending times.
3. Action by Motions made, seconded, discussed and voted upon.
4. Adjourn the meeting to conclude or continue the meeting.

One Commissioner can make a motion to approve an action, another member shall second the motion aloud, and then the Commission Chair shall call for a vote. Staff will record the number of votes in favor, the number opposed and any abstaining. The Chair will announce the result of the vote. Voting is most frequently done by voice, aloud, and may also be done by roll call or by a show of hands.

Motions may also be voted upon to open and close a public hearing, to adjourn (end) the meeting, or other necessary actions of the Commission. Training on these technical procedures is available and staff liaisons will schedule for new members.

The City Clerk can provide to each Commissioner one copy of the copyrighted booklet "The a-b-c's of Parliamentary Procedure" published by Channing Bete.



Resources Available for Commissioners

City of Milpitas web page for Commissions:

www.ci.milpitas.ca.gov/our-government/commission/commission-member-resources/

League of California Cities www.cacities.org

(Ethics, Brown Act and other training available online)

Fair Political Practices Commission www.fppc.ca.gov

(Training available on YouTube regarding Forms)

Parliamentary Procedure video www.youtube.com/watch?v=FfnBGolKmbM
<http://www.rulesonline.com/>

Roberts Rules of Order <http://robertsrulesmadesimple.com/>

Conflict of Interest guidelines

State of California Fair Political Practices Commission (“FPPC”) regulates reporting of potential conflicts of interest, according to the Political Reform Act. It mandates the filing of annual forms, known as Form 700/Statement of Economic Interests in accordance with the City’s adopted Conflict of Interest Code. City Council, specified City staff, and certain City Commissioners must file Form 700 with the City Clerk each year. Its purpose is to reveal any potential conflicts of interest, relative to any financial interests held solely within the City of Milpitas. Forms must be filed initially when first appointed (Assuming Office), annually by April 1 each year, and then once more when departing the Commission upon resignation or conclusion of the term (Leaving Office).

More information and Form 700 is online at www.fppc.ca.gov . Contact the Milpitas City Clerk with any questions.

Commissions required to file Form 700:

Arts Commission

Community Advisory Commission

Economic Development & Trade Commission

Energy & Environmental Sustainability Commission

Parks, Recreation and Cultural Resources Commission

Planning Commission

Science, Technology & Innovation Commission

APPENDICES

- A. Sample Commission By-Laws
- B. Standard Operating Procedure 16-1 “Code of Conduct for Public Officials”
- C. FPPC Form 700 Statement of Economic Interests
- D. City Council Resolution No. 7702 – notification upon resignation

APPENDIX A

Sample Commission Bylaws

CITY OF MILPITAS **[INSERT COMMISSION NAME HERE]**

DRAFT BYLAWS

The [NAME] Commission was established by the Milpitas City Council on [DATE].

Section 1. Purpose

The [NAME] Commission will serve as an active advisory group to the City Council. This Commission will advise the staff and Council on [GENERAL ADVISORY AREAS].

Section 2. Membership

The [NAME] Commission is composed of seven (7) members and two (2) alternates appointed by the Mayor and approved by the City Council. All members and alternates shall be Milpitas residents or residents within the boundaries of the Milpitas Unified School District. The City Council may appoint a Council liaison to serve on the Commission in a non-voting capacity.

Section 3. Term of Office & Removal

The term of office for [NAME] Commission members and alternates is THREE (3) years or until reappointed or a successor is appointed. Members and alternates are expected to attend all meetings. When any member or alternate has three or more absences in a 12-month period, the CITY CLERKS OFFICE shall forward this information to the City Council for review and possible removal of the member or alternate from the Commission. Any member or alternate of the Commission may be removed from office by a majority vote of the City Council at a regularly scheduled Council meeting.

Members and alternates may apply for reappointment by submitting a letter or e-mail of interest to the Mayor with a copy to the CITY CLERK prior to the expiration of his/her term of office. Any member or alternate of the Commission who wishes to resign MUST submit a letter of resignation or email to the Mayor with a copy to the CITY CLERK.

Section 4. Vacancies

Vacancies will be filled for the unexpired portion of the term by the Mayor with the approval of the City Council.

Section 5. Officers

A Chair AND Vice Chair will be selected annually at the first meeting of the calendar year from the appointed members for a term of one year. The Chair will call for meetings and preside over all sessions. In the absence of the Chair and Vice Chair, the member with longest continuous service on the Commission will preside.

Section 6. Meetings

The [NAME] Commission shall hold meetings the [WEEK] [DAY OF WEEK] of months at [TIME] at the [LOCATION] or a designated location. All meetings shall be open to the public. Should a scheduled meeting occur on a holiday, said meeting will be deferred to the same day of the following week or to a date agreed upon by a majority of the Commission. Special meetings may be called by majority vote, the Chair, STAFF LIAISON, or the City Council. Notice of any special meeting shall be given as required by law. Except as other provided by these Bylaws, the Commission will follow the latest edition of Robert's Rules of Order for the orderly conduct of meetings.

Section 7. Quorum

Any FOUR (4) members shall constitute a quorum for the transaction of business.

Section 8. Voting and Seating of Alternates

Voting authority is extended to the SEVEN (7) regular members. An alternate member shall vote only if seated in the absence of a regular member. In the event that a regular member is absent, alternate members shall be seated in order of their alternate position. If a member arrives after an alternate has been seated, the alternate shall remain as the voting member until the end of the meeting.

Section 9. Duties of Commission to be Advisory Only

It is intended that the Commission shall be an advisory body to the City Council. Nothing herein contained shall be construed as a limitation on the power of the City Council or the administrative staff of the City in their supervision or authority over property or personnel under their jurisdictions.

Section 10. Subcommittees

Other committees within the Commission will be subcommittees of the Commission. The Commission may appoint such subcommittees, with at least one Commission member on the subcommittee.

Section 11. Assistance of Staff

The City Manager of the City of Milpitas shall provide the Commission with such information and staff assistance as the Senior Advisory Commission may from time to time request subject to the limitations imposed by the City Council. The staff member designated by the City Manager shall attend meetings of the Senior Advisory Commission and submit such reports as said Senior Advisory Commission may request and as deemed necessary or desirable, subject to limitations imposed by the City Council.

Section 12. Amendments

These Bylaws and operating procedures may be amended and are subject to approval by the City Council.

PASSED AND ADOPTED [DATE].

DRAFT

APPENDIX B

CITY OF MILPITAS, CALIFORNIA

STANDARD OPERATING PROCEDURE 16-1

Effective: 03-02-1970

Revised: 03-17-1976

06-02-2004

SUBJECT: CODE OF CONDUCT FOR PUBLIC OFFICIALS

The proper operation of democratic government requires that public officials and employees be independent, impartial, and responsible to the people. The purpose of this Code of Conduct is to establish ethical standards of conduct for all such persons and to direct disclosure by such public officials and employees of private, financial or other interests in matters affecting the City. This Code is distinct from the Milpitas Code of Ethics, which applies solely to elected and appointed officials, campaign candidates, city management, and senior staff.

The municipal officials and employees of the City of Milpitas, whether elected or appointed, are "public officials and employees" within the meaning and intent of this Code.

1. **Responsibilities of public office.**

- a. Public officials and employees are bound to observe in their official acts the highest standards of morality and to discharge faithfully the duties of their office regardless of personal considerations, recognizing that the public interest must be their primary concern. Their conduct in both their official and private affairs should be above reproach.
- b. Public officials and employees are bound to uphold the Constitution of the United States and the Constitution of the State of California and to carry out impartially the laws of the nation, state, and municipality.

2. **Dedicated Service.**

Public officials and employees should not exceed their authority or breach law or ask others to do so and they should work in full cooperation with other public officials and employees unless prohibited from doing so by law or by officially recognized confidentiality of their work.

3. **Fair and Equal Treatment.**

- a. **Unilateral Communications.** No public official or employee should encourage, make, or accept any application or communication from any party made out of the presence and without the knowledge of other

parties in a matter under consideration when such application or communication is designed to influence an official decision or the conduct of the official or other officials, employees, or agencies in order to obtain favored treatment or special consideration to advance the personal or private interests of himself/herself or others.

Any written unilateral communication received by a public official or employee in matters where all interested parties should have equal opportunity for a hearing should be made part of the record by the recipient. Any oral unilateral communication received under such condition should be written down in substance by the recipient and also made a part of the record.

- b. Use of Public Property. No public official or employee shall request, use, or permit the use of city-owned vehicles, equipment, materials, or property for personal convenience or profit, except when such services are available to the public generally or are provided as municipal policy for the use of such official or employee in the conduct of official business.

4. Conflict of Interest.

- a. No public official or employee, whether paid or unpaid, shall engage in any business or transaction or shall have a financial interest or other personal interest, direct or indirect, which is incompatible with the proper discharge of his/her official duties in the public interest or would tend to impair his/her independence of judgment or action in the performance of said official duties. Personal, as distinguished from financial interests, includes an interest arising from blood or marriage relationships, personal friendships, fraternal relationships or close business or political associations.
- b. Specific conflicts of interests are enumerated below for the guidance of officials. This list is merely illustrative and not exclusive:

- (1) Incompatible Employment. No public official or employee shall engage in or accept private employment or render services from private interests when such employment or services is incompatible with the proper discharge of his/her official duties or would tend to impair his/her independence of judgment or action in the performance of said official duties. In the event a public official or employee should possess a financial or personal interest in any business or transaction, any presumption of conflict of interest in his/her public duties shall be removed by disclosure of the nature and extent of such investment to the proper authority for the records of said authority.

- (2) Disclosure of Confidential Information. No public official or employee shall, without proper legal authorization, disclose confidential information concerning the property, government, or affairs of the City. Nor shall they use such information to advance the financial or other private interests of themselves over others.
- (3) Gifts and Favors. No public official or employee shall accept any gift at any time, whether in the form of a service, loan, thing, or promise, from any person, firm or corporation, which to his/her knowledge is interested directly or indirectly in any manner whatsoever in business dealings with the City; nor shall any such official or employee accept a gift, favor or thing of value that may tend to influence him/her in the discharge of his/her duties, or grant in the discharge of said duties any improper favor, service, or thing of value. The following exceptions may be permitted with the approval of the City Manager:
- (a) A gift of candy or other perishable food items to the City or department, which is to be kept in the office area and shared by all employees;
 - (b) A gift justified by a personal relationship, which exists outside the realm of City business.

In situations where a public official or employee receives a gift, which is extremely embarrassing to return, the City Manager's Office has draft copies of letters, which might be enclosed to return the gift to the party who sent it. Anonymous gifts should be given to the City Manager's Office for disposal to a local charity if it has no useful purpose to the City.

- (4) Representing Private Interests Before City Agencies or Courts. No public official or employee whose salary is paid in whole or in part by the City shall appear in behalf of private interests before any agency of the City; nor shall they represent private interests in any action or proceeding against the interest of the City or in any litigation to which the City is a party.
- (5) Contracts with the City. The public has a right to assume that City employees are given no special advantages by virtue of their employment. Whether or not any special advantage exists, an employee's private involvement in any item bought or sold by the City is subject to criticism and misunderstanding and should be avoided. In accordance with Section 1090 of the Government

Code, City officers and employees are prohibited from bidding on or buying any items offered for sale by the City. This prohibition includes:

- (a) The auction and sale of bicycles, personal property, and other items confiscated or held for safekeeping by the City; and
- (b) The use of intermediaries to purchase such items for a City of Milpitas employee.

No public official or employee shall become a vendor selling any item to the City. Further, said officials and employees shall not participate in City purchases to buy anything for themselves, friends or relatives. Nor shall City purchases be used to secure personal price advantages.

Public officials and employees are cautioned from accepting "discounts" or other advantages offered by vendors to "City Employees." While these may be legitimate business promotions from ethical businesses, employees should first ensure that they are not compromising themselves or placing the City in a potentially embarrassing position through a conflict with their official duties.

- (6) Disclosure of Interest in Legislation. Any public official or employee who appears before the City Council and has a financial or private interest in any pending City legislation should disclose such interest on the record of the City Council and thereafter abstain from participating in discussions with or giving an opinion to the Council.
- (7) City officials or employees who discover lost or stolen property should immediately turn it in to the Police Department. If the property is discovered while on duty, the official or employee is not entitled to receive unclaimed property in accordance with the Civil Code. However, except for peace officers, unclaimed property discovered when off duty may be claimed in accordance with the law.

5. Political Activity.

In accordance with Title VI, Chapter 101, Section 18, of the City Ordinance Code, no public official or employee shall during hours of work or when dressed in a uniform required in any department of the City or when wearing any City insignia required or permitted in any department of the City or while identifying

themselves as an officer or employee of the City of Milpitas, participate in any City, District, County, State, Federal, or other political activity or participate in any nomination, campaign or election.

This does not prevent any officer or employee from:

- a. Becoming or continuing to be a member of a political club or organization;
- b. Attending political meetings;
- c. Enjoying entire freedom from all interference in voting;
- d. Speaking or accepting election or appointment to public office while on leave of absence;
- e. Seeking signatures for any initiative or referendum petition directly affecting rates of pay, hours of work, retirement, civil service or other working conditions provided such activity is not carried on during hours of work;
- f. Distributing badges, pamphlets, dodgers, or hand bills or other participation in any campaign in connection with such petition if the activity is not carried on during hours of work or when dressed in the uniform required in any department of the City.

A violation of any provisions of this Code may constitute a cause for suspension, removal from office or employment or other disciplinary action.

The Council amended this SOP and renamed it to Code of Conduct for Public Officials by Resolution No. 7414 effective June 1, 2004.

16-1/SOP/6-04

APPENDIX C

FPPC Form 700 Statement of Economic Interests



STATEMENT OF ECONOMIC INTERESTS

Date Initial Filing Received
Official Use Only

COVER PAGE

A PUBLIC DOCUMENT

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable

Your Position

► If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency:

Position:

2. Jurisdiction of Office (Check at least one box)

☐ State

☐ Judge or Court Commissioner (Statewide Jurisdiction)

☐ Multi-County

☐ County of

☐ City of

☐ Other

3. Type of Statement (Check at least one box)

☐ Annual: The period covered is January 1, 2018, through December 31, 2018.

☐ Leaving Office: Date Left ____/____/____
(Check one circle.)

-or-

The period covered is ____/____/____, through December 31, 2018.

☐ The period covered is January 1, 2018, through the date of leaving office.

-or-

☐ Assuming Office: Date assumed ____/____/____

☐ The period covered is ____/____/____, through the date of leaving office.

☐ Candidate: Date of Election ____ and office sought, if different than Part 1: ____

4. Schedule Summary (must complete) ► Total number of pages including this cover page: ____

Schedules attached

☐ Schedule A-1 - Investments - schedule attached

☐ Schedule C - Income, Loans, & Business Positions - schedule attached

☐ Schedule A-2 - Investments - schedule attached

☐ Schedule D - Income - Gifts - schedule attached

☐ Schedule B - Real Property - schedule attached

☐ Schedule E - Income - Gifts - Travel Payments - schedule attached

-or- ☐ None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE
(Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER

EMAIL ADDRESS

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed

(month, day, year)

Signature

(File the originally signed paper statement with your filing official.)

Clear Page

Print

FPPC Form 700 (2018/2019)
FPPC Advice Email: advice@fppc.ca.gov
FPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov
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APPENDIX D

RESOLUTION NO. 7702

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING THE CITY OF MILPITAS CITY COUNCIL HANDBOOK TO CLARIFY THE PROCEDURES FOR RESIGNATION OF COMMISSIONERS, COMMITTEE MEMBERS OR BOARD MEMBERS FROM CITY COMMISSIONS, COMMITTEES OR BOARDS

WHEREAS, the City of Milpitas ("City") City Council Handbook currently does not provide for a procedure by which Commissioners, Committee members or Board members of City commissions, committees or boards may resign; and

WHEREAS, the City Council wishes to clarify the procedure for resignation from a City commission, committee or board.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Milpitas hereby amends the Section titled "Procedures for Making Appointments and Reappointments" at page 32 of the City Council Handbook by adding a paragraph at the end of the section to read as follows:

"A member of any City commission, committee or board who wishes to resign from their position must submit a written notice of resignation to the City Clerk. Such resignation shall become effective upon receipt of the written notice by the City Clerk. If a written notice of resignation designates an effective date, such resignation shall become effective on the date set in the notice, except when that date extends beyond the commissioner, committee member or board member's term, in which case the effective date of the resignation shall be the date the commissioner's term ends."

PASSED AND ADOPTED this 18th day of September 2007, by the following vote:

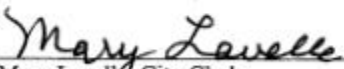
AYES: (5) Mayor Esteves, Vice Mayor Livengood, and Councilmembers Giordano, Gomez and Polanski

NOES: (0) None

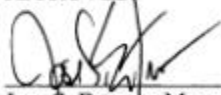
ABSENT: (0) None

ABSTAIN: (0) None

ATTEST:


Mary Lavell, City Clerk

APPROVED:


Jose S. Esteves, Mayor

APPROVED AS TO FORM:


Steven T. Mattas, City Attorney

Resolution No. 7702

Item Attachment Documents:

- 16. Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on next steps (Staff Contact: Ashwini Katak, 408-586-3053)**

Recommendation: Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on next steps.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on next steps.
Category:	Leadership and Support Services
Meeting Date:	4/16/2019
Staff Contact:	Ashwini Kantak, 408-586-3053
Recommendation:	Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on next steps.

Replacement Agenda Report:

This Agenda Report has been updated to reflect initial feedback from the City Council on March 19, 2019.

Background: On February 22, 2019, at the City Council retreat, Council directed staff to bring back recommendations for establishing a formal process for setting the Council agenda. In addition to this, there was also discussion about what staff and Council could do to manage Council meetings more effectively.

Staff researched the agenda setting process in other cities. The City of San Jose has a Rules and Open Government Committee, led by the Mayor and comprised of 4 other Councilmembers. This Committee meets weekly to review and approve the final agenda for the next Council meeting, consider any new items and review the administrative draft for the subsequent Council meeting. The Committee also reviews and approves other Committee workplans and study session agendas, and receives legislative updates and hears appeals of any public record act requests. Cities similar in size to Milpitas do not have a formal Council committee for agenda setting. Typically the City Manager provides a look-ahead report of agenda items ranging from two weeks to three months to the Mayor or the entire Council and each Council meeting agenda is finalized in an informal discussion between the City Manager and Mayor/Mayor and Vice-Mayor.

The current practice of setting the Council agenda is that the City Manager, in conjunction with the executive leadership team, develops a draft agenda based on the following guidelines:

1. Policies, programs, and ordinances per established Council priorities and follow up to prior Council direction
2. Capital projects that have been approved in the five year CIP
3. Any reports that require Council approval
4. Requests from the Mayor or individual Councilmembers

The City Manager discusses the agenda and the draft agenda for the subsequent meeting with the Mayor and individual Councilmembers during 1:1 meetings. Additionally the City Manager also shares a six-month look ahead of major items coming to Council. A tentative agenda for each subsequent meeting is included as an agenda item for discussion in the prior Council meeting.

Analysis: Staff is proposing the following for Council consideration while discussing the establishment of a committee for setting the Council agenda.

Name of the Committee:

A Rules Subcommittee has already been included in the Open Government Ordinance, as outlined in Title I, Chapter 310, and Section 4 of the Milpitas Municipal Code. The role of this subcommittee was to specifically advise the City Council on the implementation of the Open Government Ordinance but the subcommittee has not met for several years. In order to avoid any confusion with the purpose of this Rules Subcommittee,

Council may want to consider a different name for the proposed subcommittee such as the Council Agenda Subcommittee, or use the Rules Subcommittee name, but re-name the existing Rules Subcommittee that advises on the Open Government Ordinance.

Subcommittee Members:

Staff is recommending that the Mayor lead the agenda subcommittee since he is the presiding officer of the City Council. The Mayor may choose to directly appoint the second subcommittee member on an annual basis or have this appointment be considered by Council. In order to avoid a Brown Act violation, the City Attorney's office is recommending that no other Councilmember actively participate in any discussion at this proposed subcommittee. Otherwise, if three Councilmembers actively participate, then the subcommittee meeting will turn into a meeting of the full Council in violation of the Brown Act. Best practices would require that other councilmembers avoid attending the subcommittee meeting or attend only as an observer with no discussion.

Meeting Frequency:

Staff recommends that the agenda subcommittee meet at least 10 days prior to a regular Council meeting. This will allow any changes to the agenda to be made in a timely manner prior to the publishing of the agenda six days before the Council meeting, as required by the Open Government Ordinance. If the agenda committee is unable to meet due to scheduling conflicts, staff will need to move forward with the City Council agenda without the subcommittee's input.

Committee Role and Scope:

The following are some items for Council to consider as they review and discuss the role and scope of this proposed subcommittee:

1. At the first meeting, the agenda subcommittee may want to approve criteria for items to be placed on the consent calendar. For example, all consent calendar items could fall into one of the following categories:
 - a. Approval of all Council minutes, calendars, setting dates for public hearings/meetings,
 - b. Final approval of leases and agreements, deeds, or easements,
 - c. Adoption of resolutions and/or ordinances when Council has given prior direction
 - d. Construction and professional service contracts for capital projects that were included in the adopted five year capital improvement program budget, do not require additional funding, and did not have any protests,
 - e. Contracts for services or goods over \$100,000 and under \$500,000,
 - f. Travel requests,
 - g. Acceptance of grants, and
 - h. Routine reports and updates that do not require discussion
2. Review and approve the next regular Council agenda, including any changes to the order the items will be heard. If the Committee determines that an item needs to be pulled off consent, provide direction as to whether that item should be kept on the same agenda or moved to a subsequent meeting.
3. Review the administrative draft of the subsequent Council meeting agenda.
4. Review requests for any new agenda items from the Committee and direct City Manager to add to a future agenda. Requests from any other Councilmembers may be routed through the City Manager and included on the draft agenda with a notation as to the name of the Councilmember making the request.

Council Meeting Management Considerations

In addition to the recommendations related to an agenda subcommittee, Council may want to consider the following options for more effective meeting management of Council meetings:

1. Staff to develop the draft agenda based on guidelines for consent calendar and shall strive to place no more than 4-6 discussion items on the agenda to the extent possible

2. Staff to provide a six-month look ahead on all major policy and program items to the Council Agenda subcommittee on a monthly basis
3. Staff shall place items on the consent calendar in accordance with criteria approved by the proposed agenda subcommittee
4. Agenda subcommittee shall review consent calendar items and provide advance direction to staff
5. A no vote, abstention, or formal recusal due to a conflict of interest can be recorded without pulling item off the consent calendar
6. Any items pulled off consent shall be heard last or at a subsequent meeting, depending upon the number of speakers and the anticipated length of the items that have been officially scheduled for discussion during that particular meeting; the Mayor shall make this determination at the Council meeting
7. Council may send questions to the City Manager by noon on the day before the Council meeting; written responses can be provided to the full Council and published on the website. This will allow questions to be asked and responded to in a transparent manner in advance of the meeting
8. If staff is asked to bring back an item, Council direction could outline specific information being requested so as to make the follow up discussion more efficient
9. A formal time check by the Council at 10:00 p.m. to determine which items may be deferred to the next meeting. This will avoid community members staying for long periods of time only to have their item of interest deferred

In addition to the options discussed above, Council may also want to consider additional delegation of authority to the City Manager so as to enable Council to spend its time primarily focused on major policies and programs, the City budget, land use approvals, and large contracts. For example, the delegation of authority could include acceptance of grants, approval of staff travel, and add/delete actions for positions that do not require the establishment of new classifications or the need for an appropriation action.

Fiscal Impact: Adding an additional publicly noticed meeting for every regular Council meeting will result in additional staff time and may require re-prioritizing of other workload.

California Environmental Quality Act: Not applicable.

Recommendation: Discuss the formation of a City Council Agenda Subcommittee and provide direction to staff on the next steps.

Attachment: None

Item Attachment Documents:

17. Approve Recommended Revisions to the City's Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01 (Staff Contact: Jane Corpus, 408-586-3125)

Recommendation: Approve revised Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01, for City of Milpitas employees and City officials.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve Recommended Revisions to the City's Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01
Category:	Leadership and Support Services
Meeting Date:	4/16/2019
Staff Contact:	Jane Corpus, 408-586-3125
Recommendation:	Approve revised Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01, for City of Milpitas employees and City officials.

Background:

To ensure compliance with current laws and alignment with current best practices, staff has established the updating of the City's Standard Operating Procedures (SOPs) as a priority for FY 2018-19. The SOP for travel and expense reimbursement (Travel Policy) is part of this effort and was last revised more than 20 years ago in 1997. Updates are necessary to ensure the policy reflects current and best practices, eliminates outmoded procedures and provides greater clarity for submitting reimbursement requests. A companion policy, Use of City and Privately-owned Vehicles on City Business, is also under review. Recommended revisions to that SOP will be forthcoming by the end of this fiscal year.

Analysis:

Proposed are a number of key changes to modernize the Travel Policy (see Attachment a); a redlined version of the proposed revisions is contained in Attachment b. The recommended revisions are a culmination of benchmarking and engagement processes that included:

- Reviewing the Government Finance Officers Association's (GFOA) best practices outline for authorizing and reimbursing travel expenses
- Comparing recently updated policies from the cities of San Jose and Sunnyvale
- Review of draft revisions by the City's bargaining units and management staff and incorporation of suggested edits

Significant changes include:

- Provisions that satisfy state law requirements for transparency and accountability standards
- Alignment with current Internal Revenue Services (IRS) requirements
- Establishment of a designated travel coordinator for each department
- Delegation of authority for the City Manager to approve out-of-state travel for staff; Council continues to approve travel for the Mayor, Council, and the City Manager and international travel for all staff
- Creation of separate categories for air and ground transportation
- Greater clarity on:
 - Per diem meal expenses
 - Prohibited expenses
 - Reimbursement requirements
 - Pre-authorizations and pre-payments
 - Public safety-related travel
- Removal of outdated requirements on travel restrictions for City officials

Fiscal Impact:

There is no direct fiscal impact associated with approval of revisions to the travel policy. Planned travel costs are included in department operating budgets and Department Heads are responsible for managing training programs and monitoring associated expenses. Additional clarity on processes, training of designated travel coordinators, and delegation of authority to the City Manager for out of state travel is anticipated to reduce amount of staff time spent on travel related items and thus potentially result in indirect cost savings.

Recommendation:

Approve the Travel and Expense Reimbursement Policy, Standard Operating Procedure No. 06-01, to clarify existing procedures and make necessary updates for efficiency and consistency with best practices.

Attachments:

- a. Revised Draft Travel Policy SOP No. 06-01
- b. Current Travel Policy with Redlined Changes

No. 6-1
Effective: 8/1/75
Revised: 8/10/81
12/4/90*
7/16/91*
12/9/92
4/1/94
8/1/97
4/16/19

CITY OF MILPITAS, CALIFORNIA
STANDARD OPERATING PROCEDURE

SUBJECT: TRAVEL AND EXPENSE REIMBURSEMENT POLICY

I. PURPOSE

The purpose of this policy is to establish procedures and guidelines for business-related travel and training expenses of all City officials and employees, including Council, Commission and Committee members (hereafter “City officials”), in accordance with Internal Revenue Service (IRS) *accountable plan* requirements. These IRS requirements help determine what types of allowances or reimbursements can be excluded from taxable wages. An allowance or reimbursement is not subject to income tax if all three of the following conditions are met:

- Expenses have a business connection,
- Expenses are substantiated, and
- Unspent excess amounts are returned.¹

It is also the purpose of this policy to identify standards governing the prudent use of City funds that safeguard integrity and promote public confidence in the efficient and effective use of limited resources. Therefore, expenses incurred in conjunction with approved travel and training must:

- Benefit the City and/or have a public purpose,
- Be reasonable, and
- Meet the City’s standards of ethical conduct.

II. POLICY

City officials and employees may be required to travel and incur other business-related expenses in the course of their official duties and as representatives of the City.² This policy is issued to promote consistent and equitable practices and establishes:

- A. General conditions for travel expenses
- B. Travel request and authorization processes
- C. Criteria for use
- D. Reporting requirements
- E. Policy violations

¹ This provision does not apply to per diem meal allowances as further explained in Section II.C.8.

² This policy satisfies the requirements of Government Code sections 53232.2 and 53232.3 and supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.

A. General Conditions for Travel Expenses

1. Travel expenses include the registration, transportation and related costs incurred when attending or participating in out-of-town business or activities such as professional meetings, conferences and training sessions, whether for less than one day, overnight, in-state, out-of-state, or out of the country. All travel requires preapproval as specified throughout this policy.
2. Out-of-state travel and/or travel requiring an overnight stay requires prior approval of the City Manager unless such authority is delegated in writing. All international travel for staff requires prior approval of the City Council.
3. All travel for the Mayor, Councilmembers, and City Manager requires prior approval of the City Council.
4. Time associated with travel, training and conferences as specified in this policy shall be consistent with the provisions of applicable negotiated Memoranda of Understanding (MOUs).
5. Travel not requiring an overnight stay can be authorized by a Department Head based on appropriateness and/or importance, in accordance with expense reporting guidelines established by the City Manager.
6. City officials requiring air travel must use commercial airlines unless a waiver is approved by the City Attorney and Risk Manager.
7. City funds shall not be used for any personal costs, side-trips for personal reasons not related to the business expense (such as visiting a nearby family member or friend), accompanied guests or for the purchase of alcoholic beverages or products.
8. Prepayments of conference registration or other travel-related costs can be made when paid directly by the City with City funds. (City officials who wish to use their personal credit cards cannot be reimbursed before an event occurs.)
9. City officials should select options that meet travel needs at the lowest possible cost.
10. Reimbursement requests other than allowable per diem expenses must always be accompanied by itemized receipts and other justifiable documentation such as event registration and/or event programming information or meeting agendas.
11. The use of a hotel is restricted to cities located beyond 75 miles from the Milpitas City Hall or the traveler's residence, whichever is a shorter distance. Exceptions can be made by the City Manager depending on business necessity or other justifiable circumstances such as early morning or evening meetings at the destination.
12. City departments shall designate travel coordinators to serve as primary points of contact for travel coordination and reimbursement processing in compliance with policy and procedure requirements.
13. Travel for less than one day will be reimbursed in accordance with Section II.C.7 for reasonable actual expenses.
14. With the exception of international travel for staff and all travel for the Mayor, Councilmembers, and City Manager, which must be approved by the City Council, the approval authorities granted herein can be delegated in writing by the City Manager to his/her designees for justifiable business necessities.

B. Travel Request and Authorization Process

1. Except in cases of emergency, all requests for travel authorization must be made in advance on Travel Authorization and Expense Report Form No. 32-11 (travel form). Estimated expenses shall be reviewed and authorized in advance by the City Manager.
2. Advances of planned expenses are prohibited except in the case of pre-approved per diem allowances for meals in accordance with the provisions of II.C.5.
3. To provide approvers with sufficient information to justify the travel request, appropriate documentation such as event brochures/agendas must be attached to the travel form.
4. Once approved, travel forms authorizing overnight travel must be sent to Accounts Payable for file documentation and to help ensure efficient reimbursement processing.
5. If requesting a per diem allowance or prepayment of conference registration, a complete, accurate and approved travel form should be submitted to Accounts Payable for processing at least 10 business days prior to date payments are requested.
6. Travel not involving an overnight stay does not require preauthorization through the preparation/submittal of the travel form (unless required by a Department Head), but any reimbursable expenses incurred must be submitted on the travel form in accordance with the reimbursement requirements established in Section II.C.7.
7. The Chiefs of Police and Fire may authorize out-of-state and/or overnight emergency-related travel for their respective personnel in the following instances requiring an immediate response:
 - a. Investigative travel
 - b. Prisoner extraditions
 - c. Mutual aid requests

C. Criteria for Use

1. Registration
 - a. Registration fees may be prepaid by the City or reimbursed to City officials in accordance with Section II.C.7.
 - b. Federal travel regulations require that any meals included in the cost of registration be deducted from the per diem (Section II.C.5).
 - c. Discounts offered for early registration or attendance by additional persons should be obtained whenever possible.
 - d. To satisfy IRS accountable plan regulations, a copy of the registration materials must be submitted with the travel form.
2. Air Transportation
 - a. Airfare costs to and from the travel destination shall not exceed the most economical advance purchase option available, unless such fare is unavailable and the expense is authorized by the City Manager. Upgrades of any kind will not be reimbursed.
 - b. City officials who wish to take an alternative form of transportation to a destination may do so, but the City will cover the lowest cost option. A cost comparison must be submitted at the time of travel authorization and with the reimbursement request.
 - c. City officials shall endeavor to acquire any government discount the airlines may provide.

- d. Costs to change or re-book a flight will not be paid by the City unless the flight change results from business necessity, is documented in writing and authorized by the City Manager.
- e. The City will cover the cost of one checked bag and will not reimburse for excess baggage charges.
- f. If airfare is paid directly by the City, and airfare credits are received by City officials as the result of a trip cancellation, such credits should be used for future business travel. Credits used for personal travel must be reimbursed to the City.
- g. City officials who use their personal frequent flyer miles for official business will not be reimbursed for the value of the foregone tickets.

3. Ground Transportation

- a. Every effort shall be made to rideshare when two or more City officials are traveling to the same destination. Use of public transit is encouraged when feasible.
- b. When using a privately owned vehicle, mileage reimbursement shall be at the rate set by the Internal Revenue Code and shall be reimbursed for the distance between home and the destination or work and the destination, whichever is less. Note: City officials receiving auto allowances will not be reimbursed for mileage unless the destination is beyond a 75-mile radius one way from the City or from the official's home, whichever is less; reimbursement is limited to mileage in excess of the 75-mile radius for each direction traveled.
- c. Transportation to and from airports shall be reimbursed for either actual mileage if a personal vehicle is used or for reasonable taxi fare, airport van, rideshare service, or public transportation if available.
- d. Airport parking will be reimbursed at the long-term parking rates for more than one day, and at the short-term parking rates for up to one day only.
- e. Ground transportation at the travel destination should be accomplished to the best extent possible by hotel courtesy buses or other free shuttles, or public transportation. Taxi or rideshare service may be used when those options are either not available or will cause undue delays in arrival.
- f. The necessity for a rental car must be established and authorized in advance by the City Manager. Economy car rentals, i.e., the most cost effective and fuel-efficient vehicles, will be used whenever possible. Upgrades provided at no additional cost to the City can be considered if economy cars are unavailable. City officials must obtain the liability insurance coverage offered by the car rental company.

4. Lodging

- a. City officials are encouraged to plan for and stay at a designated conference hotel at the negotiated daily rate. If the designated conference hotel/rate is not available, City officials should obtain the most reasonable rate available and note the disparity on the travel form.
- b. If lodging is required for travel not associated with a conference or event with a predetermined rate, the City will pay for actual lodging expenses up to the U.S. General Services Administration (GSA) maximum daily rate (excluding taxes) allowed by location, available here: [GSA daily lodging rate](#). Based on market research, if the GSA rate for a particular region is inconsistent with rates found for reasonable business

accommodations, the City Manager can preauthorize a higher rate based on business necessity.

- c. Lodging expenses may be prepaid directly to the hotel or reimbursed to the employee in accordance with Section II.C.7. Lodging expenses for conference attendance will be limited to single occupant room rates and shall not exceed the negotiated conference daily rate.
- d. Trips that bundle lodging, meals and/or other travel costs are not allowed, unless it can be demonstrated to the City Manager that the bundled cost does not exceed the total of component costs if each were booked separately.
- e. In cases where breakfast is included in the room rate, this must be identified on the travel form and deducted from the per diem reimbursement.
- f. Non-mandatory fees such as health club or resort fees are not reimbursable unless it is determined to the satisfaction of the City Manager that payment of such charges is critical to conducting City business.
- g. If free wireless Internet service is unavailable and establishing a paid connection is a justifiable business necessity, reimbursement may be requested for reasonable fees charged by the hotel.

5. Per Diem for Meals

- a. The City of Milpitas will pay the federal per diem allowance for Meals and Incidental Expenses (M&IE), for *overnight travel only*, based on locality. The federal per diem rates for the continental United States are published annually and can be accessed at the GSA website: [Per Diem Rates](#). Rates for travel outside the continental United States will be obtained by the Finance Department when requested. *Note: If a destination city is not listed, then the rate for the county applies. If there is no rate for the city or county, a comparable nearby city should be identified and used.*
- b. Meals and Incidental Expenses included in the per diem are meals, tips/fees for food and luggage handling services.
- c. Meals and Incidentals that are not considered per diem expenses (but qualify for reimbursement) are cab/rideshare fare, fax, telephone, wireless Internet as previously specified, copy charges, room taxes, and energy surcharges. These expenses can be reimbursed based on properly documented reasonable actual cost.
- d. Meals and allowable incidental expenses eligible for reimbursement in accordance with this section will be paid by the City strictly on a per diem basis (actual expenses for meals only apply in the case of non-overnight travel, see Section II.C.7).
- e. For the first and last day of travel, reimbursement is limited to 75% of the applicable per diem rate. City officials may be eligible for 100% per diem on these days, subject to authorization by the City Manager, as follows:
 - i. First day travel requires leaving the official's home before 9:00 a.m. in the morning; and/or
 - ii. Last day travel requires return to the official's home after 6:00 p.m.
- f. Per diem reimbursement is not allowed for any meals included as part of the registration cost of an event or included in the cost of a lodging rate and must be deducted from the per diem reimbursement. Event brochures must be submitted with requests for reimbursement so that meal costs can be verified.

If there is a justifiable business, medical or personal reason to not accept a meal provided at an event AND there is no available accommodation, written justification must be provided on the expense reimbursement form to request the each per diem for which this situation applies.

6. City Credit Cards

- a. City-issued credit cards issued to travel coordinators and other officials should be used for payment of actual and necessary expenses as detailed within this policy (and in accordance with SOP 6.3, Credit Card Use), but this does not eliminate the need to obtain pre-approval for travel.
- b. Copies of original itemized receipts, with appropriate coding, must accompany travel expense reports (original receipts are submitted with purchasing card statements).
- c. Personal charges should not be incurred on City-issued credit cards. Note: Hotels can accommodate requests for separate bills upon check-out. Personal charges must be reimbursed to the City or deducted from the reimbursement request.
- d. It is the credit card user's responsibility to provide an accurate accounting on the travel form and reimburse the City for pre-paid per diem expenses, if applicable.

7. Reimbursement and Substantiation Requirements

- a. All requests for reimbursement, including travel for less than one day, must be submitted on the travel form accompanied by supporting documentation including original itemized receipts or invoices, conference registration/event information, meeting agendas, etc. As noted, per diem reimbursements are not included in this requirement.
- b. Reimbursement requests submitted without the required documentation/justifications will be returned.
- c. Reimbursement requests submitted with missing receipts must include a written explanation of the purchase, subject to the approval of the City Manager.
- d. Reimbursement requests associated with City business that do not require an overnight stay will be reimbursed based on actual, reasonable and properly documented costs. Meal reimbursement is typically not allowed for planned travel with no overnight stay unless it can be determined to the satisfaction of Department Heads that such expense is justified, and that the meal meets the IRS requirements as discussed below.
- e. In order to meet IRS requirements for reimbursements that do not constitute taxable benefits, meal reimbursements for non-overnight travel must meet one of the following criteria:
 - i. to accommodate extended work hours, that is because travel necessitates an extension of the employee's normal work schedule;
 - ii. to attend a meeting on City business in which a meal is served as part of the meeting itself. This is typically for group meetings such as a half-day information conference in the Bay Area; and
 - iii. to allow for a City official to meet with another government official or business consultant to conduct official City business. An example would be that scheduling requires two officials to meet during lunch time to discuss official City business, and that the lunch meeting is the most convenient time to discuss City business.

Additional information can be obtained by linking to the federal fringe benefit guides referenced below or by contacting the Finance Department.

- f. If a personal credit card is used to pay the registration fee for a conference, training session, etc., City officials cannot request reimbursement until after the event has concluded.
- g. Approved travel that must be canceled by a City official due to a bona fide emergency or situation completely outside of his/her control, and for which refunds cannot be obtained, will be reimbursed by the City upon approval of a properly documented travel form.
- h. City officials must substantiate all expenses. The following constitutes “substantiate” for the purpose of this document:
 - i. Within 30 calendar days after the expense is incurred, the employee shall submit to the City all receipts and other documentary evidence substantiating the time, place, amount, and business connection of the expenditure.

8. Return of Excess Amounts

- a. Travel advances are not allowed under this policy unless it is determined by the City Manager that a business necessity exists. In such cases, City officials must return any amount of an advance that is in excess of the actual expense incurred within 30 calendar days upon return to work (or within 120 calendar days after the expense was incurred, whichever is less).
- b. Per diem allowances do not apply to this section, i.e., actual expenses less than the allowable per diem are not required to be returned so long as the appropriate business needs for the per diem have been established.

D. Reporting Requirements

- 1. A City Councilmember or City Manager shall, at the first regular meeting following a meeting or conference attended at City expense, provide a brief verbal or written report regarding the meeting or conference. If multiple elected or appointed officials attended, a joint report may be made.

E. Policy Violations

- 1. Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:
 - a. Loss of reimbursement privileges;
 - b. Restitution to the City;
 - c. The reporting of expenses as income earned to state and federal tax authorities;
 - d. Civil penalties of up to \$1,000 per day and three times the value of the resources used; and
 - e. Disciplinary actions, including termination of employment and/or prosecution for misuse of public resources.

Attachments: Travel Authorization & Expense Report (Form 32-11)
Credit Card Missing Invoice Form

6-1/SOP/04-19

Reference Documents:

SOP 6.2 Use of City Vehicles and Privately-owned Vehicles on City Business [Hyperlink will be included upon approval]

[IRS Fringe Benefit Guide - Publication 5137 \(January 2014\)](#)

[IRS Employer's Tax Guide to Fringe Benefits - Publication 15-B \(for use in 2019\)](#)

No. 6-1
Effective: 8/1/75
Revised: 8/10/81
12/4/90*
7/16/91*
12/9/92
4/1/94
8/1/97
4/16/19

CITY OF MILPITAS, CALIFORNIA
STANDARD OPERATING PROCEDURE

SUBJECT: TRAVEL AND EXPENSE REIMBURSEMENT POLICY

I. PURPOSE

~~The purpose of this policy is to~~ establish procedures and guidelines for business-related travel and training expenses of all City officials and employees, including Council, Commission and Committee members (hereafter "City officials"), in accordance with Internal Revenue Service (IRS) accountable plan requirements. ~~It is the objective of this travel policy to meet IRS requirements for an accountable plan which is generally defined as:~~ These IRS requirements help determine what types of allowances or reimbursements can be excluded from taxable wages. An allowance or reimbursement ~~that~~ is not subject to income tax if all three of the following conditions are met:

- A. Expenses ~~must~~ have a business connection;
- B. Expenses ~~must be~~are substantiated; and
- C. Unspent excess amounts ~~must be~~are returned.¹

~~If an employer reimburses employees' business travel expenses by means of a per diem allowance that does not exceed per diem rates of the federal government, the expense is deemed substantiated for the purpose of avoiding taxability. Actual expenses less than the allowable per diem are not required to be returned. Employees need only account for the time, place, and business connection of the expenditure.~~

It is also the purpose of this policy to identify standards governing the prudent use of City funds that safeguard integrity and promote public confidence in the efficient and effective use of limited resources. Therefore, expenses incurred in conjunction with approved travel and training must:

- A. Benefit the City and/or have a public purpose;
- B. Be reasonable; and
- C. Meet the City's standards of ethical conduct.

II. POLICY

City officials and employees may be required to travel and to incur other business-related expenses in the course of their official duties and as representatives of the City.² This policy is issued to promote consistent and equitable practices and establishes:

¹ This provision does not apply to per diem meal allowances as further explained in Section II.C.8.

² This policy satisfies the requirements of Government Code sections 53232.2 and 53232.3 and supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.

- a. General conditions for travel expenses~~guidelines~~
- b. Travel R~~request~~ and authorization processeses
- c. Criteria for use
- d. Reporting requirements
- ~~e-e.~~ Policy violations

~~Prudent use of public funds and consideration of public perception shall be the responsibility of all employees of the City of Milpitas.~~

A. General Conditions for Travel Expenses

1. Travel expenses ~~may include, but not be limited to,~~ the registration, transportation and related costs incurred when attending or participating in out-of-town business or activities such as professional meetings, conferences and training sessions, whether for less than one day, ~~or overnight, in-state, out-of-state, or out of the country.~~ All travel requires preapproval as specified throughout this policy.
2. ~~Travel on official business outside the State of California will be considered during the budget review process and recommended for inclusion in the budget if job related, Out-of-state travel and/or travel requiring an overnight stay and approved by the Department Head and the City Manager. Any out of state travel not approved in the budget requires prior approval of the City Manager unless such authority is delegated in writing Council approval. All international travel for staff requires prior approval of the City Council.~~
3. All travel for the Mayor and Councilmembers requires prior approval of the City Council.
4. Time associated with travel, training and conferences as specified in this policy shall be consistent with the provisions of applicable negotiated Memoranda of Understanding (MOUs).
- ~~3.5.~~ Travel not requiring an overnight stay can be authorized by a Department Head based on appropriateness and/or importance, in accordance with expense reporting guidelines established by the City Manager.
- ~~4.6.~~ City officials and employees on official business requiring air travel must use commercial airlines unless a waiver is approved by ~~are prohibited from traveling by private non-scheduled airplane unless a waiver of all claims for death and injury is first executed to the satisfaction of the City Attorney and Risk Manager.~~
- ~~5.7.~~ No more than two (2) elected officials should travel together on official City business outside a 100-mile radius. No more than three (3) Department Heads should travel together on official City business outside a 100-mile radius. The Police Chief and the Fire Chief should not travel together on official City business outside a 100-mile radius.
8. The City funds shall not be used for any personal costs, side-trips for personal reasons not related to the business expense (such as visiting a nearby family member or friend), accompanied guests or for the purchase of alcoholic beverages or products. ~~will not incur any added expense as a result of a guest accompanying an employee or other city representatives.~~
- ~~6.9.~~ Prepayments of conference registration or other travel-related costs can be made when paid directly by the City with City funds. (City officials who wish to use their personal credit cards cannot be reimbursed before an event occurs.)

- ~~10.~~ City officials should select options that meet travel needs at the lowest possible cost. The City will not incur any added expense as a result of a personal side trip.
- ~~7.11.~~ Reimbursement requests other than allowable per diem expenses must always be accompanied by itemized receipts and other justifiable documentation such as event registration and/or event programming information or meeting agendas.
- ~~12.~~ For destinations less than 100 miles (the distance between home and the destination or work and the destination, whichever is less) overnight travel expenses will not be allowed except with departmental approval for unusual circumstances, such as early morning meetings in Sacramento or seminars that go into the evening hours. The use of a hotel is generally restricted to cities located beyond 75 miles from the Milpitas City Hall or the traveler's residence, whichever is a shorter distance. Exceptions can be made by the City Manager depending on business necessity or other justifiable circumstances such as early morning or evening meetings at the destination.
- ~~8.13.~~ City departments shall designate travel coordinators to serve as primary points of contact for travel coordination and reimbursement processing in compliance with policy and procedure requirements.
- ~~14.~~ Travel for less than one day will be reimbursed in accordance with Section II.C.7-6 for reasonable actual expenses.
- ~~9.15.~~ With the exception of international travel for staff and all travel for the Mayor and City Councilmembers which must be approved by the City Council, the approval authorities granted herein can be delegated in writing by the City Manager to h/her designees for justifiable business necessities.

B. Travel Request and Authorization Process:

- ~~1.~~ Except in cases of emergency, all requests for overnight travel expenses are to must be made in advance on Travel Authorization and Expense Report request Form No. 32-11 (travel form). Estimated expenses shall be reviewed and authorized in advance by the designated departmental authority City Manager. However, i
- ~~1.2.~~ n no event shall an aAdvances of an-planned expenses using personal funds are prohibited except in the case of pre-approved per diem allowances for meals in accordance with the provisions of II.C.5. be made to an employee more than thirty days prior to the expense being incurred or paid.
- ~~3.~~ If travel is out of state, a copy of the Council authorization, or budget detail shouldIn order to provide approvers with sufficient information to justify the travel request, appropriate documentation such as event brochures/agendas must be attached to the Travel and Expense Form No. 32-11travel form.
- ~~2.4.~~ Once approved, travel forms authorizing overnight travel must be sent to Accounts Payable for file documentation and to help ensure efficient reimbursement processing.
- ~~5.~~ Upon departmental approval,If requesting a per diem allowance or prepayment of conference registration, a complete, accurate and approved travel form Travel and Expense Request Forms should be submitted to Accounts Payable for processing two weeksat least 10 business days prior to date payments are requested.

6. Travel not involving an overnight stay does not require preauthorization through the preparation/submittal of the travel form (unless required by a Department Head), but any reimbursable expenses incurred must be submitted on the travel form in accordance with the reimbursement requirements established in Section II.C.7.

7. The Chiefs of Police and Fire may authorize out-of-state and/or overnight emergency-related travel for their respective personnel in the following instances requiring and immediate response:

a. Investigative travel

b. Prisoner extraditions

a-c. Mutual aid requests

C. Criteria for Use.

1. Registration

- a. Registration fees may be prepaid by the City or reimbursed to ~~the employee~~City officials in accordance with Section II.C.7-6.
- b. Federal travel regulations require that any meals included in the cost of registration ~~should be deducted from the per diem. The per diem allocation of meals will be included in the CONUS per~~ (Section II.C.45).
- c. ~~Any d~~Discounts offered for early registration or attendance by additional persons should be obtained whenever possible.
- d. In order to satisfy IRS accountable plan regulations, a copy of the registration materials ~~s~~ must be submitted with the ~~Travel and Expense Form No. 32-14~~travel form.

2. Air Transportation

- a. ~~Transportation-Airfare~~ costs to and from the travel destination shall not exceed the most economical advance-purchase option ~~availableeconomy class airfare~~, unless such fare is unavailable and the expense is authorized by the City Manager. Upgrades of any kind will not be reimbursed.
- b. City officials who wish to take an alternative form of transportation to a destination may do so, but the City will cover the lowest cost option. A cost comparison must be submitted at the time of travel authorization and with the reimbursement request.
- c. City officials ~~and employees~~ shall ~~inquire and~~ endeavor to acquire any government discount the airlines may provide.
- d. Costs to change or re-book a flight will not be paid by the City unless the flight change results from business necessity, is documented in writing and authorized by the City Manager.
- e. The City will cover the cost of one checked bag and will not reimburse for excess baggage charges.
- ~~a-f.~~ If airfare is paid directly by the City, and airfare credits are received by City officials as the result of a trip cancellation, such credits should be

used for future business travel. Credits used for personal travel must be reimbursed to the City.

g. City officials who use their personal frequent flyer miles for official business will not be reimbursed for the value of the ~~foregone~~ tickets.

3. Ground Transportation

~~a. City vehicles shall be utilized whenever possible.~~

~~b.a.~~ Every effort shall be made to rideshare when two or more City officials ~~and/or employees~~ are traveling to the same destination. Use of public transit is encouraged when feasible.

~~c.b.~~ When using a privately owned vehicle, ~~M~~mileage reimbursement shall be at the rate ~~as~~ set by the Internal Revenue Code and shall be reimbursed for the distance between home and the destination or work and the destination, whichever is less. Note: City officials receiving auto allowances will not be reimbursed for mileage unless the destination is beyond a 75-mile radius one way from the City or from the official's home, whichever is less; reimbursement is limited to mileage in excess of the 75-mile radius for each direction traveled.

~~d.c.~~ Transportation to and from airports shall be reimbursed ~~in accordance with 2-d~~ for either actual mileage if a personal vehicle is used or for reasonable taxi fare, airport van, rideshare service, or ~~other~~ public transportation, if available.

d. ~~P~~Airport parking will be reimbursed at the long-term parking rates for more than one day, and at the short-term parking rates for up to one day only.

e. Ground transportation at the travel destination should be accomplished to the best extent possible by hotel courtesy buses or other free shuttles, or public transportation. Taxi or rideshare service may be used when those options are either not available or will cause undue delays in arrival.

~~f.~~ The necessity for a rental car must be established and authorized in advance by the City Manager~~Department Head or authorized representative~~. Economy car rentals, i.e., the most cost effective and fuel-efficient vehicles, are encouraged~~will be used whenever possible. ; unless the u~~Upgrades is provided at no additional cost to the City can be considered if economy cars are unavailable. City officials must obtain the liability insurance coverage offered by the car rental company.

4. Lodging

a. City officials are encouraged to plan for and stay at a conference hotel at the negotiated daily rate. If the designated conference hotel/rate is not available, City officials should obtain the most reasonable rate available and note the disparity on the travel form.

b. If lodging is required for travel not associated with a conference or event with a predetermined rate, the City will pay for actual lodging expenses up to the U.S. General Services Administration (GSA) maximum daily rate (excluding taxes) allowed by location, available at: GSA daily lodging rate. Based upon market research, if the GSA rate for a

particular region is inconsistent with rates found for reasonable business accommodations, the City Manager can preauthorize a higher rate based on business necessity.

- c. Lodging expenses may be prepaid directly to the hotel or reimbursed to the employee in accordance with Section II.C.7-6. Lodging expenses for conference attendance will be limited to single occupant room rates and shall not exceed the negotiated conference hotel cost daily rate.
- d. Trips that bundle lodging, meal and/or other travel costs are not allowed, unless it can be demonstrated to the City Manager that the bundled cost does not exceed the total of component costs if each were booked separately.
- e. In cases where breakfast is included in the room rate, this must be identified on the travel form and deducted from the per diem reimbursement.
- f. Non-mandatory fees such as health club or resort fees are not reimbursable unless it is determined to the satisfaction of the City Manager that payment of such charges is critical to conducting City business.
- a-g. If free wireless Internet service is unavailable and establishing a paid connection is a justifiable business necessity, reimbursement may be requested for reasonable fees charged by the hotel.
- b. Hotels often provide exemptions from transient occupancy tax for federal government employees. Employees should inquire about and request exemption for hotel transient occupancy when making reservations if applicable.

5. Per Diem for Meals

- a. The City of Milpitas will pay the federal per diem allowance for mMeals and iIncidentals Expenses (M&IE), for overnight travel only, based on the locality of overnight travel. The federal per diem rates for the continental United States (CONUS) are published annually by the Internal Revenue Service and will be distributed by the Finance Department and can be accessed at the GSA website: Per Diem Rates. Rates for travel outside the Ccontinental United States will be obtained from the IRS by the Finance Department when requested. Note: if a destination city is not listed, then the rate for the county applies. If there is no rate for the city or county, the lowest rate applies a comparable nearby city should be identified and used.
- b. Meals and Incidental eExpenses which are included in the per diem are defined by the Internal Revenue Service as: meals, tips/fees for food and luggage handling services.
- b-c. Meals and Incidental Expenses that are not considered per diem expenses (but qualify for reimbursement) are cab/rideshare fare, fax, telephone, wireless Internet as previously specified, copy charges, room taxes, and energy surcharges. These expenses can be reimbursed based on properly documented reasonable actual cost laundry or dry cleaning, personal phone calls, and tips.

- d. The per diem rate is only applicable to overnight travel and is pro-rated accordingly. See the following schedule for examples: Meals and allowable incidental expenses eligible for reimbursement in accordance with this section will be paid by the City strictly on a per diem basis (actual expenses for meals only apply in the case of non-overnight travel, see Section II.C.7).
- e. For the first and last day of travel, reimbursement is limited to 75% of the applicable per diem rate. City officials may be eligible for 100% per diem on these days, subject to authorization by the City Manager, as follows:
- i. First day travel requires leaving the official's home before 9:00 a.m. in the morning; and/or
 - ii. Last day travel requires return to the official's home after 6:00 p.m.
- f. Per diem reimbursement is not allowed for any meals included as part of the registration cost of an event or included in the cost of a lodging rate and must be deducted from the per diem reimbursement. Event brochures must be submitted with requests for reimbursement so that meal costs can be verified.

If there is a justifiable business, medical or personal reason to not accept a meal provided at an event AND there is no available accommodation, written justification must be provided on the expense reimbursement form to request the each per diem for which this situation applies.

Schedule based on travel departure:

1 ST DAY a.m. — — p. m.	2 ND DAY a.m. — — p. m.	
=====		Less than 1 day = no per diem only actual expenses reimbursed
=====		overnight = 1 day minimum
=====		p.m. — p.m. = 1 day
=====		a.m. — a.m. = 1 day

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~~e.g. The following expenses are not included in the per diem: transportation costs, taxi fares, and business telephone calls and may only be reimbursed at departmental discretion.~~

~~d.h. No reimbursement will be made for the purchase of alcoholic beverages or products.~~

6. City Credit Cards

- a. City-issued credit cards issued to travel coordinators and other officials ~~may~~should be used for payment of actual and necessary expenses as ~~previously~~ detailed within this policy (and in accordance with SOP 6.3, Credit Card Use), but this does not eliminate the need to ~~obtain process a pre-approved~~ for travel ~~Travel and Expense Form No. 32-11.~~
- b. Copies of Original detailed charge itemized receipts, with appropriate coding, ~~should be forwarded to Accounts Payable upon return to work~~ must accompany travel expense reports (original receipts are submitted with purchasing card statements).
- c. Personal charges ~~incurred should be paid for separately~~ cannot ~~should not be incurred on City-issued credit cards.~~ Note: hotels ~~can~~ and accommodate requests for separate bills upon check out. Personal charges must be reimbursed to the City or deducted from the reimbursement request.
- d. It is the credit card user's responsibility, ~~within 10 working days from the return to work date,~~ to provide an accurate accounting on the travel form and reimburse the City for pre-paid per diem ~~or other~~ expenses if applicable.

7. Reimbursement and Substantiation Requirements

- a. All requests for reimbursement, ~~for~~including travel for less than one day, expenses shall must be submitted ~~on Reimbursed Expenses Form No. 30-216~~ on the travel form accompanied by supporting documentation including original itemized receipts or invoices, conference registration/event information, meeting agendas, etc. As noted, -per diem reimbursements are not included in this requirement ~~and a copy of the approved Travel and Expense Request Form No. 32-11.~~
- b. Reimbursement requests that are submitted without the required documentation/justifications will be returned.
- c. Reimbursement requests that are submitted with missing receipts must include a written explanation of the purchase, subject to the approval of the City Manager.
- d. Reimbursement requests associated with City business that do not require an overnight stay will be reimbursed based on actual, reasonable and properly documented costs. Meal reimbursement is typically not allowed for planned travel with no overnight stay unless it can be

determined to the satisfaction of Department Heads that such expense is justified, and that the meal meets IRS requirements as discussed below.

e. In order to meet IRS requirements for reimbursements that do not constitute taxable benefits, meal reimbursements for non-overnight travel must meet one of the following criteria:

- i. to accommodate extended work hours, i.e., travel necessitates an extension of the employee's normal work schedule;
- ii. to attend a meeting on City business in which a meal is served as part of the meeting itself. This is typically for group meetings such as a half day information conference in the Bay Area; and
- i-iii. to allow for a City official to meet with another government official or business consultant to conduct official City business. An example would be that scheduling requires two officials to meet during lunch time to discuss official City business, and that the lunch meeting is the most convenient time to discuss City business.

Additional information can be obtained by linking to the federal fringe benefit guides referenced below or by contacting the Finance Department.

f. If a personal credit card is used to pay the registration fee for a conference, training session, etc., City officials cannot request reimbursement until after the event has concluded.

b-g. Approved travel that must be canceled by a City official due to a bona fide emergency or situation completely outside of h/her control, and for which refunds cannot be obtained, will be reimbursed by the City upon approval of a properly documented travel form.

c. In the case of credit card purchases, receipts with transaction detail must be submitted.

8. Substantiation

d-h. An employeeCity officials must substantiate all expenses. If an employee receives an advance for an expense and fails to substantiate the expense, such employee must return the advance to the City. The following constitutes "substantiate" for the purpose of this document:-

- i. Within 30 calendar days after the expense is incurred, the employee shall submit to the City all receipts and other documentary evidence substantiating the time, place, amount, and business connection of the expenditure.

9.8. Return of Excess Amounts

a. Travel advances are not allowed under this policy Unless it is determined by the City Manager that a business necessity exists. In such cases, an advance is made to an employee by means of a per diem

~~allowance (that does not exceed the per diem rates of the federal government), an employee shall return to the City officials must return any amount of an advance that is in excess of the actual expense incurred, within 30 calendar days upon return to work (or within 120 calendar days after the expense was incurred, whichever is earlier), any amount of an advance that is in excess of the actual expense incurred. For example, if an employee receives an advance from the City of \$100 to cover the cost of attending a seminar and the actual cost turns out to be \$95, such employee shall return to the City the excess \$5 within 30 days upon return to work.~~

~~a.b. Per diem allowances do not apply to this section, i.e., actual expenses less than the allowable per diem are not required to be returned so long as the appropriate business needs for the per diem have been established.~~

D. Reporting Requirements

1. A City Councilmember shall, at the first regular meeting following a meeting or conference attended at City expense, provide a brief oral or written report regarding the meeting or conference. If multiple elected or appointed officials attended, a joint report may be made.

E. Policy Violations

1. Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:
 - a. Loss of reimbursement privileges;
 - b. Restitution to the City;
 - c. The reporting of expenses as income earned to state and federal tax authorities;
 - d. Civil penalties of up to \$1,000 per day and three times the value of the resources used; and
- ~~a.e.~~ Disciplinary actions, including termination of employment and/or prosecution for misuse of public resources.

Attachments: Travel Authorization & Expense ~~Report~~request (Form 32-11)
~~Reimbursed Expenses (Form 30-216)~~

6-1/SOP/10-97

Attachment: Credit Card Missing Invoice Form

Reference Documents:

SOP 6.2 Use of City Vehicles and Privately-owned Vehicles on City Business [Include hyperlink]

IRS Fringe Benefit Guide - Publication 5137 (January 2014)

IRS Employer's Tax Guide to Fringe Benefits - Publication 15-B (for use in 2019)

Item Attachment Documents:

18. Consider Recommendations for Appointments to the Milpitas Planning Commission and Additional Appointments by the Mayor to Six Commissions (Contact: Mayor Tran, 408-586-3029)

Recommendations:

3. Receive Mayor and Councilmember recommendations for appointments to the Planning Commission, and consider confirming two appointments.
4. Receive Mayor's recommendations and approve appointments to the Arts Commission; Economic Development & Trade Commission; Parks, Recreation and Cultural Resources Commission; Public Safety & Emergency Preparedness Commission; Science Technology & Innovation Commission; and the Veterans Commission



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Consider Recommendations for Appointments to the Milpitas Planning Commission and Additional Appointments by the Mayor to Six Commissions (Contact: Mayor Tran, 408-586-3029)
Category:	Reports of Mayor and Councilmembers
Meeting Date:	4/16/2019
Contact:	Mayor Rich Tran, 408-586-3029
Recommendations:	1. Receive Mayor and Councilmember recommendations for appointments to the Planning Commission, and consider confirming two appointments. 2. Receive Mayor's recommendations and approve appointments to the Arts Commission; Economic Development & Trade Commission; Parks, Recreation and Cultural Resources Commission; Public Safety & Emergency Preparedness Commission; Science Technology & Innovation Commission; and the Veterans Commission

Background:

Milpitas Municipal Code Title I Chapter 500 establishes the composition, qualifications, and organization of the Milpitas Planning Commission and provides regulations for appointments and terms of office. Any Council member may recommend to the Mayor a resident for appointment to the Planning Commission and the Mayor shall consider all applications of file to present his recommendation to the City Council for approval. All Planning Commissioners must be residents and registered voters in Milpitas and may not hold any other public office or employment in the government of the City of Milpitas.

Planning Commission terms are for three years, commencing on the first day of January and concluding on the 31st day of December of the third year thereafter. Bylaws allow current Planning Commissioners to remain in office until their successors are appointed. Newly appointed Commissioners serve the unexpired portion of the normal term of their appointed seat. Commissioners are eligible to serve a maximum of three consecutive three-year terms.

The current composition of Milpitas Planning Commission and the status of each member's term is:

Member	Term Expiration	Terms Served	Absences in 2017-18	Status
Timothy Alcorn	Dec. 2021	New	0	Current
Bill Chuan	Dec. 2020	New	0	Current
Sudhir Mandal	Dec. 2019	4	2	Current
Demetress Morris	Dec. 2019	1	4	Current
Zeya Mohsin	Dec. 2018	1	5	Term Expired
Gurdev Sandhu	Dec. 2018	7	3	Termed Out
Larry Ciardella	Dec. 2017	4	3	Termed Out
Evelyn Chua (Alt.)	Dec. 2018	1	4	Term Expired

New Commissioners Alcorn and Chuan are serving terms that will expire in December 2020 and 2021, respectively. Commissioners Mandal and Morris are serving in current terms that will expire in December 2019. Commissioners Mohsin, Sandhu, and Alternate Chua are serving “extended” terms after their regular terms expired in December 2018, and Commissioner Ciardella is serving an “extended” term after his regular term expired in December 2017. Commissioners Sandhu and Ciardella have both served more than three consecutive three-year terms and are not eligible for reappointment.

Analysis:

Citizens interested in serving on the Planning (or any) Commission must submit an application to the City Clerk, who then confirms the applicant’s voter registration with the Registrar of Voters. Applications are shared with Planning Director, who reviews the list and provides input to the Mayor. The Mayor may ask for input from the Council and/or invite additional residents to submit applications. As noted above, any Councilmember may recommend to the Mayor a resident for appointment to the Planning Commission from the entire pool of applicants.

The following 20 Milpitas residents submitted applications for consideration by the Mayor and Council for appointment or reappointment to the Planning Commission.

Applicant’s Name	Background Notes	Registered Voter
Ricardo Ablaza	Real Estate Broker; REO Agent for B of A; First Pacific Real Estate; Econ Dev Commission	Yes
Manpreet Badesha	Omniceil – Management Background in math/engineering	Yes
Russell Bargstadt	Director of Operations, DeVry Institute B.S., Electronics; Pines HOA; Zanker PTA	Yes
Evelyn Chua	Self-employed; HR consultant Current PC Alternate; former regular PC member	Yes
Larry Ciardella	Retired Business Owner; Spring Valley Vol. FD; Rotary; Chamber; Planning Commission	Yes
Spencer Hsu	Sales Manager; Optibus Real Estate investment; business development	Yes
Nagaraj Koranthota	Cisco	No
Michael Lee	Sr. Privacy Mgr. – global compliance, Intuit Current Member, Citizens Advisory Commission	Yes
Ray Maglalang	RE broker; Ibis Universal Corp.; Milpitas Lions Club; Knights of Columbus; Planning Commission	Yes
Ernesto Martinez	Realtor, Century 21 Alliance; US History teacher at Ohlone College; former social worker	Yes
Zeya Mohsin	Community Volunteer Current Planning Commissioner	Yes
Sean Pan	System Engineer, Northrup Grumman; Toastmasters	Yes
Andrew Ridley	Transportation Demand Analyst; Consultant, ALTRANS Mgmt. Assoc.	Yes
Gurdev Sandhu	Retired from Rockwell Collins; SC County Parks & Rec. Commission; Planning Commission (12+ yrs)	Yes
Doug Sueoka	Auditor, Costco Wholesale 20+ yrs. retail management experience	Yes
Steve C. Tao	Comm. Real Estate; Education in Architecture; Gen. contracting/construction; former PC member	Yes
Michael Tsai	Self-employed tutor; MUSD Board member GPAC member	Yes
Thomas Valore	Retired CFO, active Milpitas Chamber of Commerce	Yes
Viswanathan, Suraj	USA Cricket Board of Directors	Yes
Ken Wang	Mechanical Engineer; Thinfilim Electronics; Fluent in Cantonese and Mandarin	Yes

From the list of 20 applicants, Mayor Tran and Councilmembers submitted the following recommendations to City Council for appointments to the Planning Commission:

Applicant's Name	Recommended by:	To Replace:	Term Expires:
Evelyn Chua	Mayor Tran	Gurdev Sandhu	Dec. 2021
Steve C. Tao	Councilmember Phan	Zeya Mohsin	Dec. 2021

Councilmember Nuñez did provide a recommendation to staff to consider the appointment of Ricardo (Ricky) Ablaza to a term of service that will expire in December of 2020. Currently, Mr. Ablaza serves as a member of the Economic Development & Trade Commission, on which Mayor Tran supports his continued service.

Fiscal Impact: Appointments to City Commissions will result in no new fiscal impacts.

Recommendations:

- 1) Planning Commission: Receive Mayor Tran's recommendation and recommendations from Councilmembers Nuñez and Phan, then move to appoint two new Milpitas Planning Commissioners:
- Evelyn Chua to a term of service that will expire in December of 2021
 - Steve Tao to a term of service that will expire in December of 2021

One additional appointment may be considered by the City Council at the meeting, with a recommendation from any City Councilmember, followed by a vote of approval.

- 2) Receive Mayor Tran's recommendations and make appointments to the following six Commissions:

Arts Commission

Newly appoint Robert Besler to a vacant seat as Commissioner to a term that expires in October 2021.

Economic Development and Trade Commission

Newly appoint Victor San Vicente as voting Commissioner representing residents (into seat served by Minh Nguyen) to a term that expires in April 2021.

Re-appoint Chris Norwood as MUSD Board/Education representative to a term that expires in April 2022. Also confirm Michael Tsai as Alternate from the school board, per Board action (see attachment).

Newly appoint Martin Neumann as voting Commissioner representing technology and trade (in seat served by Dhaval Brahmbhatt) to a term that expires in April 2020.

Re-appoint Lynne Rice as voting Commissioner representing business to a term that expires in April 2021.

Re-appoint Jeffrey Chen as voting Commissioner representing business to a term that expires in April 2021.

Newly appoint Matt Taylor as voting Commissioner representing real estate (in seats previously served by Anna Wang and Ricardo Ablaza) to a term that expires in April 2021.

Newly appoint Dipak Awasthi as Alternate No. 1 (into currently vacant seat) to a term that expires in April 2021.

Newly appoint Juliette Gomez as Alternate No. 2 (in seat served by Raghu Reddy) to a term that expires in April 2020.

Parks, Recreation and Cultural Resources Commission

Appoint current Alternate No. 1 Voltaire Montemayor as voting Commissioner to term to expire in June 2021.

Newly appoint Ricky Davis as Alternate No. 1 to a term that expires in June of 2020.

Newly appoint Molly Current as Alternate No. 2 to a term that expires in June of 2019.

Public Safety & Emergency Preparedness Commission

Confirm the assignment of Milpitas Unified School District Board of Trustees member Hon Lien to newly serve as voting Commissioner to a currently vacant seat that expires in June of 2020. Her appointment is based on action by the School District in December 2018 (see attachment). Also confirm School Boardmember Daniel Bobay as Alternate.

Science, Technology and Innovation Commission

Appoint current Alternate No. 1 Jaime Hallera as voting Commissioner to a term that expires in January 2020.
Appoint current Alternate No. 2 Ratan Choudhury as Alternate No. 1 to a term that expires January 2021.
Newly appoint Guy Haas as Alternate No. 2 to a term that expires in January 2021.

Veterans Commission

Appoint current Alternate No. 2 Ricardo Martinez as Commissioner to a term that expires in February 2022.
Newly appoint Bruce Choy as Alternate No. 1 to a term that expires in February 2022.

Attachments:

- a) All current applications on file for 6 Commissions
- b) List of Assignments from Milpitas Unified School District

COMMISSION APPLYING FOR: Arts Commission
Title Mr.
Name Robert Urban Besler
Address Type Residence
Address 1739 Grand Teton Dr.
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 708-2825
E-Mail Address rbesler45@gmail.com

City Clerk's Office
JAN 29 2019
RECEIVED

College, Professional, Vocational, or other schools attended De Anza College
Major Subject Film/Television Production
Degree AA

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Worked with student filmmakers
Produced, directed, and acted in student work

Date Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Arts Commission

Title

Mrs.

Name

Joyita B Ghose

Address Type

Residence

Address

1301 Elkwood Dr.

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 219-1537

E-Mail Address

joyitabg@yahoo.com

City Clerk's Office
MAR 11 2019
RECEIVED

Present Employer

Poshaq Silks

Occupation

Business

College, Professional, Vocational, or other schools attended

UCSCE, West Valley College, Lady Brabourne College

Major Subject

English Literature

Degree

BA

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Women's Caucus of Art

Member

Member

Name of Organization

West Valley College, Fashion Design Program

Member

Advisory Board Member

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I am an artist and entrepreneur with almost 12 years of experience, building a Made in America product line of wearable art, Poshag Silks. I feel, I will be an asset to this group as I introduce creative solutions to discussions and have art as my focus always. I have traveled to many states to introduce my art-wear at trade shows. In my travels I have come across many ideas of art enrichment that other organizations are using to encourage and empower creativity among people as a means of viable income. Milpitas is a very diverse city and with it comes a plethora of creativity that one carries through their heritage and culture. I would definitely like to encourage the promotion of learning and sharing different kinds of arts and crafts through this diverse population of Milpitas.

Upload a File



spring flower for print.jpg

Date

Mar 08, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, appearing to be 'J. L. Smith' or similar, written in a cursive style.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Massoud Arefi Arefi

Address

243 North Gadsden Drive

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 205-8811

E-Mail Address

mashty1@gmail.com

City Clerk's Office
OCT 08 2018
RECEIVED

Present Employer

Retired

Other Phone

(408) 942-0750

Business Address (Optional)

243 North Gadsden Drive

Occupation

Pharmacist

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Doctorate

College, Professional, Vocational, or other schools attended

Tehran University, School of Pharmcy. Post Doctoral, Washington University, St.Louis, MO.

Major Subject

Pharmaceutical Sciences

Degree

PharmD

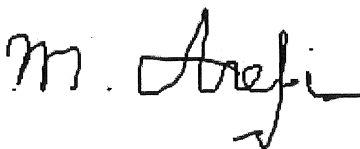
List community organizations to which you belong or have belonged (additional information may be attached).**If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).****Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

For over 40 years of my professional career, I have worked as Supervisor of Marketing, for Buyer Pharmaceuticals, Chairman of the Board and CEO of Organon Co. Chairman Of the Board and Acting CEO of Darou Paksh Co, Director of Pharmaceutical Research Center, Middle East Correspondent for Script pharmaceutical Publication and Pharmacist and Pharmacy Manager for Rite Aid. I have served in Sister Cities Commission since 2004.

Date

Oct 06, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Economic Development and Cultural Trade Commission

Title Mr.
Name Dipak Awasthi
Address Type Residence
Address 387 Summerfield Dr
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 712-3283
E-Mail Address Dee.awasthi@gmail.com

City Clerk's Office
Nov 13 2018
RECEIVED

Present Employer Bonfare Market # 39 (Self Employed) Small Business owner
Other Phone (408) 264-3339

Occupation Small Business Owner

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization FOG (Festival of Globe)

Member Member

Name of Organization ICC (India Community Center)

Member Member

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Presently Commissioner with the Sister Cities Commission, Milpitas. Have a lot of experience in Business and Customer Service in India & USA. My Family here consists of different cultures, creed Races, Religions, color, a perfect melting pot. As a assimilated American I speak 3 Indian languages and another 2 of Neighboring countries with India. My Vast experience will greatly help our city as this commission deals locally and across borders for the Economic development and trade with different entities.

Date Nov 13, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Economic Development and Cultural Trade Commission
Name Steven Belong
Address Type Residence
Address 366 N. Park Victoria Dr
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 427-7130
E-Mail Address steve.belong@dc16sj.org

City Clerk's Office
MAR 06 2019
RECEIVED

Present Employer IUPAT DC16
Business Address (Optional) 2149 Oakland Road
City San Jose
Postal / Zip code 95131

Occupation Business Representative
Education: If Youth Advisory Commission applicant, indicate your grade/school: High School Diploma

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization IUPAT Local Union 12

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date Mar 05, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Steven L. Belong

City Clerk's Office

MAR 19 2019

RECEIVED

366 N Park Victoria Dr, Milpitas CA 95035
steve.belong@dc16sj.org - (408) 427-7160

Qualifications Summary

- 14 years of experience in the construction industry as an installer/foreman.
- A Business Representative for over 1200 members and 40 signatory shops.
- Serving as a trustee for the Northern California Resilient Floor Covering Pension Fund.
- Serving as a trustee on the JATTF Northern California Floor Covering Apprenticeship Program.
- Seated on the California Carpet Stewardship Advisory Committee.

Experience

Business Representative, District Council 16 LU 12 South bay – 2016 to present

- Responsible for assisting and leading over 1200 members in Local Union 12.
- Oversee day to day operations for District Council 16 Local Union 12.
- Responsible for handling contract disputes between members and employers as well as assist members and employers in any manner possible.
- Mentor and guide apprentices into becoming well rounded Journeymen with a lifelong career.

Trustee, JATTF Northern California floor covering apprenticeship program- 2016 to present

- Oversee all operations of the Apprenticeship Program.
- Participate in a quarterly review of apprentice's progress.
- Review appeals of members discharged from the program.

Trustee, Northern California resilient floor covering Pension Trust Funds- 2016 to present

- Fiduciary responsibility for a multi-employer Pension Fund.

Committee Member of the California carpet stewardship advisory committee 2018 to present

- Review all language written by CARE for AB-1158 plan

Apprentice/Journeymen, Welker Bros. Milpitas CA- 2005-2016

- Responsibility of training, planning, coordination and facilitation of communication between general contractors, subcontractors and floor covering installers in the field.

Education

High School Diploma – Milpitas, CA

1993 – 1997

Journeymen Floor Coverer – San Leandro, CA

2005 – 2009

References

Director of Service, DC 16 – Robert Williams

(925)640-6239

Regional Director, DC 16 – Brett Davis

(408)921-1439

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Sanjeev Bhardwaj

Address Type

Residence

Address

370 Sand Hurst Dr

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(510) 299-4811

E-Mail Address

Sammy@ariadining.com

City Clerk's Office

SEP 04 2018

RECEIVED

Present Employer

Aria Banquets

Other Phone

(408) 941-1700

Business Address (Optional)

212 Ranch Drive

City

Milpitas

Postal / Zip code

95035

Occupation

Business

Education: If Youth Advisory Commission applicant, indicate your grade/school:

BA in business & Law Graduate

College, Professional, Vocational, or other schools attended

M G S M Janta College

Major Subject

Economic and Law

Degree

BA - LLB

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

G N D U Amritsar India

Member

Real Estate Broker

Name of Organization

Bay East Org

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

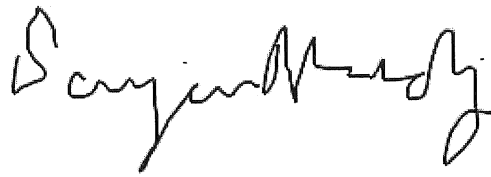
Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I've been an active Real Estate Broker for the last fifteen years and I have engaged in numerous transactions throughout my business career. I've helped many friends and clients in commercially related transactions. I have also engaged in supply-chain activities on a contractual basis in many companies such as IBM, Cisco and Intel in order to reduce their cost in a variety of projects to maximize profit. Furthermore, I have also provided assistance by giving real state planning for proper space utilization for storage facilities in highly competitive markets. I have also established another venture known as Aria-Dining and banquets in Milpitas where I host a lot of cultural events such as wedding receptions and team building events from corporate companies.

Date

Sep 03, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Economic Development and Cultural Trade Commission
Title Mr.
Name Peter CHANG
Address Type Business
Address 489 Sinclair Frontage Rd
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 807-5076
E-Mail Address milpitaspc@gmail.com

City Clerk's Office
SEP 28 2018
RECEIVED

Occupation DIRECTOR
College, Professional, Vocational, or other schools attended B.Sc., Singapore University ; M.Sc., University of Oregon
Major Subject Physics
Degree Masters, M.Sc.

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Sister Cities Commission, Milpitas
Member Commissioner since May 2015
Name of Organization CIM (Chinese International Missions)
Member Board Member, since 2001

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Long standing resident of Milpitas since 1990.
Was Director of Design Engineering at hi-tech chip company which successfully went public listed in 1984.
Has established global network of Asian business connections and contacts, pertaining to Silicon Valley and Pacific Rim countries (Singapore, Malaysia, Hong Kong, Taiwan, China, Philippines, Indonesia, Thailand, Japan, Korea, ...).
Fluent in Mandarin and Cantonese.

Date Sep 27, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Young Cho

Address Type

Residence

Address

2313 Churchill Drive

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 600-4101

E-Mail Address

iamisamu@yahoo.com

City Clerk's Office

SEP 05 2018

RECEIVED

Present Employer

Kamet

Other Phone

(408) 419-2289

Business Address (Optional)

1778 McCarthy Blvd

City

Milpitas

Postal / Zip code

95035

Occupation

General Manager

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Milpitas High School, UC Berkeley

College, Professional, Vocational, or other schools attended

University of California at Berkeley

Major Subject

Nutrition, Food Science, Chemistry

Degree

Bachelor of Science

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

New Life Mission Church

Member

Finance (Treasurer)

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

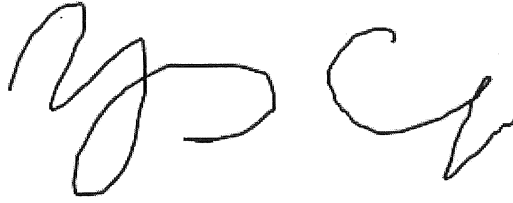
I have worked in management for both large and small corporations that were looking to expand and grow. I have worked at Sanmina, Blue Apron, Impakt Corp, and now Kamet. Currently I am the General Manager at Kamet which is based in Milpitas with a satellite facility in China. Being in charge of both facilities I am keenly aware of what we look for in terms of growth opportunities and locations.

Also I have grown up in Milpitas, attended MHS (Class of '92) and still remember the orchards that use to line the streets. I want to help guide Milpitas to be best it can be and also to give back to where I grew up and where I currently now raise my family.

Date

Sep 05, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

A handwritten signature in dark ink, consisting of a stylized 'M' followed by a 'C' and a checkmark-like flourish.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Economic Development and Cultural Trade Commission

Title Mr.

Name Thomas Clavel

Address Type Residence

Address 75 Butero Lane

City Milpitas

Postal/Zip Code 95035

Mobile Number (650) 296-2828

E-Mail Address thomas.clavel@gmail.com

City Clerk's Office
SEP 04 2018
RECEIVED

Present Employer Amazon

Other Phone (650) 296-2828

Business Address (Optional) 2100 University Avenue

City East Palo Alto

Postal / Zip code 94303

Occupation Marketing manager

Education: If Youth Advisory Commission applicant, indicate your grade/school: Master of Business Administration and Master of Engineering Management

College, Professional, Vocational, or other schools attended Northwestern University, Evanston, IL.

Major Subject Marketing

Degree Master

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization South Bay Eco Citizens

Member President and Board Member

Name of Organization MIT Enterprise Forum of the Bay Area

Member Chair and Board Member

Name of Organization Sundrop Homeowners Association

Member President

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

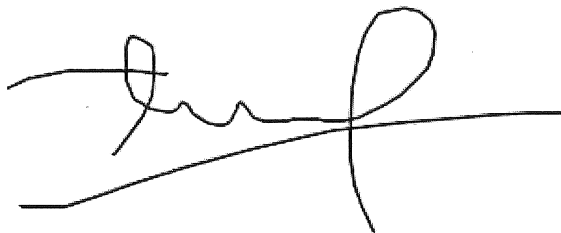
Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I graduated years ago from an MBA and a Master of Engineering from Northwestern University, which gave me a strong background in economics and business. I am now deeply involved in my local community, through my homeowner association, my past involvement with Stanford and the MIT, and my work helping startups raise venture capital and grow their audience. Having lived and worked for multiple employers who had been located in Milpitas, such as Cisco and Gigamon, I care deeply about the economic development of Milpitas and I hope to bring my economics background, as well as my experience working with residents and local businesses. The stronger our local companies are, the stronger our communities will be.

Date Sep 03, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.

I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Ms.

Name

Juliette Gomez

Address Type

Residence

Address

1320 Chewpon Avenue

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 887-0026

E-Mail Address

julietteakajulz@gmail.com

City Clerk's Office

MAR 19 2019

RECEIVED

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

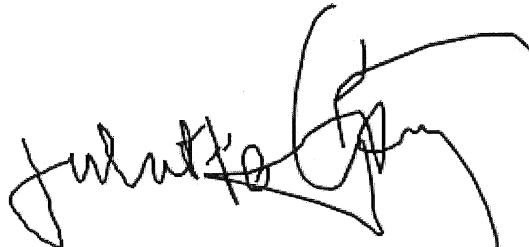
I have been supporting High Level Executives, Board Members and Founders for over 30 years. I understand the value of a business, the structure of how it works, the passion required to achieve goals set in motion. I have been a resident since 1993.

Feel free to view my profile: www.linkedin.com/in/juliette-gomez

Date

Mar 19, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Dennis Grilli

Address Type

Residence

Address

1182 Pescadero St

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 205-7103

E-Mail Address

dennisgrilli@gmail.com

City Clerk's Office
OCT 12 2018
RECEIVED

Present Employer

retired

Occupation

retired police officer

College, Professional, Vocational, or other schools attended

San Jose State

Major Subject

Law enforcement/English

Degree

BA

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Sister Cities Commission

Member

Chair

Name of Organization

Kiwanis

Member

treasurer

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

Experienced Sister Cities Commissioner 1996 to 2018

Understand the importance of working as team on a commission to receive results that benefit the Milpitas community

Date

Oct 12, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

**CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION**

City Clerk's Office

MAY 15 2018

Arts Commission **ECONOMIC PLANNING**

COMMISSION APPLYING FOR **RECEIVED**

ECONOMIC DEVELOPMENT

PROVIDE COMPLETE INFORMATION (in black ink)

☒ Mr. ☐ Mrs. ☐ Miss

Name: NASIR First LALANI Middle Last

Address: 2235 MESA VERDE DR Number MILPITAS CA 95035 Street (apt. # if needed) City & Zip Code

Telephone Number(s) 408-802-9446 nasir.lalani@gmail.com e-mail address

Present Employer RETIRED Business Telephone

Business Address IT ENGINEER Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
UC Berkely California	Network Management	09/01/1998	Network Mngmnt
George Washignton University	Program Manager	10/01/2000	Program Manager Assc.

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
Currently serving as a Coommissioner for Emergency Preprardness for Milpitas, since 2014 till June 2018
Currently serving on the Board of Directors for Terrace Garden, it is a low income senior community in Milpitas

Active Volunteer for AARP tax preparer counselor, working at Milpitas senior center during the tax session
More in attached paper

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Nasir Lalani
Signature

05/15/2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

Economic Development Commission

OBJECTIVE

Seeking to serve as a commissioner of Economic Development Commission for city of Milpitas.

Currently serving as a commissioner of **Emergency Preparedness Commission** since 2014, and my term will end in **June 2018**

I have lived in Milpitas for more than 25 years, raised my two children in the city and they have graduated from Milpitas High and they have advanced their education and career further in the Silicon Valley.

I find this community is the diverse and multicultural community. Diversity is the strength of the city, it is the best place to work, live, and raise the family. I would like to give back to my community my expertise, skills, time, and energy and the knowledge.

Summary of skills:

- A seasoned pro-active professional with 18+ years of diverse management and technical experience in test and manufacturing at Cisco Systems.
- Civic engagement and working closely with the people of Milpitas city
- Working as a team builder and reaching out to those who needed the most support in the county and the city
- Expertise in team development and leadership, communicate goals objectives through excellent verbal and professional presentation.

SUMMARY OF ACCOMPLISHMENTS

- Currently serving on the board of Directors, as a Treasurer for Terrace Garden, a senior low income community in Milpitas
- Currently serving as an Emergency Preparedness Commissioner for City of Milpitas
- Currently serving as a volunteer for Health Insurance and Advocacy Program (HICAP), for the Santa Clara county residents. This program is funded by the government, to assist the Medicare beneficiaries living in Santa Clara county
- As a certified Child Advocate for Santa Clara County, I have worked with neglected and abused children.
- A volunteer for Aga Khan Foundation USA served the community in managing Outreach programs for the AKF Walk/Run events for last more than 8 years.
- Tax-Aid volunteer for AARP, serving low income Milpitas and San Jose residents for last three years
- Serving as a volunteer for Fremont Senior Center and India Culture Community (ICC- Milpitas)
- Managed team of 15 engineers, instilled new energy and infrastructure culture
- Eighteen plus years of experience at **Cisco Systems** as a Program Manager and Design Test Manager with emphasis on global deployment of projects and processes. Leading 50+ projects from concept commit to successful launch.

EDUCATION:

- **Electrical Engineering degree** - University of Pune (India)
- **Network Management degree** - University of Berkeley, CA
- **Associated Program Management** – George Washington University
- **Several career courses:** Team Building and skill development; Managing Risks and Assessment, Project finance and budgeting

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Minh Nguyen

Address

2042 Skyline Dr.

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 946-3240

E-Mail Address

mtn_51576@yahoo.com

City Clerk's Office
FEB 04 2019
RECEIVED

Present Employer

Business and Realtor Agent

Other Phone

(408) 410-2157

Business Address (Optional)

2042 Skyline Dr.

City

Milpitas

Postal / Zip code

95035

Occupation

Business man

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Engineer

College, Professional, Vocational, or other schools attended

San Jose State University

Major Subject

Electronic

Degree

BS

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I am the Milpitas resident, and service at Milpitas city for more than 7 year under EDC department, my turn was expired, now I would like to reapply to service under EDC again.

Date

Feb 04, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mrs.

Name

Bhupinder Kaur Sandhu

Address Type

Residence

Address

162 Marylinn Drive

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 477-6872

E-Mail Address

sunny84.me@gmail.com

City Clerk's Office

SEP 04 2018

RECEIVED

Occupation

Student

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Masters in Commerce

College, Professional, Vocational, or other schools attended

De Anza College

Major Subject

Accounting

Degree

M.com.

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Upload a File

Bhupinder_Resume_August_2018.doc

Date

Aug 31, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Bhupinder Kaur Sandhu
E-mail – sunny84.me@gmail.com

PROFILE

- Hard working and timely completion of work.
- Good exposure of working in an international process with various teams.
- Good communication skills.
- Team player.
- Multi tasking (worked in a blended process based on voice and web responses).
- Multiple roles (worked as an HR bond, organized various activities alongwith daily roles).
- Participation in extra curricular activities.
- Speaks English, Punjabi and Hindi.

ACHEIVEMENTS

- ✓ Achieved Accounts Payable Certificate of Recognition for Exemplary Performance & Demonstration of Values at the Workplace (June 2011).
- ✓ Achieved Accounts Payable Certificate of Recognition for Exemplary Performance & Demonstration of Values at the Workplace (September 2011).

EDUCATION

- Bachelors of Commerce from Panjab University (2007)
- Master of Commerce from Panjab University (2009)
- Worked on a summer project with ICICI Prudential Life Insurance (India) for 6 weeks to obtain increase in insurance policies in various segments of society and aim at increasing awareness about benefits of owning life insurance.
- Received Certificate of achievement in Accounting At De Anza College (2018).

TRAININGS

- Certificate of Core Competence in Computing (November 2004). Briefly studied and worked on Microsoft word, Microsoft Excel and Powerpoint for 4 months at the Academic Council of NIIT.
- Corporate etiquettes.
- Call handling.
- Emerging Excellence to groom for a higher role and work as a team player.
- Voice & Accent.

Interests

Swimming, listening to music, Reading, organizing.

PROFESSIONAL EXPERIENCE

Employer: Genpact India

Duration: Jan.20th 2010 to May 14th 2012

Location: Delhi IT Park

Role: Process Associate

Process: Blended process (voice and email responses)

Role & Responsibilities:

- To deal with vendors & employees of U.S. based pharmaceutical company (Pfizer) for the accounts payable.
- The role briefly included responding to calls as well as responding via email for accounts payable of employees of Pfizer and payment of invoice of various vendors.
- Also, scanning of invoices and reply to web based queries.

Key Highlights:

- Involved in team interaction.
- Problem solving.
- Prepared material for new team members to improve in crucial topics.

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Victor and P San Vicente

Address Type

Residence

Address

2002 Stratford Drive

City

Milpitas, CA 95035

Postal/Zip Code

95035

Mobile Number

(408) 718-8218

E-Mail Address

victorgsanvicente@yahoo.com

City Clerk's Office
MAR 14 2019
RECEIVED

Present Employer

Victor and San Vicente

Other Phone

(408) 263-0343

Occupation

Real Estate and Mortgage Broker,

Education: If Youth Advisory Commission applicant, indicate your grade/school:

McGill University BSc Math and Physics

College, Professional, Vocational, or other schools attended

University of Phoenix

Major Subject

Computer Information Systems

Degree

MCIS

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Milpitas Rotary Club

Member

Board of Directors

Name of Organization

Milpitas Chamber of Commerce

Member

Board of Directors

Name of Organization

Milpitas General Plan Committee

Member

Active Member

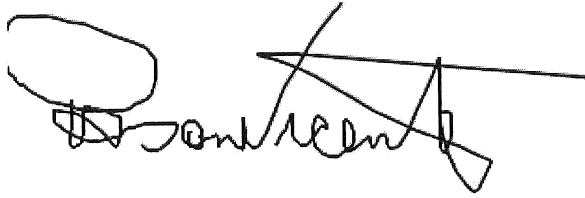
If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I have owned a home and lived in Milpitas since 1986 so I have a vested interest in the advancement and quality of life in Milpitas. Being a member of the Milpitas General Plan committee I provide valuable input into our Community's view of the future regarding such issues as how land is used, and where buildings are constructed, with the correct balance of business, high-tech industries, high quality schools and first class parks and recreational facilities. I would like to use my knowledge to help our city solve some of Traffic Congestion problems using Transportation problem theorwhich I learnt in Operations Research as part of my MBA program and Artificial Intelligence being a member of AAAI (Association for the Advancement of Artificial Intelligence

Upload a FileVictor San Vicente Resume for Economic Development Commission 2019.docx**Date**

Mar 13, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, appearing to read "Donald R. Cant". The signature is written in a cursive style with a large, looped initial "D" and a long horizontal stroke extending to the right.

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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mrs.

Name

Francie Soito

Address Type

Business

Address

176 S. Main Street

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 836-3201

E-Mail Address

francie.soito@gmail.com

City Clerk's Office

NOV 19 2018

RECEIVED**Present Employer**

Black Cat Comics

Business Address (Optional)

176 S. Main Street

City

Milpitas

Postal / Zip code

95035

Occupation

Co-owner of 3 businesses in Milpitas

College, Professional, Vocational, or other schools attended

UC Berkeley

Major Subject

Interdisciplinary Studies

Degree

B.A.

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Chamber of Commerce

Member

2017 - 2018 no longer active

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

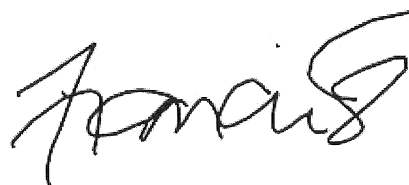
I am a business owner of 3 businesses in Milpitas, the longest since 2002. I am also a resident of Milpitas and an active member of the community. My husband and I have been involved in multiple community events:

- Community BBQ for Nob Hill farewell
- Organized/coordinated/recruited Milpitas small businesses for Chamber of Commerce BBQ in 2015
- Experience with Milpitas General Plan when we moved/ reconstructed business property on Main Street
- Attended General Plan and Economic Dev committee meetings
- Former Journalist for Milpitas Beat
- 15+ years as a market researcher and data analyst for high tech companies: Facebook, Yahoo, Macromedia, LinkedIn, AOL, Verizon

Date

Nov 16, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Matthew T Taylor

Address Type

Business

Address

225 W Santa Clara St

City

San Jose

Postal/Zip Code

95125

Mobile Number

(408) 221-1735

E-Mail Address

matthew.taylor@cbre.com

Present Employer

CBRE

Other Phone

(408) 453-7469

Occupation

Commercial Real Estate Broker

College, Professional, Vocational, or other schools attended

Cal Poly, San Luis Obispo

Major Subject

Business, Economics

Degree

BS

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

ASVB

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

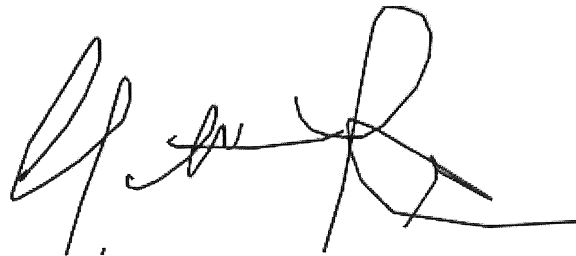
As a commercial real estate broker representing both prospective tenants and landlords in the city of Milpitas and the surrounding area, I am uniquely qualified to consult the city on matters pertaining to attracting potential business in the city and how to foster growth.

I am a leader in my field and would serve well on the council.

Date

Mar 06, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

City Clerk's Office

MAR 06 2019

RECEIVED

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Michael Tsai

Address

1630 Starlite Dr

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(415) 842-9666

E-Mail Address

mrt.mike.rt@gmail.com

City Clerk's Office
SEP 13 2018
RECEIVED

Present Employer

Michael Tsai Tutoring

Occupation

Principal Tutor

College, Professional, Vocational, or other schools attended

UC Berkeley

Major Subject

Environmental Economics and Policy

Degree

BA

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

SVCTBA

Name of Organization

South Bay YIMBY

Name of Organization

Milpitas Chamber of Commerce

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

Will attach additional information and/or email to economic development dept

Date

Sep 12, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

APR 05 2018

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

RECEIVED

~~Parks and Rec~~ EDC RON DEV.

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ☐
☐ Mr. ☐ Mrs. ☒ Miss

Name: Vicky
Tu
Last

Address: 383
N Park Victoria Dr.
Milpitas 95035
City & Zip Code

Telephone Number(s): 408-687-8925
vickytu2016@gmail.com
e-mail address

Present Employer: Google
Business Telephone
1600 Amphitheatre Pkwy
Software Engineer
Business Address
Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

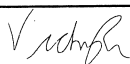
College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
Milpitas High School	NA	06/01/2012	Diploma
Yale University	Mathematics and Computer Science	05/01/2016	B.S.

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
 From 2011-2012 I served on the Youth Advisory Commission in Milpitas. I served 3 years on the MUSD School Board as the student representative.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.


 Signature

04/05/2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

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Mail, email or drop off your completed application to:
 City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Warren G Wettenstein

Address Type

Business

Address

320 S Abel Street

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 204-2231

E-Mail Address

commissioner@calvantage.net

City Clerk's Office

JAN 15 2019

RECEIVED

Present Employer

Wettenstein Insurance & Financial Solutions

Other Phone

(408) 824-1450

Occupation

Independent Insurance Broker

College, Professional, Vocational, or other schools attended

Boston University (MBA), George Washington University (BBA, AA)

Major Subject

Business Marketing

Degree

MBA, BBA, AA

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Milpitas Chamber of Commerce

Member

VP Mktg Membership, Board Member

Name of Organization

Milpitas Chamber

Member

CoFounder Connections Club

Name of Organization

Berryessa Business Association

Member

Board Member

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

Have been an EDC Commissioner since 02 01 2011. Past Chairman and Past Vice Chairman. Liaison and advocate between Milpitas Chamber of Commerce and EDC. Have attended all meetings through the years, except for excused medical leave. Have attended and supported numerous events including Manufacturing Day and instrumental in promoting City of Milpitas at numerous events.

Date

Jan 15, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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COMMISSION APPLYING FOR:

Economic Development and Cultural Trade Commission

Title

Mr.

Name

Martin John Neumann

Address Type

Business

Address

195 S. Milpitas Blvd

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(217) 840-5490

E-Mail Address

martin.neumann@view.com

City Clerk's Office
MAR 28 2019
RECEIVED

Present Employer

View

Business Address (Optional)

195 S. Milpitas Blvd

City

Milpitas

Postal / Zip code

95035

Occupation

Vice President

Education: If Youth Advisory Commission applicant, indicate your grade/school:

BS, MS and PhD in Nuclear Engineering

College, Professional, Vocational, or other schools attended

University of Illinois at Urbana-Champaign

Major Subject

Nuclear Engineering

Degree

PhD

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Milpitas Chamber of Commerce

Member

1 year

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

View, Inc., manufactures View Dynamic Glass, a new generation of smart windows that let in natural light and views, and enhance mental and physical wellbeing by significantly reducing headaches, eyestrain and drowsiness. View is headquartered in Milpitas, CA with 250 employees locally and has a manufacturing facility in Olive Branch, MS with 500 employees.

As Vice President, I am responsible for every construction project that we do around the world, ongoing customer support and the operation of our headquarters facility.

Date

Mar 27, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



COMMISSION APPLYING FOR:

Parks, Recreation and Cultural Resources Commission

Title

Mr.

Name

Aaron Aquino

Address Type

Residence

Address

690 Dempsey Rd Apt A

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 688-4932

E-Mail Address

Aaronaquino2442@gmail.com

City Clerk's Office
JAN 29 2019
RECEIVED

Present Employer

Nanosyn/Alliance Bay Realty

Other Phone

(408) 987-2000

City

Santa Clara

Postal / Zip code

95051

Occupation

Purchasing Manager/Licensed Realtor

College, Professional, Vocational, or other schools attended

San Jose State University

Major Subject

Business Administration

Degree

Management

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have a B.S. in Business Administration - Management. I am also a licensed Realtor. I have been a Milpitas resident for more than 10 years and is active with sport activities, especially volleyball. I am young with lots of ideas on how to improve our community, especially in the recreation side. All I need is a chance.

Date

Jan 28, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Parks, Recreation and Cultural Resources Commission

Title

Ms.

Name

Molly D Current

Address Type

Residence

Address

453 N Park Victoria Dr

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 857-3142

E-Mail Address

mcurrent2009@gmail.com

City Clerk's Office
JAN 29 2019
RECEIVED

Present Employer

Santa Clara County Housing Authority

Occupation

Housing Policy Manager

College, Professional, Vocational, or other schools attended

BA U of North Carolina: Georgetown Law School JD

Major Subject

English/History/Law

Degree

BA/JD

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

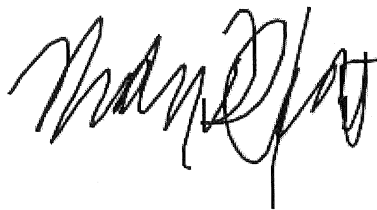
Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have a legal background and have worked in housing and related community services. I have lived in Milpitas over 12 years and would like to give back and be more involved in our community.

Date

Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Parks, Recreation and Cultural Resources Commission

Title

Mr.

Name

Ricky Duane Davis

Address Type

Residence

Address

1194 Park grove dr

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 687-2885

E-Mail Address

Ricky.duane.davis@gmail.com

City Clerk's Office
JAN 29 2019
RECEIVED

Present Employer

Samaritan house

Other Phone

(408) 262-4685

Occupation

Volunteer coordinator

College, Professional, Vocational, or other schools attended

San Jose State

Major Subject

Recreation management

Degree

BS Recreation management

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Guadalupe River Park Conservancy

Member

Employee

Name of Organization

Samaritan house

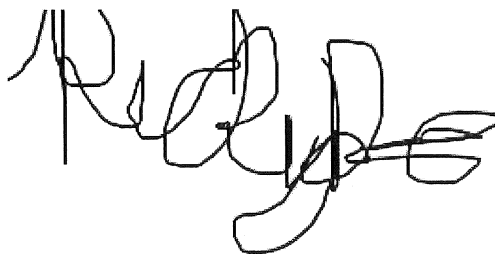
If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I studied park management at West Valley College and Recreation management at San Jose state. I believe parks and recreation are a key to a healthy community

Date

Jan 28, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

AUG 16 2018

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

RECEIVED

 Veterans Commission
 Youth Advisory Commission
 Other

PROVIDE COMPLETE INFORMATION (In black ink)

☒ Mr. ☐ Mrs. ☐ Miss

COMMISSION APPLYING FOR

Planning or Parks, Recreation & Cultural

 Ernest Martinez
 Name: First Middle Last

 70 Mihalakis Dr 202 Milpitas, CA 95035
 Address: Number Street (apt. # if needed) City & Zip Code

 408-661-5304 ernestomartinez38@gmail.com
 Telephone Number(s) e-mail address

 Century 21 Alliance
 Present Employer

Business Telephone

 2090 Concourse Dr #98 San Jose, CA 95131
 Business Address

 Realty
 Occupation
Education: If Youth Advisory Commission applicant, indicate your grade/school:

College, Professional, Vocational, or other schools attended

Major Subject

Date

Degree

SSSU	History	3/1997	B. A
SSSU	Ethnic Studies	5/2002	M. A

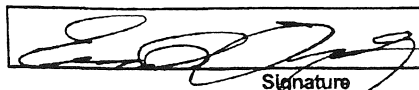
 List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
	N/A	

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

 I was a social worker & currently teach U.S History at Chaboc
 College. Also, work in Real Estate. I have a long history
 of working in non-profit & on board of school of art & culture
 in San Jose.

 I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I
 hereby certify that all statements contained in this application are true.


 Signature

 8/16/18
 Date

 Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not
 acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

CITY OF MILPITAS COMMISSION APPLICATION

City Clerk's Office

MAR 25 2019

Parks & Recreation **RECEIVED**
COMMISSION APPLYING FOR ↑

PROVIDE COMPLETE INFORMATION (in black ink)

☐ Mr.

☒ Mrs./Ms./Miss

Name: Alma (Becky) R. Strauss
First (middle) Last

Address: 2294 Lacey Dr. Milpitas-CA 95035
Number Street (apt. # if needed) City & Zip Code

Telephone Number(s) 408-718-2667 e-mail address becky@bayres.net

Present Employer Bayview Residential Business Telephone 408-718-2667

Business Address 51 E. Campbell Ave. Campbell-CA Occupation Real Estate Broker

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
San Jose State	Marketing	1993	NO
California Association of Realtors	Real Estate	1994	N/A
National Association of Realtors	Mortgage		N/A

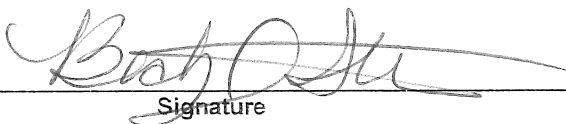
List community organizations to which you belong or have belonged (additional information may be attached). If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
	N/A	

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been on the Arts Commission for over 16 years, served as chair many years. I am very involved in the community: Passed President of Milpitas Kiwanis, current member of Historical Society. I can offer many ideas and participation. Current treasurer for Milpitas Foundation.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.


Signature

03/23/2019
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

PLEASE BE AWARE THAT ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

E-mail, send in US mail or drop off your completed application to:

City Clerk, Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: miavelle@ci.milpitas.ca.gov

669

City Clerk's Office
APR 05 2018
RECEIVED

**CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION**

Parks and Rec _____

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR 

☐ Mr. ☐ Mrs. ☒ Miss

Name: Vicky Tu
First Middle Last

Address: 383 N Park Victoria Dr. Milpitas 95035
Number Street (apt. # if needed) City & Zip Code

408-687-8925 vickytu2016@gmail.com
Telephone Number(s) e-mail address

Google Business Telephone
Present Employer
1600 Amphitheatre Pkwy Software Engineer
Business Address Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
Milpitas High School	NA	06/01/2012	Diploma
Yale University	Mathematics and Computer Science	05/01/2016	B.S.

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
From 2011-2012 I served on the Youth Advisory Commission in Milpitas. I served 3 years on the MUSD School Board as the student representative.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Vicky Tu
Signature

04/05/2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

COMMISSION APPLYING FOR:

Parks, Recreation and Cultural Resources Commission

Title

Mr.

Name

Suraj Karuppan Viswanathan

Address Type

Residence

Address

1882 Snell pl

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 898-6537

E-Mail Address

surajkviswanathan@gmail.com

City Clerk's Office

JAN 15 2019

RECEIVED

Present Employer

SMC Automotive Services

Other Phone

(408) 898-6537

Business Address (Optional)

37600 Central Ct #261

City

Newark

Postal / Zip code

94560

Occupation

Business

College, Professional, Vocational, or other schools attended

Madras University, Santhome High School

Major Subject

Production Engineering

Degree

BS

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

USA Cricket

Member

Board Of Directors

Name of Organization

Bay Area Cricket Alliance

Member

Chairman

Name of Organization

Parents Helping Parents

Member

Volunteer

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been running several successful organizations since 2005, have experience in negotiations, market development, sales/growth management, etc. Always wanted to serve the city of Milpitas in any capacity I could, and this provides me with that opportunity.

Date

Jan 15, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, consisting of a series of connected loops and strokes, positioned at the top center of the page.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

CITY OF MILPITAS PLANNING COMMISSION APPLICATION

City Clerk's Office

MAY 18 2018

RECEIVED



✓ registered voter

NOTE: Milpitas Municipal Code, Title I Chapter 500, requires "at all times during the term of office, a Planning Commissioner shall be a registered voter of the City of Milpitas and a resident of the City of Milpitas." Also, all applicants are required to complete a **SUPPLEMENTAL QUESTIONNAIRE** in addition to this application form.

PLEASE PROVIDE COMPLETE INFORMATION (in black ink)

Name: EVELYN First QUEDADO Middle CHUA Last

Address: 929 Number COVENTRY WAY Street MILPITAS, CA. Apt. # 95035

408-728-2436 Telephone Number(s) CHUA4 EVELYN@GMAIL.COM e-mail address

Are you a registered voter in the City of Milpitas? YES How long have you lived in Milpitas? 29 YEARS

SELF-EMPLOYED Present Employer 408-728-2436 Business Telephone

SAME AS ABOVE Address HR CONSULTANT Occupation

Education:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
GOLDEN GATE UNIVERSITY	MASTER IN HUMAN RESOURCES	2009	MS HR
FERRIS STATE UNIVERSITY	B.S. M.D. TECHNOLOGY	1973	BS MT

List community organizations to which you belong or have belonged (additional information may be attached):

Date	Name of Organization	Officer / Member
2015 - PRESENT	LADIES GUILD - MILPITAS	MEMBER
2016 - "	PEACEFUL POET - MILPITAS	MEMBER

Briefly describe your personal qualifications that you believe would be an asset (additional information may be attached):

AS A CURRENT PLANNING COMMISSIONER - ALTERNATE AND PREVIOUSLY SERVED AS A REGULAR MEMBER OF THE COMMISSION, I HAVE THE KNOWLEDGE, SKILL, EXPERIENCE, AND PROVEN DEDICATION/COMMITMENT TO BE A PERMANENT/REGULAR MEMBER OF THE PLANNING COMMISSION.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

[Signature] Signature 5-18-18 Date

Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail or drop off your completed application to the City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035



CITY OF MILPITAS

City Clerk's Office

Mailing Address: 455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479 • www.ci.milpitas.ca.gov
Temporary Location: 1210 Great Mall Drive

MAY 18 2018
RECEIVED

PLANNING COMMISSION SUPPLEMENTAL QUESTIONNAIRE

Please type or print responses on separate paper(s) to the following questions:

1. Why are you interested in serving on the Planning Commission?
CURRENTLY, I'M A PLANNING COMMISSIONER- ALTERNATE. I WOULD LIKE TO BE A PERMANENT VOTING MEMBER OF THE COMMISSION.
2. Describe your understanding of how the City's general plan, zoning ordinance, and planning procedures affect the development of the community.
GENERAL PLAN IS THE MASTER GUIDELINE FOR DEVELOPMENT IN THE CITY. ZONING ORDINANCE IMPLEMENTS THE GENERAL PLAN WHILE PLANNING PROCEDURE IS THE STEP-BY-STEP METHODOLOGY THAT IS FOLLOWED.
3. In what way will your personal or work experience contribute to your role as Planning Commissioner? HAVING BEEN A PROJECT MANAGER, I HAVE ^{THE} SKILL, KNOWLEDGE, EXPERIENCE IN PLANNING, DEVELOPMENT, IMPLEMENTATION AND MONITORING OF PROJECTS. THESE SKILLS ARE ESSENTIAL AS A PLANNING COMMISSIONER.
4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should best be resolved? HOUSING, TRANSPORTATION, TRAFFIC, PARKING, INCREASE IN WATER & ELECTRIC FEES. (PLEASE REFER TO BACK PAGE.)
5. Do you have a long-term vision of how you think the City should develop?
THE CITY SHOULD BE DEVELOP WHERE THERE IS A BALANCE BETWEEN SUSTAINABLE GROWTH, CONTAINED TRAFFIC ISSUE, ADDRESSED PARKING CHALLENGE, SENIOR AND AFFORDABLE HOUSING FOCUSED.
6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts of how the City should address this issue.
YES, PLEASE REFER TO ITEM #4 ON THE BACK PAGE.
7. What do you see as the different roles of City staff, the Planning Commission, and the City Council? CITY STAFF REVIEWS ANY DEVELOPMENT REQUESTS TO ENSURE THAT THEY'RE COMPLIANT WITH THE GENERAL PLAN, ZONING ORDINANCE AND PERMIT RELATED REQUIREMENTS LIKE FIRE, SAFETY, BUILDING ARE COMPLIANT AS WELL. (PLEASE REFER TO BACK PAGE).
8. What do you believe should be the focus of the Milpitas Redevelopment Agency and program? IT SHOULD FOCUS ON HOUSING, IF THE FUNDS ARE AVAILABLE.

#4: a) HOUSING:

- AGGRESSIVE IMPLEMENTATION OF IN-LAWS QUARTERS
- PROVIDE INCENTIVE TO DEVELOPERS FOR MORE SMALLER UNIT OF HOUSING/STUDIOS
- EXPLORE THE FEASIBILITY OF TINY HOMES IN DESIGNATED AREAS IN MILPITAS

b) TRAFFIC

- PROVIDE IN THE GENERAL A "PHASE-IN" ^{PLAN} APPROACH OF DEVELOPMENT
- A STUDY TO PROVIDE BETWEEN A SUSTAINABLE/BALANCE GROWTH & TRANSPORTATION
- WORK WITH STATE ON HOW TO MANAGE STATE ROADS WITH MILPITAS NEEDS ON CITY STREETS

c) INCREASE IN WATER & ELECTRIC FEES

- CONTINUE TO EXPLORE WAYS TO ADDRESS THESE ISSUES IN ORDER TO FIND SOLUTIONS THAT ARE SUITABLE FOR CITY & CITIZENS NEEDS.

#8 PLANNING COMMISSION AFTER REVIEW OF THE REQUEST MAKES RECOMMENDATION TO THE CITY COUNCIL. CITY COUNCIL ~~MAKES~~ THE FINAL DECISION.

✓ registered voter

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

~~Arts Commission~~ PLANNING COMMISSION

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ☐

☒ Mr.

☐ Mrs.

☐ Miss

City Clerk's Office

JUN 15 2018

Ricardo Palmer Ablaza
Name: First Middle Last

RECEIVED

603 Carlsbad Street Milpitas CA 95035
Address: Number Street (apt. # if needed) City & Zip Code

408-316-0793 rpablaza@comcast.net
Telephone Number(s) e-mail address

First Pacific Real Estate 408-316-0793
Present Employer Business Telephone

603 Carlsbad Street Milpitas CA 95035
Business Address Real Estate Broker Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

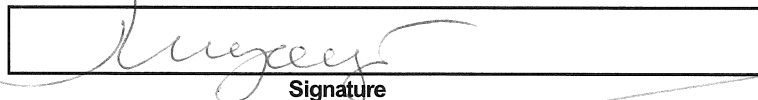
College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
Ateneo de Manila University	Pre Med		
University of the East	Economics		AB Economics

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
2007-2011	ResRac Commission	Commissioner
2009-Present	Economic Development Commission	Commission

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I AM AN EXPERIENCED REAL ESTATE BROKER. I AM ALSO AN REO AGENT FOR BANK OF AMERICA WHERE I NOT ONLY LIST THEIR FORECLOSED PROPERTIES BUT ALSO HANDLE PROPERTY VALUATION, ANALYSIS, PROPERTY PRESERVATION REGARD & EVICTION. AS A CONSEQUENCE I USE MY LEARNED SKILL TO ASSIST MY INVESTOR CLIENTS IN FLIPPING & REHABBING HOMES & REAL ESTATE DEVELOPMENT. I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.


Signature

06/14/2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year** from the date submitted unless renewed by the applicant.

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Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

676

I FEEL MY EXPERIENCE & EXPERTISE IN THIS FIELD MAKE ME A GOOD CANDIDATE FOR THE POSITION OF COMMISSIONER IN THE PLANNING COMMISSION.

JUN 27 2018

**CITY OF MILPITAS PLANNING
COMMISSION SUPPLEMENTAL
QUESTIONNAIRE**

Ricardo P. Ablaza
603 Carlsbad Street
Milpitas, CA 95035

Please type or print responses to the following questions. Additional sheets may be attached. Submit responses with Application form to: City Clerk, Milpitas City Hall, 455 E Calaveras Blvd., Milpitas CA 95035.

1. Why are you interested in serving on the Planning Commission?

Please see my response in the following attached pages

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and planning procedures affecting the development of the community.

Please see my response in the following attached pages

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

Please see my response in the following attached pages

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should best be resolved?

Please see my response in the following attached pages

5. Do you have a long-term vision of how you think the City should develop?

Please see my response in the following attached pages

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

Please see my response in the following attached pages

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

Please see my response in the following attached pages

Response to Question #1:

I want to help the City (in an advisory capacity) in developing and maintaining a comprehensive, integrated land use plan, not only for the majority of our community, but for all demographics and stakeholders. Coming from the Economic Development Commission, I know the importance for the City to develop more income streams so it can provide the residents and all stakeholders with exceptional and cost effective services.

Response to Question #2:

The General Plan, Zoning Ordinance and planning procedure is the vision, goals and objectives of the City of Milpitas in planning and developing land use, housing, circulation, conservation, noise, safety, open space and the fair treatment and meaningful involvement of all residents and stakeholders, regardless of race, color, origin and income.

Response to Question #3:

I am an experienced real estate broker. I am also an REO agent for Bank of America and several other asset management companies where I not only list their foreclosed properties but also handle property valuation, analysis, property preservation, rehab and eviction. As a consequence, I use my learned skills to assist my homebuyers, homesellers and investors in buying, selling, flipping and rehabbing homes as well as real estate development. I feel my experience and expertise in this field make me a good candidate for the position of Commissioner with the Planning Commission.

Response to Question #4:

Too much of our commercial / industrial spaces have been converted to housing. We do not want the City to be a bedroom community. Vallejo is a classic example of a bedroom community gone bankrupt. We need to provide more mixed use development as was the original concept of the midtown specific plan and the transit plan. Retail and commercial operations bring income to the city. We need to know the type of retail / commercial mix and size which the City can absorb and still allow its operations to be profitable. We also need to develop areas for businesses which also contribute to the City's Income. To attract businesses to the City, we need to increase the Floor Area Ratio (FAR) to allow vertical development and maximum usage of the little land we have left. The City also needs to reduce traffic which is becoming a problem. Road bypasses need to be built so that the traffic coming to and fro areas outside the Bay Area to Silicon Valley can be diverted from entering the City proper. Also, the various retail / commercial centers need to be connected with point to point public transportation. This way residents will not have to bring their cars when commuting to these centers thereby alleviating traffic congestion.

Response to Question #5:

The City needs to develop bypass roadways to minimize traffic congestion. As our population grows we need to invest in more schools, specially a second High School. We need to start developing vertically to maximize the little land we have left. We also need to develop public transportation in and around the City. We need to strengthen and improve / update our infrastructure to accommodate all the development in the City.

Response to Question #6:

The average price of sold homes in Milpitas is \$1M. To purchase a \$1M home one will need a minimum 20% downpayment (\$200,000) which leaves a debt of \$800,000. To be approved for a loan, one would need a gross annual income of \$144,000 / annum. This leaves the question, what about the marginal and low income earners? How will they fulfill their American Dream of home ownership? How can the City of Milpitas provide housing to this segment of our residents and stakeholders – affordable housing. A low income earner who earns \$5000 / month, who has \$90000 for downpayment can purchase a home worth \$450K. Providing homes in this price range will house marginal and low income earners, assuming they have \$90K tucked away for downpayment. However, not all marginal and low income earners have this kind of money tucked away. The answer is socialized housing. Provide rental units whose rents are affordable to this demographic. This will allow this demographic housing while they grow their financial capacity. When they can afford moving up and purchasing a home, they move out of socialized housing allowing the next low income earner to move in. This will be the continuous cycle of the socialized housing units.

I am very passionate about providing affordable housing to the marginal and low income earner segment of our city. Then, of course, there is the homeless segment which needs to be addressed as well. There are cities in the USA that have successfully developed housing for the homeless. We need to research and study the success of these cities so we can adapt a winning strategy and implement the same in our City.

Response to Question #7:

City Council – legislates city ordinances, resolutions and regulations; and, is the policy making body for the City's direction, goals, projects and infrastructure development.

City Staff – implements the legal and policy decisions made by the City Council

Planning Commission – advisory body, promote economic development, assist in writing specific or community plans, holds public hearings on such plans.

✓ registered voter

COMMISSION APPLYING FOR:

Planning Commission

Title

Mr.

Name

Manpreet S Badesha

Address Type

Residence

Address

2378 Edsel Drive

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 205-1663

E-Mail Address

badesha@me.com

City Clerk's Office

NOV 27 2018

RECEIVED

Present Employer

Omnciell

Other Phone

(408) 205-1663

Occupation

Management

Education: If Youth Advisory Commission applicant, indicate your grade/school:

AA Degree

College, Professional, Vocational, or other schools attended

AA Degree

Major Subject

Math, Eng

Degree

yes

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

Sikh Temple

Member

Manager

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date

Nov 27, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

registered voter ✓

COMMISSION APPLYING FOR:

Planning Commission

Title

Mr.

Name

Russel C Bargstadt

Address Type

Residence

Address

1307 Stardust Way

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 910-9655

E-Mail Address

russel.c.bargstadt@raytheon.com

City Clerk's Office
MAR 11 2019
RECEIVED

Present Employer

Raytheon

Other Phone

(408) 522-3484

City

Sunnyvale

Postal / Zip code

94086

Occupation

Director of Operations

College, Professional, Vocational, or other schools attended

DeVRy Institute

Major Subject

Electronics

Degree

Bachelor of Science

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

Pines HOA

Name of Organization

PTA (Zanker Elem)

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Long term Milpitas resident (1991). Served on Pine HOA in many capacities including President, VP and board member from 1992 until 2014. Thorough understanding of project management, budgets, requirement definition, contracts and negotiation. My job includes interfacing and working with contractors, trades, and real estate brokers so I have a familiarity those processes and areas of expertise. I am pro responsible growth and believe we must encourage and support economic growth with in the city. Common sense and thoughtfulness will be my trademark. I have no conflicts of interest with the position

Date

Mar 08, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov), mail or drop off your completed application and supplemental questionnaire to:
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

PLANNING COMMISSION SUPPLEMENTAL QUESTIONNAIRE



(Please type or print responses on a separate paper[s] to the following questions)

1. Why are you interested in serving on the Planning Commission?

In the past I have been very active in my microcosm community (Starlite Pines), representing our views/needs to the Planning Commission and City Council and in the school district as my kids moved through it. My work and kids extra-curricular activities made it impossible to commit for a few years but circumstances have changed and I am able to re-engage. Community service is a responsibility to me and I am seeking opportunity to serve my community in an area I have interest in and believe I can provide value to

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

The General Plan is just that, it is a frame work created to provide long term guidance and facilitate cohesive consistent decisions to meet a vision of the future. Zoning Ordinances control the type of activity and population density of specific areas, this impacts quality of life. Planning ensures compliance to zoning, fairness to petitioners and fit to the plan and community. Planning should weigh community impact, preferences and best interest against development desires. All three should work together to provide guidance to the City Council for the benefit of the community at large and the future

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

My job requires interface with contractors, space planning for the company, oversight of construction projects as required, working with architects, contractors, and the trades (construction, electricians, plumbers, HVAC etc), EHSS requirements and basic awareness of codes. I am well versed in proposal analysis and contract negotiations. I have excellent people and collaborative skills and a desire to see my community thrive. I am objective and analytical with solid common sense. I listen.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should be best resolved?

Sane and reasonable growth vs traffic/infrastructure capacity. We have to balance desire to build high density near public transportation with the reality that not everyone who has access uses it. The growth will and should happen, we should levy requirements on Builders to help offset the cost of the infrastructure improvements and need to think creatively about solutions. One thought that comes to mind, could we use round-a-bouts instead of stop signals in intersections like Abel and Great Mall Drive or Calaveras and Abbott or Park Victoria and Landess or near any of the schools to alleviate drop off pressure

Affordable housing – we should preferentially target people that provide services to our community, i.e. teachers, fire/police, retail/hospitality workers, and etc who cannot afford to live in the community they serve, with creative and mutually beneficial alternatives

5. Do you have a long-term vision of how you think the City should develop?

I think we need to have our eyes open to the need for infrastructure improvement as population and inevitably traffic increases. We must also be open to and encourage business growth to increase our tax base so we can afford the population growth. Milpitas has some great advantages in terms of cost and location we should be exploiting that

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

We need to ensure we are getting any available and applicable County, State and Federal money that may be able to be used to help

We should seek community involvement to insure that all good and diverse ideas are being explored. I would be willing to create and chair a planning commission subcommittee to facilitate this or participate if something similar already exists

A program of below market housing with City right of first refusal to buy back at a controlled price increase relative to the market should owner choose to sell. This would keep a growing inventory of affordable housing, remove the risk of people buying and flipping in a few years and potentially reduce the pressure to continually have to find new alternatives. It would require the City to manage and monitor that inventory. We successfully did this on a small scale at a company I previously worked at in the late 80's. It allowed new college grads the ability to buy, build some equity and trade up with minimal effort on the part of the company

Another alternative would be to require that rental projects that have mixed use, retail under living space, maintain units that are specifically for the people that will be employed in the project when complete (retail, service employees) Giving occupancy and rent preference to those residents

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

Staff are the experts, front line contact for petitioners and advisors to the commission and council

Commission reviews plans for relevance and fit in the community and the general plan, works with petitioners, staff and the community to create an acceptable project plan if possible and makes recommendation of approval or denial to council

Council has final word and approves or denies

✓ registered voter

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

City Clerk's Office

JUN 01 2018

Veterans Commission
Youth Advisory Commission
Others

COMMISSION APPLYING FOR ☒

Planning Comm. ✓

RECEIVED

PROVIDE COMPLETE INFORMATION (in black ink)

☒ Mr. ☐ Mrs. ☐ Miss

Name: Lawrence First John Middle Ciardella Last
Address: 634 Number Santos Ct Street (apt. # if needed) Milpitas 95035 City & Zip Code
H. 408-262-9097 Telephone Number(s) Cell 408-712-9710
Retired Ciardella's Garden Supply Inc Present Employer 650-321-5913 e-mail address
1001 San Antonio Ave Palo Alto Ca Business Address Pres. Occupation
Business Address

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
<u>College of San Mateo</u>	<u>Business</u>	<u>1966-1968</u>	
<u>US Air Force College</u>		<u>1968-1972</u>	

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
<u>1973-Present</u>	<u>Spring Valley V.F.D.</u>	<u>Asst. Chief</u>
<u>2014-Present</u>	<u>Milpitas Rotary</u>	<u>Pres. Elect</u>
<u>2012-Present</u>	<u>Milpitas Chamber</u>	<u>Board member</u>

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been a Planning Comm. since 11/2005 to Present
Served on the Hillside Ordinance Rev. Community C.A.C., Owned and
operated a Garden Center in Palo Alto

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Signature

May 31, 2018
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: cityclerk@cityofmilpitas.org

City Clerk's Office

SEP 20 2018

RECEIVED

✓
registered
voter

COMMISSION APPLYING FOR: Planning Commission
Title Mr.
Name spencer hsu
Address Type Residence
Address 59 meadowland drive
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 223-5493
E-Mail Address sphsu2016@gmail.com

Present Employer Optibus
Occupation Sales Manager
College, Professional, Vocational, or other schools attended Santa Clara University
Major Subject Marketing
Degree MBA

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization VNARP
Member Yes
Name of Organization AREAA
Member Yes
Name of Organization CoreNet
Member Technology SIG

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been investing in real estate for over 2.5 years
10+ years in technology business development
Born and raised in San Jose and Milpitas
Lived in Milpitas for over 23 years so I am very familiar with the changes and the businesses that came in and out.
I'd like to help out with the community and be more involved in my city.

Date Sep 18, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOT reg. voter
1/30/19

COMMISSION APPLYING FOR:

Title

Name

Address Type

Address

City

Postal/Zip Code

Mobile Number

E-Mail Address

Planning Commission

Mr.

Nagaraj Koranthota

Residence

755 East Capitol Avenue

Milpitas

95035

(408) 598-7489

Nagaraj.koranthota@gmail.com

City Clerk's Office

JAN 29 2019

RECEIVED

Present Employer

Cisco

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date

Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

✓ registered voter

City Clerk's Office
AUG 13 2018
RECEIVED

CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION

Arts Commission Planning

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ☒

☒ Mr. ☐ Mrs. ☐ Miss

Name: Michael W Lee
First Middle Last

Address: 1613 Rocky Mountain Ave Milpitas 95035
Number Street (apt. # if needed) City & Zip Code

408-263-1577 privacy mike@gmail.com
Telephone Number(s) e-mail address

Intuit Inc. 650-944-6000
Present Employer Business Telephone

2700 Marine Way Mountain View, CA 94043 Senior Privacy Manager
Business Address Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
San Jose State University	Business Administration	08/10/2018	BS

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
Present	Milpitas Community Advisory Commission	Alternate

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
I have experience as an auditor at a big 4 accounting firm and have spent the last 15 years in the legal profession as a global privacy compliance subject matter expert.

My profession requires me to have a thorough understanding of laws and regulations and apply those to the business while taking into consideration risks and opportunities to both the business and its customers. I feel that this experience would apply directly to the Planning Commission.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Michael W Lee
Signature

8/10/18
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:
City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

Mary Lavelle

From: Michael Lee <privacymike@gmail.com>
Sent: Friday, August 10, 2018 4:03 PM
To: Rich Tran; Marsha Grilli; Bob Nuñez
Cc: Mary Lavelle
Subject: [BULK] Planning Commission Application
Attachments: 20180810155641.pdf

Importance: Low

Dear Mayor Tran, Vice Mayor Girilli, and Councilman Nunez,
(cc: Mary Lavelle)

Attached is my City of Milpitas Commission Application. I am submitting an application for the vacant seat on the Milpitas Planning commission. Tim Wong, Housing & Neighborhood Services Manager, suggested I apply for the appointment.

A lifelong bay area resident and a resident of Milpitas for the past 12 years, I have been a part of the tremendous growth and opportunities our area has been seen over the past few decades. I believe that that Planning Commission plays a critical role helping to ensure that the city of Milpitas continues to prosper while balancing the needs and desires of its residents. In while balancing business opportunities. In recent years I have been an alternate member of the Community Advisory Commission and am looking for an opportunity to further expand the scope of service I provide the community and to help improve the community as a whole. An appointment of to the Planning Commission I believe is a means to accomplish these goals.

By way of background, I have a degree in Accounting and Management Information Systems. I have experience as an auditor at a big 4 accounting firm and have spent the last 15 years in the legal profession as a global privacy compliance subject matter expert. My profession requires me to have a thorough understanding of laws and regulations and apply those to the business while taking into consideration risks and opportunities to both the business and its customers. I feel that this experience would apply directly to the Planning Commission.

Sincerely,
Michael Lee
privacymike@gmail.com

=====
This is an **EXTERNAL EMAIL**.

Please do not open unexpected attachments or those sent by unknown senders.
=====

from M. Lee

City Clerk's Office

SEP 13 2018

RECEIVED

1. Why are you interested in serving on the Planning Commission?

I am interested in serving on the Planning Commission to help oversee and help ensure the appropriate growth of the city that I call home both now and for the foreseeable future. In today's environment there has been a significant increase in redevelopment and the replacement of commercial or industrial zoned areas for residential use. I want to help ensure that this trade off is well understood and that it does not undermine the future growth and opportunity for the city of Milpitas.

Furthermore, I believe I could be of service to the Planning Commission to help ensure that conversations and discussion are useful and beneficial to the City of Milpitas and reflects a professional demeanor. A case in point I raise is in a recent Planning Commission meeting, there was a lengthy conversation about including the name of Milpitas in a hotel name. I find this to be misdirected and unnecessary in a professional environment that wastes not only the time of the City as well as the public.

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and planning procedures affecting the development of the community.

A City's General Plan serves as the city's guideline for future development goals and provides broad directions on how to achieve them. The General Plan is composed of multiple elements encompassing a variety of topics that meet state law. The Milpitas General Plan is currently undergoing revision.

A zoning ordinance defines how property in a specific geographic location may be used. Zoning ordinances are a useful tool for urban planning, whereby it divides city land into residential, commercial and industrial areas.

City planning procedures, General Plan and Zoning Ordinances, work in concert to perform long term planning and decision making about various land use projects.

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

I believe my work as a Senior Privacy Manager and former career as an Auditor contribute greatly to the role as a Planning Commissioner. As a Sr. Privacy Manager, I am tasked with interpreting international laws and regulations to determine how these may impact my company. This involves understand risks both financial and legal, determining the appropriate path forward based on industry best practices and advising our Senior Leadership Team on the proposed path forward. In that regard, I see the role of a Planning Commissioner to understand the General Plan, Zoning Ordinances, and Public Opinion to help guide the decisions of the Planning Commission and City Council.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should best be resolved?

I believe the most pressing planning issues with Milpitas is the need for low income housing, the loss of industrial and commercial business, and the lack of infrastructure for increased residential housing and the transit hub. While there are no easy solutions to these issues, a couple of thought I have would be to alter the ability for developers to pay into the city's affordable housing fund in-lieu of building affordable housing. I also believe that new high density housing projects should also be accompanied with commercial/retail space to ease the overcrowding of grocery stores and other fundamental services. This is not to be taken as a call for Trader Joe's to come to Milpitas. Rather, my intention is that by having commercial space available and the appropriate incentives, retailers should want to establish a presence in Milpitas.

5. Do you have a long-term vision of how you think the City should develop?

I believe the city needs to take a tempered approach to development. In the recent years it appears that the city is beginning to lose commercial and industrial businesses and replaced those with residential units. While increasing the city population at the cost of lost tax revenue we have seen a massive overpopulation of existing infrastructure. The City must take all these factors into account to ensure an appropriate balance of housing, commercial and infrastructure. This responsible approach should lead to an overall increase in all these factors. Increased housing provides a place to live for workers at new businesses. While new businesses and more residents drives the need for additional infrastructure. If we can achieve the right balance, it should be a win-win for all.

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

While there are no silver bullets for this issue, one possible solution is to look at the Facebook and Google models for residential development. Large companies have now taken up the fight for their own employees to help combat the ever growing issue. By drawing in large companies, this may be one solution. Another possibility is one address in question 4. Developers must incorporate affordable house into developments of a certain size.

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

The groups have different roles that are dependent upon one another. The Planning Commission serves in an advisory role to the City Council on land use, zoning and development issues within the city. The City Council takes into consideration the advice and recommendations presented by the Commission. City Staff is fundamental to both the City Council and Planning Commission by providing a needed resource and subject matter expertise in these matters.

✓ registered voter

COMMISSION APPLYING FOR:

Title Planning Commission
Name Mr.
Address Type Ray Maglalang
Address Residence
City 1346 Lassen Ave
Postal/Zip Code Milpitas
Mobile Number 95035
E-Mail Address (408) 506-8626
RAYMAG72@YAHOO.COM

City Clerk's Office

DEC 06 2018

RECEIVED

Present Employer IBIS UNIVERSAL CORPORATION
Other Phone (408) 262-8425
Business Address (Optional) 1535 LANDESS AVE STE 140
City Milpitas
Postal / Zip code 95035

Occupation REAL ESTATE BROKER ASSOCIATES
College, Professional, Vocational, or other schools attended FEATI University
Major Subject BSME
Degree Mechanical Engineering

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Knights of Columbus
Name of Organization Milpitas Executive Lions Club
Member Past District Governor
Name of Organization ST. Elizabeth Church
Member Lector

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

In My last 4 years experienced in the Planning Commission, I learned the planning process, as an Advisory Commission in all Planning and Development issues. We make sure that the General Plan, Specific plan, Zoning and land use are implemented by reviewing the development applications. I have attended a yearly training sponsored by the city at the League of the California city. I can also read blue prints, flow diagram and visit the site as necessary. All these are important as an advisory commission to the City council.

Date Dec 05, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, appearing to read "Raymond L. Lundy". The signature is fluid and cursive, with a long horizontal stroke at the end.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

AUG 16 2018

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

RECEIVED

 Veterans Commission
Youth Advisory Commission

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ☐
☒ Mr. ☐ Mrs. ☐ Miss

Planning or Parks, Recreation & Cultural

 Ernestu Martinez
Name: First Middle Last

 70 Mihalakis Dr 202 Milpitas, CA 95035
Address: Number Street (apt. # if needed) City & Zip Code

 408-661-5304 ernestomartinez38@gmail.com
Telephone Number(s) e-mail address

 Century 21 Alliance
Present Employer Business Telephone
2090 Concourse Dr #98 San Jose, CA 95131 Realtor
Business Address Occupation
Education: If Youth Advisory Commission applicant, indicate your grade/school:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
SSSU	History	5/1997	B.A.
SSSU	Ethnic Studies	5/2002	M.A.

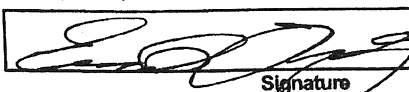
 List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
	N/A	

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I was a social worker & currently teach U.S History at chlore College. Also, work in Real Estate. I have a long history of working in non-profit & on board of school of arts & culture in San Jose.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.


Signature

 8/16/18
Date

 Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

MAR 14 2019

RECEIVED



CITY OF MILPITAS PLANNING COMMISSION APPLICATION

NOTE: Milpitas Municipal Code, ~~Article 10~~ Chapter 500, requires "at all times during the term of office, a Planning Commissioner shall be a registered voter of the City of Milpitas and a resident of the City of Milpitas." Also, all applicants are required to complete a **SUPPLEMENTAL QUESTIONNAIRE** in addition to this application form.

PLEASE PROVIDE COMPLETE INFORMATION (in black ink)

Name: Zeya J. Mohsin
First Middle Last

Address: 644 N. Hillview Dr Milpitas
Number Street Apt. #

Telephone Number(s) zmohsin13@gmail.com
e-mail address

Are you a registered voter in the City of Milpitas? yes How long have you lived in Milpitas? 25 yrs.

Present Employer _____ Business Telephone _____

Address _____ Occupation _____

Education:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
<u>B.A University of Karachi</u>	<u>Psychology</u>	<u>1980</u>	<u>B.A.</u>

List community organizations to which you belong or have belonged (additional information may be attached):

Date	Name of Organization	Officer / Member
<u>06-2010</u>	<u>Sunnyhills Neighborhood Ass.</u>	<u>V.P.</u>
<u>06-2010</u>	<u>Muslim Support Network</u>	<u>VP/founding officer</u>
<u>02-2003</u>	<u>P.T.S.A M.H.S.</u>	<u>V.P.</u>

Briefly describe your personal qualifications that you believe would be an asset (additional information may be attached):

I have been part of many organization which will serve as a asset to work with the planning staffs commission.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Zeya Mohsin
Signature

8th Feb 2019.
Date

Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail or drop off your completed application to the City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

1. Why are you interested in serving on the Planning Commission?

I have lived in Milpitas with my family for the past 30 years and have served on many city commissions. I feel with my past work experience I will be an asset to the Planning commission.

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

City General Plan is a framework, which establishes an overall direction for city growth. It is a comprehensive guide to future development. Zoning Ordinance is a rule for city development and land use policies. Planning Procedures are directed procedures by the city's General Plan and Zoning Ordinance. It is important to follow directions for coherent city development.

3. In what way will your personal or work experience contribute to your role as a Planning commissioner?

Previously, I was the director of a pre-school. I have decades experience as an educator. I used to be in regular interactions with young families who lived in our community and were moving into our city. I am acutely aware of their needs for housing and community facilities. In my personal life I work with a variety of community organizations (non profits, ethnic, religious, minority), which have given me, a broader sense of the issues our city is facing.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think should best be resolved?

The most pressing planning problems in Milpitas are finding innovative solutions to affordable housing, easy access transit, and development the Main Street Corridor. I think my role would be to work with the planning team to expedite development that serves as a solution to these critical issues.

5. Do you have a long-term vision of how you think the City should develop?

My vision for Milpitas is a city with missed residential developments from "affordable" to "executive" housing, walking trails, parks and friendly neighborhoods. With special attention to ample parking for high-density developments such as townhouses and condos. Also I would like to develop guidelines, which will produce modern looking buildings; this will in turn work to attract young, modern, professionals with modern needs.

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

The shortage of affordable housing is acute in the Bay Area. My thoughts are that the city should work with builders and developers to think of out of the box solutions:

- City can approve smaller lots for some units, thus, more housings on few lots
- Allow permits for in-law/rental units for existing homes

7. What do you see as the different roles of City staff, the Planning Commission and the City Council?

Role of city staff: Review applications, facilitates permit process, and be a source of information to the planning commission

Role of Planning Commission: Review development plans and be vigilant in making recommendations to the City Council. At the same time, the commission should work with the General Plan and Zoning Ordinance to facilitate a smooth working government.

City Council: Elected members with administrative as well as legislative powers, and a vision for the city.

All in all, just like the three branches of government, our city must foster a similar type of government – where all three departments work together for the well being of the city

8. What do you believe should be the focus of the Milpitas Redevelopment Agency and program?

Milpitas Redevelopment Agency focuses on promoting Milpitas to businesses – existing and facilitating connections with new businesses. They also maintain list of vacant R&D building and work with agencies to eliminate blight areas from the city. They should connect with businesses to bring new business to the city.

✓ registered voter

COMMISSION APPLYING FOR: Planning Commission
Title Mr.
Name Sean Pan
Address Type Residence
Address 261 n Abbott Ave
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 393-8448
E-Mail Address Seanjahaupan@gmail.com

City Clerk's Office
JAN 29 2019
RECEIVED

Present Employer Northrop Grumman

Occupation System engineer

College, Professional, Vocational, or other schools attended Ucla

Major Subject Electrical engineering

Degree Masters

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Toastmasters international

Member Area director

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

CITY OF MILPITAS PLANNING COMMISSION APPLICATION

City Clerk's Office

DEC 04 2018

RECEIVED



✓ registered voter

NOTE: Milpitas Municipal Code, Title I Chapter 500, requires "at all times during the term of office, a Planning Commissioner shall be a registered voter of the City of Milpitas and a resident of the City of Milpitas." Also, all applicants are required to complete a **SUPPLEMENTAL QUESTIONNAIRE** in addition to this application form.

PLEASE PROVIDE COMPLETE INFORMATION (in black ink)

Andrew	Steven	Ridley
Name: First	Middle	Last
2316	Mattos Dr	
Address: Number	Street	Apt. #
408-202-7838		RidleyAS@gmail.com
Telephone Number(s)	e-mail address	
Are you a registered voter in the City of Milpitas? <u>yes</u>		How long have you lived in Milpitas? <u>1 year</u>
Present Employer ALTRANS Transportation Management Association, Inc.		Business Telephone 408-258-7267
Address 2055 Junction Ave Ste 208 San Jose CA 95131		Occupation Director, TDM

Education:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
San Jose State University	Social Science	Grad. 2011	Global Studies

List community organizations to which you belong or have belonged (additional information may be attached):

Date	Name of Organization	Officer / Member

Briefly describe your personal qualifications that you believe would be an asset (additional information may be attached):

I have been working in the Transportation Demand Management field in the bay area for over seven years. This experience has provided opportunities to work extensively on the municipal level in Mountain View, Palo Alto and South SF on a wide variety of public facing transportation initiatives. A normal part of my work is engaging in the planning process on our clients' behalf, dealing with EIRs, conditions of approval, and entitlements, ensuring an equitable outcome. I hope to add to the Commission a perspective on the impacts of transportation as it regards planning.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

[Signature]
Signature

12-04-2018
Date

Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD
Mail or drop off your completed application to the City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

PLANNING COMMISSION SUPPLEMENTAL QUESTIONNAIRE



(Please type or print responses on a separate paper[s] to the following questions)

1. Why are you interested in serving on the Planning Commission?
I believe it's important to participate in civic organizations, as we all share in the responsibility of guiding and shaping our communities. The Milpitas Planning Commission is a natural fit as I have been an active member of Milpitas life for 32 years, and now have the vocational experience to responsibly and effectively assist in its planning.
2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.
The documentation listed above are guides for how different elements of any city are to interact and relate with one another regarding their: location, grouping, volume/magnitude, environmental impacts, and many other implications involved in the development and planning process. Without these documents, provision for future needs of the community is left up to chance as development would be occurring ad hoc.
3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?
As mentioned above, I have been working in the Transportation Demand Management field in the bay area for over seven years. This experience has provided opportunities to work extensively on the municipal level in Mountain View, Palo Alto and South SF on a wide variety of public facing transportation initiatives. A normal part of my work is engaging in the planning process on our clients' behalf, dealing with EIRs, conditions of approval, and entitlements, ensuring an equitable outcome. I hope to add to the Commission a perspective on the impacts of transportation as it regards planning.
4. What do you feel are the most pressing planning problems or issues in Milpitas?
How do you think they should best be resolved?
Housing development and its impact on transportation is the most salient. One step towards resolving housing's impact on transportation is the formation of transportation management associations (TMAs). These can be publicly or privately funded, and in either case consist of a grouping of similar entities with a shared transportation pattern or need. In Mountain View, the MVGo TMA is notable as a coalition of a dozen or so corporate participants who share a peak commute hour shuttle program. With their combined resources, they can achieve at scale what otherwise wouldn't be possible.
5. Do you have a long-term vision of how you think the City should develop?
Not at the moment. I am looking forward to being a student-Commissioner for now, learning about the past and present planning initiatives so I can, in time, and in collaboration, help craft that vision for the future.
6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?
I am looking forward to learning more about successful strategies other cities have adopted regarding affordable housing.
7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?
Each role supports the other. The Planning Commission and the City Council both work on behalf of the residents of Milpitas, relying on City staff to provide input and support on the matters at hand. Staff then execute operationally based on the outcome of Commission and Council decisions.
8. What do you believe should be the focus of the Milpitas Redevelopment Agency and program?
I'm uncertain as to the purview of the MRA since its transition to the Successor Agency (City Manager's Office). After reading through the Oversight Board Rules And Regulations, I cannot prescribe a focus since I cannot ascertain if the Agency indeed has a focus beyond being a trustee for city real estate and property.

✓ registered voter

CITY OF MILPITAS PLANNING COMMISSION APPLICATION

City Clerk's Office

JAN 22 2019

RECEIVED

NOTE: Milpitas Municipal Code, Title I Chapter 500, requires "at all times during the term of office, a Planning Commissioner shall be a registered voter of the City of Milpitas and a resident of the City of Milpitas." Also, all applicants are required to complete a **SUPPLEMENTAL QUESTIONNAIRE** in addition to this application form.

PLEASE PROVIDE COMPLETE INFORMATION (in black ink)

Name: GURDEV SINGH SANDHU.
First Middle Last
Address: 487 BAYVIEW PARK DR. MILPITAS CA 95035
Number Street Apt. #
Telephone Number(s) (408) 586-9556 e-mail address gs.sandhu@hotmail.com

Are you a registered voter in the City of Milpitas? YES How long have you lived in Milpitas? 33 YRS plus
RETIRED FROM ROCKWELL COLLINS SAN JOSE

Present Employer N/A Business Telephone N/A
Address N/A Occupation N/A

Education:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
LSV-NONPROFIT CENTER SAN JOSE	LEADERSHIP S.V.	1996	GRADUATE
SAN JOSE STATE UNIVERSITY, SAN JOSE	IND & SYS ENGR.	1989	MSIE

List community organizations to which you belong or have belonged (additional information may be attached):

Date	Name of Organization	Officer / Member
1993-2010	SIKH FOUNDATION OF MILPITAS	PRESIDENT
1996-1999	PRACR COMMISSION MILPITAS	MEMBER
2001-2003	SANTA CLARA COUNTY PARKS & REC. COMMISSION	MEMBER
1999-2004	MILPITAS PLANNING COMMISSION	MEMBER
2007-PRE.	MILPITAS PLANNING COMMISSION	MEMBER

Briefly describe your personal qualifications that you believe would be an asset (additional information may be attached):

I have academic qualifications and diverse work experience and possesses excellent organizing and planning skills. I have handled projects from conception stage through completion and can make decisions based on sound judgement. I have courage and face challenges and abilities for conflict resolutions.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Gurdev Singh Sandhu

Signature

01/22/2019

Date

Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail or drop off your completed application to the City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

700

PLANNING COMMISSION

SUPPLEMENTAL QUESTIONNAIRE



(Please type or print responses on a separate paper[s] to the following questions)

1. Why are you interested in serving on the Planning Commission?

SEE ATTACHED

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

SEE ATTACHED

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

SEE ATTACHED

4. What do you feel are the most pressing planning problems or issues in Milpitas?
How do you think they should best be resolved?

SEE ATTACHED

5. Do you have a long-term vision of how you think the City should develop?

SEE ATTACHED

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

SEE ATTACHED

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

SEE ATTACHED

8. What do you believe should be the focus of the Milpitas Redevelopment Agency and program?

SEE ATTACHED

Milpitas Planning Commission Supplemental Questionnaire

1. Why are you interested in serving on the Planning Commission?

I want to make a positive contribution to the progress and growth of Milpitas. I have a vision to see the city of Milpitas in Twenty First Century the No. 1 city of United States of America. The Planning Commission plays a major role in the development of the city and carrying out the City Council's policies and direction to meet the community needs.

2. Describe your understanding of how the city's general Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

The General Plan is a living document which incorporates general policies, goals and objectives for Land use, Circulation Elements, Open Space, Park Elements, Safety and noise within the City Of Milpitas. This plan describes the city's ideas for its future needs and the ways in which it intends to transfer these ideas into reality.

Zoning Ordinances are local laws for land use development and are consistent with the general plan.

Planning Procedures describe the process to assure compliance with local, state and federal laws.

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

Professional Skills: I have strong organizational and project planning/management skills. I have spent twenty eight years in Quality Engineering Management and have handled projects from inception through completion stage. This background provides me an excellent understanding of planning and review process to complete projects on schedule and within cost constraints.

Community Involvement: Currently I am serving on the Milpitas Planning Commission since, January, 2007. Earlier, I have served on Milpitas Planning commission from January 1999 through December 2004 and also on Milpitas Parks and Recreation and Cultural Resources Commission. I have served on Santa Clara County 2010-2011 Civil Grand Jury. I am the Founder President of Sikh Foundation of Milpitas (Milpitas Gurdwara Sahib). Currently I serve on the Management Board of Gurdwara Singh Sabha Milpitas and also is the President of ASSM Foundation, a non-profit organization. These community activities have provided me an insight into our city's diverse culture, its problems and concerns.

Education: MSIE- San Jose State University

BSME- Punjab University Chandigarh, India

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should be resolved?

Problem/Issue: Balancing the city's Budget

Suggested Solutions:

- Create Budget Balance Task force and follow its recommendation
- Start negotiations with all City employee unions and get their help to lower the budget
- Consider outsourcing non safety departments to cut down cost

Problem/Issue: Traffic Congestion

- Bringing BART to Milpitas
- Encourage use of Light Rail, Public and Bicycle transportation
- Promoting use of car pool lanes
- Widening of High way and Express Way lanes

Problem/Issue: Drug Use and Crime Prevention

- Provide more recreation activities for teens
- Expand Watch Programs and include community leaders

Problem/Issue: Lack of Affordable Housing

Suggested Solutions:

- Develop more projects like terrace Gardens
- Allow Accessory dwelling Units (ADUs) in Milpitas
- Support Apartment Builders who offer more share for affordable apartment category.

5. Do you have a long term vision of how you think the City should develop?

The city's development must maintain a balance between residential Housing and Commercial/industrial establishments. The quality of life should have the highest priority with adequate educational and employment opportunities. Beautiful hillsides and parks must be preserved.

6. A major Planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

The pleasing features of the Bay Area and availability of high technology jobs of all wage levels attract many men and women from all over the United States to live here. The same reasons attract immigrants from all over the world to settle here. Thus a high demand for housing is created in the

Bay Area. The supply of housing relative to demand is not enough and scarcity of vacant land for new development, coupled with high development costs has created a housing shortage. The city, state and federal government need to work together to provide a solution for affordable housing shortage problem. The increase in the supply of housing may be achieved by:

- Developing High Density Housing and allowing Accessory Dwelling Units (ADUs) in Milpitas
- Encouraging Mixed Use Development

7. What do you see the different roles of City Staff, Planning Commission, and the City Council?

City Staff: The city staff works closely with Milpitas Community and follows Administrative procedures, review various types of applications in accordance with city policies, make necessary recommendations to the Planning Commissions and City Council and Make available background information an required by various commissions.

Planning Commission: Approve/Disapprove applications for conditional use permits, holds public hearings and recommends changes to the general plan.

City Council: The City Council balances the Budgets, provides leadership and direction for balancing the budgets, adopt general and land use policies. Approve/disapprove various commissions' decisions and hear appeals

8. What do you believe should be the focus of the Milpitas Redevelopment Agency and Program?

Not Applicable.

✓ registered voter

COMMISSION APPLYING FOR: Planning Commission
Title Mr.
Name Doug Sueoka
Address 501 Greathouse Drive
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 707-0808
E-Mail Address dougsueoka@comcast.net

City Clerk's Office
NOV 28 2018
RECEIVED

Present Employer Costco Wholesale
City San Jose
Postal / Zip code 95123

Occupation Auditor

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Cub Scouts

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been a resident of Milpitas since 2004, so I am familiar with the city, its layout and its surroundings. I also have 20 years of retail management with responsibilities that included annual fiscal budgeting, facilities management, hazardous waste management, compliance with HIPAA rules and regulations, among others. While it's not an exact comparison, there are some parallels between managing a business and a city. I feel my professional experience will enable me to be an active participant in this commission.

Date Nov 28, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mary Lavelle

From: no-reply@ci.milpitas.ca.gov on behalf of City of Milpitas City Clerk Office <no-reply@ci.milpitas.ca.gov>
Sent: Tuesday, February 19, 2019 9:37 AM
To: Mary Lavelle; Mike Luu
Subject: CITY OF MILPITAS COMMISSION APPLICATION [#58]
Attachments: CITY OF MILPITAS COMMISSION APPLICATION [#58].pdf

City Clerk's Office
FEB 19 2019
RECEIVED

COMMISSION APPLYING FOR: Planning Commission

Title Mr.
Name Steve C. Tao
Address Type Residence
Address 1065 Eagle Ridge Way
City Milpitas
Postal/Zip Code 95035
Mobile Number (510) 919-5034
E-Mail Address stao@bccre.com

Present Employer Bishop Clancy Commercial Real Estate
Business Address (Optional) 1777 Saratoga Ave, Ste 206
City San Jose
Postal / Zip code 95035

Occupation Commercial Real Estate
Education: If Youth Advisory Commission applicant, indicate your grade/school: Degree: B.A., Architecture
College, Professional, Vocational, or other schools attended University of California, Berkeley
Major Subject Architecture
Degree B.A.

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization	Terrace Garden Senior Community
Member	BoD member-former
Name of Organization	Milpitas Planning Commission
Member	Commissioner-former

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I believe city planning is an intersection of place, time, people, perspectives, objectives, applicable codes, and opportunities to make a community and a city that better place for present and future. City Planning is guided by vision laid out in the General Planning and more specifically addressed in the zoning codes and specific plans.

I firmly believe I have the qualification and unique combination listed below to be a good, effective and contributing Planning Commissioner:

1. Education in architecture
2. Long working experiences in real estate development and general contracting/construction in semi-custom homes, single family tracts, common interest developments, office/R&D, place of worship, skilled nursing facility and hospital. Experiences from wood framed projects to Type I construction.
3. Successful small business owner/partner
4. Over 20 years of commercial real estate experience in development projects formation to fruition, asset acquisition/disposition and representing both landlords and tenants in leasing activities.
5. Former City of Milpitas Planning Commissioner

My perspective on City Planning is to make the community better via sensitive planning and application of the codes in place, understanding stakeholder interests and working with view points and economic requirements to accomplish best results for the community, understanding the direction of the market place of the future and accompany planning goals to meet future demands, and to listen and foster a better city. I want to emphasize as well, not every application is a viable project and fitting the community. As a Commissioner, I have the understanding and resolve to say "no" to a plan that may not fit the context of the City.

Date

Feb 19, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

✓ registered voter

**CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATION**

City Clerk's Office
JUN 01 2018
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PROVIDE COMPLETE INFORMATION (in black ink)

☒ Mr. ☐ Mrs. ☐ Miss

COMMISSION APPLYING FOR ☒

PLANNING COMMISSION

Michael Tsai
Name: First Middle Last
1630 Starlite Dr Milpitas, 95035
Address: Number Street (apt. # if needed) City & Zip Code
(415)842-9666 mrt.mike.rt@gmail.com
Telephone Number(s) e-mail address
Self (415) 842-9666
Present Employer Business Telephone
1630 Starlite Dr Tutor
Business Address Occupation

Education: If Youth Advisory Commission applicant, indicate your grade/school:

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
UC Berkeley	Environmental Econo	2010	BA
SJSU - Mineta Transportation Institute	Transportation Mana	ongoing	intended MS

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):
I have a strong educational background in policy on land use, economics, planning, and transportation.

I have also served on GPAC and have many years of experience running a grassroots organization that looks at local housing and transportation issues.

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Signature

May 25, 2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

CITY OF MILPITAS
PLANNING COMMISSION
SUPPLEMENTAL QUESTIONNAIRE - MICHAEL TSAI

Please type or print responses to the following questions. Additional sheets may be attached. Submit responses with Application form to: City Clerk, Milpitas City Hall, 455 E Calaveras Blvd., Milpitas CA 95035.

1. Why are you interested in serving on the Planning Commission?

My strong academic background on planning and transportation, combined with my experience and brand working on housing and transportation issues, would be a great asset for Milpitas as the city faces the challenges of being one of the fastest-growing cities in California. I see many opportunities for Milpitas to become a much better city than it currently is - some of which are being missed - and want to make the most of them.

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and planning procedures affecting the development of the Community.

The General Plan is a high-level view of the community's development intended to last for decades; I serve on the General Plan Advisory Committee. The Zoning Ordinance is a mid-level view underneath the GP that divides the city into districts with more specific visions for each. The planning procedures are the low-level procedures and details under the Zoning Ordinance that Planning Commissioners work with.

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

I have a very strong and relevant education background for Planning Commission, majoring in Environment Economics and Policy at UC Berkeley, conducting case studies on land development strategies and outcomes not in America, but around the world. Afterwards, I have taken graduate level coursework at the Mineta Transportation Institute at San Jose State University, which included case studies and papers on new ideas in American urban and transportation planning, such as Denver Union Station, Vision Zero, and self-driving cars.

in addition to my proven work in founding and growing a grassroots group for housing and transportation issues. (www.sjyimby.org)

I have studied and analyzed numerous real life development proposals in Bay Area cities and have a strong understanding of the issues on the table, and work with multiple stakeholders to improve these proposals. Most recently I have been an active promoter and participant in Affordable Housing Week, including serving as a panelist. These public activities can enhance the brand and visibility of Milpitas as an active regional leader on tackling housing issues.

In Milpitas, I have been serving on the General Plan Advisory Committee since its inception, and been a member of the Rotary Club and Sister Cities Commission, so I have connections with other community stakeholders and experience working with them.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should best be resolved?

Milpitas currently faces a problem that I would describe as a two-headed monster. It consists of: 1) High housing costs, combined with 2) worsening traffic. To address problem 1, policymakers in the past have thought to build more housing units. However, without a strategic transit component, the new housing developments allow increased population, which results in increasing auto traffic, which residents are rightfully complaining about today.

To address these dual problems, I want to identify and make use of opportunities to develop housing near good transit options where we can, increase pedestrian-friendliness, and work with the VTA to develop more transportation options for residents. This way, housing units can come online without being as much of a negative impact on our traffic problems as they have been in the past.

I would also promote proactive communication, engagement, and education with Milpitas residents so we can develop a better understanding of our shared challenges, and come up with better solutions together. This is already the sort of work I have done through grassroots organizing since 2014.

5. Do you have a long-term vision of how you think the City should develop?

Yes. Milpitas has a once-in-a-lifetime opportunity to do transit-oriented development right, with the upcoming opening of the new BART station. By focusing housing development in the Transit Area Specific Plan, on average, the new residents in these units would use public transportation more, and use their cars less than other residents, reducing the overall traffic per resident. To further encourage this dynamic, we could work on transit passes and first-mile/last-mile transportation solutions, in partnership with the VTA. This is also an opportunity to provide more affordable housing and transportation for people who need it, especially our public-sector workers.

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

Yes. There are numerous tools that can be used to address this problem, ranging from inclusionary zoning, developer impact fees, and development of new affordable housing projects. I have seen situations where different parties were not able to come to an agreement

regarding the affordable housing issue, with the default outcome that no affordable housing gets built - and I would like to prevent such outcomes from occurring, through better mediation that I would provide.

I serve on the Sango Court Steering Committee and think projects like that one are a step forward to increase the supply of affordable housing, while minimizing the negative impacts associated with building more housing.

Secondly, I would like to prioritize affordable housing for public service workers, such as teachers, school employees, city staff, and public safety professionals. There are many benefits to Milpitas when public employees can live in the communities they serve.

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

I believe the City staff plays an important role in providing full-time technical and academic expertise to bear on our planning challenges. The City Council serves to translate input from the public into the language of policy, thereby expressing the democratic wishes of the people. But in between the elected officials and unelected officials (staff), it is helpful to have a layer of translation. To me, the ideal Planning Commissioner is someone like myself who has the hybrid skill of understanding both the language of the average resident, as well as the technical understanding of urban and transportation planning. Sometimes, elected officials may be coming from a professional background outside of urban planning, and it takes someone who understands both the planning side and the political side to work towards the best outcomes for everyone.

8. What do you believe should be the focus of the Milpitas Redevelopment Agency and program?

N/A, RDA has been ended.

CITY OF MILPITAS PLANNING COMMISSION APPLICATION

City Clerk's Office

MAR 13 2019



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NOTE: Milpitas Municipal Code, Title I Chapter 500, requires "at all times during the term of office, a Planning Commissioner shall be a registered voter of the City of Milpitas and a resident of the City of Milpitas." Also, all applicants are required to complete a **SUPPLEMENTAL QUESTIONNAIRE** in addition to this application form.

PLEASE PROVIDE COMPLETE INFORMATION (in black ink)

☒ Mr.

Are you a registered City of Milpitas voter? YES

☐ Mrs./Ms.

How long have you lived in Milpitas? 30 yrs

Name:

THOMAS

First

JOHN

Middle

VALORE

Last

Address:

Number

670 CARDIFF PLACE

Street (apt. # if needed)

Milpitas, CA 95035

Telephone Number(s)

408-946-0703

408-892-3991

trenterprise@comcast.net

e-mail address

Present Employer

RETIRED

Business Telephone

Business Address

Occupation

FINANCIAL ADVISOR

Education:

College, Professional, Vocational, or other schools attended

Major Subject

Date

Degree

<u>USC</u>	<u>Sys Mgmt</u>	<u>02/71</u>	<u>MS</u>
<u>NYU</u>	<u>AERO ENG</u>	<u>02/64</u>	<u>BS</u>

List community organizations to which you belong or have belonged (additional information may be attached).

Date	Name of Organization	Officer / Member
	<u>Milpitas Chamber of Commerce</u>	<u>CFO 17yrs</u>
	<u>MUSD Bond Oversight Committee</u>	<u>Member</u>

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Over the past six or seven years I have attended virtually all City Council and School Board meetings in an effort to stay informed regarding the direction of the City

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true and that I am a registered voter and a resident of the City of Milpitas.

Thomas Valore
Signature

03/13/2019
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year** from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Fax (586-3030), e-mail (mlavelle@ci.milpitas.ca.gov), mail or drop off your completed application and supplemental questionnaire

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035

PLANNING COMMISSION

SUPPLEMENTAL QUESTIONNAIRE



(Please type or print responses on a separate paper[s] to the following questions)

1. Why are you interested in serving on the Planning Commission?

Such a position would afford me the opportunity to give back, in a significant manner, to my community which has served me well these past many years.

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

The cities growth is guided by a hierarchy of plans the top most of which is the General Plan, currently in the process of being updated. Below the General are the specific plans which provide a greater degree of specificity for given areas of the city. Zoning ordinances should reflect the proscriptions of the plans or be changed accordingly so as not to be an impediment to developments in consonance with the plans. Planning entities such as the Planning Commission and the City planning staff should be guided by such document as they proceed through the decision-making process and in framing their recommendations to the City Council.

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

I spent twenty years in the Air Force principally in System Acquisition Management. My last assignment was a Program Manager where I started and managed what became a roughly 1 billion-dollar acquisition known as TRIGS. Subsequently, I worked as a senior manager in the Aerospace Industry. And concluded my work career as a Certified Financial Planner for twenty years. Thus, I am comfortable with the decision-making process and not intimidated by either high powered people or large dollar projects. Just as important I recognize the importance of boundaries in keeping containment.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should be best resolved?

The traffic congestion in Milpitas has become progressively worse in recent years and related to this is parking. An alternative route must be constructed connecting I880 and I680 to eliminate the press of traffic clogging our major thorough fares every week day. Obviously, State and more likely Federal aid/support will be required to accomplish such an under taking.

The construction of some strategically located parking structures within the city may be the only answer to the parking problem doing a better job of assuring that new developments will no further add to the problem.

5. Do you have a long-term vision of how you think the City should develop?

Smart development must be an imperative in that land is scarce and at a premium and the impacts of new developments are in all likelihood complex and potentially far reaching and thus the decision-making process must recognize this situation. Growth for the sake of growth or mere income growth is not in the long-term interest of the City or its residents. Improvement/enhancement should be what guides future development. Beautification may be another way to state it. Destination centers which provide cultural activities as well as high quality restaurants would serve to keep residents within the city for entertainment.

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

This unquestionably is a major problem for which there is no easy answer and will require a complex response to achieve any amelioration. I believe we will need to work on a regional basis in attacking the issue since it is a regional issue. I also believe it will take major investments by the city, and hopefully with added county and support, to increase the affordable housing stock

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

City staff needs to provide appropriate research to enable the Planning Commission to make an informed decision regarding developments proposed by developers. The decisions of the Planning Commission then become recommendations to the City Council which is responsible for making the final decision to approve or not any development of consequence.

JAN 15 2019

RECEIVED

COMMISSION APPLYING FOR: Planning Commission

Title Mr.

Name Suraj Karuppan Viswanathan

Address Type Residence

Address 1882 Snell pl

City Milpitas

Postal/Zip Code 95035

Mobile Number (408) 898-6537

E-Mail Address surajkviswanathan@gmail.com

Present Employer SMC Automotive Services

Other Phone (408) 898-6537

Business Address (Optional) 37600 Central Ct #261

City Newark

Postal / Zip code 94560

Occupation Business

College, Professional, Vocational, or other schools attended Madras University, Santhome High School

Major Subject Production Engineering

Degree BS

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization USA Cricket

Member Board Of Directors

Name of Organization Bay Area Cricket Alliance

Member Chairman

Name of Organization Parents Helping Parents

Member Volunteer

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have been running several successful organizations since 2005, have experience in negotiations, market development, sales/growth management, etc. Always wanted to serve the city of Milpitas in any capacity I could, and this provides me with that opportunity.

Date Jan 15, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Planning Commission

Title

Mr.

Name

Suraj K Viswanathan

Address Type

Residence

Address

1882 Snell place

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 898-6537

E-Mail Address

Surajkviswanathan@gmail.com

City Clerk's Office
SEP 04 2018
RECEIVED

Present Employer

Renegade Cricket LLC

Other Phone

(408) 824-7220

Occupation

COO

Major Subject

Production Engineer

Degree

Engineering

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization

Bay Area cricket Alliance

Member

President

Name of Organization

USA Cricket

Member

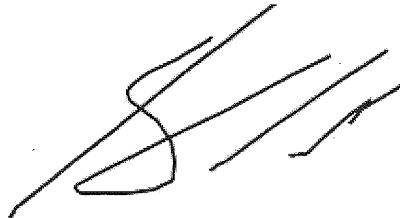
Director

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date

Aug 31, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Planning Commission
Title Mr.
Name Suraj K Viswanathan
Address Type Residence
Address 1882 Snell place
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 898-6537
E-Mail Address Surajkviswanathan@gmail.com

Present Employer Renegade Cricket LLC
Other Phone (408) 824-7220

Occupation COO
Major Subject Production Engineer
Degree Engineering

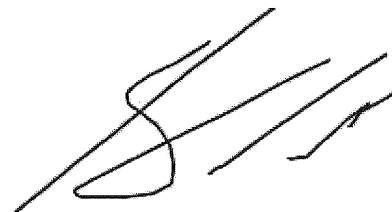
List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Bay Area cricket Alliance
Member President
Name of Organization USA Cricket
Member Director

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Date Aug 31, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

City Clerk's Office
AUG 31 2018
RECEIVED

COMMISSION APPLYING FOR:

Planning Commission

City Clerk's Office

FEB 04 2019

RECEIVED

Title

Mr.

Name

KEN WANG

Address

77 DUTTONWOOD LN

City

MILPITAS

Postal/Zip Code

95035

Mobile Number

(415) 516-8046

E-Mail Address

ken_wang@yahoo.com

Present Employer

Thinfilm Electronic Inc

City

San Jose

Postal / Zip code

95134

Occupation

Principal Assembly Engineer

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Mechanical Engineering, BS

College, Professional, Vocational, or other schools attended

San Francisco State University

Major Subject

Mechanical Engineering

Degree

BS

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have about 20 years of engineering back ground in micro electronic field in various roll.

I am multilingual, fluent in Cantonese and Mandarin, both in reading, and some non-technical writing.

I strongly believe in planning, planning, planning then executing.

Any action w/o a plan is a plan to failure.

I am open to planning commission and other technical related commission.

I am also current in the DELAC program for the school district representing Joseph Weller.

Please feel free to check my linkedin profile at:

<https://www.linkedin.com/in/kenjwang/>

Date

Feb 01, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

Mary Lavelle

From: Mary Lavelle
Sent: Monday, February 04, 2019 12:03 PM
To: 'ken_wang@yahoo.com'
Subject: RE: CITY OF MILPITAS COMMISSION APPLICATION [#55]
Attachments: Application Plan Comm 2012.doc

Hello Ken Wang,

Thank you for submitting your application for consideration for appointment by the City Council to the Milpitas Planning Commission.

Please confirm that you are a registered voter at your current Milpitas address, since that is one requirement for serving on the Commission.

Also, it is requested that Planning Commission applicants complete a questionnaire when applying. Please see attached page two, complete and submit that to my attention. I will attach it to your application submitted below.

Sincerely,

Mary Lavelle
Milpitas City Clerk

From: no-reply@ci.milpitas.ca.gov [mailto:no-reply@ci.milpitas.ca.gov]
Sent: Saturday, February 02, 2019 12:02 AM
To: Mary Lavelle <mlavelle@ci.milpitas.ca.gov>; Mike Luu <mluu@ci.milpitas.ca.gov>
Subject: CITY OF MILPITAS COMMISSION APPLICATION [#55]

COMMISSION APPLYING FOR: Planning Commission
Title Mr.
Name KEN WANG
Address 77 DUTTONWOOD LN
City MILPITAS
Postal/Zip Code 95035
Mobile Number (415) 516-8046
E-Mail Address ken_wang@yahoo.com

Present Employer Thinfilm Electronic Inc
City San Jose
Postal / Zip code 95134

Occupation Principal Assembly Engineer

FEB 04 2019

RECEIVED



PLANNING COMMISSION SUPPLEMENTAL QUESTIONNAIRE

(Please type or print responses on a separate paper[s] to the following questions)

1. Why are you interested in serving on the Planning Commission?

I lived in Milpitas for more than 15 years. It is a great city from every aspect. Great location, weather, and utmost, we have great leadership ever!!! I want to join the commission team to make our city even better. Hopefully the best in the bay area!

2. Describe your understanding of how the City's General Plan, Zoning Ordinance, and Planning procedures affect the development of the community.

My understanding is the planning commission based on current and future growth projection, to come up with visionary plan for the city. Planning on zoning, and developmental sites, which on the path of city growth. Plan which can maximize benefit based on tax dollar and enable city growth.

3. In what way will your personal or work experience contribute to your role as a Planning Commissioner?

I am working in the technical field for more than 20 yrs. I heavily focus on planning and able to look at things in every angle. My track record is to bring project on time and taking high risk program back on track.

4. What do you feel are the most pressing planning problems or issues in Milpitas? How do you think they should be best resolved?

With the new communities that are upcoming by the BART station. We need to consider parking spaces. It could be potential a big challenge that comes along with new homes and residents. One Consideration is creating parking structure underground. Or Stack-able parking structures.

5. Do you have a long-term vision of how you think the City should develop?

Yes, I can see Milpitas as one of the best cities in the bay area for all, same level as Cupertino, and more. We have all the ingredients to be the best!

6. A major planning problem facing the entire Bay Area is the shortage of affordable housing. Do you have any thoughts on how the City should address this issue?

Yes, I do. We need to figure out what is the root for the issue. What is the real issue attached to the problem? If the root is joblessness, let's figure a way to get more jobs, provide more training etc.

7. What do you see as the different roles of City staff, the Planning Commission, and the City Council?

Planning commission and city council should work together as a whole team. There should be seamless and transparent info flow between the group.

School Board Members School Site Assignments – 2019 Calendar Year

Daniel Bobay	Chris Norwood	Hon Lien	Michael Tsai	Kelly Yip-Chuan
CDC	MHS	Adult Ed at Elmwood	Zanker Elementary	Burnett Elementary
Spangler Elementary	Adult Ed at Ayer	Randall Elementary	Pomeroy Elementary	Rose Elementary
Cal Hills	Mattos Elementary	Rancho Middle	Weller Elementary	Russell Middle
Sinnott Elementary	Curtner Elementary		MHS	

School Board Members' Current Assignments on Internal and External Committees

Type	Committee/Event	Current Representative and Alternate
District	Board rep to the Community Board Advisory Council (CBAC) (Monthly every 3 rd Thursday, except September, December and May)	Rep: Kelly Yip-Chuan Alt: Daniel Bobay
District	Board rep to the District English Learners Advisory Council (Monthly every 1 st Tuesday, except in January)	Rep: Chris Norwood Alt: Hon Lien
City	Public Safety and Emergency Preparedness Commission	Rep: Hon Lien Alt: Daniel Bobay
City	Economic Development and Trade Commission [per City staff, the Sister Cities will now be a part of this commission] (Monthly every 2 nd Monday)	Rep: Chris Norwood Alt: Michael Tsai
City	Representative to the City/MUSD Communication meetings (Frequency to be determined, usually from 4-5 pm)	Rep: Chris Norwood (1) Rep: Hon Lien (2) Alt: Daniel Bobay
County	Santa Clara School Boards Association (Frequency to be determined)	Rep: Michael Tsai Alt: Kelly Yip-Chuan
County	Voting representative on the County Committee on School District Organization (As needed)	Rep: Kelly Yip-Chuan Alt: Michael Tsai
Agency	MetroED (AKA Silicon Valley Career Technical Education) (Monthly every 2 nd Wednesday)	Rep: Daniel Bobay Alt: Michael Tsai
District	Parcel Tax Oversight Committee (Twice a year)	Rep: Hon Lien Alt: Chris Norwood
Agency	Chamber of Commerce	Rep: Kelly Yip-Chuan Alt: Michael Tsai
█	██████████	██████████

Board Approved: 12/11/2018

/cc

COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mr.

Name

Guy Kurt Haas

Address Type

Residence

Address

1277 Fallen Leaf Drive

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 666-4820

E-Mail Address

guy@hiskeyboard.com

City Clerk's Office

JAN 29 2019

RECEIVED

Present Employer

SAP Labs

Occupation

Senior User Assistance Developer (Sr. Tech Writer)

Education: If Youth Advisory Commission applicant, indicate your grade/school:

BS Math, 1965; BS Physical Science (Chemistry), 1966

College, Professional, Vocational, or other schools attended

Cal Poly Pomona

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Starlite Pines HOA

Member

?

Name of Organization

Sunnyhills Neighborhood Assn

Member

?

Name of Organization

MHS Site Council

Member

?

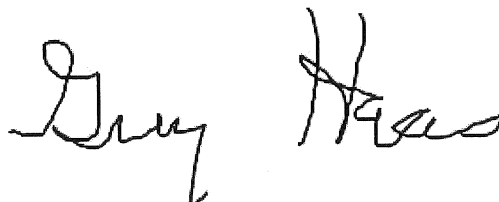
If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I have been employed in tech since 1966, starting as an applications programmer and switching to tech writing in 1982.

Date

Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Science, Technology and Innovation Commission
Title Mr.
Name Guy K Haas
Address Type Residence
Address 1277 Fallen Leaf Drive
City Milpitas
Postal/Zip Code 95035
Mobile Number (408) 666-4820
E-Mail Address guy@hiskeyboard.com

City Clerk's Office
SEP 04 2018
RECEIVED

Present Employer SAP Labs, Palo Alto

Occupation Technical Writer

College, Professional, Vocational, or other schools attended Cal Poly, Pomona

Major Subject Math/ Chem

Degree B.S.

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization CBAC

Name of Organization Starlite Pines Home Assn

Name of Organization Sunnyhills Neighborhood Assn

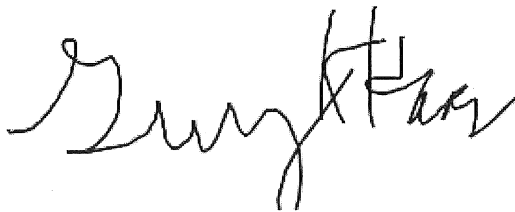
If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

As a programmer-turned-tech-writer, I understand and can explain technological subjects.

Date Aug 31, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mr.

Name

Tarun Bajaj

Address Type

Residence

Address

1674 Crater Lake Avenue

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 206-0318

E-Mail Address

tbajaj@hotmail.com

City Clerk's Office
JAN 30 2019
RECEIVED

Present Employer

Kaiser Permanente

Occupation

Design Review Consultant / Technical Architect

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Masters in Computer sciences and applications, Masters in Business Administration

College, Professional, Vocational, or other schools attended

K.U.K. and Univ of Phoenix

Major Subject

Computer Science

Degree

Masters

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

KP Cares

Member

Active Volunteer

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

Over 20 years of extensive experience as Technical Project Management, Applications Architect, Strong Business Analysis skills, Technical Planning, Design, Platform Integration, Electronic Medical Record System, Business Continuous Availability surrounding Medical Informatics Industry. Hands on Architecture and implementation experience in software development life cycle including requirements definition, systems analysis, system design, program construction, testing, and quality assurance. Around 4 year of experience in ASP.NET. More than 3 years of experience as Billing Analyst in Billing System Customization, Implementation, Extension and Upgrade. Over 9 months of experience in PeopleSoft CRM module, using PeopleSoft Tools. Key contributions and focus is in building Distributed Client-Server technologies based Enterprise Application Integration (EAI) solutions for Unified Customer Management requirements of Banking and Telecom Verticals. Highly skilled in database development, Proficient in Java, Visibroker for Java (CORBA), Power Builder 6.0 and it's Foundation Classes, Visual Basic, Sybase System 11, MS SQL Server 2K, Oracle 8i. MCSD.NET certified in Web Applications. Well versed in development of web-enabled applications, multi-tier architecture and remote and distributed objects. Good communication and interpersonal skills.

Specialties: Open Platforms, Medical Informatics**Date**

Jan 30, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.

I hereby certify that all statements contained in this application are true.

1/2/21

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

MAR 27 2018

CITY OF MILPITAS
COMMISSION/COMMITTEE APPLICATIONRECEIVED
EMERG PREPVeterans Commission
Youth Advisory Commission
Others

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ☐

TELECOM COMMISSIONER

☒ Mr. ☐ Mrs. ☐ MissName: ALBERTO First MAANDAR Middle BAUTISTA LastAddress: 1716 Number PINEWOOD WAY Street (apt. # if needed) MILPITAS 95035 City & Zip CodeTelephone Number(s) 408-469-9320 e-mail address ambautista.PE@gmail.comPresent Employer N/A Business Telephone N/ABusiness Address N/A Occupation ELECTRICAL ENGINEEREducation: If Youth Advisory Commission applicant, indicate your grade/school: N/A

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
MAPUA INSTITUTE OF TECHNOLOGY	Electrical Engineering	July 20, 1969	B.S. E.E.

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Professional Electrical Engineer with over 20 years work experience in International (Zambia, Saudi Arabia, Yemen, Malaysia) & Local (USA) project engineering expertise and management, Facilities engineering, construction & plant maintenance. Please refer to attached resume & academic certification & diploma

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Signature

March 27, 2018

Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year** from the date submitted unless renewed by the applicant.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Mail, email or drop off your completed application to:

City Clerk, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

Alberto M. Bautista

Electrical Engineer

1716 Pinewood Way Milpitas, CA 95035 USA Cell: (408) 469 9320 ambautista.pe@gmail.com

CAREER OBJECTIVE

- A position as Telecom Commissioner – City of Milpitas California

SUMMARY OF QUALIFICATIONS

- Professional Electrical Engineer with over 10 years' experience in international front end design, project engineering, construction, and maintenance management.
- Implementation of power system modernization, instrumentation, data acquisition system, heat tracing, cost control and estimates, maintenance and plant construction in industrial and commercial complex.
- Provide architectural project engineering expertise, construction and maintenance management support at ARAMCO – JAZAN REFINERY & TERMINAL PROJECTS – EPC-2.
- Provide architectural engineering expertise and project management support in construction of a New American Embassy Compound Sanaa Yemen.
- Experienced in electrical power and lighting system design in Gas Plant and Oil Refinery complex, Copper Mines, Power Plant and Utilities and High Rise Building (98 Storey Petronas Twin Towers, Malaysia).
- Proficient with Microsoft Office Suite and use of Autocad; Code Familiarity: NERC, NEC, BS, IEC, IEEE

Skills

Project engineering and management, Facilities Engineering Construction & Plant maintenance

Work History

Head Project Electrical Engineer, 1980 to 1990

Jeddah Oil Refinery Company - Jeddah, Saudi Arabia

Arab-American Company with an oil refiner in Jeddah and three bulk plants in Dubai, Tabuk and Jizan 100 employees

Directed and supervised projects to ensure completion within budget and effective design, construction, and adherence to safety regulations; sample projects included power system modernization, installation of 30 MW gas turbine generator, installation of Data Acquisition and Digital Microvax computer; Installation of area / security lighting

Supervised each stage of project; investigation, design, planning, cost estimating, tendering, bid evaluation, issuance of construction contracts and approval of contractors' work

Maintenance and Construction Supervisor, 1971 to 1977

Bataan Refining Corporation - EXXON - MOBIL Oil Refinery

Supervised all mechanical maintenance and construction work in the electrical shop and utilities area consisting of refinery steam and 2 x 5 MW electrical power generating facilities and water treating plant Developed schedules, resource materials / equipment, and cost estimates for regular maintenance: ensured projects completed within estimated budget

Electrical Engineer, 2015 to 2016

ARAMCO JAZAN REFINERY & TERMINAL PROJECTS EPC-2 - Jazan, Saudi Arabia

Provide front end design, project engineering, construction and maintenance management support at ARAMCO – JAZAN REFINERY & TERMINAL PROJECTS – EPC-2.

Electrical Engineer, 2014

Chevron - U.S.A SJBVU

[Cenergy International Services LLC, Houston TX]

Provide front end design, project engineering, construction and maintenance management support at Chevron [SJBVU]. San Joaquin Valley Business Unit Engineering related to In-house front end design, electrical projects and services

Electrical Engineer, 2012 to 2013

New American Embassy Compound [Overseas Building Operations] - Sanaa, Yemen

[Scientific Research Corporation, Atlanta GA]

Provide project engineering expertise and project management support in the construction of a New, American Embassy Compound Sanaa Yemen covering 4 New 7 Floor Apartments, New Civilian Access Building, Motor Pool Building and Warehouse related to Technical Security System, Building Control System, Fire Alarm System, and Electrical services

Energy Efficiency Installer, 2010 to 2011

Laney College - Oakland, CA

- Energy Efficiency Weatherization & Auditing in Residential & Light Commercial Heating Ventilation & Air Conditioning installation and troubleshooting Building Science, Health & Safety based on BPI standard and practices.

Senior Electrical Engineer, 2008 to 2009

Worley Parsons - [Engineering Technical Group] - Monrovia, CA

American based EP&C global provider of technical, project and operational services with 118 offices and over 32,000 personnel worldwide.

Worked on Saudi Aramco Rastanura Refinery AH Expansion project for the Electrical Engineering deliverables

Prepared front end design covering One Line diagram, area classification, cable schedule 69KV, 34.5KV, 13.8KV, 5KV and 600volts, cable routing, substation layout, equipment and motor data sheets and material take off.

Electrical Engineer, 2004 to 2007

Ipedex Production LLC - East Shabwa, Yemen

International organization working in the Middle East and Central Asia to operate and maintain a wide range of industrial units, including but not limited to Oil and Gas Recovery Facilities on and offshore

- Maintained TOTAL (French company) Engineering & Procurement Yemen East Shabwa's natural gas and crude oil production plants, which covered power generators, pumps, motor control centers and utilities

Instrument Engineer, 2001 to 2003

Hyundai Engineering & Const. Co. Ltd – South Pars, Iran

Korean engineering and construction company responsible for constructing the Gas projects in Iran.

Electrical Maintenance Manager, 1998 to 2000

Tabuk Cement Company, Duba North Tabuk, Saudi Arabia

Fully computerized cement manufacturing company

Managed and evaluated 60 staff members in instrumentation and electrical department Developed schedules, resource materials / equipment, and cost estimates for regular maintenance: ensured projects completed within estimated budget

Electrical Engineer, 1994 to 1997

Mayjaus JV - Kuala Lumpur

Consortium of Malaysian, Japanese and American contractors responsible for construction of the tallest building in the world [Petronas Twin Towers]

Senior Electrical Engineer, 1991 to 1993

Asea Brown Boveri - Kuala Lumpur

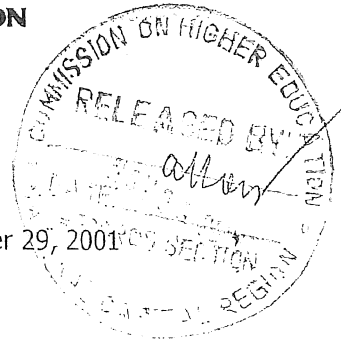
A multinational corporation and one of the largest engineering companies worldwide, operating mainly in the power and automation technology areas in around 100 countries, with approximately 111,000 employees.

Education

- Bachelor of Science in Electrical Engineering, Mapua Institute of Technology, Manila, Philippines



Republic of the Philippines
Office of the President
COMMISSION ON HIGHER EDUCATION
NATIONAL CAPITAL REGION



November 29, 2001

CAV (CHED) No. 01-11-23592
Series of 2001

C E R T I F I C A T I O N

TO WHOM IT MAY CONCERN:

This is to certify that the attached Transcript of Record and Diploma of

ALBERTO M. BAUTISTA

who graduated under the BACHELOR OF SCIENCE IN ELECTRICAL ENGINEERING (B.S.E.E.) as of June 1969 with Special Order NO. 3-0787, series of 1969, dated July 3, 1969 from MAPUA INSTITUTE OF TECHNOLOGY, Manila, a duly recognized private higher education institution in the Philippines, are authentic copies and the signatures appearing are those of the President, Dean and Registrar of the said institution.

This certification must not be honored if the copies of the student's Transcript of Record and Diploma presented are not duly authenticated/certified by the school registrar.

Issued upon the request of Mr. Bautista for whatever legal purpose it may serve.

For the Chairman

AMELIA A. BIGLETE
Director IV

NOT VALID WITHOUT SEAL

Mapúa Institute of Technology

upon the recommendation of the Faculty

hereby confers on
Alberto Bautista y Maanadar

the Degree of

Bachelor of Science

in

Electrical Engineering

in recognition of his ability and scholarship in the course of study
prescribed in the said Institute for such a degree.

Given under the seal of the Institute in the City of Manila,
Pitypine Islands, on this twentieth day of July
in the year of our Lord one thousand nine hundred and sixty nine.



[Signature]
Dean

[Signature]
President

COMMISSION APPLYING FOR: Science, Technology and Innovation Commission

Title Mr.

Name Bill Chuan

Address Type Residence

Address 2276 Edsel Drive

City Milpitas

Postal/Zip Code 95035

Mobile Number (408) 209-6188

E-Mail Address bill_chuan@yahoo.com

City Clerk's Office
JAN 10 2019
RECEIVED

Present Employer Flex

Occupation Director, Sales Engineering

College, Professional, Vocational, or other schools attended Cal Poly, San Luis Obispo

Major Subject Electrical Engineering

Degree Bachelor of Science

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization Open19

Member Yes

Name of Organization Spangler / Burnett PTA

Member Yes

Name of Organization IEEE

Member Past

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

I have over 20+ years experience in the technology and innovation industry and have a strong desire to use my experience to help improve the overall Milpitas community. Below is a summary of some of my qualifications:

SUMMARY

- Proven leadership in providing high-level support, training, and resolving various technical and business issues at executive, engineering, and operations levels.
- Outstanding in cross-functional team leadership with various groups to drive and meet customer requirements
- Motivated and results-oriented with a strong technical background
- Proven business acumen ability to set strategic priorities to meet overall goals.
- Takes initiative, operates well under pressure during a crisis and critical situations, and versatile.
- Strong mentor and coach to other colleagues.

Here is also a link to my LinkedIn profile for reference:
<https://www.linkedin.com/in/bill-chuan-8b56542/>

I'm also attaching a copy of my resume for reference.

Upload a File [Bill Chuan Resume-Commission.pdf](#)

Date Jan 09, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Bill Churn

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mr.

Name

Shobhit Gupta Gupta

Address Type

Residence

Address

700 S Abel St, 413

City

Milpitas

Postal/Zip Code

95035

E-Mail Address

smartyshobhit@gmail.com

City Clerk's Office

SEP 04 2018

RECEIVED**Occupation**

Software Engineer

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Master of Science

College, Professional, Vocational, or other schools attended

University of Utah

Major Subject

Computer Science

Degree

MS

List community organizations to which you belong or have belonged (additional information may be attached).**If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).****Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I have a bachelors and a masters degree in computer science and have more than 8 years experience working as a software engineer in the technology industry. I have mentored several young co-workers throughout my career.

Date

Sep 04, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

CITY OF MILPITAS COMMISSION/COMMITTEE APPLICATION

Science, Technology & Innovation Commission

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ↑

City Clerk's Office

NOV 29 2018

RECEIVED

☒ Mr.
☐ Mrs./Ms./Miss

Nasir

Lalani

Name: First Middle Last
2235 Mesa Verde drive, Milpitas, CA 95035
Address: Number Street (apt. # if needed) City & Zip Code
408-802-9446 nasir.lalani@gmail.com
Telephone Number(s) e-mail address

Self employed

Present Employer

Business Telephone

IT Engineer

Occupation

Business Address

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
UC Berkeley, California	Network Management	09-01-98	Network Management
George Washington University,	Program Management	10-01-2000	Program Manager

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
	None	

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Currently serving as EPC commissioner, since 2014

Serving as a Director for Terrace Garden, Milpitas, it's a senior low income community since 2011

Serving as Volunteer for Santa Clara County – Source Wise for Medicare and Medicaid Health advising counselor

Serving as Director for Mayfield Home Owners Association

Move on next page-2

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

Nasir Lalani

Signature

11/29/2018
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. **Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.**

735

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

Science, Technology & Innovation Commission**OBJECTIVE**

Seeking to serve as a commissioner of **Science, Technology & Innovation Commission** for city of Milpitas.

Currently serving as a commissioner of **Emergency Preparedness Commission** since 2014 and my term will end soon.

I have lived in Milpitas for more than 25 years, raised my two children in the city and they have graduated from Milpitas High and they have advanced their education and career further in the Silicon Valley.

I find this community is the diverse and multicultural community. Diversity is the strength of the city, it is the best place to work, live, and raise the family. I would like to give back to my community my expertise, skills, time, and energy and the knowledge.

Summary of skills:

- A seasoned pro-active professional with 18+ years of diverse management and technical experience in test and manufacturing at Cisco Systems.
- Civic engagement and working closely with the people of Milpitas city
- Working as a team builder and reaching out to those who needed the most support in the county and the city
- Expertise in team development and leadership, communicate goals objectives through excellent verbal and professional presentation.

SUMMARY OF ACCOMPLISHMENTS

- Currently serving on the board of Directors, as a Treasurer for Terrace Garden, a senior low income community in Milpitas
- Currently serving as an Emergency Preparedness Commissioner for City of Milpitas
- Currently serving as a volunteer for Health Insurance and Advocacy Program (HICAP), for the Santa Clara county residents. This program is funded by the government, to assist the Medicare beneficiaries living in Santa Clara county
- As a certified Child Advocate for Santa Clara County, I have worked with neglected and abused children.
- A volunteer for Aga Khan Foundation USA served the community in managing Outreach programs for the AKF Walk/Run events for last more than 8 years.
- Tax-Aid volunteer for AARP, serving low income Milpitas and San Jose residents for last three years
- Serving as a volunteer for Fremont Senior Center and India Culture Community (ICC-Milpitas)
- Managed team of 15 engineers, instilled new energy and infrastructure culture
- Eighteen plus years of experience at **Cisco Systems** as a Program Manager and Design Test Manager with emphasis on global deployment of projects and processes. Leading 50+ projects from concept commit to successful launch.

EDUCATION:

- **Electrical Engineering degree** - University of Pune (India)
- **Network Management degree** - University of Berkeley, CA
- **Associated Program Management** – George Washington University
- **Several career courses:** Team Building and skill development; Managing Risks and Assessment, Project finance and budgeting

Mary Lavelle

From: no-reply@ci.milpitas.ca.gov on behalf of City of Milpitas City Clerk Office <no-reply@ci.milpitas.ca.gov>
Sent: Tuesday, September 04, 2018 7:22 PM
To: Mary Lavelle; Mike Luu
Subject: CITY OF MILPITAS COMMISSION APPLICATION [#17]
Attachments: CITY OF MILPITAS COMMISSION APPLICATION [#17].pdf

City Clerk's Office
SEP 05 2018
RECEIVED

COMMISSION APPLYING FOR: Science, Technology and Innovation Commission
Title Mrs.
Name Sukhvinder Mehta
Address Type Residence
Address 1370 Cuciz Ln
City Milpitas
Postal/Zip Code 95035
Mobile Number (669) 234-2080
E-Mail Address sukhvindermehta25@gmail.com

Present Employer IT Avalon Staffing Solutions
Other Phone (617) 226-7112

Occupation Software Engineer
Education: If Youth Advisory Commission applicant, indicate your grade/school: Bachelor of Engineering in Computer Science
College, Professional, Vocational, or other schools attended M.I.E.T, Meerut, U.P., India
Major Subject Computer Engineering
Degree B.E.

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

- ♣ Over 6 years of professional career in the field of Information technology as Software Quality Analyst / Testing Engineer.
- ♣ Currently working as Software Testing Engineer at Bank of the West in San Ramon, CA since Sep, 2017 through IT Avalon consulting firm. Working as Manual Testing engineer for their Touchpoint team and Cards team .
- ♣ Worked as Software Testing Engineer at Wells Fargo Bank in San Francisco, CA from Feb, 2016 – Aug 2017 through Strategic Staffing Solutions consulting firm. Responsibilities included Regression Testing and Manual Testing engineer for their CCBS/DCBS department.
- ♣ Domain experience in Banking, Retail & Insurance
- ♣ Excellent Communication, Interpersonal and Leadership skills, Self-motivated, quick learner, Good team player and ability to work individually with strong desire to achieve quality results.
- ♣ Ability to achieve targets and deliver results in a high-pressure environment

Upload a File

Resume Sukhvinder Mehta.doc

Date

Sep 04, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR: Science, Technology and Innovation Commission
Title Mr.
Name Deepak Narasimhan
Address Type Residence
Address 1551 Mt Shasta Ave
City Milpitas
Postal/Zip Code 95035
Mobile Number (818) 319-2080
E-Mail Address dnasim@gmail.com

City Clerk's Office
FEB 04 2019
RECEIVED

Present Employer Silicon Valley Bank
Business Address (Optional) 3003 Tasman drive
City Santa Clara
Postal / Zip code 95054
Occupation Software Engineer
Education: If Youth Advisory Commission Masters
applicant, indicate your grade/school:
College, Professional, Vocational, or other Santa Clara University
schools attended
Major Subject Business
Degree MBA

List community organizations to which you belong or have belonged (additional information may be attached).

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

As a technology professional working in the Bay area for around 10 years I feel that I am qualified to be part of the council. I hope to leverage my years of experience along with my desire to be a productive resident by contributing to solving technology issues.

Date Feb 01, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.



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NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mr.

Name

Shriram Natarajan

Address Type

Residence

Address

1243 Daniel Court

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 568-8462

E-Mail Address

shriram.jobs@gmail.com

City Clerk's Office
OCT 29 2018
RECEIVED

Present Employer

Persistent Systems

Other Phone

(408) 665-8522

Business Address (Optional)

2055 Laurelwood Road #210

City

Santa Clara

Postal / Zip code

95054

Occupation

CTO - Chief Technology officer

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Master of Science

College, Professional, Vocational, or other schools attended

Santa Clara University

Major Subject

Computer Science

Degree

MS

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

PVTA HOA

Member

Board member

Name of Organization

The Link to Children

Member

Board member

Name of Organization

Russell PTSA

Member

Board member

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

Trained and worked in technology for 22 years.

Passionate about using tech in the service of humanity and citizenry

Smart Cities initiatives

Government transparency

Date

Oct 25, 2018

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

A handwritten signature in black ink, consisting of a stylized initial 'J' followed by a long, horizontal, wavy line.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mrs.

Name

RJ Sudha

Address Type

Residence

Address

847 Canada Dr

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 263-7327

E-Mail Address

srajagop77@yahoo.com

City Clerk's Office

JAN 29 2019

RECEIVED**Present Employer**

Self-employed - Radio Host

Other Phone

(408) 263-7327

Business Address (Optional)

162 S Hillview Dr

City

Milpitas

Postal / Zip code

95035

Occupation

Radio Show Host

Education: If Youth Advisory Commission applicant, indicate your grade/school:

Grad School,

Major Subject

Computer Science

Degree

MS

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

Green Kids Now

Member

Board Member

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

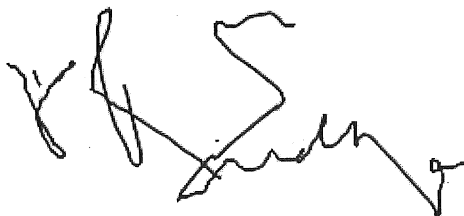
I have a Masters in Computer Science with over 20 years of Industry experience in the Telecommunications field. I am now a Radio Show Host in an Indian Radio Station.
Please check out my LinkedIn Profile:

<https://www.linkedin.com/in/sudha-rajagopalan-467196/>

Date

Jan 29, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.



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COMMISSION APPLYING FOR:

Science, Technology and Innovation Commission

Title

Mr.

Name

Suraj Karuppan Viswanathan

Address Type

Residence

Address

1882 Snell pl

City

Milpitas

Postal/Zip Code

95035

Mobile Number

(408) 898-6537

E-Mail Address

surajkviswanathan@gmail.com

City Clerk's Office
JAN 15 2019
RECEIVED

Present Employer

SMC Automotive Services

Other Phone

(408) 898-6537

Business Address (Optional)

37600 Central Ct #261

City

Newark

Postal / Zip code

94560

Occupation

Business

College, Professional, Vocational, or other schools attended

Madras University, Santhome High School

Major Subject

Production Engineering

Degree

BS

List community organizations to which you belong or have belonged (additional information may be attached).**Name of Organization**

USA Cricket

Member

Board Of Directors

Name of Organization

Bay Area Cricket Alliance

Member

Chairman

Name of Organization

Parents Helping Parents

Member

Volunteer

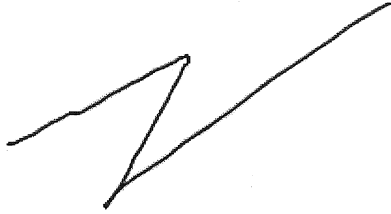
If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).**Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):**

I have been running several successful organizations since 2005, have experience in negotiations, market development, sales/growth management, etc. Always wanted to serve the city of Milpitas in any capacity I could, and this provides me with that opportunity.

Date

Jan 15, 2019

I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy.
I hereby certify that all statements contained in this application are true.

A handwritten mark, possibly a signature or initials, consisting of a series of connected lines forming a stylized 'N' or 'Z' shape.

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant. Once submitted, your application will be submitted to the City Clerk.

NOTE: ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

CITY OF MILPITAS COMMISSION APPLICATION

City Clerk's Office

Veterans

MAR 22 2019

PROVIDE COMPLETE INFORMATION (in black ink)

COMMISSION APPLYING FOR ↑

RECEIVED

☒ Mr.

☐ Mrs./Ms./Miss

Name: Bruce First A. (middle) choy Last

Address: 897 Tassasara Drive Number Milpitas Street (apt. # if needed) 95035 City & Zip Code

Telephone Number(s) 408 220 5322 e-mail address bruceachoy@gmail.com

Present Employer retired Business Telephone n/a

Business Address n/a Occupation n/a

Education: If Youth Advisory Commission applicant, indicate your grade/school: _____

College, Professional, Vocational, or other schools attended	Major Subject	Date	Degree
Santa Clara Univ.	Law	1980-1983	JD
San Jose State Univ.	Pol. Science	1974-1977	BA

List community organizations to which you belong or have belonged (additional information may be attached). If application is for **Veterans Commission**, indicate branch and service in any U.S. military organization (retired or active duty).

Date	Name of Organization or Branch of Military	Officer / Member
1968-1974	Army	Member
2009-2013	City of Milpitas Veterans Comm.	member

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):

Served as a commissioner on the City of Milpitas Veterans Commission from 2009 to about 2013 when I resigned due to changes in my job as the Alameda County Veterans Service Officer. Served as the Alameda County Veterans Service Officer from 2013 to 2018, when I retired (cont on next page)
I have sufficient time to devote to this responsibility and will attend the required meetings if I am appointed to fill a future vacancy. I hereby certify that all statements contained in this application are true.

[Signature]
Signature

03/22/2019
Date

Appointments to Commissions or Committees are made by the Mayor with the concurrence of the City Council. Applications not acted upon will expire after one year from the date submitted unless renewed by the applicant.

PLEASE BE AWARE THAT ALL COMMISSION APPLICATIONS ARE PUBLIC RECORD

E-mail, send in US mail or drop off your completed application to:

City Clerk, Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035, email: mlavelle@ci.milpitas.ca.gov

745

City of Milpitas Commission
Application (continued)

Applicant: Bruce Choy

Date: 03/22/2019

Prior to serving as the Alameda County Veterans Service Officer, I served as a County Veterans Service Representation from 2010 to 2013.

I was with the U.S. Department of Veterans Affairs in the Oakland Regional Office from 2007 to 2009.

From 1984 to 2007, I worked as an attorney in San Jose.

From 1980 to 1984, I worked as a federal criminal investigator with the U.S. Small Business Admin. Office of Inspector General.

From 1975 to 1980, I worked for the Internal Revenue Service.

I have lived continuously in Milpitas since 1977. My wife and I raised our family here and both children attended and graduated from Milpitas H.S.

I was the Milpitas Veteran of the Year 2016.

Item Attachment Documents:

- 19. Receive Preview List of Next Regular City Council Meeting Agenda for May 7, 2019 (Staff Contact: Mary Lavelle, 408-586-3001)**

PREVIEW AGENDA FOR JOINT MEETING OF THE HOUSING AUTHORITY & MILPITAS CITY COUNCIL

TUESDAY, MAY 7, 2019

PRESENTATIONS

- Proclaim Public Works Week (Tony Ndah)
- Proclaim Affordable Housing and Building Safety Month (Sharon Goei)
- Proclaim Older Americans Month (Renee Lorentzen)

CONSENT CALENDAR

- 1) City Council Calendar for May 2019
- 2) Approve City Council meeting minutes of: April 16 and 30, 2019
- 3) Adopt Resolution Approving Annual Engineer's Report, and Adopt Resolution Declaring Its Intention to Levy and Collect Assessments for FY 2019-20 and Notice of Public Hearing for LLMD No. 95-1, McCarthy Ranch (Steve Erickson)
- 4) Adopt Resolution Approving Annual Engineer's Report, and Adopt Resolution Declaring Its Intention to Levy and Collect Assessment for FY 2019-20, and Notice of Public Hearing for LLMD No. 98-1, Sinclair Horizon (Steve Erickson)
- 5) Adopt Resolution Approving an Agreement with Enterprise Fleet Management for Leasing of Vehicles for the City's Fleet (Tony Ndah)
- 6) Approve 5 Year Agreement with Precision K9 for Police Canine Training Services (Jared Hernandez, Chris Schroeder)
- 7) Renew Master Contract with various firms for on-call CEQA Consulting Services (Ned Thomas)
- 8) Approve Purchase of New Mobile Performing Stage for more than \$100,000 (Renee Lorentzen)
- 9) Waive Second Reading and Adopt Ordinance No. 38.833 Amending Municipal Code to regulate Accessory Dwelling Units (Rozalynne Thompson)

PUBLIC HEARINGS

- 10) Review and approve Community Development Block Grant Allocations for FY 2019-20 and Adopt Annual Action Plan (Sharon Goei)
- 11) 1st Reading/Introduce Ordinance No. 172.6 to Update Regulations in Milpitas Municipal Code for Massage Businesses (Raj Maharaj, Chris Diaz)

COMMUNITY DEVELOPMENT

- 12) **HOUSING AUTHORITY** Adopt Housing Authority Resolution authorizing \$6.5 million development loan for 355 Sango Ct. affordable housing development (Sharon Goei)
- 13) Adopt a resolution approving Purchase & Sale Agreement for 1700 Sango Court (Steve McHarris)

LEADERSHIP

- 14) Review Fire Station No. 2 Capital Improvement Project No. 3447 and provide direction to staff regarding funding (Steve Erickson)

PREVIEW NEXT REGULAR AGENDA

- 15) Regular City Council meeting agenda for May 21, 2019 (Mary Lavelle)