



REGULAR MEETING OF THE MILPITAS CITY COUNCIL

AGENDA

TUESDAY, DECEMBER 5, 2023

CITY COUNCIL CHAMBER, 455 E. CALAVERAS BLVD, MILPITAS, CA

6:00 PM (CLOSED SESSION)

7:00 PM (PUBLIC BUSINESS)

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-2400

Para sa Tagalog, tumawag sa 408-586-3051

Para español, llame 408-586-3072

The City Council meeting is held in the City Council Chamber at City Hall, 455 E. Calaveras Blvd., Milpitas and via teleconference/Zoom webinar.

You may watch the Council meeting without providing public comment by accessing it via links here.

Meeting shall be livestreamed - Go to:

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

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

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

PUBLIC COMMENT INSTRUCTIONS

Oral public comments may be provided live during the City Council meeting in person or by registering for the zoom meeting in advance. To register you will need to provide an email address (not disclosed) and a name. To minimize technical difficulties, please make sure that you have the latest version of the Zoom Application. Below is the link to register for this meeting only:

https://ci-milpitas-ca-gov.zoom.us/webinar/register/WN_FP1VmABCTxCLYK3mY2-fxw

After you register a link will be sent to you to join the City Council meeting in order to give your comments. All Zoom meeting attendees who wish to speak must click on the "raise hand" icon when the Mayor calls for public comments. If participating via phone, dial *9 to use the "raise hand" feature, and when called to speak, dial *6 to unmute your phone. Your phone number will be displayed in the live meeting. The Mayor will call speakers by name to address the City Council.

All comments provided shall be limited to three minutes or less as determined by the Mayor. All members of the public will be limited to one comment per agenda item, and one comment for non-agenda items.

NOTE: If a member of the public wishes to share any presentation materials for Council consideration, they must be submitted to the Clerk's Office by email to CityClerk@milpitas.gov by 12:00 p.m. on the day of the meeting. No presentations will be accepted in person in the Council Chambers.

MILPITAS CITY COUNCIL CODE OF CONDUCT

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

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk (6:00 PM)

ADJOURN TO CLOSED SESSION

(a) CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency designated representative: Rick Bolanos, LCW

Bargaining unit: LIUNA, UPEC (Pro-Tech, MEA, MidCon), IAFF, MPOA

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 (Vice Mayor Chua)

PRESENTATIONS (7:05 PM)

- Posthumous Commendation for Navy Veteran Phil Coneeny

PUBLIC FORUM (7:10 PM)

Members of the public are invited to speak on any item that does not appear on today's agenda. Comments will be limited to three minutes or less at the Mayor's discretion. When called to speak, you are encouraged to state your name for the record. As an item not listed on the agenda, no action can be taken, however the City Council may instruct the City Manager to place the item on a future meeting agenda.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

READING OF THE CITY COUNCIL CODE OF CONDUCT

APPROVAL OF AGENDA

CONSENT CALENDAR (7:20 PM)

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.

C1. Receive City Council Calendar of Meetings for December 2023 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Recommendation: Receive City Council Calendar of Meetings for December 2023.

C2. Approve City Council City Council Meeting Minutes of November 7 and 14, 2023 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Recommendation: Approve City Council Meeting minutes of November 7 and 14, 2023.

C3. Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Recommendation: Receive the list of anticipated agenda items for the next regular City Council meeting.

C4. Receive and Review the List of Agenda Items Requested by City Councilmembers (Staff

Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Recommendation: Review the list of items that have been requested by City Councilmembers and provide direction to staff as necessary. No substantive discussion about any specific item shall occur and the City Council shall hold all debate about the item until it is scheduled as a full agenda item.

C5. Consider the Recommendation from Mayor Montano for Appointments to and Removals from City Commissions (Contact: Mayor Montano, 408-586-3024)

Recommendation: Receive the recommendation from Mayor Montano and approve commission appointments and removals and direct the City Clerk to post a notice of unscheduled vacancy.

C6. Accept the FY 2022-23 Commissioners Annual Report for Three (3) Commissions and Approve Three (3) City of Milpitas Commission Work Plans for FY 2023-24 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Recommendation: (1) Accept the 2022-23 Commissioners Annual Report; and (2) Approve proposed Fiscal Year 2023-24 Work Plans for (a) Energy and Environmental Sustainability Commission, (b) Planning Commission, and (c) Public Safety and Emergency Preparedness Commission.

C7. Accept the City's Annual Comprehensive Financial Report and Other Related Annual Audited Reports for the Fiscal Year Ended June 30, 2023 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)

Recommendation: Accept the City's Annual Comprehensive Financial Report (ACFR) and other related annual audited reports for the Fiscal Year ended June 30, 2023.

C8. FY 2023-24 1st Quarter Financial Status Report for the Quarter Ended September 30, 2023 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)

Recommendation: Review the FY 2023-24 Quarterly Financial Status Report for the quarter ended September 30, 2023.

C9. Adopt a Resolution Reviewing and Accepting the Annual Development Impact Fee Annual Report for the Calaveras Boulevard Widening Traffic Impact Fee, the Transit Area Specific Plan (TASP) Impact Fee, and the Storm Drain Fee for the Fiscal Year Ended June 30, 2023 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)

Recommendation: Adopt a resolution consistent with the Mitigation Fee Act to review and accept the annual development impact fee disclosure information for the Calaveras Blvd Widening Traffic Impact Fee, Transit Area Specific Plan Impact Fee and Storm Drain Fee for the Fiscal Year Ended June 30, 2023.

C10. Adopt a Resolution Approving a Site Development Permit and PUD Amendment Permit to Develop a New One-and-a-Half Story Single-Family Residence and to Deviate from the Approved Designs, on a Vacant 1.1-acre Lot Located in the R1-H Single-family Residential Zoning District with a Hillside Combining District at 1321 Terra Vista Court (Staff Contact: Jay Lee, Planning Director, 408-586-3077)

Recommendation: Consider the exemption in accordance with CEQA and adopt a resolution approving Site Development Permit No. SD22-0013 and Planned Unit Development Amendment No. PA23-0001 to allow the development of a new single-family residence at 1321 Terra Vista Court, subject to the attached Conditions of Approval.

- C11. Adopt a Resolution Approving a Site Development Permit to Develop a New Two-Story, Single-Family Residence with an Attached Accessory Dwelling Unit, an In-Ground Swimming Pool, and Associated Site Improvements on a Vacant 1.3-Acre Lot Located in the R1-H Single-Family Residential Zoning District with a Hillside Combining District at 490 Vista Ridge Drive (Staff Contact: Jay Lee, Planning Director, 408-586-3077)**

Recommendation: Consider the exemption in accordance with CEQA and adopt a resolution approving Site Development Permit SD23-0003 to allow development of a new single-family residence with an attached ADU, an in-ground swimming pool, and associated site improvements at 490 Vista Ridge Drive, subject to the attached Conditions of Approval.

- C12. Waive the Second Reading and Adopt Ordinance No. 38.854 Amending the Zoning Code Contained in Title XI, Chapter 10, Section 3.03 of the Milpitas Municipal Code to Allow a Zoning Designation Change of a Certain Parcel (APN 022-38-007) Within the Zoning Map (Staff Contact: Jay Lee, Planning Director, 408-586-3077; and Lillian VanHua, Senior Planner, 408-586-3073)**

Recommendation: Move to waive the second reading and adopt Ordinance 38.854 amending the Zoning Code contained in Title XI, Chapter 10, Section 3.03 of the Milpitas Municipal Code to allow a Zoning Designation change of a Certain Parcel (APN 022-38-007), located on the west side of California Circle, from the MP Industrial Park Zoning District to the MXD Mixed Use Zoning District.

- C13. Receive an Update on Storm Drain System Emergency Repairs and Improvements at Evans Road and Piedmont Creek and Determine that the Condition Continues to Constitute an Emergency (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Recommendation: (1) Receive an update on the storm drain system emergency repairs and improvements at Evans Road and Piedmont Creek (in the amount of \$137,519); and (2) Determine by a four-fifths vote that the condition continues to constitute an emergency.

- C14. Receive an Update on the Emergency Repairs to the HVAC System and Equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings (Staff Contact: Christian DiRenzo, Public Works Director, 408-586-2602)**

Recommendation: (1) Receive an update on the emergency repairs to the HVAC system and equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings; and (2) Approve the termination of the emergency declaration.

- C15. Approve and Authorize the City Manager to Execute an Agreement with Imperial Maintenance Services, Inc. For a Five-Year Term in an Amount Not-to-Exceed \$2,486,863.50 to Provide Janitorial Services for City Facilities, Subject to Annual Appropriation of Funds (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Recommendation: (1) Approve and authorize the City Manager to execute an agreement with Imperial Maintenance Services, Inc. for a five-year term in an amount not-to-exceed \$2,486,863.50 to provide janitorial services for city facilities, subject to the annual appropriation of funds; and (2) Approve a budget amendment to appropriate \$50,000.00 to the Department of Public Works FY 2023-24 Operating Budget.

LEADERSHIP AND SUPPORT SERVICES (7:30 PM)

- 16. Legislative Update from California State Senator Aisha Wahab (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)**

Recommendation: Accept the Legislative Update presentation from California State Senator Aisha Wahab.

17. Consider A Request from the Cities Association of Santa Clara County and Adopt a Resolution Supporting a Formal Agreement to Establish the Cities Association of Santa Clara County Joint Powers Authority (Staff Contact: Ned Thomas, City Manager, 408-586-3059)

Recommendation: Receive a presentation from a representative of the Cities Association of Santa Clara County and approve of agreement to establish the Cities Association of Santa Clara County Joint Powers Agency.

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS (8:30 PM)

Members of the City Council or City Manager may make brief announcements at this time. Members of the City Council may also suggest future agenda items. For future agenda items, the City Council shall not debate the topic or engage in discussion but shall simply state a “yes” or “no” as whether to move the item forward. If a majority of the City Council agrees to move the item forward, the City Manager shall place the item on a future agenda.

ADJOURNMENT (8:35 PM)

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

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

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on City website. City Council agendas and related materials can be viewed online: <https://www.milpitas.gov/129/Agendas-Minutes> (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Commission application forms are available online at www.milpitas.gov or at Milpitas City Hall. Contact the City Clerk's Office at 408-586-3001 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 CityClerk@milpitas.gov prior to the meeting. You may request a larger font agenda.

November 2023						
S	M	T	W	T	F	S
	5	6	7	1	2	3
	12	13	14	8	9	10
	19	20	21	15	16	17
	26	27	28	22	23	24
				29	30	25

Milpitas City Council Calendar

December 2023

January 2024						
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-Tree Lighting Ceremony	2
3	4 7:00 PM-Parks, Recreation & Cultural Resources Commission (HL)	5 6:00 PM-Closed Session 7:00 PM-City Council	6 1:00 PM-Santa Clara VTA Monthly Briefing - Northeast Group (CM) 3:00 PM-City/School Collaborative Subcommittee (CM/EC) 5:30 PM-Veterans Commission (CM) 7:00 PM-Community Advisory Commission (EC)	7 5:30 PM-Milpitas Chamber of Commerce Board (GB) 5:30 PM-Santa Clara VTA Board of Directors (CM)	8	9
10	11	12 5:30 PM-Special Council Meeting with Closed Session at 5:30 PM	13 7:00 PM-Silicon Valley Clean Energy Board of Directors (EC) (Cupertino)	14 4:00 PM-Treatment Plant Advisory Committee (CM) (San Jose) 4:00 PM-Santa Clara VTA Policy Advisory Committee (EC) 6:00 PM-Youth Advisory Commission (HL)	15	16
17	18 7:00 PM-Science, Technology, and Innovation Commission (GB)	19	20 6:00 PM-Energy and Environmental Sustainability Commission (EC)	21 3:00 PM-VTA Security, and Transit Planning and Operations Committee (CM) (San Jose)	22	23
24	25  City Observed Holiday	26  City Observed Holiday	27  City Hall and City Facilities Closed (Fire and Police are not affected)			
31						



REGULAR MEETING OF THE MILPITAS CITY COUNCIL

MINUTES

TUESDAY, NOVEMBER 7, 2023

CITY COUNCIL CHAMBER, 455 E. CALAVERAS BLVD, MILPITAS, CA

The City Council of the City of Milpitas convened on the regular City Council meeting day in a Meeting of the Milpitas City Council on November 7, 2023, in the City Council Chamber, 455 E. Calaveras Blvd, Milpitas, CA, and via teleconference/Zoom webinar.

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

Mayor Montano called the Regular City Council meeting to order at 7:02 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien, and Councilmember Phan (7:09 PM).

ABSENT: None.

PLEDGE OF ALLEGIANCE

Mayor Montano lead the Pledge of Allegiance.

INVOCATION

Mayor Montano presented the invocation.

PUBLIC FORUM

The following people spoke under Public Forum:

1. Stephen Balsbaugh
2. Vikas Seth
3. Voltaire Montemayor

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Mutalipassi asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest. City Attorney Mutalipassi asked the Mayor and City Councilmembers if they had any reportable campaign contributions. By roll call, there were no reportable campaign contributions.

READING OF THE CITY COUNCIL CODE OF CONDUCT

Mayor Montano read the Code of Conduct.

APPROVAL OF AGENDA

Motion: to approve the November 7, 2023 Regular Meeting Agenda, moving Presentations after Item 16.

Motion/Second: Vice Mayor Chua / Councilmember Barbadillo
by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien, Councilmember Phan

NOES: None

CONSENT CALENDAR

Councilmember Lien asked to pull Item C6 from the Consent Calendar.

There were no public speakers.

After discussion, motion: to remove Item C6 from and approve the Consent Calendar.

Motion/Second: Vice Mayor Chua / Councilmember Lien
by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien,
Councilmember Phan

NOES: None

1. Receive City Council Calendar of Meetings for November 2023 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received City Council Calendar of Meetings for November 2023.

2. Approve City Council City Council Meeting Minutes of October 17, 2023 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Approved City Council Meeting minutes of October 17, 2023.

3. Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received the list of anticipated agenda items for the next regular City Council meeting.

4. Adopt a Resolution Granting Acceptance of Public Improvements and Approve a Reduction of the Faithful Performance Bond for the District 1 Lot 4 (Gideon) Project located at 150 Market Street and Grant Authorization to the City Engineer to Release the Remaining Portion of the Lot 4 Performance Bond after the One-Year Warranty Period (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012; and Roberto Alonzo, Transportation and Traffic Manager, 408-586-3316)

Adopted **Resolution No. 9278** granting acceptance of the completed public improvements for the District 1 Lot 4 (Gideon) Project as shown on Public Improvement Plans No. 2-1295; and approve a reduction in the faithful performance bond of \$38,085.00 which is 25% of the security's original value for the Lot 4 public improvements construction cost, the remaining amount of the Lot 4 performance bond cost shall be in effect for the duration of the warranty period; and grant authorization to the City Engineer to release the performance bond after the one-year warranty period without further City Council action provided that all required warranty work is completed to the satisfaction of the City Engineer.

5. Adopt a Resolution Granting Acceptance of Public Improvements and Approve a Reduction of the Faithful Performance Bond for the Thind Residence Residential Project and Grant Authorization to the City Engineer to Release the Performance Bond after the One-Year Warranty Period (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012; and Roberto Alonzo, Transportation and Traffic Manager, 408-586-3316)

Adopted **Resolution No. 9279** granting acceptance of the completed public improvements for the Thind Residence Residential Project as shown on Public Improvement Plans No. 2-1371; and approve a reduction in the Phase 1 faithful performance bond to \$15,989.00 and a reduction in the Phase 2 faithful performance bond to \$1,792.00, which are 25% of the securities' original values which shall be in effect

for the duration of the warranty period; and grant authorization to the City Engineer to release the performance bond after the one-year warranty period without further City Council action provided that all required warranty work is completed to the satisfaction of the City Engineer.

7. **Approve and Authorize City Manager to execute a Lease Agreement with Pacific West Builders, Inc. to Lease City Owned Land at 1700 Sango Court in the Amount of \$34,800.00 (Staff Contact: Alex Andrade, Economic Development Director, 408-586-3046; and Robert Musallam, Housing Division Manager, 408-586-3275)**

Approved and authorized City Manager to execute a lease agreement with Pacific West Builders, Inc. to lease City owned land at 1700 Sango Court in the amount of \$34,800.00.

8. **Authorize the City Manager to Accept the 2023 Bulletproof Vest Partnership Grant in the Amount of \$7,628.91 and Approve a Related Budget Appropriation (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406)**

Authorized the City Manager to accept the 2023 Bulletproof Vest Partnership Grant in the amount of \$7,628.91 and approve a related budget appropriation.

9. **Authorize the City Manager to Execute the Grant Agreement with the Office of Traffic Safety to Accept the Fiscal Year 2024 Office of Traffic Safety Selective Traffic Enforcement Program Grant and Approve a Related Budget Appropriation in the Amount of \$110,000.00 (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406)**

Authorized the City Manager to execute the grant agreement with the Office of Traffic Safety to Accept the Fiscal Year 2024 Office of Traffic Safety Selective Traffic Enforcement Program Grant and approve a related budget appropriation in the amount of \$110,000.00.

10. **Adopt a Resolution to Reject a Bid Protest from Iteris; Award IFB 24-025 and Authorize the City Manager to Execute the Purchase Order with Econolite Control Products, Inc. in the amount of \$127,871.66 for the Purchase of 25 Citywide Traffic Detection Cameras (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Adopted **Resolution No. 9280** to reject a bid protest from Iteris; award IFB 24-025 and authorize the City Manager to execute the purchase order with Econolite Control Products, Inc. in the amount of \$127,871.66 for the purchase of 25 citywide traffic detection cameras.

11. **Receive an Update on the Emergency Repairs to the HVAC System and Equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings and Determine that the Condition Continues to Constitute an Emergency (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

(1) Received an update on the emergency repairs to the HVAC system and equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings; and (2) Determined by a four-fifths vote that the condition continues to constitute an emergency.

12. **Authorize the City Manager to enter into a Funding Agreement Between the City of Milpitas and the Santa Clara Valley Transportation Authority for Grant Funds from the 2010 Measure B Vehicle Registration Fee Countywide Program in an Amount Not to Exceed \$120,000.00 (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Authorized the City Manager to enter into a funding agreement between the City of Milpitas and the Santa Clara Valley Transportation Authority for grant funds from the 2010 Measure B Vehicle Registration Fee Countywide Program in an amount not to exceed \$120,000.00.

13. **Authorize the City Manager to Execute the Third Amendment to the Agreement with the Santa Clara Valley Water District for Water Conservation Program Cost Sharing and to Execute an Amendment to the Professional Services Agreement with Our City Forest to Administer the Lawn Bust Milpitas Pilot Program (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Elaine Marshall, Deputy Public Works Director, 408-586-2603)**

Authorized the City Manager to execute the third amendment to the Agreement with the Santa Clara Valley Water District for Water Conservation Program Cost Sharing to extend term by an additional year and increase Valley Water cost share payment to City for Lawn Bust Milpitas for additional not to exceed of \$40,000.00; and an amendment to the Professional Services Agreement with Our City Forest to administer the Lawn Bust Milpitas Pilot Program to implement program for an additional year at a cost not to exceed \$120,000.00.

14. **Waive Second Reading of Ordinance No. 196.12: an Ordinance of the City Council of the City of Milpitas Amending Section 4.05 of Chapter 9 ("Parks") of Title V ("Public Health, Safety, and Welfare") of the Milpitas Municipal Code (Staff Contact: Michael Mutalipassi, City Attorney, 408-858-3040)**

Waived the second reading and adopted **Ordinance No. 196.12**, An Ordinance of the City Council of the City of Milpitas Amending Section 4.05 of Chapter 9 ("Parks") of Title V ("Public Health, Safety, and Welfare") of the Milpitas Municipal Code.

15. **Authorize International Travel for One (1) Member of the Milpitas Police Department's Criminal Investigations Bureau to Provide Technical Assistance in Support of an Out-of-Country Criminal Investigation, as a Member of the Santa Clara County Regional Enforcement Allied Computer Task Force (REACT) and in Coordination with the United States Secret Service (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406; and Stephen Parodi, Police Captain, 408-586-2523)**

Authorized international travel for one (1) member of the Milpitas Police Department's Criminal Investigations Bureau currently assigned to REACT to assist in an out-of-country criminal investigation.

PUBLIC HEARINGS

16. **Adopt a Resolution Certifying an Environmental Impact Report (SCH No: 2022110251) and Approving a General Plan Text Amendment, Zoning Map Amendment, Site Development Permit, Conditional Use Permit, Vesting Tentative Map, Density Bonus Permit, Tree Removal Permit, and Environmental Assessment; and Introduce an Ordinance Amending the Zoning Map in Accordance with the Provisions of Section 3.03 of Chapter 10 of Title XI (Zoning) of the Milpitas Municipal Code to Change the Zoning Classification of a Certain Parcel (APN 022-38-007) from the MP Industrial Park Zoning District to the MXD Mixed Use Zoning District; and Allow Development of a Multi-Family Residential Project Consisting of 13 Residential Buildings, up to 51 feet in Height, and One Residential Apartment Building, up to 78 feet in Height, for a Total of 206 Residential Units, and Associated Site Improvements on an Approximately 6.7-acre Site Located at 1355 California Circle. (Staff Contact: Jay Lee, Planning Director, 408-586-3077 and Lillian VanHua, Senior Planner, 408-586-3073)**

City Manager Thomas introduced the item. Senior Planner VanHua presented the report, joined by Planning Director Lee.

Mayor Montano opened the public hearing.

Applicant representative Jim Sullivan made a presentation.

There were the following speakers:

1. Matthew Beeston
2. Voltaire Montemayor

Mayor Montano closed the public hearing.

Vice Mayor Chua asked for clarification on the changes to the conditions of approval 25 & 26 and what the differences were between the staff and applicant recommendations.

Councilmember Lien asked for timelines on building and questioned if the Conditions of Approval were the only area of disagreement. Applicant representative Jim Sullivan noted that he had met with staff, and they were in agreement on everything else.

Councilmember Barbadillo asked staff what earlier concerns were when this project was initially presented to staff. Planning Director Lee noted staff waited for better coordinated efforts on use of the area between different developers and applicants. Councilmember Barbadillo questioned if the recommended zoning update would apply to the entirety of the affected Specific Plan area. Senior Planner VanHua explained that the General Plan text amendment would remove the requirement for the California Circle Specific Plan. Planning Director Lee followed up that this project would not preclude a specific plan in the future. Councilmember Barbadillo highlighted the importance of reaching a common ground between staff and developers.

Councilmember Phan questioned the applicant and expressed thanks to both staff and the applicant. He suggested accepting the developer's proposals to modify the conditions of approval.

Mayor Montano paused the discussion to issue proclamations.

PRESENTATIONS

Diwali (Proclamation)

Mayor Montano, joined by the City Council, presented proclamations in recognition of Diwali.

PUBLIC HEARINGS (Cont'd.)

16. (Cont'd.)

Mayor Montano spoke on the importance of affordable housing and asked to keep lines of communication with Pulte to ensure regular updates on efforts.

Councilmember Lien thanked staff and spoke about the need to approve the developer's recommendation for updates to the conditions of approval.

Councilmember Barbadillo asked the City Attorney to speak on the significance of removing the California Circle Specific Plan overlay. City Manager Thomas and Planning Director Lee noted that this amendment only removes the overlay from this site.

Vice Mayor Chua moved to approve the staff recommendation incorporating the Developer recommendations to modify the conditions of approval.

City Attorney Mutalipassi read the title of the ordinance and restated the motion.

After discussion, motion: to

(1) Adopt **Resolution No. 9281** certifying an Environmental Impact Report pursuant to Public Resources Code Section 21080(d) and 21082.2(d) and CEQA Guidelines Section 15064;
(2) Waive the first reading beyond the title and introduce **Ordinance No. 38.854** amending the Zoning map of the City of Milpitas in accordance with the provisions of Section 3.03 of Chapter 10 of Title XI (Zoning Ordinance) of the Milpitas Municipal Code to change the Zoning Classification of a Certain Parcel (APN 022-38-007), located on the west side of California Circle, from the MP Industrial Park Zoning District to the MXD Mixed Use Zoning District;
(3) Adopt **Resolution No. 9282** to approve General Plan Text Amendment No. GP22-0001; and
(4) Adopt **Resolution No. 9283** to approve Zoning Map Amendment No. ZA22-0001, Site Development Permit No. SD22-0003 incorporating the developer recommendation to modify conditions of approval no. 25 and 26, Conditional Use Permit No. UP22-0001, Vesting Tentative Map MT22-0001, Density Bonus Permit No. DB23-0003, Tree Removal Permit No. TR23-0021, and Environmental Assessment No. EA22-0002, subject to the findings and Conditions of Approval. Additions to the Conditions of Approval are approved as follows:

- COA No. 25: add Section XII-1-3.03, which would require concurrent construction of both the for sale and rental product types, shall not be applicable. Given the current extenuating circumstances, concurrent construction may prove to be infeasible and impractical. Permittee agrees to diligently pursue an affordable builder, acceptable to the City of Milpitas, who will expeditiously Permittee will be limited to 65% of it's units (85 units) receiving Certificates of Occupancy, before a building permit has been issued and construction has begun on the Below Market Rate (rental product) site. At such time of the rental product beginning construction, the remaining 35% of Permittee's units (46 units), shall be eligible for release for Certificate of Occupancy.
- COA No. 26 add: Furthermore, Permittee agrees to work with City Attorney's Office to include within the Affordable Housing Agreement, language that would be of benefit to qualified employees of the Milpitas Unified School District in securing rental opportunities for both low- and moderate-income units to be provided.

(5) Developer to make scheduled reports to staff with staff regularly reporting to the City Council on the status of the project.

Motion/Second: Vice Mayor Chua/Councilmember Phan
by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien,
Councilmember Phan

NOES: None

LEADERSHIP AND SUPPORT SERVICES

17. Receive a Presentation and Provide Direction to Staff on Community Outreach for Potential Revenue Measures for the November 2024 Election (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)

City Manager Thomas introduced the item. Deputy City Manager Cano presented the report.

Council Discussion ensued.

Councilmember Lien spoke in support of business tax modernization.

Vice Mayor Chua voiced concerns with polling for so many items and suggested prioritizing what the

City needs now.

Councilmember Phan suggested, if taking any action, to move forward with polling about the General Obligation bond measure, noting community support for public safety. He questioned the impact of too many survey questions on public participation and voter impact. Councilmember Phan indicated he wouldn't support business modernization or a sales tax extension as the funds are too flexible.

Councilmember Barbadillo emphasized the importance of having a Plan B since there's no guarantee a revenue measure would be approved by the electors.

Councilmember Lien suggested providing direction to conduct the poll due to the urgent nature of all the needs.

Vice Mayor Chua disagreed and suggested conducting a survey on only one measure.

Mayor Montano questioned if the Measure F extension polling need to go now. Finance Director Lai noted that polling could wait until 2026. Mayor Montano spoke in support of polling only about the Public Safety General Obligation Bond.

Councilmember Phan asked about the cost of the survey when polling on one or multiple topics. Deputy City Manager replied that cost was roughly the same whether polling for one or multiple items. Councilmember Phan suggested making the most of that poll now as related to budget concerns to get an overall sense of public opinion.

Vice Mayor Chua supported polling primarily for the Public Safety General Obligation Bond, and going back if the response was negative.

There were the following speakers:

1. Voltaire Montemayor

After discussion, Vice Mayor Chua made a motion: to proceed with community outreach surveys for a potential Public Safety Infrastructure General Obligation Bond Measure as a focus and including other items as necessary and follow-up with questions as recommended by the Polling Consultant, FM3.

Motion/Second: Vice Mayor Chua / Councilmember Phan
by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien,
Councilmember Phan

NOES: None

18. Introduce Ordinance 298.1, An Ordinance of The City Council of the City of Milpitas Amending the Milpitas Municipal Code Title Xi ("Zoning, Planning and Annexation"), Chapter 10 ("Zoning"), Section 13 ("Special Uses"), Subsection 13.15 ("Cannabis Uses") to Prohibit and Regulate Cannabis Uses, Establishments, and Operations to the Fullest Extent Allowed By State Law, and Making Findings of Exemption From Environmental Review Pursuant To CEQA Guidelines Sections 15061(b)(3) 15183, 15305, and 15378 (Staff Contact: Michael Mutalipassi, City Attorney, 408-586-3040)

City Attorney Mutalipassi introduced the item. Assistant City Attorney Creech presented the report.

There were the following public speakers:

1. Voltaire Montemayor

Council Discussion ensued.

Vice Mayor Chua questioned how the ordinance would affect Milpitas. Assistant City Attorney Creech noted that the only thing that would change would be a limited allowance for medical cannabis delivery pursuant to State law.

Councilmember Barbadillo asked clarifying questions regarding the ordinance. Assistant City Attorney Creech, City Attorney Mutalipassi, and Chief of Police Hernandez responded. Councilmember Barbadillo expressed concerns regarding illegal deliveries in the city.

Councilmember Phan noted that if the city had its own ordinance, they would have some control.

Councilmember Barbadillo made a motion: to defer the introduction of the ordinance and amend it to tighten enforcement on illegal distribution and delivery of cannabis in Milpitas.

City Attorney Mutalipassi cautioned that medical cannabis would be legal on January 1, 2024 if the City Council doesn't adopt this ordinance.

Motion/Second: Councilmember Barbadillo / Councilmember Phan
by the following:

AYES: Vice Mayor Chua, Councilmember Barbadillo, Councilmember Phan

NOES: Councilmember Lien

ABSTAIN: Mayor Montano

19. Review the List of Agenda Item Requests From Individual Councilmembers and Provide Direction to Staff Through the Council-Approved Prioritization Process (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)

Deferred to November 14, 2023.

ITEMS PULLED FROM CONSENT CALENDAR

6. Approve and Authorize the City Manager to Execute Amendment #1 to the Agreement with HdL and Associates for Sales Tax Audit, Analysis, Reports and Forecasting Services in an Amount of \$300,000 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)

Finance Director Lai responded to questions from the City Council.

After discussion, motion: to approve and authorize the City Manager to execute Amendment #1 to the agreement with HdL and Associates for sales tax audit, analysis, reports and forecasting services in an amount of \$300,000.00.

Motion/Second: Councilmember Lien / Vice Mayor Chua
by the following:

AYES: Mayor Montano, Vice Mayor Chua, Councilmember Barbadillo, Councilmember Lien,
Councilmember Phan

NOES: None

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Vice Mayor Chua relayed a request from residents to bring back Bingo and the Tour at the Senior Center. Upon polling the City Council, there was unanimous consensus to add the request to the prioritization list.

Mayor Montano requested adding consideration of a parade on Main Street to the list. Upon polling the City Council, there was consensus to add the item to the prioritization list (NOES: Councilmember Phan).

ADJOURNMENT

Mayor Montano adjourned the meeting at 11:39 PM.

Draft meeting minutes submitted by City Clerk, Suzanne Guzzetta



SPECIAL MEETING OF THE MILPITAS CITY COUNCIL

MINUTES

TUESDAY, NOVEMBER 14, 2023

CITY COUNCIL CHAMBER, 455 E. CALAVERAS BLVD, MILPITAS, CA

The City Council of the City of Milpitas convened on the Special City Council meeting day in a Meeting of the Milpitas City Council on November 14, 2023, in the City Council Chamber, 455 E. Calaveras Blvd, Milpitas, CA, and via teleconference/Zoom webinar.

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

Mayor Montano called the Regular City Council meeting to order at 5:34 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Councilmember Lien, Councilmember Phan

ABSENT: Vice Mayor Chua, Councilmember Barbadillo

City Attorney Mutalipassi announced the closed session items.

There were no public speakers.

The City Council adjourned to Closed Session at 5:36 PM.

ADJOURN TO CLOSED SESSION

(a) CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency designated representative: Rick Bolanos, LCW

Bargaining unit: LIUNA, UPEC (Pro-Tech, MEA, MidCon), IAFF, MPOA

(b) CONFERENCE WITH LEGAL COUNSEL

Existing Litigation pursuant to Government Code Section 54956.9:

In re: Aqueous Film-Forming Foams Products Liability Litigation, MDL No. 2:18-mn-02873

City as a Class Member

The City Council reconvened in open session at 6:32 PM.

CLOSED SESSION ANNOUNCEMENT:

City Attorney Mutalipassi announced that there was nothing to report out.

PLEDGE OF ALLEGIANCE

Mayor Montano led the Pledge of Allegiance.

INVOCATION

Mayor Montano presented the invocation.

PRESENTATIONS

There were no presentations.

PUBLIC FORUM

The following people spoke under Public Forum:

1. Jim Arthur
2. Vy Joel

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Mutalipassi asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest (Absent: Councilmember Barbadillo, Vice Mayor Chua). City Attorney Mutalipassi asked the Mayor and City Councilmembers if they had any reportable campaign contributions. Councilmember Phan reported a possible contribution by the development project applicant for Item 15. By roll call, there were no additional reportable campaign contributions (Absent: Councilmember Barbadillo, Vice Mayor Chua).

READING OF THE CITY COUNCIL CODE OF CONDUCT

Mayor Montano read the Code of Conduct.

APPROVAL OF AGENDA

Mayor Montano moved to defer Item 12 to the next City Council meeting. Without a second, the motion failed.

Councilmember Lien made a motion: to approve the agenda.

Motion/Second: Councilmember Lien / Councilmember Phan
by the following:

AYES: Mayor Montano, Councilmember Lien, Councilmember Phan
NOES: None
ABSENT: Vice Mayor Chua, Councilmember Barbadillo

CONSENT CALENDAR

Mayor Montano requested to pull Item C5.

After discussion, motion: to approve the Consent Calendar, pulling Item C5.

Motion/Second: Councilmember Lien / Councilmember Phan
Motion carried by the following:

AYES: Mayor Montano, Councilmember Lien, Councilmember Phan
NOES: None
ABSENT: Vice Mayor Chua, Councilmember Barbadillo

1. **Receive City Council Calendar of Meetings for November and December 2023 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Received City Council Calendar of Meetings for November and December 2023.

2. **Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Received the list of anticipated agenda items for the next regular City Council meeting.

3. **Approve the 2024 City Council Meeting Schedule (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Approved the 2024 Milpitas City Council meeting schedule, with any changes requested at the City Council meeting.

4. **Authorize and Approve Travel to San Francisco, CA, for Councilmember Hon Lien to Attend (1) the 9th Annual CALNET Leadership Retreat to be Held on November 16 – 17, 2023; and (2) the National API Elected Officials Summit to be held on November 18 -19, 2023, for an Estimated Total Not-to-Exceed Amount of \$1000 Budgeted Under the Individual Elected Official Allocation for Conferences/Meetings/Trainings (Staff Contact: Ned Thomas, City Manager, 408-586-3053)**

Authorized and approved travel to San Francisco, CA, for Councilmember Hon Lien to attend (1) the 9th Annual CALNET Leadership Retreat to be held on November 16 – 17, 2023; and (2) the National API Elected Officials Summit to be held on November 18 -19, 2023, for an estimated total not-to-exceed amount of \$1,000 budgeted under the Individual Elected Official allocation for Conferences/Meetings/Trainings.

6. **Approve and Authorize the City Manager to Execute a Software License and Professional Services Agreement with TriTech Software Systems, Inc. for Computerized Maintenance Management System Subscription License Fees for a Total Amount Not-to-Exceed \$374,105.21, Subject to the Annual Appropriation of Funds (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Approved and authorized the City Manager to execute a software license and professional services agreement with TriTech Software Systems, Inc. for computerized maintenance management system subscription license fees for a total amount not-to-exceed \$374,105.21, subject to the annual appropriation of funds.

7. **Report on Bids and Adopt a Resolution Authorizing the City Manager to Award the Construction Contract to I & A Contractor, Inc. in the Amount of \$428,300.00 for the Sports Center Roof Rehabilitation Project (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)**

Received a report on bids and adopted **Resolution No. 9284** authorizing the City Manager to award a construction contract to the lowest responsible and responsive bidder, I & A Contractor, Inc., in the amount of \$428,300.00 for the Sports Center Roof Rehabilitation Project; and authorized the City Manager to negotiate and execute contract change order(s) in an aggregate amount not to exceed \$64,245.00 for the Sports Center Roof Rehabilitation Project.

8. **Consider One Fee Waiver from Kiwanis Club of Milpitas Foundation and one Donation Request from Knights of Columbus St. John's Council 5796 (Staff Contact: Renee Lorentzen, Recreation and Community Services Director, 408-586-3409)**

Approved a Fee Waiver of \$900.00 for the Kiwanis Club of Milpitas Foundation's 20th Annual MUSD Crab Feed and Auction Event scheduled for February 9, 2024; and approved a donation request of \$500.00 for the Knights of Columbus St. John's Council 5796 for their 45th Annual Free Thanksgiving Dinner event at the St. John the Baptist Catholic Church on Thursday, November 23, 2023.

COMMUNITY DEVELOPMENT

9. **Receive Report on Manufacturing Day 2023 and Issue Certificates of Commendation to Event Collaborators (Staff Contact: Alex Andrade, Director of Economic Development, 408-586-3046; and Michael Thomas, Economic Development Specialist, 408-586-3045)**

The City Council received a report on Manufacturing Day 2023 and issued certificates of commendation to event collaborators:

There were no public speakers.

Economic Development Director Andrade introduced the item and Economic Development Specialist Thomas presented the report and the City Council issued certificates of commendation to event collaborators: Paul Okoye and something Christensen, noting that a representative from KAL was not available to accept their certificate, and Public Information Officer Angelo.

10. Receive Presentation on Proposed Mixed-Use Development at 70 N. Main St. and Provide Direction on Preferred Alternative regarding Shared Parking Agreement (Staff Contact: Jay Lee, Planning Director, 408-586-3077; and Michael Fossati, Senior Planner, 408-586-3274)

City Manager Thomas introduced the item. Senior Planner Fossati presented the report. Applicant Terry Pries provided additional comment.

There were no public comments.

Council discussion ensued.

Councilmember Lien noted she met with the applicant recently and encouraged the applicant to work with staff.

Mayor Montano thanked staff and the applicant for their commitment to revitalizing Main Street. She expressed concerns about parking for apartment tenants and asked the applicant to continue working with staff.

Planning Director Lee clarified that they were asking for feedback from the Council and if they would support a shared parking agreement. Upon polling council, there was consensus for support of a shared parking agreement.

11. Receive a Presentation from Staff and Applicant and Provide Direction Regarding Conceptual Plans for Proposed Development (“600 Valley Way”) to Subdivide Three Existing Lots into Two Parcels Totaling 7.22 Acres to Facilitate up to 104 Townhome Units and 140 Rental Affordable Units, for a Total of 244 Residential Units at 461, 538, and 602 Valley Way (APNs 022-28-022, -024, and -025) (Staff Contact: Jay Lee, Planning Director, 408-586-3077; and Lillian VanHua, Senior Planner, 408-586-3073)

City Manager Thomas introduced the item and Senior Planner VanHua presented the report. Tim Steele, Senior Vice President of Development from the Sobrato Organization made additional remarks.

Councilmember Lien questioned as to why the developer is dedicating the land rather than developing the land. Tim Steele from the Sobrato Organization provided additional information. Economic Development Director Andrade spoke on the pros and cons of dedicating the land.

Councilmember Phan voiced support for the land dedication.

Mayor Montano suggested a senior housing development might be a good use for the site. She questioned aspects of the project including qualifications for density bonuses and dedicating the land versus developing it, and ended voicing support for the land dedication.

City Manager Thomas presented additional remarks.

LEADERSHIP AND SUPPORT SERVICES

12. Review the List of Agenda Item Requests From Individual Councilmembers and Provide Direction to Staff Through the Council-Approved Prioritization Process (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)

Deputy City Manager Cano presented the report.

Council reviewed the list of agenda item requests from individual Councilmembers, and individually voted electronically for two items in group one to advance as a priority.

City Clerk Guzzetta read the results of the first voting round with the following items receiving a majority of votes and moving forward:

- CC#1 - Charter City Evaluation
- CC#5 - International Festival on Main Street

After discussion, motion: to review the list of agenda item requests from individual Councilmembers and provide direction to staff, through the prioritization process, on which Group 1 items should be advanced.

Motion/Second: Councilmember Phan / Councilmember Lien

Motion carried by the following:

AYES: Mayor Montano, Councilmember Lien, Councilmember Phan

NOES: None

ABSENT: Vice Mayor Chua, Councilmember Barbadillo

ITEMS PULLED FROM CONSENT CALENDAR

5. Authorize the City Manager to Negotiate and Execute an Extension of the Existing Sister Cities Memorandum of Understanding with the City of Dagupan, Philippines (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)

Deputy City Manager Cano presented the report.

There were no public speakers.

Councilmember Phan made a motion: to integrate the requested amendments into the Memorandum of Understanding:

- 1) adding language to make the agreement in perpetuity
- 2) to specifically name the Dagupan Sister City Association
- 3) form a Sister Cities' Committee/Commission

Councilmember Lien noted that the recommendation is to authorize the City Manager to negotiate.

Deputy City Manager Cano asked for clarification if the commission can be incorporated into an existing commission. Councilmember Phan requested a separate commission.

Mayor Montano asked for further discussion and to bring the item back to City Council. She noted that the formation of a committee was in a gray area.

Deputy City Manager Cano asked if the Council would be amenable to incorporating the committee or

commission into another advisory body. Councilmember Phan voiced a desire to eventually see a separate commission and suggested bringing it back to further discussion options.

After discussion, motion: to Authorize the City Manager to negotiate and execute an extension of the existing Memorandum of Understanding with the City of Dagupan, Philippines, incorporating the following amendments: 1) adding language to make the agreement in perpetuity; 2) to specifically name the Dagupan Sister City Association; and 3) to discuss options for the formation of a committee/commission at a later time.

Motion/Second: Councilmember Phan / Councilmember Lien
Motion carried by the following:

AYES: Mayor Montano, Councilmember Lien, Councilmember Phan

NOES: None

ABSENT: Vice Mayor Chua, Councilmember Barbadillo

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

There were the following announcements:

City Manager Thomas announced the closure of City Hall in observation of Thanksgiving.

ADJOURNMENT

Mayor Montano adjourned the meeting at 8:57 PM.

Draft meeting minutes submitted by City Clerk, Suzanne Guzzetta

TENTATIVE CITY COUNCIL AGENDA ITEM LIST

as of 12/1/2023

December 12, 2023 – Special Meeting (5:30 PM)

CLOSED SESSION

- Labor Relations

INVOCATION (Vice Mayor Chua)

PRESENTATION

CONSENT CALENDAR

1. Receive City Council calendar for December 2023 and January 2024 (City Clerk)
2. Approve City Council Meeting minutes of December 5, 2023 (City Clerk)
3. Preview list of items for January 9, 2024 (City Clerk)
4. Councilmember Request List (City Clerk)
5. Commission Appointments (City Clerk)
6. ERP Contract (Finance)
7. Council Chamber A/V Replacement Agreement (Information Technology)
8. On-Call CEQA Consultants Contracts (Planning)
9. Purchase of One (1) Bucket Truck (Public Works)
10. Disposition of Fleet and Equipment (Public Works)
11. Utility Box Repainting (Recreation)

LEADERSHIP AND SUPPORT SERVICES

12. Vice Mayor Appointment (Mayor)
13. Council Handbook (Part A) (City Manager / City Clerk)
14. Potential Departmental Realignment (Human Resources)
15. Pushcart Regulation (City Attorney)

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

OPEN ITEMS				
Request No.	Topic	Submitted by:	Date Requested	STATUS and/or DATE scheduled on City Council meeting agenda:

ACTIVE ITEMS				
Request No.	Topic	Submitted by:	Date Requested	STATUS and/or DATE scheduled on City Council meeting agenda:
1	Bring back Bingo and the Tour at the Senior Center	Chua	11/7/2023	This item was included in the November 7, 2023 council prioritization list as an item that is underway as it is less than 4 hours work.
2	Consideration of a parade on Main Street	Montano	11/7/2023	This item was included in the November 7, 2023 council prioritization list as an item that is underway as it is less than 4 hours work.
3	Referral for utility infrastructure cost on Main Street from Carlo to Corning Streets	Montano	10/17/2023	Staff will provide this information by December 2023.
4	Graywater Rebates Program	Montano	10/17/2023	This item was included in the November 7, 2023 council prioritization list as an item that is underway as it is less than 4 hours work.
5	Consider a possible ordinance or policy regarding solicitations at home	Barbadillo	10/3/2023	This item was included in the November 7, 2023 council prioritization list as an item that
6	Discussion of what the City Council can do regarding shoplifting	Barbadillo	10/3/2023	This item was included in the November 7, 2023 council prioritization list as an item that is underway as it is less than 4 hours work.
7	Main Street International Festival	Lien	10/3/2023	Approved to move forward as part of the November 7, 2023 Council prioritization.
8	Bring back Capital Projects that haven't yet been named for the Council to review and as an	Phan	9/19/2023	This item was included in the November 7, 2023 council prioritization list as an item that
9	Have the Police Chief direct staff to complete an analysis in partnership with the County to determine if it would be beneficial to have a location where residents can pickup Narcan	Chua	9/5/2023	This item was included in the November 7, 2023 council prioritization list as an item that is underway as it is less than 4 hours work.
10	Explore taking steps towards becoming a Charter City	Phan	9/5/2023	Approved to move forward as part of the November 7, 2023 Council prioritization.
11	Look into what would be needed to convert the unused Teen Center space at the Sports Center to	Chua	8/8/2023	An update was included in the November 7th Council prioritization reprt.
12	Human Resources Director to conduct a job fair specific to the job openings at City Hall	Chua	5/2/2023	An update was included in the November 7th Council prioritization reprt.
13	Satellite Consulate Office	Montano	2/28/2023	An update was included in the November 7th Council prioritization reprt.
14	Have the City look into the possibility of a Citywide Senior Discount	Barbadillo	2/7/2023	An update was included in the November 7th Council prioritization reprt.
15	City Manager to look into defining either a standalone teen center or updating information to indicate the Senior Center also functions as a Teen Center	Chua	9/20/2022	An update was included in the November 7th Council prioritization reprt.
16	Discuss converting vacant lot that was a basketball court into a community garden at Vasona and	Montano	8/16/2022	An update was included in the November 7th Council prioritization reprt.
17	City Manager look into implementing a workshop for small businesses on the bidding process for projects in the city	Chua	8/9/2022	An update was included in the November 7th Council prioritization reprt.

NOTE: Deferred and Completed Items are not listed

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

ACTIVE ITEMS				
Request No.	Topic	Submitted by:	Date Requested	STATUS and/or DATE scheduled on City Council meeting agenda:
18	Quarterly or Monthly crime statistics on Homekey Project	Chua	6/7/2022	An update on this item will be provided at the next City Council prioritization meeting
19	Memorial Plaque in honor of youth skateboarder that passed away	Montano	6/7/2022	An update was included in the November 7th Council prioritization reprt.
20	Funding to hire a consultant for the Sunnyhills Historical Designation on a state level	Tran	6/7/2022	An update was included in the November 7th Council prioritization reprt.
21	Explore the policy for locking mechanisms on shopping carts for large commercial businesses	Tran	4/19/2022	An update was included in the November 7th Council prioritization reprt.
22	Explore an ordinance or policy to reduce thefts and increase security in the commercial retail parking areas	Chua	4/5/2022	An update was included in the November 7th Council prioritization reprt.
23	Request for Crossing Guards at McCandless and Montague Expressway and review wages for Crossing Guards	Montano	4/5/2022	An update was included in the November 7th Council prioritization reprt.
24	Evaluate reopening the childcare center with a non-profit organization running the center	Montano	2/1/2022	An update was included in the November 7th Council prioritization reprt.
25	Requested an appropriation in an amount not to exceed \$250,000 to procure a contract to address the streetlights that are pending fieldwork.	Tran	2/1/2022	An update was included in the November 7th Council prioritization reprt.
26	Staff to look into mural Art on Great Mall Parkway on the VTA owned Light rail pillars	Montano	11/16/2021	An update was included in the November 7th Council prioritization reprt.
27	Request for the City to make the temporary third-party food deliver fee caps permanent and add additional provisions for enforcement	Phan	11/16/2021	An update was included in the November 7th Council prioritization reprt.
28	Have a picture of Albert Vogel Sr. put up in the Senior Center	Montano	10/19/2021	An update was included in the November 7th Council prioritization reprt.
29	Include a bust of Maria Lemire on the Mural in front of the Senior Center	Montano	8/17/2021	An update was included in the November 7th Council prioritization reprt.
30	Staff to create a plan on how to increase the number of local businesses doing business with the City	Chua	4/6/2021	An update was included in the November 7th Council prioritization reprt.
31	Staff to provide information on a landmark policy for the City of Milpitas	Tran	3/16/2021	An update was included in the November 7th Council prioritization reprt.
32	Amendment to the existing ordinance for third-party food delivery vendor services to prohibit regulatory response fees	Phan	2/16/2021	An update was included in the November 7th Council prioritization reprt.
33	Consider Community Museum and Park on Main	Phan	8/20/2019	to Rules Subcommittee 8/23/2019. Moved

NOTE: Deferred and Completed Items are not listed



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Consider the Recommendation from Mayor Montano for Appointments to and Removals from City Commissions (Contact: Mayor Montano, 408-586-3024)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	12/5/2023
Recommendation:	Receive the recommendation from Mayor Montano and approve commission appointments and removals and direct the City Clerk to post a notice of unscheduled vacancy.

Background:

The City of Milpitas has 13 Commissions (including the Measure F Oversight Committee), with members appointed by the Mayor and confirmed by the City Council. The Commissions advise the Milpitas elected officials on a variety of community interests and policy areas.

Any resident interested in serving on a City Commission must complete a Commission Application and submit the form to the City Clerk. Copies of the applications are provided to the Mayor for her consideration. Per Government Code 40605, in a general law city where the office of Mayor is an elective office, the Mayor with the approval of the City Council, shall make all appointments to boards, commissions, and committees unless otherwise specifically provided by statute.

Current Commissioners may seek to be reappointed upon the expiration of their current term, but reappointment to a new term is not automatic. Those Commissioners seeking reappointment must contact the City Clerk and the Mayor to convey their request. Re-appointment must be recommended by the Mayor and confirmed by the City Council.

Most City of Milpitas Commissions have one non-voting student member. In order to qualify to be appointed as a non-voting student commissioner, applicants must be a Milpitas resident enrolled in grades 9-12. There are two non-voting student commissioners appointed to the Arts Commission, each representing one of the high schools located in Milpitas.

Analysis:

Mayor Montano is making the following recommendations for appointment and/or removal:

Arts Commission:

1. Reappoint Cheryl Oldham to a term ending October 2026
2. Appoint Vickie Young to a term ending October 2026
3. Appoint Darra Cacao to a term ending October 2026
4. Remove America Yulissa Irineo from the non-voting student member (CHHS) seat with an unexpired term ending October 2026
5. Remove Christine Lee from the non-voting student member (MHS) seat with an unexpired term ending October 2024

Both student members are no longer eligible to sit on the Arts Commission due to high school graduation.

Community Advisory Commission:

1. Appoint Tien H. Mai as Alternate No. 1 with an unexpired term ending January 2026

Economic Development and Trade Commission:

1. Appoint Vasista Ramachandruni as a non-voting student member with an unexpired term ending April 2024

Energy and Environmental Sustainability Commission:

1. Appoint Pranav Parikh as the Business representative to a term ending October 2026
2. Appoint Mario Cayabyab as Alternate No. 2 with an unexpired term ending October 2024

Parks, Recreation and Cultural Resources Commission:

1. Appoint Becky Strauss to an unexpired term ending June 2025
2. Appoint Sedrick Ashby as Alternate No. 1 with an unexpired term ending June 2026

Public Safety and Emergency Preparedness Commission:

1. Reappoint Joe Nichols to a term ending June 2026

Science, Technology and Innovation Commission:

1. Appoint Simon Chu to a term ending January 2027
2. Appoint Eric Bernal to an unexpired term ending January 2026
3. Appoint Kulwant Virdi as Alternate No. 1 with a term ending January 2027

Senior Advisory Commission:

1. Appoint Neelam Wadhwani as Alternate No. 1 with an unexpired term ending December 2024.

All recommended Commissioner appointments have been reviewed and confirmed by the City Clerk's office.

According to the Commissioner Handbook, commissioners may only serve on one City of Milpitas Commission. The appointment of Simon Chu to the Science, Technology and Innovation Commission creates a vacancy on the Senior Advisory Commission for an alternate member. By state law, a Notice of an Unscheduled Vacancy must be posted by the City Clerk to advertise vacant commission seats. Final appointment to the board, commission, or committee for the Unscheduled Vacancy shall not be made by the legislative body for at least ten working days after the posting of the notice in the Clerk's office. The notice of the unscheduled vacancy for the Arts Commission and Senior Advisory Commission will be posted Wednesday, December 6, 2023.

Fiscal Impact:

There is no fiscal impact associated with this item.

California Environmental Quality Act (CEQA):

The action is an organizational or administrative activity of the City government that will not result in direct or indirect physical changes in the environment and is not a project pursuant to Cal. Code of Regs., tit. 14, § 15378.

Recommendation:

Receive the recommendation from Mayor Montano and approve commission appointments and removals and direct the City Clerk to post a notice of unscheduled vacancy.

Attachments:

1. Application for Appointments

From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Saturday, September 23, 2023 4:26:32 PM

CAUTION: EXTERNAL SENDER

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Commission Applications

Commission /
Committee Applying
for: Arts Commission

First Name Darra

Last Name Cacao

Address Type Residence

Address

City Milpitas

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer Milpitas Unified School District

Other Phone *Field not completed.*

Business Address
(Optional) *Field not completed.*

City *Field not completed.*

State *Field not completed.*

Zip Code *Field not completed.*

Occupation Teacher

Education: If Youth *Field not completed.*

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	CSU, Long Beach
--	-----------------

Major Subject	Physical Education, Life Science
---------------	----------------------------------

Degree	B.A.
--------	------

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	HeART
----------------------	-------

Member	advisor
--------	---------

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	N/A
--------------------	-----

Officer	<i>Field not completed.</i>
---------	-----------------------------

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	I am a Biology teacher at Milpitas High School. My focus is not only science, I also have a passion for art Thus, I incorporate lessons that incorporate various art mediums. After all, it is not just STEM, it is STEAM - science, technology, engineering, ART, and mathematics. I understand the theories of art and I am familiar with the masters as well as contemporary artists.
--	---

Upload a File	<i>Field not completed.</i>
---------------	-----------------------------

Date	9/23/2023
------	-----------

By submitting this form, I confirm 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.

Darra Cacao

Name

Email not displaying correctly? [View it in your browser.](#)

From: [Cheryl Oldham](#)
To: [Suzanne Guzzetta](#)
Cc: [Justin Yount](#); [Tegan McLane](#)
Subject: Re: Arts Commission Reappointment
Date: Thursday, August 24, 2023 3:31:24 PM
Attachments: [image004.png](#)
[image001.png](#)
[image002.png](#)
[image003.png](#)

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Yes Totally!

I LOVE this group!

Cheryl Oldham

On Thursday, August 24, 2023 at 03:30:24 PM PDT, Suzanne Guzzetta <sguzzetta@milpitas.gov> wrote:

Good afternoon Cheryl,

Your term on the Milpitas Arts Commission is set to expire October 2023. By way of responding to this email, please let me know if you would like to be considered for reappointment to the commission. The Mayor will consider all requests for reappointment and applications received in response to our recruitment efforts.

Thank you.



Suzanne Guzzetta, CMC
City Clerk

Phone (408) 586-3001
Email sguzzetta@milpitas.gov

455 E. Calaveras Blvd., Milpitas CA 95035

www.milpitas.gov



From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Tuesday, October 17, 2023 10:53:32 AM

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Commission Applications

Commission /
Committee Applying
for: Arts Commission

First Name Vicki

Last Name Young

Address Type Residence

Address

City MILPITAS

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer *Field not completed.*

Other Phone *Field not completed.*

Business Address
(Optional) *Field not completed.*

City *Field not completed.*

State *Field not completed.*

Zip Code *Field not completed.*

Occupation retired

Education: If Youth *Field not completed.*

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	Temple University
--	-------------------

Major Subject	Management of Information System
---------------	----------------------------------

Degree	BBA
--------	-----

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	Chinese Information and Networking Association
----------------------	--

Member	2004 - present
--------	----------------

Name of Organization	Chinese Historical & Cultral Project
----------------------	--------------------------------------

Member	2017-2022
--------	-----------

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	<i>Field not completed.</i>
--------------------	-----------------------------

Officer	<i>Field not completed.</i>
---------	-----------------------------

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	I, Vicki Young, have been a resident of Milpitas since 1993. Before I retired I was a staff software engineer at companies such as Automatic Data Processing, S & P 500, and Harmonic for over 20 years. I received numerous awards while working there. Meanwhile, I have been a volunteer for various non-profit organization since 2004. I have a passion to serve the community and give back in a meaningful way. On my pare times, I study arts and practice painting regularly. I love arts and wanted to use art to express my feeling of gratitude. I love nature and feel very appreciative to live in Milpitas. I like to be part of volunteering team and serve the community.
--	--

Upload a File	<i>Field not completed.</i>
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Date	10/17/2023
------	------------

By submitting this form, I confirm 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.

Name

Vicki Young

Email not displaying correctly? [View it in your browser.](#)

COMMISSION/COMMITTEE APPLYING FOR:	Community Advisory Commission
Name	Tien H Mai
Address Type	Residence
Address	[REDACTED]
City	Milpitas
Postal/Zip Code	95035
Mobile Number	[REDACTED]
E-Mail Address	[REDACTED]

Present Employer	www.gettingtipsy.com
Other Phone	(541) 604-8477
Business Address (Optional)	534 Dundee Avenue
City	Milpitas
Postal / Zip code	95035

Occupation	Mixologist
Education: If Youth Advisory Commission applicant, indicate your grade/school:	Bachelor of Science
College, Professional, Vocational, or other schools attended	San Jose State University
Major Subject	Computer Engineering
Degree	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	Sep 26, 2023
-------------	--------------

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/COMMITTEE APPLYING FOR:	Economic Development and Trade Commission
Name	Vasista Ramachandruni
Address Type	Residence
Address	[REDACTED]
City	Milpitas
Postal/Zip Code	[REDACTED]
Mobile Number	[REDACTED]
E-Mail Address	[REDACTED]

Present Employer	N/A
-------------------------	-----

Occupation	Student
-------------------	---------

Education: If Youth Advisory Commission applicant, indicate your grade/school:	10/Milpitas High School. Applying for Student post
---	--

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization	Milpitas High School Digital Map Project
-----------------------------	--

Member	Lead of Operations
---------------	--------------------

Name of Organization	Milpitas High NJROTC
-----------------------------	----------------------

Member	NS-1 Cadet
---------------	------------

Name of Organization	Milpitas Library
-----------------------------	------------------

Member	Teen 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 am confident, smart, and responsible with any duties entrusted to me. I am the Lead of Operations for the Digital Map Project of Milpitas High. I am in-charge of funds given by district for use by project and keeping project on track to complete development of app. Was a cadet in NJROTC. Was part of 9/11 memorial in 2021, Veteran's Day Parade in downtown San Jose in 2021. Officer position in multiple clubs at Milpitas High School. Founding officer in 3 clubs this upcoming school year. Part-time internship as Head Photographer for Silicon Andhra ManaBadi. Honored as a scholar athlete 2 times in a row for maintaining higher than a 3.50 unweighted GPA at Milpitas High while being an athlete. Can balance duties. Over 6 hours of volunteering at Milpitas Library. Over 75 hours of volunteering in the past 2 years.

Date	Jun 13, 2023
-------------	--------------

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.

Vasista Ramachandruni

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

From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Friday, September 8, 2023 11:31:25 AM

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Commission Applications

Commission /
Committee Applying
for: Energy and Environmental Sustainability Commission

First Name MARIO

Last Name CAYABYAB

Address Type Residence

Address

City MILPITAS

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer NA

Other Phone NA

Business Address
(Optional) NA

City NA

State NA

Zip Code NA

Occupation ASSOCIATE ENGINEERING

Education: If Youth NA

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	BACHELOR OF SCIENCE IN CIVIL ENGINEERING
--	--

Major Subject	STRUCTURAL DESIGN
---------------	-------------------

Degree	BSCE
--------	------

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	NA
----------------------	----

Member	NA
--------	----

Name of Organization	NA
----------------------	----

Member	NA
--------	----

Name of Organization	NA
----------------------	----

Member	NA
--------	----

If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	NA
--------------------	----

Officer	NA
---------	----

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	INVESTOR, OWNED HOUSES AND TRIPLEXES IN THE BAY AREA, ADMINISTRATOR FOR RESIDENTIAL FACILITY FOR ELDERLY (RCFE) 4 YEARS. WORKED AT THERMOFISHER SCIENTIFIC INCREASE RESEARCH AND DEVELOPMENT, AS A ASSOCIATE ENGINEERING. MEMBER OF EXECUTIVES LIONS CLUB MILPITAS CA. USA.
--	--

Upload a File	<i>Field not completed.</i>
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Date	9/8/2023
------	----------

By submitting this form, I confirm 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.

MARIO E. CAYABYAB

Name

Email not displaying correctly? [View it in your browser.](#)

From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Tuesday, September 26, 2023 10:24:47 PM

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Commission Applications

Commission / Committee Applying for: Energy and Environmental Sustainability Commission

First Name Pranav

Last Name Parikh

Address Type Residence

Address

City Milpitas

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer Walmart

Other Phone *Field not completed.*

Business Address (Optional) *Field not completed.*

City *Field not completed.*

State *Field not completed.*

Zip Code *Field not completed.*

Occupation Software Engineering Manager

Education: If Youth Masters in Computer Science

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	The University of Texas at Dallas
--	-----------------------------------

Major Subject	Computer Science
---------------	------------------

Degree	Masters
--------	---------

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

If application is for Veterans Commission, indicate branch and service in any U.S. military organization (retired or active duty).

Branch of Military	<i>Field not completed.</i>
--------------------	-----------------------------

Officer	<i>Field not completed.</i>
---------	-----------------------------

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	As a concerned citizen, I am a big advocate for energy & water savings at my home as well as in my neighborhood. With my passion to conserve energy and help with environmental sustainability blended with my technical knowhow in areas of data analysis, technology implementation etc, I believe I can contribute to and drive the sustainability initiatives in Milpitas.
--	--

Thanks,
Pranav Parikh

Upload a File	<i>Field not completed.</i>
---------------	-----------------------------

Date	9/26/2023
------	-----------

By submitting this form, I confirm 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.

Name

Pranav Parikh

Email not displaying correctly? [View it in your browser.](#)

From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Friday, November 3, 2023 9:42:39 AM

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Commission Applications

Commission /
Committee Applying
for: Parks, Recreation and Cultural Resources Commission

First Name Sedrick

Last Name Ashby

Address Type Residence

Address

City Milpitas

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer Abbott Laboratories- Diabetes Division

Other Phone *Field not completed.*

Business Address
(Optional) 2701 Harbor Parkway

City Alameda

State CA

Zip Code 94502

Occupation Supply Base Manager

Education: If Youth *Field not completed.*

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	<i>Field not completed.</i>
--	-----------------------------

Major Subject	<i>Field not completed.</i>
---------------	-----------------------------

Degree	<i>Field not completed.</i>
--------	-----------------------------

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	Milpitas PAL
----------------------	--------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	Milpitas MYSL Soccer
----------------------	----------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	Emergency Response Team- Abbott
----------------------	---------------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	<i>Field not completed.</i>
--------------------	-----------------------------

Officer	<i>Field not completed.</i>
---------	-----------------------------

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	I was a soccer coach for both my daughter's soccer teams from 2006 to 2014, my wife and I coached and managed teams for PAL and MYSL
--	--

Upload a File	<i>Field not completed.</i>
---------------	-----------------------------

Date	11/3/2023
------	-----------

By submitting this form, I confirm 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.

Sedrick Ashby

Name

Email not displaying correctly? [View it in your browser.](#)

Suzanne Guzzetta

From: sguzzetta@milpitas.gov
Subject: FW: FW: Parks, Recreation and Cultural Resources Commission - term ending I
Attachments: image003.png

From: Becky Strauss [REDACTED]

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Yes, I would like to be reappointed to the Parks, Recreation and Cultural Resources Commission.

Thank you,

Becky Strauss
[REDACTED]

From: [Joe Nichols](#)
To: [Suzanne Guzzetta](#)
Subject: Re: Revised Commissioner Handbook
Date: Monday, July 31, 2023 10:56:28 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

CAUTION: EXTERNAL SENDER

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Suzanne,

i am sorry for my late reply. Toni stated that if i wanted to extend my tenure on the commission all i had to do is texts you being as my term has technically expired. If this isn't the case please let me know what i need to do to stay on the public safety commission.

Thank You,

Joe W Nichols

On Fri, Jun 23, 2023 at 12:05 PM Suzanne Guzzetta <sguzzetta@milpitas.gov> wrote:

Good afternoon Commissioners,

On Tuesday, June 20, 2023, the City Council adopted a revised Commissioner Handbook. It is available for you to review and download at: <https://ca-milpitas.civicplus.com/DocumentCenter/View/1824/Commissioner-Handbook-PDF>.

The revisions to the handbook approved by the Council include:

- Updating the Welcome Letter
- Renaming Section Titles
- Clarifying Alternate Member duties and actions taken when seated
- Providing information on the City Council Liaison role
- Defining qualifications for Arts Commission non-voting student members
- Revising sections for clarity including "Terms of Service" and "California's Ralph M.

Brown Act”

- Adding a section to define possible reasons a Commissioner may be removed from office
- Removing language that did not apply to all Commissions
- Defining when motions do and do not occur and removing reference to Roll Call votes.
- Including the City’s Anti-Discrimination Policy as an Appendix to the handbook
- Other non-substantive grammatical and clarifying changes.

The changes may be reviewed in a red-line version by viewing the June 20, 2023, City Council agenda packet.

If you have any questions regarding these changes, do not hesitate to contact me.

Best regards,



Suzanne Guzzetta, CMC
City Clerk

Phone (408) 586-3001

Email sguzzetta@milpitas.gov

455 E. Calaveras Blvd., Milpitas CA 95035

www.milpitas.gov



From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Monday, September 4, 2023 10:05:16 PM

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Commission Applications

Commission /
Committee Applying
for: Senior Advisory Commission

First Name Neelam

Last Name Wadhwani

Address Type Residence

Address

City Milpitas

State California

Zip Code 95035

Phone Number

Email Address

Present Employer Retired

Other Phone None

Business Address
(Optional) N/A

City *Field not completed.*

State *Field not completed.*

Zip Code *Field not completed.*

Occupation *Field not completed.*

Education: If Youth Masters in English Literature
Bachelors in psychology and philosophy

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	Project Management Program Development
--	---

Major Subject	<i>Field not completed.</i>
---------------	-----------------------------

Degree	<i>Field not completed.</i>
--------	-----------------------------

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	Research and Human Subjects Review Committee for SCCo Valley Medical Center
----------------------	--

Member	Member -2011 to 2016
--------	----------------------

Name of Organization	Data Evaluation Work Group Member Santa Clara County
----------------------	--

Member	Member -2013 to 2016
--------	----------------------

Name of Organization	Reentry Strategic Planning Workgroup member Santa Clara County
----------------------	---

Member	Member -2012 to 2016
--------	----------------------

If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	N/A
--------------------	-----

Officer	<i>Field not completed.</i>
---------	-----------------------------

Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	I advocated and worked with vulnerable and at-risk incarcerated populations in the County of Santa Clara for over 25 years. After retiring from the county as the manager of the Sheriffs' Rehabilitation Unit, I continued the advocacy, working with the homeless population for a local non-profit agency. As the director of emergency shelters, I managed and led eight shelters. Providing services and improving the quality of life of the seniors' facing homelessness was challenging and yet rewarding. I have the experience, education and knowledge of local resources and most importantly the drive to serve the seniors within our community.
--	--

Upload a File	<i>Field not completed.</i>
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Date	9/4/2023
------	----------

By submitting this form, I confirm 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.

Name

Neelam Wadhwani

Email not displaying correctly? [View it in your browser.](#)

COMMISSION/COMMITTEE APPLYING FOR:	Science, Technology and Innovation Commission
Name	Eric Bernal
Address	
City	Milpitas
Postal/Zip Code	95035
Mobile Number	
E-Mail Address	

Present Employer	Oracle
Occupation	Engineer
College, Professional, Vocational, or other schools attended	San Jose City college
Major Subject	Engineering
Degree	N/A

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization	Milpitas Baseball
----------------------	-------------------

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 1970, attended Milpitas high school (many moons ago), I have some concerns over Milpitas issues and rather than complain I would like to do something about it - hopefully if chosen i can affect change in things I would like to see changed in Milpitas and my neighborhood - I am a good fiend and work with Anh Bao (BA) at Oracle and he has tagged through the years to get involved in Milpitas affairs and recommend i complete the application and hopefully get chosen.

Date	May 04, 2023
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/COMMITTEE APPLYING FOR:	Science, Technology and Innovation Commission
Name	Simon C Chu
Address Type	Residence
Address	[REDACTED]
City	Milpitas
Postal/Zip Code	95035
Mobile Number	[REDACTED]
E-Mail Address	[REDACTED]

Present Employer	Retired
-------------------------	---------

Occupation	Retired chemist
College, Professional, Vocational, or other schools attended	State University of New York, Stony Brook
Major Subject	Chemistry
Degree	Ph.D.

List community organizations to which you belong or have belonged (additional information may be attached).

Name of Organization	Berryessa Chinese School
Member	Former principal/advisor
Name of Organization	MUSD
Member	Substitute teacher

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):
Resume attached

Upload a File	SimonChuCV.pdf
Date	Jan 25, 2023

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.

Simon Chu

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

From: noreply@civicplus.com
To: [City Clerk](#)
Subject: Online Form Submittal: Commission Applications
Date: Friday, September 8, 2023 4:22:27 PM

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Commission Applications

Commission /
Committee Applying
for: Science, Technology and Innovation Commission

First Name Kulwant

Last Name Viridi

Address Type Residence

Address

City Milpitas

State CA

Zip Code 95035

Phone Number

Email Address

Present Employer 1Life Healthcare Inc

Other Phone *Field not completed.*

Business Address
(Optional) *Field not completed.*

City San Francisco

State CA

Zip Code 94111

Occupation Sr. Systems Engineer

Education: If Youth *Field not completed.*

Advisory Commission
applicant, indicate your
grade / school:

College, Professional, Vocational, or other schools attended	<i>Field not completed.</i>
--	-----------------------------

Major Subject	<i>Field not completed.</i>
---------------	-----------------------------

Degree	BS in Science
--------	---------------

List community organizations to which you belong or have belonged (additional
information may be attached).

Name of Organization	<i>Field not completed.</i>
----------------------	-----------------------------

Member	<i>Field not completed.</i>
--------	-----------------------------

Name of Organization	<i>Field not completed.</i>
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Member	<i>Field not completed.</i>
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Name of Organization	<i>Field not completed.</i>
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Member	<i>Field not completed.</i>
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If application is for Veterans Commission, indicate branch and service in any U.S.
military organization (retired or active duty).

Branch of Military	<i>Field not completed.</i>
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Officer	<i>Field not completed.</i>
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Briefly describe the personal qualifications you possess which you believe would be an asset (additional information may be attached):	<i>Field not completed.</i>
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Upload a File	<i>Field not completed.</i>
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Date	9/8/2023
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By submitting this form, I confirm 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.

Kulwant Viridi

Name

Email not displaying correctly? [View it in your browser.](#)



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Accept the FY 2022-23 Commissioners Annual Report for Three (3) Commissions and Approve Three (3) City of Milpitas Commission Work Plans for FY 2023-24 (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	10/17/2023
Recommendation:	(1) Accept the 2022-23 Commissioners Annual Report; and (2) Approve proposed Fiscal Year 2023-24 Work Plans for (a) Energy and Environmental Sustainability Commission, (b) Planning Commission, and (c) Public Safety and Emergency Preparedness Commission.

BACKGROUND:

The City of Milpitas has 13 Commissions and Committees, appointed by the Mayor and City Council. On April 16, 2019, the City Council approved the City of Milpitas Standard Commission By-Laws (By-Laws). Per Section 1, titled "Purpose" of the By-Laws, "A Commission serves as an active advisory group to the City Council on a variety of topics as directed by the City Council." Therefore, annually, City Commissions develop and recommend a work plan to outline tasks, goals, and or projects related to their advisory area. Staff works with commissions to develop their respective workplans and takes them to Council for review and approval.

ANALYSIS:

The Energy and Environmental Sustainability Commission; Planning Commission; and Public Safety and Emergency Preparedness Commission meet at different frequencies such as monthly, bi-monthly, or specially designated months as determined by their By-Law addenda. Commissions began meeting and discussing their FY 2023-24 workplans and have prepared new work plans. Commission accomplishments for and carry-overs from Fiscal Year 2022-2023 are as follows:

Commission Accomplishments

Energy and Environmental Sustainability Commission

The EESC advises the City Council on matters pertaining to sustainability, climate action, recycling, and waste diversion.

FY 2022-23 Work Plan Item	Accomplished	Carryover	Notes
Earth Day Event Planning	X	X	Staffed an EESC table at the event. Will continue in annually.
Earth Day Essay Contest	X	X	Developed and hosted Earth Day Essay Contest and awarded 3 prizes to winners from Milpitas High School. Will continue this and other possible challenges/contests in FY 23-24.
Advanced Power Strip Community Engagement	X	X	Developed training and engagement script for Advanced Power Strip education and community engagement survey. Staffed several events, and engaged with over 40 community members at Earth Day Event.
Legislative Review for Possible Positions		X	Due to lack of quorum, Commission did not meet to review pending legislation during the last FY. This item will be conducted annually and is included on the FY 23-24 work plan.

Planning Commission

The Planning Commission advises the City Council on issues and policies related to land use planning, zoning regulations, urban design, and community development. The Planning Commission meets bi-weekly to review, consider, and discuss proposals for new development throughout the City, and is empowered to make decisions on certain land use matters or formal recommendations to the City Council. The Planning Commission met 17 times during Fiscal Year 2022-2023 and accomplished the following: (1) approved 8 planning entitlements; (2) recommended approval of 6 development projects, 3 zoning text amendments, 2 zoning map amendments, and 1 general plan amendment; and (3) held study sessions and adoption hearings for various long-range planning policy efforts including the Milpitas Metro Specific Plan, Gateway/Main St. Specific Plan, Comprehensive Zoning Ordinance Update, and Objective Design Standards.

FY 2022-23 Work Plan Item	Accomplished	Carryover	Notes
Development Review	X	X	Ongoing (held public hearings for 14 development projects)
Milpitas Metro Specific Plan (TASP Update)	X		Completed (held two adoption hearings; Plan adopted by City Council in February 2023)
Gateway/Main St. Specific Plan (Midtown Update)	X	X	Ongoing (held one study session)
Comprehensive Zoning Ordinance Update	X	X	Ongoing (held one study session and served on the Zoning Ordinance Update Advisory Committee)
Misc. Development Policies	X	X	Annual (held one study session and one adoption hearing for the Objective Design Standards)
Annual CIP Conformance with General Plan	X	X	Annual (held one public hearing)

Public Safety and Emergency Preparedness Commission

The Public Safety and Emergency Preparedness Commission (PSEPC) advises the City Council on emergency preparedness and education. The PSEPC met six times over the calendar year 2023. During the year the PSEPC made significant accomplishments in educating the public on emergency preparedness. For 2024, the commission has re-organized its commission work plan goals. The intent of the re-organization is to continue with the same objectives, public outreach and education in emergency preparedness, however Commissioners will partner with a public safety liaison – Law, Fire, Emergency Management, and work on specific events focused in the area they are teamed with.

FY 2022-23 Work Plan Item	Accomplished	Carryover	Notes
Access and Functional Needs (AFN) outreach	X	X	All public education will incorporate AFN.
Multi-lingual Outreach	X	X	All public education will incorporate multi-lingual outreach
Neighborfest Program	X		Not eliminated, but on hold. Won't be a primary goal this year.
Business Preparedness Outreach	X	X	All public education will incorporate the business community.
Public Safety Collaboration Outreach	X	X	This will be the focus of the 2024 work plan.

FISCAL IMPACT:

Each Commission, except for Measure F Oversight Committee is allocated \$1,000 annually by the City Council in the adopted budget. These funds are budgeted and approved as part of the FY 2023-24 budget and are to be used towards City Council approved tasks and projects, and administrative costs related to the Commission.

California Environmental Quality Act (CEQA):

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.

RECOMMENDATION:

- (1) Accept the 2022-23 Commissioners Annual Report; and
- (2) Approve proposed Fiscal Year 2023-24 Work Plans for
 - (a) Energy and Environmental Sustainability Commission;
 - (b) Planning Commission; and
 - (c) Public Safety and Emergency Preparedness Commission.

Attachment(s):

- (a) Energy and Environmental Sustainability Commission FY 23-24 Workplan
- (b) Planning Commission FY 23-24 Workplan
- (c) Public Safety and Emergency Preparedness Commission FY 23-24 Workplan

City of Milpitas
Energy and Environmental Sustainability Commission
Work Plan FY 23-24

The Energy and Environmental Sustainability Commission advises the City Council on matters pertaining to sustainability, climate action, recycling, and waste diversion.

Workplan includes several contests/challenges with monetary prizes which the Commission would like to fund from the Commission budget.

Month	Issue/Agenda Topic	Commission Objective
July	NO MEETING	NO MEETING
August	NO MEETING	• NO MEETING
September	• FY – 23-24 Work Plan	• Develop FY 22-23 Work Plan for City Council approval
October	• FY – 23-24 Work Plan	• Develop FY 22-23 Work Plan for City Council approval
	• Community Engagement and Event Opportunities	• Receive update on community engagement opportunities and sign up for events; discuss opportunities to recruit additional volunteers
November	• Recycling and Garbage Services and Diversion/SB 1383 Status Update	• Provide feedback on diversion programs and solid waste services
	• Discuss Environmental/Sustainability Bingo Challenge	• Discuss the requirements for the Challenge including timeframe, potential tracking of Utility bills for results; identify potential prizes options
December	• Planning for 2023 Earth Day Event	• Brainstorm and begin planning for 2024 Earth Day event
	• Milpitas SMART Shuttle Update	• Receive update on the Shuttle Program
January	• Planning for 2023 Earth Day Event and Essay Contest	• Brainstorm and begin planning for 2024 Earth Day event and Essay Contest
	• Silicon Valley Clean Energy Decarbonization Programs Update	• Receive an update from Silicon Valley Clean Energy on available Decarbonization Programs

Month	Issue/Agenda Topic	Commission Objective
February	• Planning for 2023 Earth Day Event, Essay Contest, and Strategy to Invite other Commissions to attend	• Brainstorm and begin planning for 2024 Earth Day event and Essay Contest
	• Climate Action Plan Implementation Update	• Receive update on status of CAP implementation
March	• Carbon Neutral Home Incentive Program Update	• Receive update on status of the program
	• Earth Day Event Planning	• Continue planning for Earth Day event
April	• Inflation Reduction Act/Bipartisan Infrastructure Investment Act Funding Opportunities and Deadlines	• Update on what funds are available; what City is pursuing and what plans are for use of funding
May	• Debrief Earth Day Event	• Discuss event and improvement opportunities for next time
	• Invite Valley Transportation Agency	• Learn what VTA is doing to incentivize use of Public Transit
June	• Legislative Review for Possible Positions	• Identify and review proposed environmental legislation and make potential position recommendations

**City of Milpitas
Planning Commission
Work Plan FY 2023-24**

Purpose: As established under Chapter 500 of Title I of the Milpitas Municipal Code, the Planning Commission advises the City Council on issues and policies related to land use planning, zoning regulations, urban design, and community development. The Commission meets bi-monthly to review, consider, and discuss proposals for new development throughout the City, and it is empowered to make decisions on certain land use matters or to make formal recommendations to the City Council.			
Topic/Activity	Tasks	Required Resources	Completion
Development Review*	Attend meetings (2x/month); read meeting packets; active participation; site visits; Vote to approve/deny a project or make a recommendation to the Council	Commission, Staff	Ongoing
Housing Opportunity Districts	Participate in meetings; review draft plan and make recommendations to Council	Commission, Staff, Consultants	Early 2024
Transit Area Development Impact Fee Update	Participate in meetings; review draft study and make recommendations to Council	Commission, Staff, Consultants	Mid 2024
Gateway/Main St. Specific Plan (Midtown Update)	Participate in meetings; review draft plan and make recommendations to Council	Commission, Staff, Consultants	Mid 2024
Main St. Sense of Place Plan and Impact Fee Study	Receive presentations; provide feedback and make recommendations to Council	Commission, Staff, Consultant	Mid 2025
Innovation Districts Parks and Trails Master Plan	Receive presentations; provide feedback and make recommendations to Council	Commission, Staff, Consultant	Mid 2025
Comprehensive Zoning Ordinance Update	Receive presentations; provide feedback and make recommendations to Council	Commission, Staff, Consultant	Mid 2025
Misc. Development Policies (State legislation implementation)	Receive presentations; provide feedback and make recommendations to Council	Commission, Staff	Annual
Annual CIP Conformance with General Plan	Receive presentations; provide feedback and make recommendations to Council	Commission, Staff	Annual

* The Commission Reviews and Acts Upon the Following:

1. General Plan and General Plan amendments;
2. Specific Plans and Specific Plan amendments;
3. Zoning and Subdivision Ordinance amendments

**City of Milpitas
Planning Commission
Work Plan FY 2023-24**

4. Environmental Impact Reports and Negative Declarations under CEQA;
5. Tentative Subdivision Maps;
6. Planned Development permit applications;
7. Subdivision Ordinance exceptions;
8. Special Studies and Reports
9. Master Plans (e.g., Bike and Ped Master Plan, Open Space Plan, Green Infrastructure Plan, etc.)
10. Appeals of Decisions by the Zoning Administrator.

Public Safety and Emergency Preparedness Commission
Commission Adopted Work Plan 2024

Work Plan Goals: Educate the community in emergency preparedness and personal safety and security.					
<u>Topic/Advisory Area</u>		<u>Tasks</u>		<u>Required Resources</u>	<u>End Goal</u>
Public Safety Public Education		Team with MPD staff Liaison to create a presentation, brochures and present on public safety matters, such as "smash and grab", neighborhood watch program, delivery theft mitigation, etc. Once materials are prepared, presentations will be provided to professional organizations, religious organizations, social, PTA and housing organizations, et. al.		Commissioners, Staff	Quantifiable data at the end of the calendar year, such as number of presentations.
Fire Safety/Prevention Education		Team with MFD staff Liaison to create a presentation, brochures and present on fire safety matters, such as fire extinguisher education, storage and use, smoke detector and CO monitor awareness, Once materials are prepared, presentations will be provided to professional organizations, religious organizations, social, PTA and housing organizations, et. al.		Commissioners, Staff	Quantifiable data at the end of the calendar year, such as number of presentations.
Emergency Preparedness Education		Team with OEM staff Liaison to create a presentation, brochures and present on emergency preparedness, alert and warning systems, AFN needs, and introduction of the CERT and RACES team information. Once materials are prepared, presentations will be provided to professional organizations, religious organizations, social, PTA and housing organizations, et. al.		Commissioners, Staff	Quantifiable data at the end of the calendar year, such as number of presentations.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Accept the City's Annual Comprehensive Financial Report and Other Related Annual Audited Reports for the Fiscal Year Ended June 30, 2023
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	12/5/2023
Recommendation:	Accept the City's Annual Comprehensive Financial Report (ACFR) and other Related Annual Audited Reports for the Fiscal Year ended June 30, 2023.

Background:

Annually, Maze and Associates, the City's external auditor audits the City's books and staff prepares the Annual Comprehensive Financial Report (ACFR) of the City of Milpitas. In conjunction with the ACFR for the fiscal year ended June 30, 2023, this staff report presents, Bicycle/Pedestrian Project Financial Statement, Agreed Upon Procedures Report on Compliance with the Appropriations Limit Increment, Required Communications, and the Memorandum on Internal Control (MOIC) to the City Council for review.

Analysis:

The ACFR presents the operations and financial activity of all the City's various funds, including the General Fund. It includes an unqualified ("clean") audit opinion from Maze & Associates which means that the financial statements present fairly the results of operations for the fiscal year ended June 30, 2023, in conformance with Generally Accepted Accounting Principles (GAAP). The completion of ACFR has met the debt reporting obligation requirement. The City also intends to apply for Government Finance Officer Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Award timely before December 31, 2023.

Highlights and items to note from the ACFR for the fiscal year ended June 30, 2023 are detailed below:

The City's revenues in Fiscal Year 2023 have been slowly recovering since the start of the Pandemic over three years ago. The unemployment rate for the San Jose-Sunnyvale-Santa Clara metropolitan area was 3.7%, an increase of 1.5% from 2.2 % when compared to Fiscal Year 2022. General Fund revenues were higher compared to Fiscal Year 2022, especially in property tax, sales tax, and hotel/motel tax. These increases were primarily due to one-time revenues such as sales tax payments in arrears, sales tax collected through audit and property tax ERAF (Educational Revenue Augmentation Funds) subject to audit and litigation. However, license, permits and fines revenues were significantly lower in fiscal year 2023 compared to fiscal year 2022.

The increase in Property taxes is due to ongoing increases in secured and supplemental property tax due to higher property valuation. Sales and use tax increased significantly due to higher consumption and historically high inflation. As people started to travel again post-pandemic, hotel/motel tax has recovered but not quite returning to pre-pandemic revenue level.

As the economy remains uncertain in the fourth year after the COVID-19 pandemic, we are optimistic about the future but remain tempered by possible near-term economic impacts that may stem from the continued war in Ukraine, recently intensified Israel-Hamas war in the Middle East, high interest rates, fluctuating inflation rates, high mortgage rates, local unemployment trend, continued supply chain challenges, and the banking concerns following the recent collapse of Silicon Valley Bank.

Fiscal 2023 financial highlights include the following:

City-wide:

- The City's total net position was \$663.3 million on June 30, 2023. Of this total, \$ 430.3 million were Governmental and \$232.9 million were Business-type, a net increase of total \$16.9 million from the prior year's total of \$646.4 million primarily due to a net increase in assets over liabilities. Net asset increases were primarily due to increases in cash and investments and capital assets and liability decreases primarily due to a decrease in pension liabilities.
- City-wide revenues include program revenues of \$ 106.0 million, general revenues and transfers of \$109.4 million, totaling \$ 215.4 million, an increase of \$ 15.4 million from the prior year's total of \$200 million primarily due to increase in charges for services, capital grants and contributions and general revenues.
- Total City-wide expenses were \$194.6 million, an increase of \$27.5 million from the prior year's \$167.1 million primarily due to increases in primary government expenditure related to net pension liability increases in public safety, recreation and building safety and housing functions and sewer utility expenses.

Fund Level:

- Governmental Fund balances were \$246.0 million, a net increase of \$8 million from fiscal 2022 primarily due to revenues exceeding expenditures by \$8 million in General Fund.
- Governmental Fund revenues were \$148.6 million in fiscal 2023, up \$15.6 million from the prior year's \$133 million, primarily due to increases in General Fund revenues such as Property Tax, Sales and Use tax, Hotel/Motel taxes and positive return in Use of Money and Property.
- Governmental Fund expenditures were \$144.3 million compared to \$151.4 million in fiscal year 2022 primarily due to decrease in General government capital projects, capital outlay in Other Governmental Funds.
- General Fund revenues of \$126.3 million represented an increase of \$14.2 million from fiscal 2022 revenues of \$112.1 million caused primarily by one-time increase in Hotel/Motel taxes, Sales and Use taxes, and Property taxes and positive return in Use of Money and Property.
- Net other financing uses of the General Fund were \$(2.1) million in fiscal 2023 while fiscal 2022 had a total of other financing uses in \$3.9 million. One-time variance was primarily due to transfer out to the General Government CIP fund. General Fund balance of \$73.5 million at the fiscal 2023 was \$6.7 million more than the fund balance at fiscal 2022.

Bicycle/Pedestrian Project Financial Statement - The Bicycle/Pedestrian Projects Financial Statements includes Projects that were developed using Transportation Development Act (TDA) grant. The auditor issued an unqualified opinion on these statements.

Memorandum on Internal Control (MOIC) - Under generally accepted auditing standards, the City's auditors are encouraged to report certain matters regarding the City's internal control structure. The City's auditors have provided such a report in their Memorandum on Internal Control ("MOIC") for the Year Ended June 30, 2023. There are no items reported as significant deficiencies and material weakness by the auditors regarding the City's internal control structure. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and correct on a timely basis.

Required Communications Report – Our auditors are required to communicate information related to the audit and financial statements under generally accepted auditing standards and *Government Auditing*

Standards. The City's auditors have provided such a report in their Required Communications for the Year Ended June 30, 2023. Please note the following from the Required Communications Report:

- 1) The City's auditors noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.
- 2) The City's auditors encountered no significant difficulties in dealing with management in performing and completing their audit.
- 3) The City's auditors discovered no material misstatements, either individually or in their aggregate, to each opinion unit's financial statements taken as a whole.
- 4) The City's auditors encountered no disagreements with management during the course of their audit.

Agreed Upon Procedures Report on Compliance with the Appropriations Limit Increment - This report shows that the auditor applied specific procedures to validate the City's Appropriations Limit ("Gann Limit") calculations. The appropriations limitation imposed by Propositions 4 (1979) and later amended by Proposition 111 (1990) creates a restriction on the amount of government revenue which may be appropriated in any fiscal year. The Appropriations Limit is based on actual appropriations during the base year (1986-87 or the first full year of operation), and increases each year using specified growth factors. The Appropriations Limit applies only to those revenues defined as "proceeds of taxes." Certain expenditures of tax proceeds do not count as Appropriations Subject to Limit including those for voter approved debt, qualified capital outlay, and the costs of complying with court orders and federal mandates. Staff prepares an updated Appropriations Limit in May of each year and presents to Council for review and approval during the budget preparation process.

Policy Alternative(s):

Not applicable.

Fiscal Impact:

There is no fiscal impact from this report other than staff time to prepare the report.

California Environmental Quality Act:

The action being considered has no potential for causing a significant effect on the environment and is exempt from the California Environmental Quality Act (CEQA) Guidelines Section 15061 (b)(3).

Recommendations:

Accept the City's Annual Comprehensive Financial Report and other Related Annual Audited Reports for the Fiscal Year ended June 30, 2023.

Attachments:

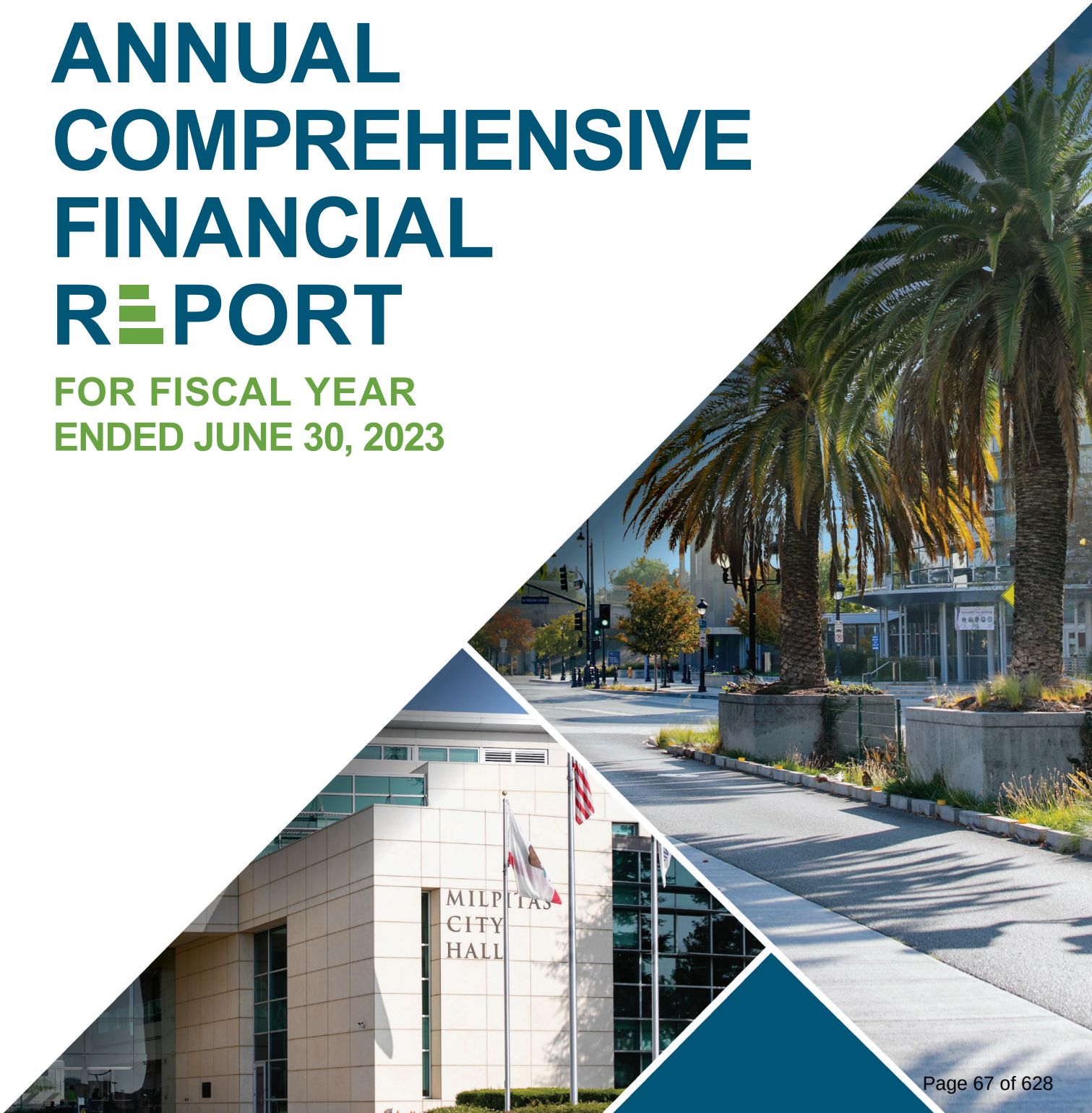
- A. Annual Comprehensive Financial Report for FY 2022-23
- B. Bicycle/Pedestrian Project Financial Statement for FY 2022-23
- C. Memorandum on Internal Control for FY 2022-23
- D. Required Communications for FY 2022-23
- E. Agreed Upon Procedures report on Compliance with the Appropriations Limit Increment FY 2022-23



2022-2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR
ENDED JUNE 30, 2023





CITY OF MILPITAS, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

Prepared by
THE FINANCE DEPARTMENT



INTRODUCTORY SECTION



CITY OF MILPITAS
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

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CITY OF MILPITAS

455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479

PHONE: 408-586-3000, www.ci.milpitas.ca.gov

November 15, 2023

Honorable Mayor and Members of the City Council:

Submitted herewith is the Annual Comprehensive Financial Report (ACFR) of the City of Milpitas (the City) for the fiscal year ended June 30, 2023 as prepared by the City's Finance Department with support from other City departments. This report is consistent with generally accepted accounting principles. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The data, as presented, is accurate in all material aspects; and is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. The organization of the financial report follows the guidelines set forth by the Government Finance Officers' Association of the United States and Canada.

The Reporting Entity and its Services

This report combines the financial statements of the Milpitas Public Financing Authority (MPFA), Milpitas Housing Authority (Housing Authority), the Milpitas Municipal Financing Authority (MMFA) and the Terrace Gardens Inc. with those of the City to constitute a single reporting entity. The MPFA, Housing Authority, MMFA and Terrace Gardens are separate legal entities from the City and are controlled by the City. The MPFA, Housing Authority and MMFA have the same governing board as the City and the City also has control of the Terrace Gardens' governing board. However, the Terrace Gardens Inc. issues its own component unit financial statements. The purpose and authority of the Milpitas Public Financing Authority (MPFA), Milpitas Housing Authority (Housing Authority), the Milpitas Municipal Financing Authority (MMFA) and the Terrace Gardens Inc. are described in Note 1 of this report.

Milpitas is a general law city of the State of California. The City was incorporated in 1954 and operates under a Council-Manager form of government. The City's political and legislative body is the City Council and is empowered by the general laws of the State of California to formulate citywide policy, including a fiscal program, City services, and appointment of the City Manager and City Attorney. There are four City Council members who are elected at-large for staggered four-year terms, and the Mayor is selected every two years in a separate citywide election.

The City provides a full range of municipal services to the community through its departments such as Building Safety and Housing, Planning, Engineering, Fire, Police, Public Works, and Recreation and Community Services. These departments are supported by the internal departments which include the City Manager's Office, City Attorney's office, Finance, Human Resources, and Information Technology.

Community members of the City desiring to assist the City Council in forming government policy may do so by serving on a City commission. The commissions act in an advisory capacity to the City Council. They are: 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; Science, Technology, and Innovation Commission; Senior Advisory Commission; Veterans Commission; Measure F Committee and Youth Advisory Commission.

Economic Condition, Outlook and Activity

Milpitas is situated within the Silicon Valley region, known throughout the world as the home of high technology, innovation and research. Milpitas is considered the “Crossroads of Silicon Valley,” with most of its 13.6 square miles of land situated between two major freeways, I-680 and I-880. Milpitas has experienced tremendous growth since its incorporation in 1954. Over the past 69 years, the population growth has increased from 26,561 in 1970 to nearly 81,067 based on the latest Department of Finance data. The economy was largely unchanged at the state and federal levels with State of California’s unemployment at 4.6% and national unemployment rate at 3.8% compared to 4.1% and 3.5% in prior fiscal year, respectively. At the City level, unemployment rate increased by 2% compared to prior year’s 2.3% to 4.3%. The increase was primarily due to technology sector and related layoffs in the Silicon Valley, which totaled more than 11,979 in FY22-23. During this period seven businesses issued 10 WARN notices resulting in permanent separations of 967 employees due to reduction in customer volume, facility closures or other changes in business needs. In comparison the California Employment Development Department (EDD) reported that manufacturing employment reductions in Santa Clara County totaled 2,000 jobs between August 2022 and August 2023 despite overall employment increasing by 22,000 jobs during this same period.

As the economy remains uncertain in the fourth year after the COVID-19 pandemic, we are optimistic about the future but remain tempered by possible near-term economic impacts that may stem from the continued war in Ukraine, recently intensified Israel-Hamas war in the Middle East, high interest rates, fluctuating inflation rates, continued supply chain challenges, and the banking concerns following the recent collapse of Silicon Valley Bank. While the inflation rate peaked and declined, it remains at about 3.7% nationally and the Federal Reserve maintains its plans to continue interest rate hikes to engineer inflation reductions. The technology sector layoffs are relevant especially in the Silicon Valley and the collapse of the Silicon Valley Bank has put more strain on the Federal government and our economy. While the City funds are collateralized by our respective banks, the impact on the local economy and City revenues remains a concern. Another critical variable is how the pandemic may permanently impact society, such as cutting back in in-person commerce or services through online shopping, virtual work, a decrease in conferences and/or leisure services to name only a few. Recoveries in sales tax and hotel tax (transient occupancy tax) are encouraging; however, we are cognizant that full recovery of hotel tax revenue may be challenging and require multiple years.

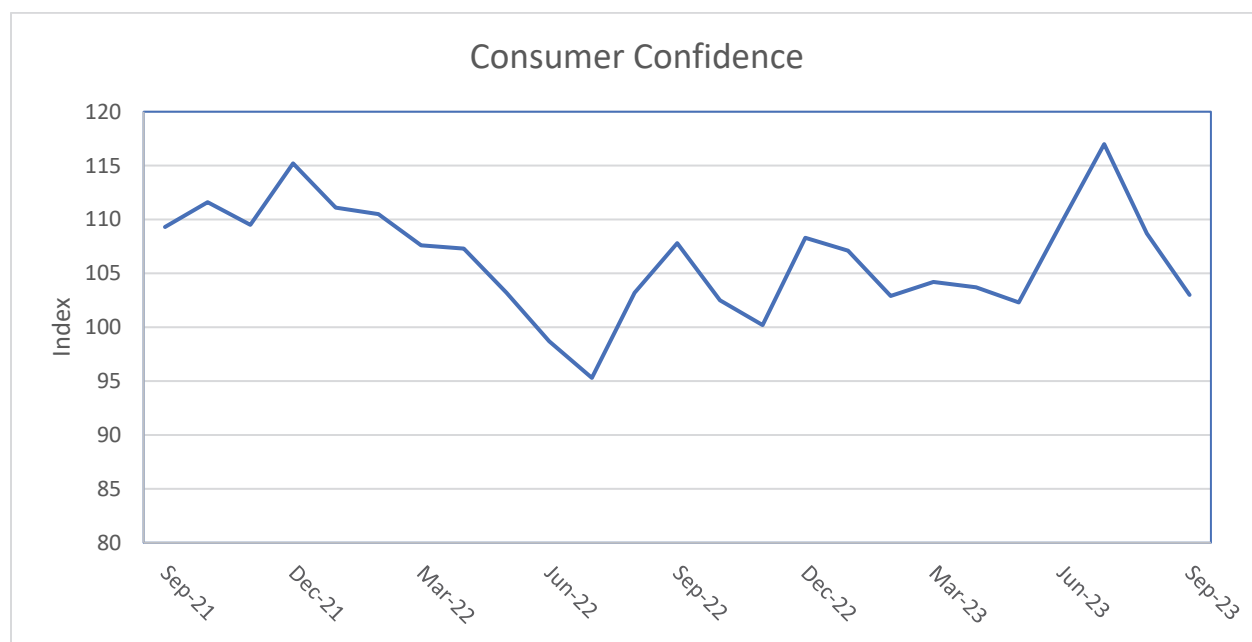
The national GDP (Gross Domestic Product, the value of goods and services less the value of the goods and services used up in production and is the most popular indicator of the nation’s overall economic health.) growth increased at an annual rate of 2.1 percent in the second quarter of 2023 from the previous quarter (according to the BEA, or Bureau of Economic Analysis’ Advanced estimate). With inflation decreasing to around 3.7% as of September 2023 compared to 8.2% in September 2022, the Federal Reserve is likely to maintain high interest rates to suppress inflation. Consequently, there is volatility in the stock market and slow-down in economic growth. As of September 2023, the Federal Reserve Board’s projected change in median GDP growth is positive 1.5 percent for 2024 and positive 1.8 percent for 2025.

The CPI (Consumer Price Index) is used by the U.S. Bureau of Labor Statistics to measure inflation. The September 2023 CPI-U (Consumer Price index for all Urban Consumers) increased 3.7 percent over the last 12 months. Core CPI (CPI less food and energy) is 4.1 percent compared to 6.6 percent in September 2022. Core CPI represents a more accurate picture of underlying inflation trends since volatile food and energy products are excluded. While the global economic activity remains uncertain, the U.S. Bureau of Labor Statistics’ Employment Projections for 2022-2023 shows a projected growth from 164.5 million to 169.1 million over the 2022-32 decade.

The housing market has remained strong in 2023. Single family residential construction starts increased 8.0% year-over-year while multi-family construction starts decreased 28% year-over-year. The median sale price of a single-family residential home in Milpitas was \$1.4 million as of August 2023, down approximately 4.7 percent from last year. Year-over-year price increases have ramped up in Santa Clara County. Santa Clara County had an 8.3 percent increase in median sale price compared to 2.1 percent increase last year. The California Association of Realtors reported an increase in value of 1.6 percent statewide. The section below entitled “Major Development Activities in the City” will discuss some of the development activities that are occurring in Milpitas.

Consumer Confidence Level

The Conference Board Consumer Confidence Index decreased to 103 in September 2023 from 108.7 in August 2023. Consumer confidence is an indicator designed to measure the degree of optimism that consumers feel about the overall state of the economy and their personal financial situation. Since consumer spending accounts for more than two-thirds of the U.S. Gross Domestic Product, the index is a good indicator that when consumers’ confidence is high, consumers would likely make more purchases thus further boosting the economy. Employment drives consumer spending, which in turn impacts the economy greatly. Nonfarm payroll employment increased 336,000 in September 2023, and the unemployment rate was unchanged at 3.8 compared to August 2023.

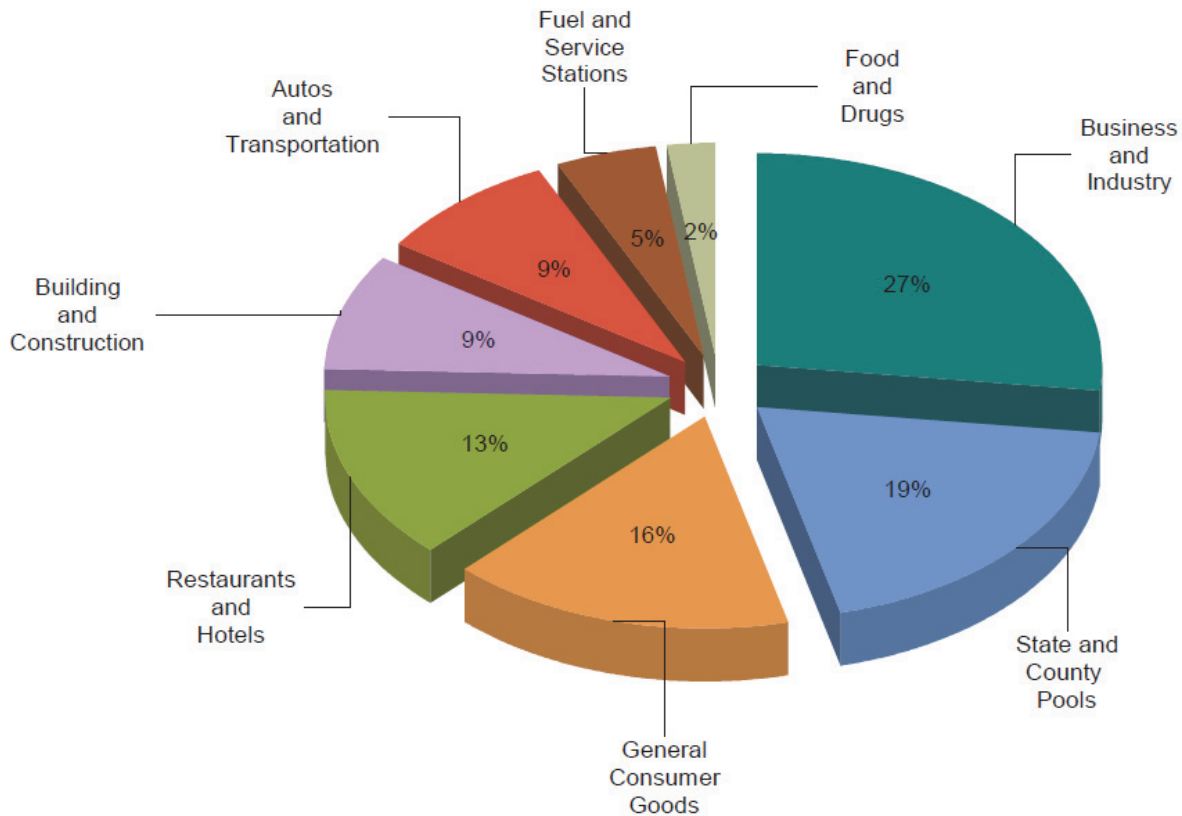


Source: The Conference Board

Top Ten Sales Tax Generators by Economic Segment

Financial markets continue to remain volatile and inflationary trends in the economy remain high. According to Urban-Brookings Tax Policy Center, total state tax revenue collections decreased 6.8 percent in nominal terms and 11.5 percent in real terms in the first quarter of 2023, compared to the year prior. The chart below provides a snapshot of the City’s sales tax revenue by major industry groups. Total amount of sales tax revenue for the major industry groups generated about \$29.7 million. Total sales tax receipts increased by 10.8 percent from 2022. By and large, the sales tax revenue generated from major industry groups such as Fuel and Service Stations, Restaurants and Hotels, General Consumer Goods, Business and Industry, Food and Drugs, and Autos and Transportation did not change significantly compared to the composition over a year ago.

City Sales Tax Revenue (\$29.7 Million)
Major Industry Groups



Source: HDL FY23 Major Business Categories

Major Development Activities in the City

General Plan Update – Considered the blueprint for future development, the General Plan defines a long-term vision for future growth, traffic circulation, economic development, health, housing and resource conservation. The Milpitas 2040 General Plan was unanimously adopted by the City Council on March 9, 2021, and this policy document will guide City decision-making and priorities over the next 20 years. The Plan identifies opportunity sites where changes to land use and development patterns are likely to occur and prioritizes housing and economic growth in areas served by high-quality transit. The Plan also includes policies aimed at preserving the character of existing neighborhoods and protecting the City’s hillsides and other natural resources.

Milpitas Metro Specific Plan – The City adopted a Transit Area Specific Plan (TASP) in June 2008 to encourage medium to high density development surrounding the new Milpitas Transit Center. The Plan was last updated in 2011. The Milpitas Transit Center, which opened in 2020, provides high-quality bus and light rail connections via the Santa Clara Valley Transportation Authority (VTA) system as well as regional rapid transit services via BART. The City adopted the Milpitas Metro Specific Plan (and the associated Environmental Impact Report) in February 2023 with updated policies and programs to further enhance existing neighborhoods and provide new opportunities for future housing, retail, office, and hotel uses in the planning area. The new Metro Plan envisions a network of landscaped open space, parks, and trails that connect housing and jobs to high-quality transit and provide opportunities for active and passive recreation as well as social interaction. The new Plan also envisions development of an employment-oriented Innovation District near the Milpitas Transit Center to foster economic development based on the City’s excellent access to regional bus, light rail, and BART connections. The Office of Economic Development is currently partnering with a local public relations firm on the Innovation District Branding Initiative. The City is currently updating the Transit Area Development Impact Fee to fund the new public improvements identified in the new Plan.

Residential Development – The City continues to leverage public and private resources to support planning and development of new affordable housing. The City is recognized for its award-winning online resources and interactive tools that help residents navigate the development review process and find ADU designs that fit their property and needs. For more information, visit www.milpitas.gov/adu/. The City also continues to host the popular “ADU Mondays” program, which brings staff from various departments together to provide direct assistance to residents who wish to pursue an ADU on their property. City staff has presented information about these programs in regional and statewide forums.

In FY 2022-23, the Planning Commission has approved permits for several new housing development, including a time extension to develop a 372-unit multifamily residential project at 600 Barber Lane, a 78-unit (15% affordable) multi-family townhome development with 12 attached ADU’s at 675 Tradezone Blvd., and an 57-unit (15% affordable) townhome project on 612 S. Main Street. The City is continuing to utilize \$300,000 in state grant funding to develop a Housing Opportunity Overlay Zone aimed at streamlining the review process for affordable housing and create new by-right housing regulations. In addition, the City received a \$500,000 Priority Development Area (PDA) grant from ABAG to help fund the preparation of the Gateway/Main Street Specific Plan. The City also received \$142,700 from ABAG’s Regional Early Action Planning (REAP) grant program to help fund the preparation of the 2023-2031 Housing Element.

Non-residential Development – FY2022-23 was another busy year for commercial redevelopment and expansion. The Planning Commission approved the redevelopment of a 12,800 square foot industrial building into a new recreational vehicle rental center at 893 Ames Avenue. In addition, conditional use permits have been granted for two new restaurants at 500 Barber Lane and 1471 N Milpitas Blvd. Lastly, the City of Milpitas Zoning Administrator has approved over 7,600 square feet of site improvements for BD Biosciences at 155 N. McCarthy Blvd. and over 290,000 square feet of new industrial office/building space at 475-525 Sycamore Drive. BD Biosciences is a significant business attraction effort for Milpitas as they will occupy a total of 240,000 square feet and add approximately 800 new employees to the city. Global electronics company TDK Corporation officially opened its new manufacturing facility. The new facility is operated by TDK’s Headway Technologies and occupies an existing 125,000 square foot building. Approximately 200 employees work at the new facility to manufacture wafers for hard disk drive heads used for large data storage by medical, military, government, and business customers, as well as the consumer cloud.

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurances regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The Finance Department staff remains committed to improving the City's accounting system; to maintain the City's internal accounting controls to adequately safeguard assets; and to provide reasonable assurances of proper recording of financial transactions. Budgetary control is directed by the City Council by resolution when the budget is adopted each year. Expenditures may not legally exceed appropriations at the department level by fund. The City utilizes the encumbrance system as a management control technique to assist in controlling expenditures. The City Manager has limited budget appropriation authority to transfer appropriations among departments and projects within any one fund, provided that the amount of the amended appropriation is \$100,000 or less. Quarterly reports of revenue and expense are prepared and distributed to the City Council and City departments to monitor spending in relation to the budget. At fiscal year-end, open encumbrances are reported under the "Assigned" fund balance classification. The City's accounting records are organized and operated on a "fund" basis, which is the basic fiscal and accounting entity in governmental accounting. Each fund is classified by category and fund type:

<u>Category and Fund Type</u>	
Governmental Funds:	General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds
Proprietary Funds:	Enterprise Funds and Internal Service Fund
Fiduciary Funds:	Private-Purpose Trust Fund and Agency Funds

Governmental Funds: The basic financial statements necessary to fairly present the financial position and operating results from major governmental funds are the balance sheet, and the statement of revenues, expenditures and changes in fund balance. These funds are maintained using the modified accrual basis of accounting, which is more thoroughly explained in the Notes to the Financial Statements.

Proprietary Funds: Generally accepted accounting principles applicable to private commercial business are applicable to proprietary funds of a government agency. The basic financial statements required to present the financial position and operating results from major proprietary funds are the statement of net position, statement of revenues, expenses, and changes in fund net position, and the statement of cash flows. The accrual basis of accounting is utilized as explained in the Notes to the Financial Statements.

Fiduciary Funds: Fiduciary funds are used to account for assets held by a government agency acting as a trustee or agent for individuals, assessment districts, organizations, other governmental units or other funds of the same entity. These funds are also identified in this report as a Private-Purpose Trust Fund and Custodial Funds. The full accrual basis of accounting is used as explained in the Notes to the Financial Statements.

Financial Analysis

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Long Term Financial Planning

Each year the City adopts a balanced budget by June 30. The City has fiscal policies that include the use of one-time revenues for one-time expenditures only, including capital outlay and reserves. The City also adopted reserve policies that requires unassigned fund balance which is made up of the Contingency Reserve to be at least 16.67% of the annual operating expenditures and the Budget Stabilization Reserve with a reserve target of 16.67% of the annual operating expenditures in the General Fund. Additional reserves are included in Note 12.

The City developed a five-year Capital Improvement Plan detailing specific budgeted capital projects. Each of the projects is consistent with the budget priorities of the City. The fiscal year 22-23 Adopted Capital Improvement Project (CIP) Budget totaled \$24 million. The CIP included improvements to the City's infrastructure which includes community improvements, parks, streets, water, sewer and storm drain utilities.

In addition, the City produces an annual ten-year General Fund Forecast. The Forecast allows the City Council and the community to assess the financial sustainability of City services in the long term. The projection also identifies the type of commitments and resource demands in the next ten years as known and points out areas of both opportunity and risk as the City navigates through fiscal cycles. This long-term forecast provides an invaluable planning tool and is an indication of sound fiscal planning and strategy.

Independent Audit

Each year the City requires an independent annual audit of the City's financial records, the results of its operations, and cash flows. This report includes the opinion of the City's independent auditors, Maze & Associates, for the basic financial statements of the City. In addition, the document also contains the auditors' report on Internal Control over Financial Reporting and on compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Awards

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The City has received this award for the last twenty-seven years.

Acknowledgments

We extend our appreciation to the entire staff in the Finance Department and other departments who assisted in the process of compiling the information for this report. In addition, we extend a special "thank you" to our external auditors who contributed to make this document possible. Their efforts and continued dedication are greatly appreciated. We sincerely thank the Mayor and members of the City Council for their support, interest, and integrity in directing the financial affairs of the City in a responsible and prudent manner.

Respectfully submitted,



Ned Thomas
City Manager



Lauren Lai
Director of Finance/Risk Manager

DIRECTORY OF OFFICIALS

June 30, 2023

City Council

Mayor	Carmen Montano
Vice-Mayor	Evelyn Chua
Councilmember	Hon Lien
Councilmember	Anthony Phan
Councilmember	Garry Barbadillo

City Manager

Ned Thomas

Assistant City Manager

Vacant

Deputy City Manager

Matt Cano

Building Safety & Housing

Bill Tott (Interim Building Safety)
Alex Andrade (Interim Housing)

City Attorney

Michael Mutalipassi

City Clerk

Suzanne Guzzetta

Director of Recreation & Community Services

Renee Lorentzen

Economic Development Director

Alex Andrade

Engineering Director/City Engineering

Matt Cano

Finance Director

Lauren Lai

Fire Chief

Jason Schoonover

Human Resources Director

Vicky Lien (Interim)

Information Technology Director

Daniel Nam

Planning Director

Jay Lee

Police Chief

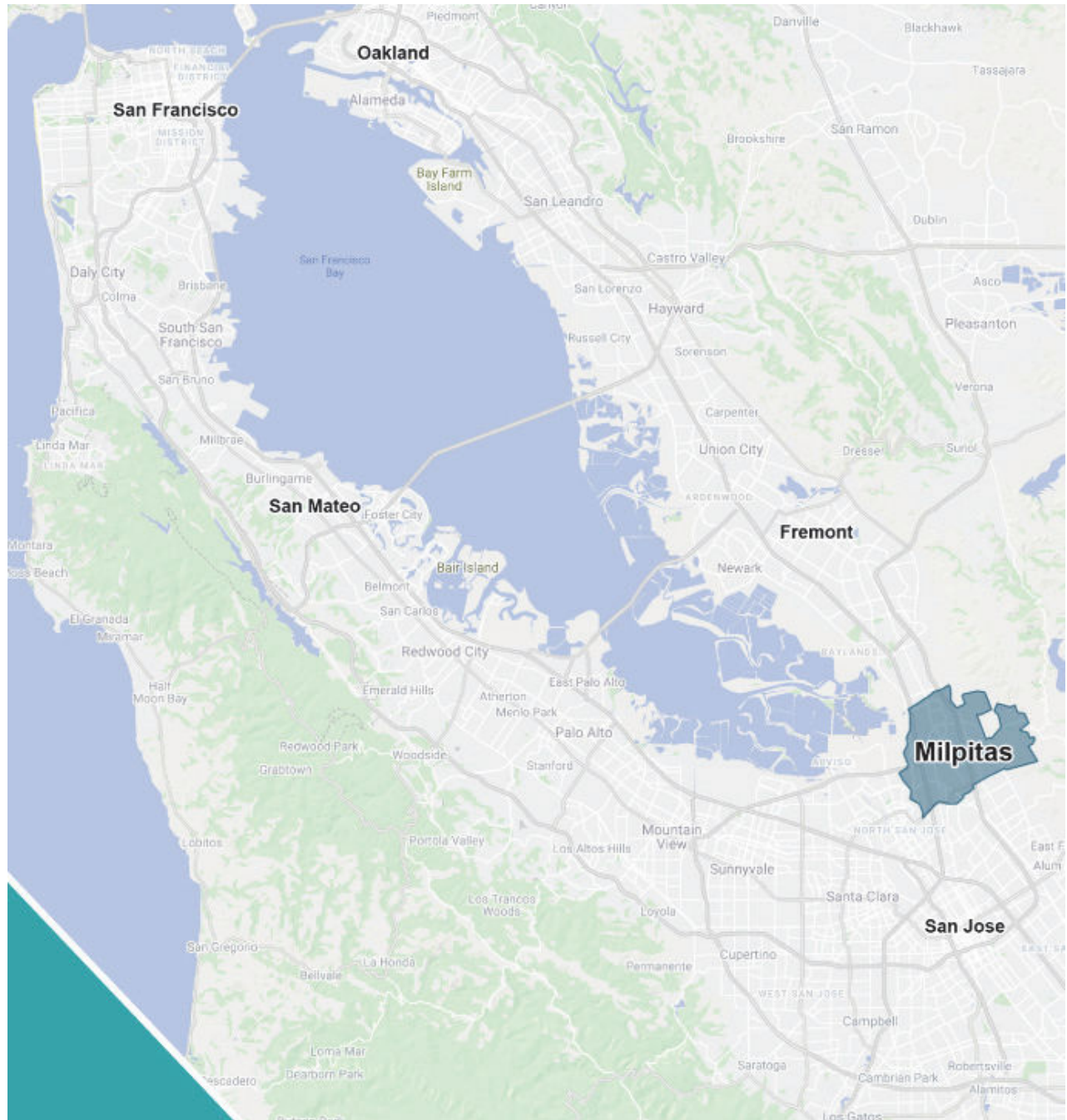
Jared Hernandez

Public Information Officer

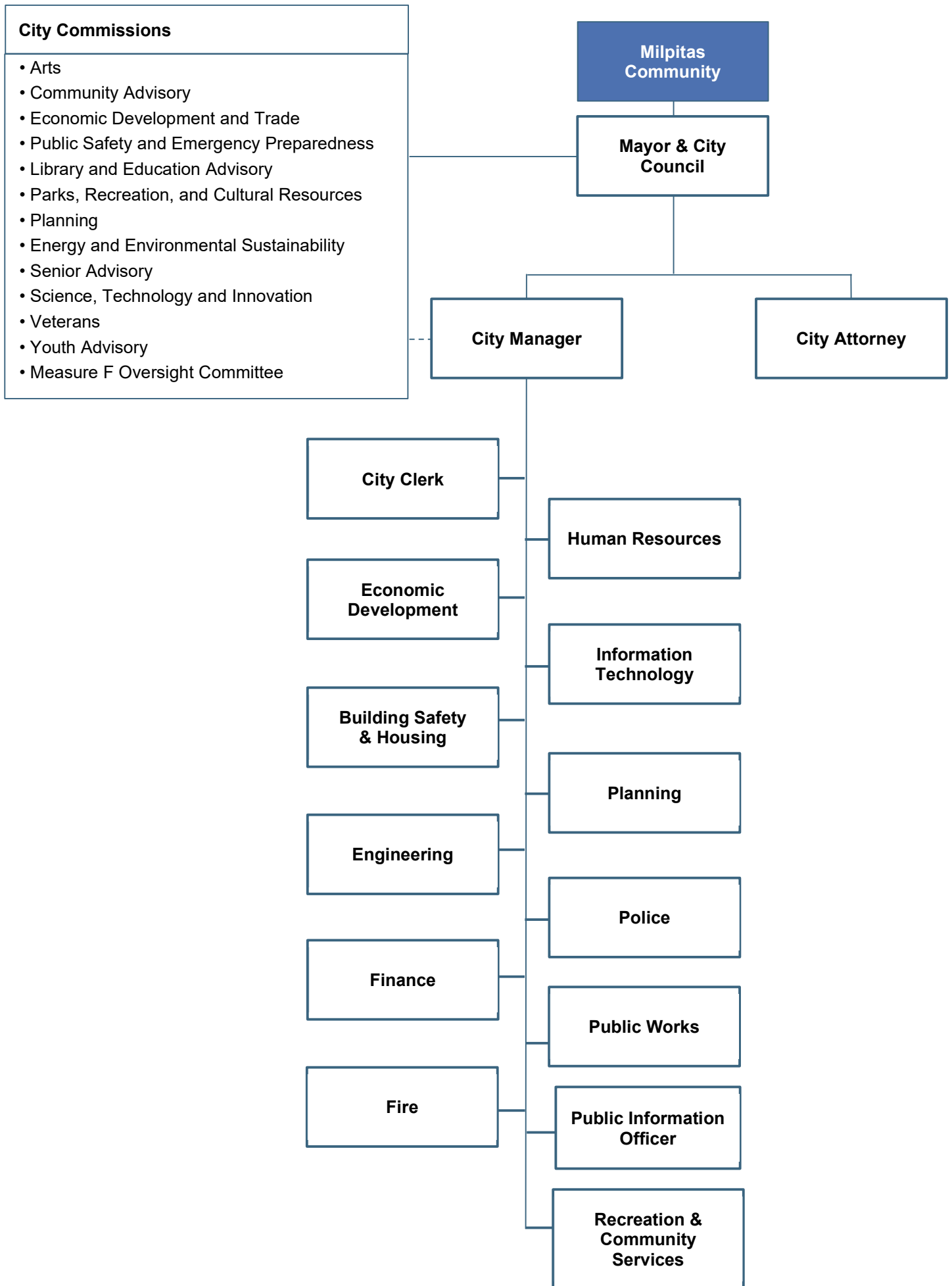
Charmaine Angelo

Public Works Director

Christian Di Renzo



The City of Milpitas is located near the southern tip of San Francisco Bay, forty-five miles south of San Francisco. Milpitas is often called the “Crossroads of Silicon Valley” with most of its 13.6 square miles of land situated between two major freeways (I-880 and I-680), State Route 237, and a county expressway. The light rail line opened for service in 2004 and an extension of BART, with a major multi-modal station, is in the planning stages.





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Milpitas
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Milpitas, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milpitas (City), California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit financial statements of Terrace Gardens, Inc. as of and for the year ended December 31, 2022, which represent 1.02%, 1.51%, and 1.12% of the assets, net position, and revenues, respectively, of the primary government. The financial statements of the Terrace Gardens, Inc. were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principles

Management adopted the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, which became effective during the year ended June 30, 2023 and required the City to record certain subscription-related balances and activity as discussed in Note 8 and Note 11 to the financial statements.

The emphasis of this matter does not constitute a modification to our opinions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
September 25, 2023



MANAGEMENT’S DISCUSSION AND ANALYSIS

The following discussion provides readers of the City of Milpitas’ financial statements a narrative overview and analysis of the financial activities of the City of Milpitas for the fiscal year ended June 30, 2023. Please read this document in conjunction with the accompanying Transmittal Letter and Basic Financial Statements.

FISCAL YEAR 2023 FINANCIAL HIGHLIGHTS

The City’s revenues in Fiscal Year 2023 have been slowly recovering since the start of the Pandemic over three years ago. The unemployment rate for the San Jose-Sunnyvale-Santa Clara metropolitan area was 3.7%, an increase of 1.5% from 2.2 % when compared to Fiscal Year 2022. General Fund revenues were higher compared to Fiscal Year 2022, especially in property tax, sales tax, and hotel/motel tax. These increases were primarily due to one-time revenues such as sales tax payments in arrears, sales tax collected through audit and property tax ERAF (Educational Revenue Augmentation Funds) subject to audit and litigation. However, license, permits and fines revenues were significantly lower in fiscal year 2023 compared to fiscal year 2022.

The increase in Property taxes is due to ongoing increases in secured and supplemental property tax due to higher property valuation. Sales and use tax increased significantly due to higher consumption and historically high inflation. As people started to travel again post-pandemic, hotel/motel tax has recovered but not quite returning to pre-pandemic revenue level.

As the economy remains uncertain in the fourth year after the COVID-19 pandemic, we are optimistic about the future but remain tempered by possible near-term economic impacts that may stem from the continued war in Ukraine, recently intensified Israel-Hamas war in the Middle East, high interest rates, fluctuating inflation rates, high mortgage rates, local unemployment trend, continued supply chain challenges, and the banking concerns following the recent collapse of Silicon Valley Bank.

Fiscal 2023 financial highlights include the following:

City-wide:

- The City’s total net position was \$663.3 million on June 30, 2023. Of this total, \$ 430.3 million were Governmental and \$232.9 million were Business-type, a net increase of total \$16.9 million from the prior year’s total of \$646.4 million primarily due to a net increase in assets over liabilities. Net asset increases were primarily due to increases in cash and investments and capital assets and liability increases primarily due to a increase in pension liabilities.
- City-wide revenues include program revenues of \$ 106.0 million, general revenues and transfers of \$109.4 million, totaling \$ 215.4 million, an increase of \$ 15.4 million from the prior year’s total of \$200 million primarily due to increase in charges for services, capital grants and contributions and general revenues.
- Total City-wide expenses were \$194.6 million, an increase of \$27.5 million from the prior year’s \$167.1 million primarily due to increases in primary government expenditure related to net pension liability increases in public safety, recreation and building safety and housing functions and sewer utility expenses.

Fund Level:

- Governmental Fund balances were \$246.0 million, a net increase of \$8 million from fiscal 2022 primarily due to revenues exceeding expenditures by \$8 million in General Fund.
- Governmental Fund revenues were \$148.6 million in fiscal 2023, up \$15.6 million from the prior year’s \$133 million, primarily due to increases in General Fund revenues such as Property Tax, Sales and Use tax, Hotel/Motel taxes and positive return in Use of Money and Property.

- Governmental Fund expenditures were \$144.3 million compared to \$151.4 million in fiscal year 2022 primarily due to decrease in General government capital projects, capital outlay in Other Governmental Funds.
- General Fund revenues of \$126.3 million represented an increase of \$14.2 million from fiscal 2022 revenues of \$112.1 million caused primarily by one-time increase in Hotel/Motel taxes, Sales and Use taxes, and Property taxes and positive return in Use of Money and Property.
- Net other financing uses of the General Fund were \$(2.1) million in fiscal 2023 while fiscal 2022 had a total of other financing uses in \$3.9 million. One-time variance was primarily due to transfer out to the General Government CIP fund. General Fund balance of \$73.5 million at the fiscal 2023 was \$6.7 million more than the fund balance at fiscal 2022.

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

This Annual Comprehensive Financial Report consists of eight parts:

- 1) Introductory section, which includes the Transmittal Letter and general information,
- 2) Management's Discussion and Analysis (this part),
- 3) The Basic Financial Statements, which include the Government-wide and the Fund financial statements, along with the Notes to these financial statements,
- 4) Required Supplementary Information,
- 5) Supplementary Information,
- 6) Combining statements for Non-major Governmental Funds and Fiduciary Funds,
- 7) Statistical information,
- 8) Other report.

The Basic Financial Statements

The Basic Financial Statements comprise the City-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide two different views of the City's financial activities and financial position—long-term and short-term.

The City-wide Financial Statements provide a longer-term view of the City's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on a full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the City's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in net position for the year.

The Fund Financial Statements report the City's operations in more detail than the City-wide statements and focus primarily on the short-term activities of the City's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities, deferred inflows/outflows of resources and fund balances, but exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of the City and are presented individually, while the activities of Non-major funds are presented in summary, with subordinate schedules presenting the detail for each of these Non-major funds. Major Funds are explained below.

The City is the Successor Agency of the Milpitas Redevelopment Agency. It holds funds to make payments according to the enforceable obligations schedules and eventually dispose of other assets and properties of the former Redevelopment Agency for the benefits of the taxing agencies. The City is also the depository agent for Local Improvement Districts and certain other entities. The fiduciary statements provide information about the cash balances and activities of the Successor Agency, Local Improvement Districts and other entities. These statements are separate from the City's financial statements and their balances are excluded from the City's fund balances.

Together, all these statements are called the Basic Financial Statements.

The City-wide Financial Statements

All of the City's basic services are considered to be governmental activities, including general government, building safety and inspection, public safety, public works maintenance, recreation, public improvements, planning and zoning, and general administration services. These services are supported by general City revenues such as taxes, and by specific program revenues such as fees. The City-wide financial statements can be found on pages 25-26 of this report.

All of the City's business-type activities include water and sewer, which are also reported in the basic financial statements. Unlike governmental services, these activities are supported by charges paid by users based on the amount of their service consumption.

The City's financial statements include the activities of four other separate legal entities, the Milpitas Public Financing Authority (MPFA), the Milpitas Housing Authority (Housing Authority), the Milpitas Municipal Financing Authority (MMFA) and Terrace Gardens, Inc., because the City is either financially accountable for these entities or has control of these entities' governing boards.

Citywide financial statements are prepared on an accrual basis, which means they measure the flow of all economic resources of the City as a whole.

Fund Financial Statements

Governmental Fund financial statements are prepared on a modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are presented only in the citywide financial statements.

Enterprise and internal service fund financial statements are prepared on a full accrual basis and include all these funds' assets and liabilities, both current and long-term.

The Fund financial statements provide detailed information about each of the City's most significant funds, called Major Funds. Each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Subordinate schedules present the detail of these Non-major funds. Major Funds present the major activities of the City for the year. The General Fund is always a Major Fund, but other funds may change from year to year as a result of changes in the pattern of the City's activities.

The City has four other Major Governmental Funds in fiscal 2023 in addition to the General Fund. These are the Housing Authority Fund, the Street Improvement Fund, the Transit Area Impact Fee Fund, and the General Government Capital Projects Fund, each of which is discussed in detail below.

Both of the City's Enterprise Funds are reported as Major Funds.

Comparisons of Budget and Actual financial information are presented only for the General Fund and other major governmental funds that are Special Revenue Funds. The City has one major Special Revenue Fund, the Housing Authority Fund.

Fiduciary Statements

The City is the Successor Agency of the former Redevelopment Agency and the agent for certain local improvement districts ("Districts"). The City holds property tax revenue distributed from the Redevelopment Property Tax Trust Fund ("RPTTF") to pay outstanding recognized obligations for the Successor Agency. The City also holds amounts collected from property owners which await transfer to the Districts' bond trustees. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations. The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position and the custodial Funds Statement of Changes in Assets and Liabilities.

CITYWIDE FINANCIAL ANALYSIS

This analysis focuses on the net position and changes in net position of the City as a whole. Comparisons of the current year's net position and activities with fiscal 2022 are presented in table form. Any significant changes are analyzed and discussed.

Governmental Activities

Table 1
Governmental Net Position at June 30
(in Millions)

	Governmental Activities	
	2023	2022
Cash and investments	\$259.8	\$250.6
Restricted cash and investments	0.6	2.3
Other assets	74.8	74.2
Capital assets	386.3	384.2
Total assets	\$721.5	\$711.3
Deferred Outflows of Resources		
–Related to pensions and OPEB	80.3	38.3
Net Pension liabilities	241.5	148.1
Net OPEB liability	10.5	0.0
Total OPEB liability	26.0	31.8
Long-term debt outstanding	20.8	21.5
Other liabilities ¹	43.7	45.0
Total liabilities	342.5	246.4
Deferred Inflows of Resources		
–Related to leases	12.9	13.1
–Related to pensions and OPEB²	16.1	67.3
Net position:		
Net investment in capital assets	365.5	365.0
Restricted	179.0	176.5
Unrestricted	(114.2)	(118.6)
Total net position	\$ 430.3	\$422.9

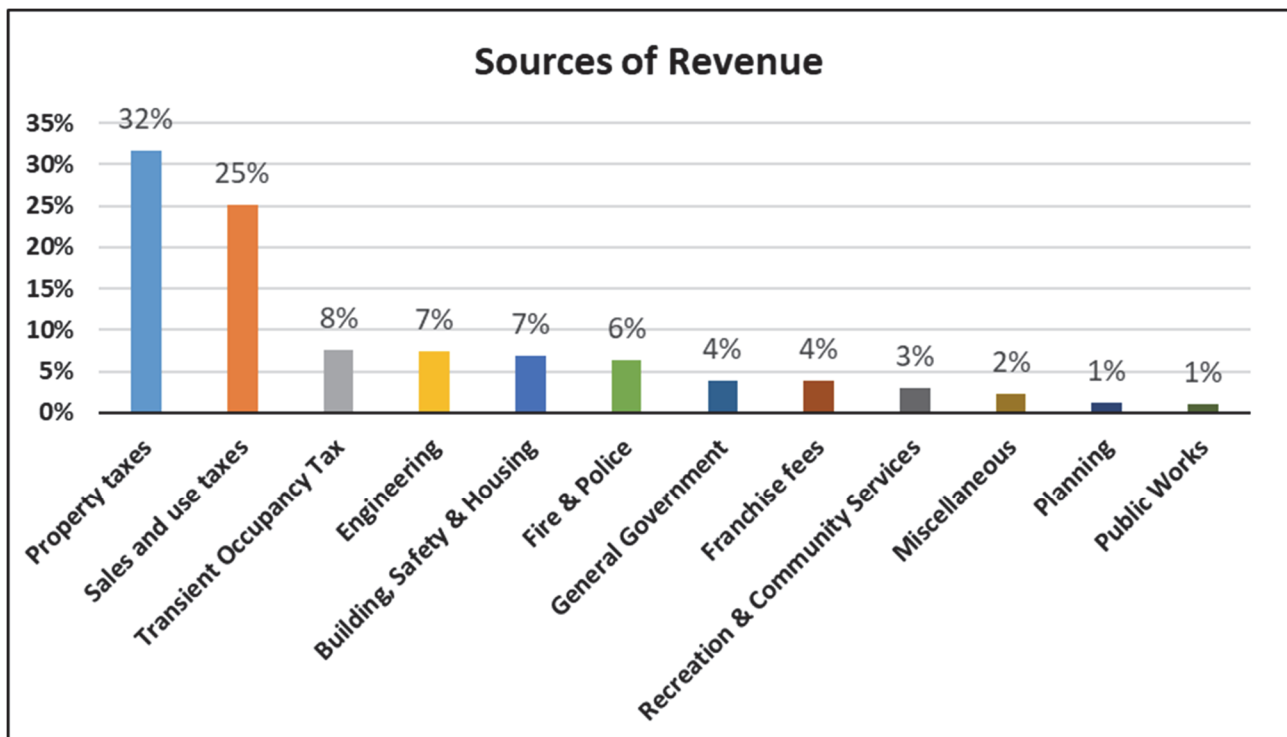
¹ Other liabilities include Accounts Payable, Unearned Revenues and Compensated Absences incurred as of June 30, 2023

² Deferred Inflows of Resources – Related to pensions and OPEB refers to unrecognized liability changes due to plan experience which differs from what was assumed in the prior measurement period.

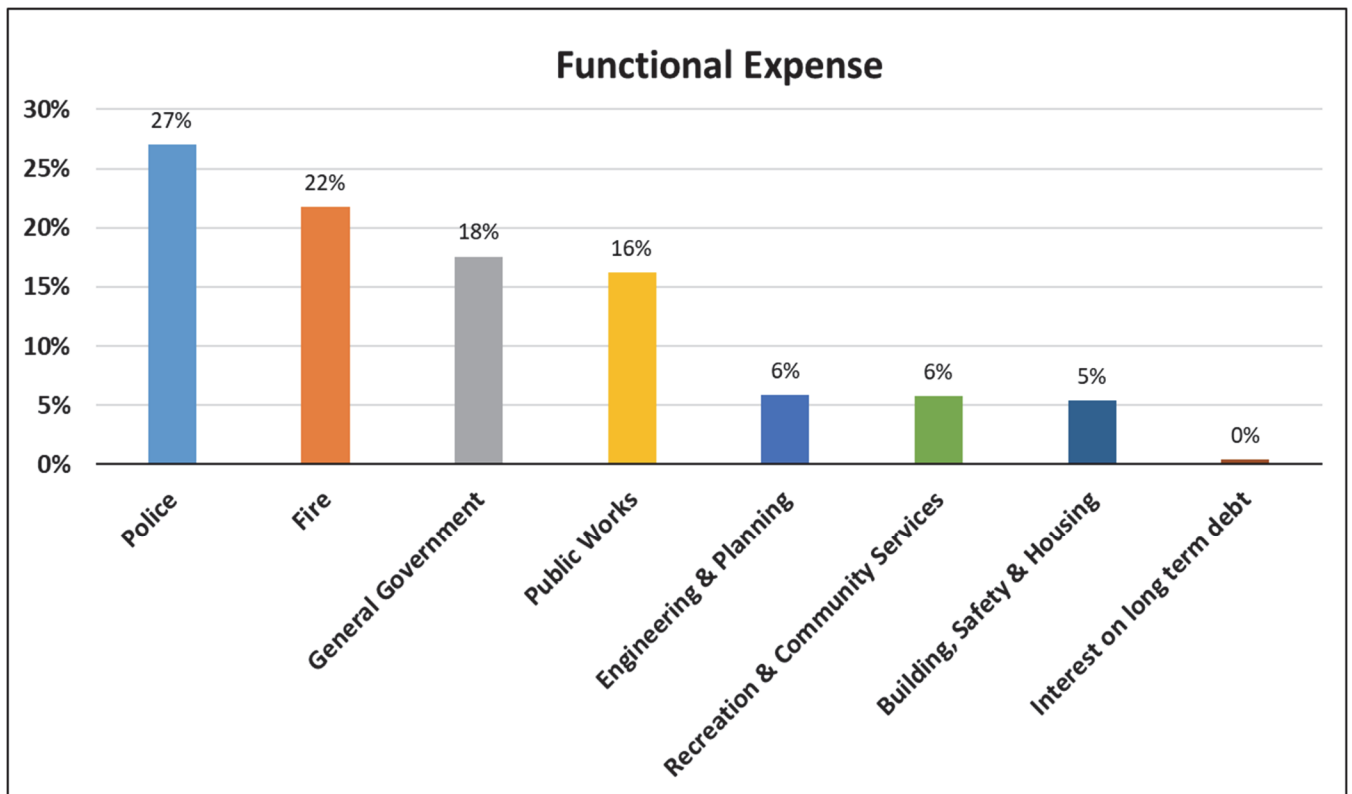
The City's governmental net position was \$ 430.3 million on June 30, 2023, an increase of \$ 7.4 million from 2022. This increase is reflected as Change in Net Position in the Governmental Activities column of the Statement of Activities and is also shown in Table 2 of this analysis:

- Cash and investments increased \$9.2 million principally due to the positive net operating result and net market gains from the City's investment portfolio.
- Restricted cash and investment decreased by \$1.7 million is primarily due to capital project activities and disbursement in bond funds.
- Other assets increased \$0.6 million from last year due to the net activity between receivables and increase in prepaids, materials, supplies and deposits
- Capital assets increased \$2.1 million from last year, resulting from \$ 15.0 million of depreciation, offset by \$ 17.1 million in asset additions, net of retirements in fiscal 2023. The most significant increases were from street improvement projects.
- Deferred outflows of resources related to pension and OPEB increased \$42 million from last year due to changes in actuarial results.

Fiscal Year 2023 Governmental Activities



As the Sources of Revenue Chart above shows, \$47.1 million or 32% came from property taxes, while \$37.3 million or 25% came from sales and use taxes. The remainder came from a variety of sources, including charges for services, grants and contributions, franchise fees, transient occupancy taxes, and building fees.



The Functional Expenses Chart above includes only current year expenses, which are discussed in detail below. It does not include capital outlays, which are added to the City's capital assets. The composition of Fiscal 2023's capital assets is shown in detail at Table 8.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All these are elements in the Changes in Governmental Net Position as summarized below.

Table 2
Changes in Governmental Net Position
(in Millions)

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Expenses		
General Government	\$25.7	\$25.2
Building, Safety and Housing	7.9	4.9
Recreation and Community Services	8.4	6.1
Public Works	23.7	22.1
Engineering	6.0	5.0
Planning	2.6	1.9
Police	39.6	29.5
Fire	31.8	29.0
Interest on long term debt	0.6	0.8
Total expenses	<u>146.3</u>	<u>124.5</u>
Revenues		
Program revenues:		
Charges for services	20.2	18.7
Operating contributions and grants	16.2	15.3
Capital Grants	7.9	19.9
Total Program Revenues	<u>44.3</u>	<u>53.9</u>
General revenues:		
Taxes:		
Property taxes	47.1	42.6
Sales and use taxes	37.3	33.2
Transient Occupancy taxes	11.2	8.0
Other taxes	0.7	1.1
Franchise fees	5.7	5.2
Investment earnings	1.9	(7.5)
Miscellaneous	0.9	1.8
Total General Revenues	<u>104.8</u>	<u>84.4</u>
Total Revenues	<u>149.1</u>	<u>138.3</u>
Surplus (Deficit) before transfers	<u>2.8</u>	<u>13.8</u>
Transfers in/(out), net	4.6	4.3
Changes in net position	<u>7.4</u>	<u>18.1</u>
Beginning net position	<u>422.9</u>	<u>404.8</u>
Ending net position	<u>\$430.3</u>	<u>\$422.9</u>

Table 2 compares fiscal 2023 expenses and revenues with those of fiscal 2022. Expenses increased by \$22 million in fiscal 2023 due primarily to significant increase in net pension liabilities, which was caused by increase in deferred outflows of resources from changes of assumptions and difference between projected and actual earnings on investments.

Table 2 shows that total governmental revenues increased \$10.8 million in fiscal 2023 primarily due to one-time sources. Program revenues decreased \$ 9.6 million, and general revenues increased \$20.4 million. The decrease in program revenues was primarily due to lower capital grants received and increased general revenues were primarily due to economic recovery from the pandemic and positive investment returns.

The general revenue increased \$20.4 million from fiscal 2022, the net activity was primarily due to one-time increase of \$3.2 million in hotel/motel taxes, \$0.5 million in Franchise Fee, \$4.5 million in Property taxes and \$4.1 million in sales and uses taxes. The investment earnings increased by \$9.4 million due primarily to \$1.9 million in unrealized market gain compared to prior year's net unrealized negative investment returns of \$(2.9) million.

Table 3 presents the net cost of each of the City's largest programs—general government, building safety and housing, recreation and community services, public works, engineering, planning, police, and fire. Net cost is defined as total program cost less the revenues generated by those specific activities. The net cost of providing such programs in fiscal year was \$102 million.

Table 3
Governmental Activities
(in Millions)

	Net (Expenses) Revenue From Services	
	2023	2022
General Government	\$(20.0)	\$(20.1)
Building, Safety and Housing	2.4	11.4
Recreation and Community Services	(3.9)	(1.9)
Public Works	(22.2)	(22.1)
Engineering	5.1	11.1
Planning	(0.8)	(0.6)
Police	(33.1)	(23.4)
Fire	(28.9)	(24.1)
Interest on long term debt	(0.6)	(0.8)
Totals	\$(102.0)	\$(70.5)

Business-type Activities

Table 4
Business-Type Net Position at June 30
(in Millions)

	Business-Type Activities	
	2023	2022
Cash and investments	\$111.5	\$108.4
Other assets	5.1	4.6
Capital assets	184.6	178.5
Total assets	301.2	291.5
Deferred Outflows of Resources – Related to Pensions and OPEB	2.3	1.5
Other liabilities	6.4	4.5
Net pension liabilities	4.5	2.7
Net OPEB liability	3.7	3.3
Long-term Debt	54.6	56.3
Total liabilities	69.2	66.8
Deferred Inflows of Resources – Related to Pensions and OPEB	1.3	2.7
Net position:		
Net investment in capital assets	131.0	127.2
Restricted	89.1	75.1
Unrestricted	12.8	21.2
Total net position	\$232.9	\$223.5

The net position of business-type activities was \$232.9 million in fiscal 2023, an increase of \$9.4 million from fiscal 2022. The increase in net position was due to increase in total assets of \$9.7 million. The increase in total assets is primarily comprised of an increase of \$6.1 million in capital assets and 3.1 million in cash & investment.

Table 5
Changes in Business-Type Net Position
(in Millions)

	Business-Type Activities	
	2023	2022
Expenses		
Water Utility	\$28.1	\$26.9
Sewer Utility	20.2	15.6
Total expenses	<u>48.3</u>	<u>42.5</u>
Revenues		
Program revenues:		
Charges for services	59.2	55.9
Operating grants	0.1	0.3
Capital grants	2.5	1.0
Total program revenues	<u>61.8</u>	<u>57.2</u>
General revenues:		
Investment earnings	0.6	(3.2)
Total general revenues	<u>0.6</u>	<u>(3.2)</u>
Total Revenues	<u>62.4</u>	<u>54.0</u>
Excess before transfers	14.1	11.6
Net Transfers	<u>(4.6)</u>	<u>(4.4)</u>
Changes in net position	9.4	7.2
Beginning net position	<u>223.5</u>	<u>216.3</u>
Ending net position	<u>\$232.9</u>	<u>\$223.5</u>

Table 5 compares fiscal 2023 expenses and revenues with those of fiscal year 2022. Total expenses increased by \$5.8 million in fiscal 2023 due to an increase in personnel services and an increase in water purchase and contractual services. Total program revenues increased by \$4.5 million primarily due to an increase in charges for services related to a rate increase, higher level of utility consumption by non-residential accounts post COVID-19 pandemic and an increase in capital grants and contributions. Total general revenue increased \$3.8 million from interest earnings primarily due to positive market returns on investment as of June 30, 2023. The net transfers represent reimbursements of administration costs to the General Fund.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Table 6 below summarizes activities and balances of the governmental funds at the fund level:

Table 6
Financial Highlights of Governmental Funds at Fund Level at June 30
(in Millions)

	2023	2022
Total assets	\$287.7	\$281.7
Total liabilities	28.7	30.3
Total deferred inflow of resources	12.9	13.1
Total fund balances	246.1	238.3
Total revenues	148.6	133.0
Total expenditures	144.3	151.4
Total other financing sources	3.5	3.8

At June 30, 2023, the City's governmental funds reported combined fund balances of \$246.1 million, an increase of \$7.8 million from last year. The fund balances of Housing Authority, General Government, and Other Governmental Funds increased \$0.4 million, \$0.6 million, and \$3.5 million respectively while the Street improvement and Transit Area Impact Fee Funds decreased \$3.3 million and \$0.1 million respectively. The General Fund increased \$6.7 million due to net operating surplus.

Revenues at the fund level totaled \$148.6 million, a net increase of \$15.6 million. Revenues received in General Fund, Housing Authority, General Government Capital Projects, and Other Government Funds increased \$14.2 million, \$0.3 million, \$2.3 million and \$1.2 million respectively while the Street Improvement and Transit Area Impact Fee Funds has a decrease of the fund balance in fiscal year 2023.

Expenditures net decreased \$7.1 million this year to \$144.3 million from last year's \$151.4 million. The expenditures of the General Government Capital Improvement Fund, Other Government Funds, Street Improvement Fund and Transit Area Impact Fee Fund decreased \$6 million, \$2.5 million, \$2.9 million, and \$1.2 million respectively while General Fund increased \$5.6 million.

Analyses of Major Governmental Funds

General Fund

General Fund revenues (excluding transfers) increased to \$126.3 million this fiscal year, up \$14.2 million from the prior fiscal year. Hotel/Motel taxes were increased by \$3.2 million from \$8.0 million in fiscal year 2022 to \$11.2 million in fiscal year 2023.

There were primarily one-time revenue increases in Property tax revenue of \$4.5 million and Sales and Use taxes of \$4.1 million compared to the prior year.

General Fund expenditures (excluding transfers) increased to \$117.5 million without encumbrance this fiscal year, up \$5.6 million from the prior fiscal year. The increase is due primarily to personnel cost and contractual services.

Total Other Financing Sources is (\$2.1) million net in fiscal 2023. Net Other Financing Sources decreased by \$6 million compared to fiscal year 2022 Net Other Financing Sources of 3.9 million. Transfers out were approximately \$9.3 million in fiscal year 2023, as compared to Transfers out of \$3 million in fiscal 2022. The reason for the increase of transfer out was due to \$3.8 million transferred to General Government CIP fund and other transfers as part of year-end fund balance allocation per Council direction, consistent with our fiscal policy.

For the City's General Fund, actual revenues of \$126.3 million were \$5.3 million more than the final budgeted revenues of \$121 million. Property taxes and Sales taxes exceeded budget by \$3.2 million and \$2.2 million respectively primarily due to one-time transactions.

At the end of the year, actual General Fund expenditures were \$121 million including encumbrance, \$5 million less than the final budget of \$126 million. As a result of general recruitment and/or competitive labor markets, employment vacancies primarily contributed to the expenditures savings. Consequently, it is prudent to deem this as a one-time expenditure variance that provides additional fund balance resources, instead of on-going reductions of General Fund operating budget.

Housing Authority

This Fund accounts for the housing activities assumed from the former Redevelopment Agency designed to increase the amount of low and moderate-income housing available in the City. Total revenues were \$0.8 million in fiscal 2023, comprised of interest, rental income and repayment of housing loans. Total expenditures were \$0.5 million for administration.

Street Improvement Capital Project

This Street Improvement Capital Project Fund accounts for the majority of the street capital projects activity in the City. The Fund's revenues were \$2.8 million in fiscal 2023, a decrease of \$0.1 million from fiscal 2022. Fund expenditures were \$6.1 million in fiscal 2023, a decrease of \$2.9 million from fiscal 2022, due to decrease in capital outlay. Net transfers were \$0.1 million in fiscal 2023, a decrease of \$5.5 million from fiscal 2022 due to decrease funding in street projects from the General Government Fund, Gas Tax Special Revenue Fund, and Transit Area Impact Fee Fund.

Transit Area Impact Fee

The Transit Area Impact Fee Fund was established in fiscal 2009 to account for impact fees revenue collected from developers and related capital expenditures in the Transit Area. In fiscal 2023, fund revenues were \$1.5 million, primarily from fees collected from developers. Expenditures were \$1.3 million, primarily consisting of capital improvement projects. The fund also transferred \$0.3 million in fiscal year 2023 to the general government fund for CIP projects.

General Government Capital Projects

The General Government Capital Projects Fund accounts for construction and maintenance of general government projects and assets in the City. In fiscal 2023, expenditures of \$9.4 million consisted of \$9.4 million of capital improvement project expenditures. The transfers in of \$7.8 million were primarily from General Fund, Gas Tax Fund and Park Improvement Fund. General Government Capital Projects funds also received funding from Public Art Fund, Transit Area Fund, and Park Improvement Fund in an amount of approximately \$0.8 million. The transfers out of \$0.4 million were to the Storm Drain Capital Project Fund and Community Planning Fund.

Other Governmental Funds

These funds are not presented separately in the Basic Financial Statements, but are individually presented as Supplemental Information.

Fund Balance Classifications

Fund balances are classified in five categories: non-spendable, restricted, committed, assigned and unassigned based on a hierarchy of constraints. Further details on fund balance classifications can be found in Note 12.

Table 7 shows the classification of the fund balances of the major governmental funds.

Table 7
Fund Balances at June 30 – Major Governmental Funds
(in Millions)

	2023	2022
General Fund		
Non-spendable	\$4.9	\$4.9
Committed	17.0	15.8
Assigned	6.9	6.1
Unassigned	44.7	40.0
Total	<u>\$73.5</u>	<u>\$66.9</u>
Housing Authority Fund		
Restricted	<u>\$40.1</u>	<u>\$39.7</u>
Street Improvement Fund		
Restricted	<u>\$5.0</u>	<u>\$8.3</u>
Transit Area Impact Fee Fund		
Restricted	<u>\$60.8</u>	<u>\$60.9</u>
General Government Project Fund		
Assigned	\$25.5	\$23.4
Non-spendable	0.1	
Restricted	\$0.6	\$2.2
	<u>\$26.2</u>	<u>\$25.6</u>

On June 30, 2023, the fund balance of the General Fund was \$73.5 million. \$4.9 million was classified as non-spendable, comprised of \$0.7 million for prepaid materials and supplies, and \$4.2 million of property held for resale. \$17 million was classified as committed, comprised of \$6.1 million for PERS Rate Stabilization, \$1.9 million for Artificial turf replacement, \$2 million for Technology replacement and \$7 million for Facilities replacement. \$6.9 million was classified as Assigned, comprised of \$2.8 million for uninsured claims, \$0.5 million for other assigned and \$3.6 million for encumbrances. \$44.7 million was classified as unassigned, comprised of \$19.8 million of contingency reserve, \$19.8 million of budget stabilization reserve, \$1.4 million of future deficit reserve, \$2.3 million in ERAF reserve, \$0.7 million in Strategic Property Acquisition Revenue and \$0.7 million of unassigned.

The fund balances of the Housing Authority Fund, Street Improvement Fund and the Transit Area Impact Fee Fund were also classified as restricted because the amounts were restricted for specific purposes.

The fund balance of the General Government Capital Project Fund was \$26.2 million: \$25.5 million classified as assigned due to Council's reserve policy.

Analyses of Major Proprietary Funds

Total operating revenues of major proprietary funds increased \$3.3 million from last year, while operating expenses increased \$5.6 million. Total operating revenues and total operating expenses were \$59.2 million and \$45.9 million, respectively. Total non-operating expenses were \$1.8 million in fiscal 2023, a decrease of \$3.3 million from the prior year. Capital contributions increased by \$1.5 million and net transfers out increased by \$0.3 million.

Water Utility

Water fund revenues were \$34.2 million in fiscal 2023, a decrease of \$0.2 million from prior year. The decrease in revenues was primarily due to County mandated water conservation because of the historic drought. Expenses were \$27.3 million in fiscal 2023, increase \$1.1 million from prior year, primarily due to increase in wholesale water purchase expenditure. Net position of the Water Utility Fund increased \$5.4 million in the current year to a total of \$99.6 million. The increase comprised of \$34.2 million of operating revenues for the current year, \$27.3 million of operating expenses, which result in 7.0 million operating income before accounting for unrealized market loss and transfer out expenses. The water fund also received \$0.1 million of grants, \$1.8 million of capital contributions and net of interest expense of (\$0.5) million and transfers of (\$2.9) million, and this resulted in increase of net position of \$5.4 million. Net increase has been allocated per policy to infrastructure funding, rate stabilization, pension reserve and emergency reserve.

The Water Fund's Net Position includes \$48.0 million invested in capital assets, \$43.4 million in restricted net position, and \$8.3 million in unrestricted net position allocated per Council policy.

Sewer Utility

Sewer fund revenues were \$25 million in fiscal 2023, up \$3.4 million from the prior year due to an increase in usage as businesses re-opened post-pandemic. Expenses were \$18.6 million in fiscal 2023, an increase of \$4.4 million from the prior year. Non-operating revenues and expenses in fiscal year 2023 consisted of \$1.3 million interest expense. There was 25 million of operating revenues for the current year, \$18.6 million of operating expenses, which result in \$6.4 million operating income before accounting for unrealized market loss and transfer out expenses. The sewer fund also received \$0.3 million in interest income, net of interest expense of \$1.6 million, \$0.8 million of capital contributions and net of transfers of (\$1.7) million. In fiscal year 2023, sewer fund also received a credit of \$1 million. This is a true-up of actual expenditure from previous fiscal year budget for both operation and capital improvement program for the San Jose Santa Clara Regional Waste Facility.

The Sewer Fund's Net Position includes \$83 million invested in capital assets, \$45.7 million in restricted net position, and \$4.6 million in unrestricted net position, totaling \$133.3 million in fiscal year 2023, allocated per Council policy.

CAPITAL ASSETS

The City records the cost of all its infrastructure assets such as roads, bridges, signals and similar assets used by the general population and computes the amount of accumulated depreciation for these assets based on their original acquisition dates. At the end of fiscal 2023, the cost of infrastructure and other capital assets recorded on the City's financial statements was as shown in Table 8 below:

Table 8
Capital Assets at Year-end
(in Millions)

	2023	2022
<i>Governmental Activities:</i>		
Land	\$97.4	\$84.8
Construction in progress	75.4	94.4
Buildings and improvements	173.4	173.4
Other improvements	39.7	34.0
Machinery and equipment	49.1	49.1
Landscape system	30.2	30.1
Storm system	75.6	74.5
Street system	328.3	313.8
Traffic system	21.2	20.3
Intangible Right-to-use subscription asset	0.8	0
Less accumulated depreciation	(504.6)	(490.2)
Totals	\$386.3	\$384.2
<i>Business-type Activities:</i>		
Land	\$1.1	\$1.1
Construction in progress	33.7	28.5
Distribution facilities	81.2	81.2
Water Service lines	18.4	17.1
Sewer lines	88.0	87.5
Capacity rights	120.9	115.2
Less accumulated depreciation	(158.7)	(152.0)
Totals	\$184.6	\$178.6

The primary additions in fiscal 2023 were due to the land and street improvement projects and other major projects such as fire station #2, park improvement and water supervisory control & data acquisition project.

The City depreciates all its capital assets over their estimated useful lives. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on depreciable lives and current year activities may be found in Note 8.

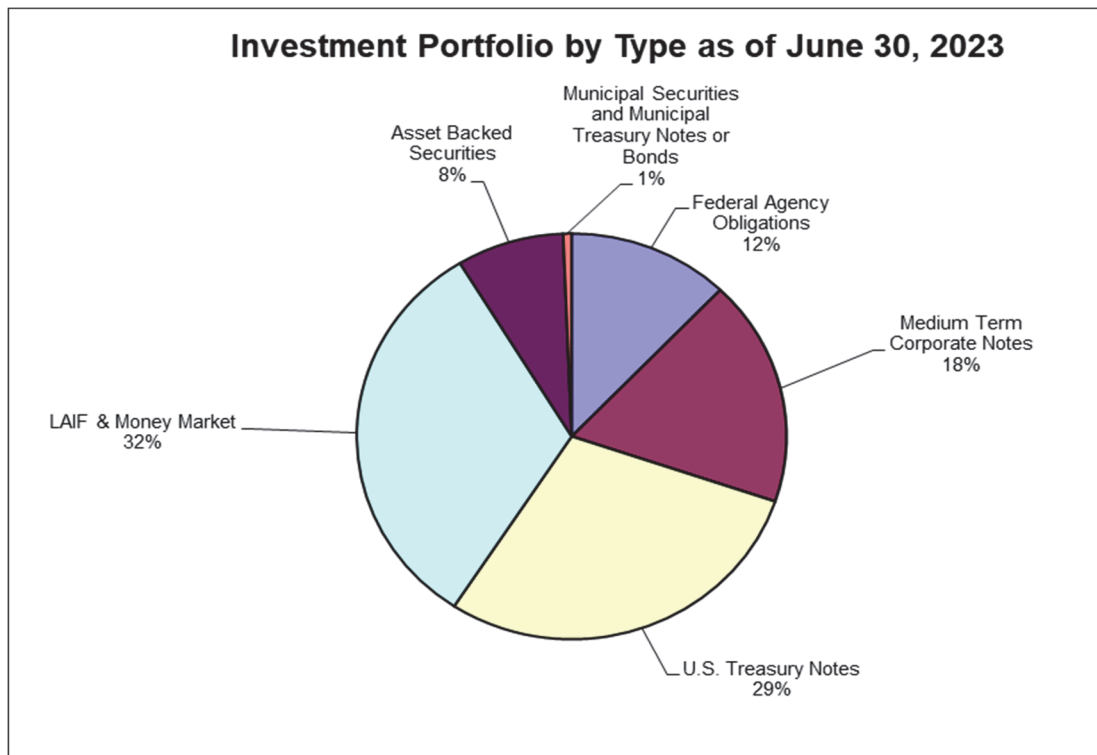
CASH AND INVESTMENTS

The City outsourced the management of the City's investments to Chandler Asset Management effective June 1, 2020 and held in a custodial account with The Bank of New York. The City also established a Section 115 trust managed by PFM Asset Management. The managed portfolio consists of securities invested in accordance with City's investment policy and the California Government Code.

Total cash and investments increased \$16.3 million from \$354.1 million to \$370.4 million. This increase was due to positive investment returns compared to the prior year's unrealized market loss. As the Federal Reserve continues to raise interest rates, the valuation of current City fixed income portfolio may decrease because they were purchased and locked in at a lower interest rate. However, this decrease in value is an unrealized market loss unless the City liquidates its investment holdings.

Total investment earnings for fiscal year 2023 was \$3.5 million. The change in fair value for the portfolio for the fiscal year ending June 30, 2023 was an unrealized loss on investments of \$1.9 million.

The following graphs depict the investment portfolio of \$335.7 million cash and investments at June 30, 2023.



DEBT ADMINISTRATION

The City's debt was issued to finance a few City's projects include Sewer infrastructure, Water infrastructure, energy improvement projects and replacement for Fire Station.

In fiscal 2018, the City refunded the 2006 Sewer Bonds with the 2017 Wastewater Revenue Refunding Bonds to reduce interest rate cost over the life of the bond issuance. The 2017 Bonds are pledged by net revenue from the City's sewer system. In fiscal 2020, Milpitas Municipal Financing Authority issued Wastewater Revenue Bonds, Series 2019 in an amount of \$29.8 million to fund for certain improvement to the City's wastewater system. The City also issued Water Revenue Bonds, Series 2019 in an amount of \$17.1 million fund for Water system improvement projects.

In fiscal 2021, Milpitas Municipal Financing Authority issued a Lease Revenue Bonds in an amount of \$18.4 million to provide funds to finance a portion of Fire Station No. 2 Replacement project and variety of energy improvement projects. Each of the City's debt issues are discussed in detail in Note 9 to the financial statements. At June 30, 2023 the City's debt is comprised of:

Table 9
Outstanding Debt
(in Millions)

	Balance June 30, 2023	Balance June 30, 2022
Governmental Activity Debt:		
2020 General Fund Lease Revenue Bond		
4.0% due June 1, 2041	17.7	\$18.2
Plus: Unamortized bond premium	3.1	3.3
Total Governmental-type Activity Debt	<u>\$20.8</u>	<u>\$21.5</u>
Business-type Activity Debt:		
Wastewater Revenue Refunding Bonds, 2017 Series		
2.0% - 5.0%, due November 1, 2026	2.3	2.8
Plus: Unamortized bond premium	0.3	0.4
Wastewater Revenue Bonds, 2019 Series		
4.0% - 5.0%, due November 1, 2049	28.4	28.9
Plus: Unamortized bond premium	4.8	4.9
Water Revenue, 2019 Series		
4.0% - 5.0%, due June 1, 2049	16.2	16.4
Plus: Unamortized bond premium	2.7	2.8
Total Business-type Activity Debt	<u>\$54.6</u>	<u>\$56.2</u>

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in detail in the accompanying Transmittal Letter.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this Report should be directed to the Finance Department, at 455 East Calaveras Boulevard, Milpitas, CA 95035-5479 or to the City's website at www.ci.milpitas.ca.gov.



STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position reports the difference between the City's total assets and deferred outflows of resources and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the City's net position by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The Statement of Net Position summarizes the financial position of the City's Governmental Activities in a single column, and the financial position of all the City's Business-type Activities in a single column; these columns are followed by a Total column that presents the financial position of the primary government. This column is followed by a column that displays the discretely presented component unit.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. Since the City's Internal Service Funds service these Funds, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances. The City's Business-type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City's net position. It is prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, deferred inflows/outflows of resources, available revenues and measurable expenditures.

The Statement of Activities presents the City's expenses first, listed by the program, and follows these with the expenses of its Business-type Activities. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City's general revenues are then listed in the Governmental Activities, Business-type Activities or discretely presented component unit column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both of these Statements include the financial activities of the City and the blended component units: the Milpitas Public Financing Authority (MPFA), the Milpitas Economic Development Corporation (EDC), the City of Milpitas Housing Authority (Housing Authority) and the Milpitas Municipal Financing Authority (MMFA). The Financing Authorities and Housing Authority are legally separate component units of the City, because they are controlled by the City and the City is financially accountable for their activities. The EDC is a California nonprofit public benefit Corporation that is also a legally separate component unit of the City because it is governed by a board consisting of the members of the City Council. The EDC became inactive as of June 30, 2015. The balances and the activities of the discretely presented component unit of Terrace Gardens, Inc. are included in these statements as separate columns.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.



CITY OF MILPITAS
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Terrace Gardens Inc. (As of December 31, 2022)
ASSETS				
Cash and investments available for operations (Note 3)	\$259,849,351	\$110,562,501	\$370,411,852	\$39,338
Restricted cash and investments (Note 3)	592,509	961,171	1,553,680	3,582,989
Receivables:				
Accounts	2,267,362	4,243,479	6,510,841	25,353
Due from other governments	11,642,293	108,127	11,750,420	
Interest	1,166,178	476,208	1,642,386	
Loans receivable (Note 5)	38,758,235		38,758,235	
Prepays, materials, supplies and deposits (Note 1E)	1,465,605	235,060	1,700,665	64,802
Property held for resale (Note 6)	6,000,000		6,000,000	
Leases receivable (Note 10)	13,461,720		13,461,720	
Capital assets and capacity rights (Note 8):				
Land and construction in progress	172,832,251	34,843,879	207,676,130	1,607,192
Depreciable capital assets, net	213,474,549	149,727,513	363,202,062	5,117,586
Total assets	721,510,053	301,157,938	1,022,667,991	10,437,260
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions (Note 13D)	66,605,255	1,285,365	67,890,620	
Related to OPEB (Note 14E)	13,737,309	1,059,472	14,796,781	
Total deferred outflows of resources	80,342,564	2,344,837	82,687,401	
LIABILITIES				
Accounts payable	4,958,364	4,923,546	9,881,910	284,074
Accrued payroll	4,862,217	241,381	5,103,598	13,974
Accrued expenses				41,915
Interest payable	59,000	591,383	650,383	
Uninsured claims payable (Note 15):				
Due within one year	1,647,769		1,647,769	
Due in more than one year	4,704,976		4,704,976	
Refundable deposits	3,786,347	131,367	3,917,714	72,400
Unearned revenue	15,258,160	6,922	15,265,082	1,143
Accrued vacation (Note 14F):				
Due within one year	2,625,756	304,140	2,929,896	16,913
Due in more than one year	3,887,538	133,202	4,020,740	
Sick leave payable (Note 14F):				
Due within one year	661,071	90,494	751,565	
Due in more than one year	588,448	50,163	638,611	
Subscription liability (Note 11):				
Due within one year	136,679		136,679	
Due in more than one year	427,499		427,499	
Net pension liabilities (Note 13C):				
Due in more than one year	241,528,287	4,515,731	246,044,018	
Net OPEB liability (Note 14C):				
Due in more than one year	10,523,266	1,374,317	11,897,583	
Total OPEB liability (Note 14D)				
Due in more than one year	26,006,613	2,321,167	28,327,780	
Long term debt (Note 9):				
Due within one year	520,000	1,395,000	1,915,000	
Due in more than one year	20,306,165	53,160,006	73,466,171	
Total liabilities	342,488,155	69,238,819	411,726,974	430,419
DEFERRED INFLOWS OF RESOURCES				
Related to leases (Note 10)	12,886,652		12,886,652	
Related to OPEB (Note 14E)	16,151,157	1,338,072	17,489,229	
Total deferred inflows of resources	29,037,809	1,338,072	30,375,881	
NET POSITION (Note 12)				
Net investment in capital assets and capacity rights	365,508,966	130,977,557	496,486,523	6,724,778
Restricted for:				
Capital projects	91,878,462	89,090,985	180,969,447	
Redevelopment and community development activities	52,908,825		52,908,825	
Pension expenses	32,663,060		32,663,060	
Other programs	1,585,744		1,585,744	
Total restricted net position	179,036,091	89,090,985	268,127,076	
Unrestricted	(114,218,404)	12,857,342	(101,361,062)	3,282,063
Total net position	\$430,326,653	\$232,925,884	\$663,252,537	\$10,006,841

See accompanying notes to financial statements

CITY OF MILPITAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

					Net (Expense) Revenue and Changes in Net Position	
Program Revenues					Primary Government	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Primary Government:						
Governmental Activities:						
General Government	\$25,711,166	\$1,400,034	\$4,309,415		(\$20,001,717)	
Building, Safety and Housing	7,939,810	7,814,990	2,426,617	\$51,555	2,353,352	
Recreation and Community Services	8,410,448	3,327,820	1,168,324	3,937	(3,910,367)	
Public Works	23,656,662	81,084	71,841	1,277,948	(22,225,789)	
Engineering	6,006,066	2,960,232	2,556,270	5,600,583	5,111,019	
Planning	2,638,231	505,089	493,244	848,440	(791,458)	
Police	39,544,697	1,565,471	4,812,378	118,429	(33,048,419)	
Fire	31,799,146	2,498,481	391,446		(28,909,219)	
Interest on long term debt	564,911				(564,911)	
Total Governmental Activities	146,271,136	20,153,201	16,229,535	7,900,892	(101,987,508)	
Business-type Activities:						
Water Utility	28,069,779	34,241,975	59,084	1,753,060		\$7,984,340
Sewer Utility	20,225,674	24,953,067		755,632		5,483,025
Total Business-type Activities	48,295,453	59,195,042	59,084	2,508,692		13,467,365
Total Primary Government	\$194,566,589	\$79,348,243	\$16,288,619	\$10,409,584	(101,987,508)	13,467,365
Component Unit:						
Terrace Gardens Inc.	\$2,414,946	\$2,304,169	\$26,901			
General revenues:						
Taxes:						
Property taxes					47,099,953	
Sales and use taxes					37,344,284	
Hotel/Motel taxes					11,189,758	
Other taxes					736,770	
Franchise fees, unrestricted					5,689,722	
Motor vehicle in-lieu, unrestricted					84,066	
Investment earnings					1,863,732	580,164
Gain (Loss) from sale of property					33,747	
Miscellaneous					765,307	
Transfers (Note 4)					4,616,307	(4,616,307)
Total general revenues and transfers					109,423,646	(4,036,143)
Change in Net Position					7,436,138	9,431,222
Net position-Beginning					422,890,515	223,494,662
Net position-Ending					\$430,326,653	\$232,925,884

See accompanying notes to financial statements

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Unit
	Terrace Gardens Inc. (year ended December 31, 2022)
Total	
(20,001,717)	
2,353,352	
(3,910,367)	
(22,225,789)	
5,111,019	
(791,458)	
(33,048,419)	
(28,909,219)	
(564,911)	
(101,987,508)	
7,984,340	
5,483,025	
13,467,365	
(88,520,143)	
	(\$83,876)
47,099,953	
37,344,284	
11,189,758	
736,770	
5,689,722	
84,066	
2,443,896	9,333
33,747	
765,307	
105,387,503	9,333
16,867,360	(74,543)
646,385,177	10,081,384
\$663,252,537	\$10,006,841



FUND FINANCIAL STATEMENTS

The Fund Financial Statements present individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year. No distinction is made between Fund types.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City. Individual non-major funds may be found in the Supplemental section.

GENERAL FUND

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The general fund accounts for all financial resources of a governmental unit, which are not accounted for in another fund.

HOUSING AUTHORITY FUND

Established to plan and address the housing needs of the City and to act as the Housing Successor Agency for the former Redevelopment Agency. The main source of the revenue for this fund is the repayment of loans restricted for housing activities.

STREET IMPROVEMENT FUND

Established to account for the construction and maintenance of the street system in Milpitas. Financing may be provided through state and federal grants.

TRANSIT AREA IMPACT FEE FUND

Established to account for capital projects in the transit area. A special transit area impact fee is imposed on developments to provide financing.

GENERAL GOVERNMENT CAPITAL PROJECT FUND

Established to account for the construction and maintenance of general government projects. Financing provided by the General Fund.





CITY OF MILPITAS
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	General	Housing Authority	Street Improvement	Transit Area Impact Fee
ASSETS				
Cash and investments available for operations (Note 3)	\$83,674,807	\$2,751,774	\$3,491,375	\$60,140,299
Restricted cash and investments (Note 3)	22,234			
Receivables:				
Accounts	1,609,593			440,100
Due from other governments	7,509,396		1,554,672	
Interest	473,296	11,143	34,862	311,285
Loans receivable, net (Note 5)		35,523,352		
Prepays, materials, supplies and deposits (Note 1E)	724,275	2,000		
Property held for resale (Note 6)	4,200,000	1,800,000		
Leases receivable (Note 10)	13,461,720			
Total Assets	\$111,675,321	\$40,088,269	\$5,080,909	\$60,891,684
LIABILITIES				
Accounts payable	\$2,293,312	\$701	\$72,748	\$63,645
Accrued payroll	4,672,030		7,405	8,962
Refundable deposits	3,756,376	11,100		
Unearned revenue	14,563,938			
Total Liabilities	25,285,656	11,801	80,153	72,607
DEFERRED INFLOWS OF RESOURCES				
Leases related (Note 10)	12,886,652			
Total Deferred Inflows of Resources	12,886,652			
FUND BALANCES				
Fund balances (Note 12):				
Nonspendable	4,924,275	2,000		
Restricted		40,074,468	5,000,756	60,819,077
Committed	16,972,492			
Assigned	6,921,443			
Unassigned	44,684,803			
TOTAL FUND BALANCES	73,503,013	40,076,468	5,000,756	60,819,077
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$111,675,321	\$40,088,269	\$5,080,909	\$60,891,684

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.

ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance, to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the Statement of Net Position.

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

- Long-term debt
- Subscription liability
- Net pension liability and pension-related deferred outflows/inflows of resources
- OPEB liability and related deferred outflows/inflows of resources
- Non-current portion of accrued vacation and sick leave
- Non-current portion of uninsured claims payable

NET POSITION OF GOVERNMENTAL ACTIVITIES

See accompanying notes to financial statements

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
\$26,042,044	\$36,810,212	\$212,910,511
570,275		592,509
	217,669	2,267,362
1,016,289	1,561,936	11,642,293
115,982	159,185	1,105,753
	3,234,883	38,758,235
118,429	29,784	874,488
		6,000,000
		13,461,720
<u>\$27,863,019</u>	<u>\$42,013,669</u>	<u>\$287,612,871</u>
\$1,694,183	\$713,303	\$4,837,892
13,465	110,555	4,812,417
	18,859	3,786,335
	694,222	15,258,160
<u>1,707,648</u>	<u>1,536,939</u>	<u>28,694,804</u>
		12,886,652
		12,886,652
118,429	29,784	5,074,488
570,275	39,429,275	145,893,851
		16,972,492
25,466,667	1,017,671	33,405,781
		44,684,803
<u>26,155,371</u>	<u>40,476,730</u>	<u>246,031,415</u>
<u>\$27,863,019</u>	<u>\$42,013,669</u>	
		377,132,708
		55,719,879
		(20,885,165)
		129,327
		(174,923,032)
		(38,943,727)
		(7,582,007)
		(6,352,745)
		<u>\$430,326,653</u>

CITY OF MILPITAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	General	Housing Authority	Street Improvement	Transit Area Impact Fee
REVENUES				
Property taxes	\$47,210,421			
Sales taxes	38,475,708			
Hotel /Motel taxes	11,189,211			
Franchise fees	5,689,722			
Other taxes	1,044,903			
Licenses and fines	8,296,633			
Use of money and property	718,143	\$837,423	\$231,422	\$751,493
Intergovernmental	6,228,491		2,528,403	
Charges for services	6,582,797			
Developer contributions			3,407	728,766
Other	854,529			
Total Revenues	126,290,558	837,423	2,763,232	1,480,259
EXPENDITURES				
Current:				
General Government	21,013,239	523,148		5,346
Building, Safety and Housing	6,841,709			
Recreation and Community Services	6,633,802			
Public Works	9,306,507			32,314
Engineering	3,448,648			
Planning	2,117,991			
Police	37,434,308			
Fire	29,187,955			
Capital outlay			6,144,359	1,278,711
Debt service:				
Principal	747,935			
Interest and fees	740,154			
Total Expenditures	117,472,248	523,148	6,144,359	1,316,371
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,818,310	314,275	(3,381,127)	163,888
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	4,201	60,283		
Transfers in (Note 4A)	7,168,628		2,801,961	16,168
Transfers (out) (Note 4A)	(9,272,426)		(2,711,393)	(294,000)
Total Other Financing Sources (Uses)	(2,099,597)	60,283	90,568	(277,832)
NET CHANGE IN FUND BALANCES	6,718,713	374,558	(3,290,559)	(113,944)
Fund balances at beginning of year	66,784,300	39,701,910	8,291,315	60,933,021
FUND BALANCES AT END OF YEAR	\$73,503,013	\$40,076,468	\$5,000,756	\$60,819,077

See accompanying notes to financial statements

General Government Capital Projects	Other Governmental Funds	Total Governmental Funds
		\$47,210,421
		38,475,708
		11,189,211
		5,689,722
	\$5,109,313	6,154,216
	1,850,693	10,147,326
\$300,337	592,788	3,431,606
1,892,114	5,413,240	16,062,248
2,076	322,884	6,907,757
	1,666,883	2,399,056
	80,576	935,105
<u>2,194,527</u>	<u>15,036,377</u>	<u>148,602,376</u>
	848,239	22,389,972
	792,844	7,634,553
	6,068	6,639,870
	2,714,026	12,052,847
	90,538	3,539,186
	366,475	2,484,466
	222,548	37,656,856
	38,887	29,226,842
9,402,737	4,369,956	21,195,763
		747,935
		740,154
<u>9,402,737</u>	<u>9,449,581</u>	<u>144,308,444</u>
<u>(7,208,210)</u>	<u>5,586,796</u>	<u>4,293,932</u>
		64,484
8,225,207	5,319,489	23,531,453
<u>(435,485)</u>	<u>(7,417,215)</u>	<u>(20,130,519)</u>
<u>7,789,722</u>	<u>(2,097,726)</u>	<u>3,465,418</u>
581,512	3,489,070	7,759,350
<u>25,573,859</u>	<u>36,987,660</u>	<u>238,272,065</u>
<u>\$26,155,371</u>	<u>\$40,476,730</u>	<u>\$246,031,415</u>

CITY OF MILPITAS
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$7,759,350
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital expenditures are therefore added back to fund balance (Internal service fund additions of \$2,363,427 have already been added to capital assets)	15,913,151
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Retirements of capital assets are deducted from fund balance (Internal service fund retirements of \$12,656 have already been deducted from capital assets)	(43,063)
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Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$1,190,932 which has already been allocated to serviced funds.)"	(13,613,472)
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LONG-TERM DEBT PROCEED AND PAYMENTS

Lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of lease principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Capital contributions and repayment of debt principal are added back to fund balance	643,676
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ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Interest payable	1,567
Non-current portion of accrued vacation and sick leave	584,393
Non-current portion of uninsured claims payable	(153,526)
Subscription liability	129,327
Net pension liabilities and pension-related deferred outflows/inflows of resources	(7,866,031)
Net OPEB liabilities and OPEB-related deferred outflows/inflows of resources	1,383,874
Unavailable revenue	

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	2,696,892
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$7,436,138
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See accompanying notes to financial statements

CITY OF MILPITAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$42,636,192	\$44,041,044	\$47,210,421	\$3,169,377
Sales taxes	33,827,435	36,218,446	38,475,708	2,257,262
Hotel /Motel taxes	8,329,238	10,475,622	11,189,211	713,589
Franchise fees	5,448,428	5,538,665	5,689,722	151,057
Other taxes	1,067,452	1,067,452	1,044,903	(22,549)
Licenses and fines	11,484,759	9,984,759	8,296,633	(1,688,126)
Use of money and property	264,000	264,000	718,143	454,143
Intergovernmental	1,081,728	6,395,310	6,228,491	(166,819)
Charges for services	5,969,453	6,674,294	6,582,797	(91,497)
Other	349,657	349,657	854,529	504,872
Total Revenues	110,458,342	121,009,249	126,290,558	5,281,309
Expenditures				
Current:				
General Government:				
City Manager	4,240,601	4,773,354	4,371,224	402,130
City Attorney	1,198,946	950,947	741,681	209,266
Finance	4,384,363	4,502,204	4,424,026	78,178
Human Resources	1,937,584	1,949,809	1,829,885	119,924
Information Services	4,091,944	4,300,750	3,413,373	887,377
Non-departmental	6,374,021	9,480,814	8,230,361	1,250,453
Building, Safety and Housing	6,175,463	7,515,468	7,274,640	240,828
Recreation and Community Services	5,969,982	7,434,699	6,837,371	597,328
Public Works	9,692,164	10,170,094	9,565,671	604,423
Engineering	3,971,356	3,704,170	3,468,728	235,442
Planning	1,927,813	2,221,273	2,236,262	(14,989)
Police	37,935,204	37,884,455	37,620,197	264,258
Fire	28,188,869	29,728,055	29,472,685	255,370
Debt service:				
Principal	470,000	747,935	747,935	
Interest	726,800	726,800	740,154	(13,354)
Total Expenditures	117,285,110	126,090,827	120,974,193	5,116,634
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,826,768)	(5,081,578)	5,316,365	10,397,943
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property			4,201	4,201
Proceeds from issuance of long term debt				
Transfers in	7,168,627	7,168,627	7,168,628	1
Transfers (out)	(341,866)	(3,741,866)	(9,272,426)	(5,530,560)
Total Other Financing Sources (Uses)	6,826,761	3,426,761	(2,099,597)	(5,526,358)
NET CHANGE IN FUND BALANCE	(\$7)	(\$1,654,817)	3,216,768	\$4,871,585
Adjustments to budgetary basis:				
Encumbrance expenditures			3,501,945	
Fund balance at beginning of year			66,784,300	
FUND BALANCE AT END OF YEAR			\$73,503,013	

See accompanying notes to financial statements

CITY OF MILPITAS
HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Budget Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$271,000	\$314,605	\$837,423	\$522,818
Total Revenues	271,000	314,605	837,423	522,818
Expenditures				
Current:				
General Government:				
City Attorney	6,429	6,429		6,429
Non-departmental	946,544	7,711,267	523,148	7,188,119
Total Expenditures	952,973	7,717,696	523,148	7,194,548
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	314,973	314,973	60,283	(254,690)
NET CHANGE IN FUND BALANCE	<u>(\$367,000)</u>	<u>(\$7,088,118)</u>	374,558	<u>\$7,462,676</u>
Fund balances at beginning of year			<u>39,701,910</u>	
FUND BALANCE AT END OF YEAR			<u>\$40,076,468</u>	

See accompanying notes to financial statements

MAJOR PROPRIETARY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The concept of *major funds* extends to Proprietary Funds. The City has identified the funds below as major proprietary funds.

Financial reporting standards do not provide for the disclosure of budget vs. actual comparisons regarding proprietary funds that are major funds.

WATER UTILITY FUND

Accounts for the provision of water services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, billing and collection.

SEWER UTILITY FUND

Accounts for the provision of sewer services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing, billing and collection.



CITY OF MILPITAS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Water Utility	Sewer Utility	Totals	
ASSETS				
Current Assets				
Cash and investments				
available for operations (Note 3)	\$56,391,880	\$54,170,621	\$110,562,501	\$46,938,840
Restricted cash and investments (Note 3)	904,267	56,904	961,171	
Receivables:				
Accounts	2,368,449	1,875,030	4,243,479	
Due from other governments	63,604	44,523	108,127	
Interest	243,119	233,089	476,208	60,425
Prepays, materials, supplies and deposits (Note 1E)	212,017	23,043	235,060	591,117
Total current assets	60,183,336	56,403,210	116,586,546	47,590,382
Noncurrent assets:				
Capital assets and capacity rights (Note 8):				
Land and construction in progress	32,089,411	2,754,468	34,843,879	
Depreciable capital assets, net	33,808,500	115,919,013	149,727,513	8,480,587
Total noncurrent assets	65,897,911	118,673,481	184,571,392	8,480,587
Total assets	126,081,247	175,076,691	301,157,938	56,070,969
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions (Note 13D)	765,883	519,482	1,285,365	
Related to OPEB (Note 14E)	591,351	468,121	1,059,472	
Total deferred outflows of resources	1,357,234	987,603	2,344,837	
LIABILITIES				
Current liabilities:				
Accounts payable	2,921,226	2,002,320	4,923,546	120,472
Accrued payroll	152,760	88,621	241,381	49,800
Interest payable	120,958	470,425	591,383	
Refundable deposits	131,367		131,367	12
Unearned revenue	3,461	3,461	6,922	
Accrued vacation (Note 14F)	152,070	152,070	304,140	121,268
Sick leave payable (Note 14F)	90,494		90,494	13,820
Revenue Bonds (Note 9)	325,000	1,070,000	1,395,000	
Total current liabilities	3,897,336	3,786,897	7,684,233	305,372
Non-current liabilities:				
Accrued vacation (Note 14F)	107,992	25,210	133,202	40,772
Sick leave payable (Note 13F)	2,055	48,108	50,163	4,946
Net pension liabilities (Note 13C)	2,690,693	1,825,038	4,515,731	
Net OPEB liability (Note 14C)	672,730	701,587	1,374,317	
Total OPEB liability (Note 14D)	1,238,993	1,082,174	2,321,167	
Revenue Bonds (Note 9)	18,478,848	34,681,158	53,160,006	
Total non-current liabilities	23,191,311	38,363,275	61,554,586	45,718
Total liabilities	27,088,647	42,150,172	69,238,819	351,090
DEFERRED INFLOWS OF RESOURCES				
Related to OPEB (Note 14E)	729,709	608,363	1,338,072	
Total deferred inflows of resources	729,709	608,363	1,338,072	
NET POSITION (Note 12)				
Net investment in capital assets and capacity rights	47,998,330	82,979,227	130,977,557	8,480,587
Restricted for capital projects	43,362,392	45,728,593	89,090,985	
Restricted for pension expenses				32,663,060
Unrestricted	8,259,403	4,597,939	12,857,342	14,576,232
Total net position	\$99,620,125	\$133,305,759	\$232,925,884	\$55,719,879

See accompanying notes to financial statements

CITY OF MILPITAS
 PROPRIETARY FUNDS
 STATEMENT OF REVENUE, EXPENSES
 AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Water Utility	Sewer Utility	Totals	
OPERATING REVENUES				
Charges for services	\$34,070,766	\$24,699,029	\$58,769,795	\$3,552,091
Other operating revenue	171,209	254,038	425,247	1,210,374
Total Operating Revenues	34,241,975	24,953,067	59,195,042	4,762,465
OPERATING EXPENSES				
Purchased water	18,924,303		18,924,303	
Sewer treatment services		5,761,505	5,761,505	
Personnel services	4,065,458	2,324,510	6,389,968	1,538,014
Services and supplies	2,671,201	5,408,739	8,079,940	1,363,462
Depreciation	1,565,385	5,088,194	6,653,579	1,213,482
Repairs and maintenance	51,428	1	51,429	618,463
Total Operating Expenses	27,277,775	18,582,949	45,860,724	4,733,421
Operating Income (Loss)	6,964,200	6,370,118	13,334,318	29,044
NONOPERATING REVENUES (EXPENSES)				
Gain on sale of capital assets				12,326
Interest income(loss)	312,208	267,956	580,164	1,162,581
Interest expense	(792,004)	(1,642,725)	(2,434,729)	
Subventions and grants	59,084		59,084	
Total Nonoperating Revenues (Expenses)	(420,712)	(1,374,769)	(1,795,481)	1,174,907
Income (Loss) Before Contributions and Transfers	6,543,488	4,995,349	11,538,837	1,203,951
Capital contributions	1,315,113	217,597	1,532,710	277,568
Capital contributions - connection fees	437,947	538,035	975,982	
Transfers in (Note 4A)		39,282	39,282	1,365,373
Transfers (out) (Note 4A)	(2,949,393)	(1,706,196)	(4,655,589)	(150,000)
Change in net position	5,347,155	4,084,067	9,431,222	2,696,892
Net position-beginning	94,272,970	129,221,692	223,494,662	53,022,987
Net position-ending	\$99,620,125	\$133,305,759	\$232,925,884	\$55,719,879

See accompanying notes to financial statements

CITY OF MILPITAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Water Utility	Sewer Utility	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$34,444,025	\$24,519,322	\$58,963,347	\$4,762,704
Payments to suppliers	(21,497,093)	(9,597,498)	(31,094,591)	(1,935,634)
Payments to employees for salaries and benefits	(4,156,925)	(2,347,170)	(6,504,095)	(1,505,594)
Net cash provided by operating activities	8,790,007	12,574,654	21,364,661	1,321,476
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Subventions and grants	59,084		59,084	
Transfers in		39,282	39,282	1,365,373
Transfers (out)	(2,949,393)	(1,706,196)	(4,655,589)	(150,000)
Cash Flows from Noncapital Financing Activities	(2,890,309)	(1,666,914)	(4,557,223)	1,215,373
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Principal paid on long-term debt	(315,000)	(1,020,000)	(1,335,000)	
Interest paid	(834,121)	(1,665,313)	(2,499,434)	
Proceeds from sale of capital assets				12,326
Acquisition of capital assets	(4,842,814)	(6,309,230)	(11,152,044)	(75,135)
Capital contributions - connection fees	437,947	538,035	975,982	
Cash Flows from Capital and Related Financing Activities	(5,553,988)	(8,456,508)	(14,010,496)	(62,809)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	173,275	134,754	308,029	1,128,051
Cash Flows from Investing Activities	173,275	134,754	308,029	1,128,051
Net increase (decrease) in cash and cash equivalents	518,985	2,585,986	3,104,971	3,602,091
Cash and investments at beginning of period	56,777,162	51,641,539	108,418,701	43,336,749
Cash and investments at end of period	\$57,296,147	\$54,227,525	\$111,523,672	\$46,938,840
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$6,964,200	\$6,370,118	\$13,334,318	\$29,044
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,565,385	5,088,194	6,653,579	1,213,482
Change in assets and liabilities:				
Receivables, net	255,549	(433,745)	(178,196)	239
Materials, supplies and deposits	(47,775)	(6,184)	(53,959)	9,542
Accrued payroll	36,926	30,599	67,525	
Accounts and other payables	45,634	1,582,678	1,628,312	69,169
Due to retirement system	22,675	(21,388)	1,287	
Due to OPEB	(52,587)	(35,618)	(88,205)	
Net cash provided by operating activities	\$8,790,007	\$12,574,654	\$21,364,661	\$1,321,476
NONCASH TRANSACTIONS:				
Contributions and transfers of capital assets	\$1,315,113	\$217,597	\$1,532,710	\$277,568

See accompanying notes to financial statements



FIDUCIARY FUNDS

FIDUCIARY FUNDS

These funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

SUCCESSOR AGENCY TO THE MILPITAS REDEVELOPMENT AGENCY PRIVATE-PURPOSE TRUST FUND

The Successor Agency to the Milpitas Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used to make payments that are on the Recognized Obligation Payment Schedule and to dispose of assets and property of the former Redevelopment Agency for the benefit of the taxing agencies.



CITY OF MILPITAS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	Successor Agency to the Milpitas Redevelopment Agency Private-purpose Trust Fund
ASSETS	
Cash and investments (Note 3)	\$13,840,372
Restricted cash and investments (Note 3)	5,476
Total Assets	13,845,848
LIABILITIES	
Accounts payable	14,128
Interest payable	2,551,333
Long-term obligations (Note 15C):	
Due in one year	8,185,000
Due in more than one year	75,967,632
Total Liabilities	86,718,093
NET POSITION (DEFICIT)	
Held in trust for other governments	(\$72,872,245)

See accompanying notes to financial statements

CITY OF MILPITAS
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Successor Agency to the Milpitas Redevelopment Agency Private-purpose Trust Fund
Additions:	
Property taxes	\$17,654,569
Use of money and property	<u>336,605</u>
Total additions	<u>17,991,174</u>
Deductions:	
General and administrative	21,555
Debt service:	
Interest and fees	<u>7,353,581</u>
Total deductions	<u>7,375,136</u>
Net change in net position	10,616,038
Net position (deficit) - beginning	<u>(83,488,283)</u>
Net position (deficit) - ending	<u><u>(\$72,872,245)</u></u>

See accompanying notes to financial statements

NOTES TO FINANCIAL STATEMENTS



CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Milpitas was incorporated as a general law city on January 26, 1954. The City operates under the Council-Manager form of government and provides the following services: public safety; fire and building inspection; engineering; public works; water; sewer; sanitation; recreation services; building and safety; planning and zoning; general administration services and economic development.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. *Reporting Entity*

The accompanying basic financial statements present the financial activity of the City, which is the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, *blended* component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. Each discretely presented component unit, on the other hand, is reported in a separate column in the basic financial statements to emphasize it is legally separate from the government.

PRIMARY GOVERNMENT

The financial statements of the primary government of the City of Milpitas include the activities of the City as well as the Milpitas Public Financing Authority, the Milpitas Economic Development Corporation, the City of Milpitas Housing Authority and the Milpitas Municipal Financing Authority, all of which are controlled by and dependent on the City. While these are separate legal entities, their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed "blended") with those of the primary government of the City in the accompanying financial statements.

Blended Component Units

The Milpitas Public Financing Authority is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital improvements within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Sewer Utility Enterprise Fund.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Milpitas Economic Development Corporation, formed in February 2011, is a California nonprofit public benefit Corporation formed by the City and the former Milpitas Redevelopment Agency under the laws of the State of California. As discussed in Note 17, the Redevelopment Agency was dissolved effective January 31, 2012. The Corporation was organized for the purpose of encouraging and facilitating the City's economic development, affordable housing and other community programs. The Corporation is governed by a board of directors consisting of the members of the City Council. Under an operating agreement with the Redevelopment Agency, the Corporation received funding from the Agency and will use the funds for redevelopment purposes consistent with the California Community Redevelopment Law, Health and Safety Code Section 33000 and to implement and carry out the Redevelopment Plans. The Corporation also entered into a Service Agreement with the City under which the City will perform the necessary services on an independent contractor basis to eliminate blight, provide affordable housing, improve the public realm, facilitate public and private developments, stimulate economic development, and create jobs. The Corporation is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Corporation. The Corporation became inactive as of June 30, 2015.

The City of Milpitas Housing Authority, formed in February 2011, is a separate government entity whose purpose is to assist with the housing for the City's low and moderate income residents. The Housing Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Housing Authority. The Financial activities of the Housing Authority are included in the Housing Authority Special Revenue Fund.

The Milpitas Municipal Financing Authority, formed in March 2016, is a separate government entity whose purpose is to assist with the financing and refinancing of public programs, projects and capital improvements for the benefit of the City and the Housing Authority. The Municipal Financing Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Municipal Financing Authority is controlled by the City and the Housing Authority and has the same governing body as the City, which also performs all accounting and administrative functions for the Municipal Financing Authority. The Financial activities of the Municipal Financing Authority are included in the General Government Capital Projects Fund.

Separate financial statements are not issued for the Milpitas Public Financing Authority, Milpitas Economic Development Corporation, City of Milpitas Housing Authority or Milpitas Municipal Financing Authority.

Discretely Presented Component Unit

Terrace Gardens, Inc. is a non-profit public benefit corporation organized in September 1986 for the purpose of developing and managing the operations of a residential complex known as Terrace Gardens, which is located in the City of Milpitas and is dedicated to the needs of elderly persons. The former Milpitas Redevelopment Agency funded the construction of Terrace Gardens. City Council can appoint a voting majority of the governing board and approves the annual budget. The City Council exercises control over the Board of Terrace Gardens. Therefore, the financial activities of Terrace Gardens, Inc. as of and for the year ended December 31, 2022 are discretely presented in the Terrace Gardens Inc. Component Unit column of the Statement of Net Position and the Statement of Activities.

Financial statements for Terrace Gardens, Inc. may be obtained from Terrace Gardens, Inc., 186 Beresford Court, Milpitas, CA 95035.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, the City and its blended and discretely presented component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, except for interfund services provided and used, which are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including franchise fees that are based on gross receipts and all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category- *governmental*, *proprietary*, and *fiduciary*-are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund *operating* revenues and expenses, such as charges for services and the related costs, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues and expenses, such as subsidies, investment earnings and any related costs, result from nonexchange transactions or ancillary activities.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Major Funds

Major funds are defined as funds that have either assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this Fund are sales taxes, property taxes, hotel taxes, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are incurred for public safety, public works, recreation services and the other governmental services described above.

Housing Authority Fund – Established to plan and address the housing needs of the City and to act as the Housing Successor of the former Redevelopment Agency. The main source of the revenue for this fund is the repayment of loans restricted for housing activities.

Street Improvement Fund – Established to account for the construction and maintenance of the street system in Milpitas. Financing is provided through State and Federal grants.

Transit Area Impact Fee Fund – Established to account for the capital projects in the transit area. A special transit area impact fee is imposed on developments to provide financing.

General Government Capital Projects Fund – Established to account for the construction and maintenance of general government projects. Financing is provided by the General Fund.

The City reported all its enterprise funds as major funds in the accompanying financial statements:

Water Utility Fund – Accounts for the provision of water services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, billing and collection.

Sewer Utility Fund – Accounts for the provision of sewer services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing, and billing and collection.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City also reports the following fund types:

Internal Service Funds – The Equipment Management Internal Service Fund is used to finance and account for the replacement of equipment used by City departments and the maintenance of the online permit development system on a cost reimbursement basis. The Pension Section 115 Internal Service Fund is used to accumulate funds to pay down the City’s CalPERS Unfunded Accrued Liability.

Fiduciary Funds – Trust funds account for assets held by the City as an agent for various functions. The Successor Agency to the Milpitas Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future. This fund accounts for winding down the affairs of the former Milpitas Redevelopment Agency and makes payments on the Enforceable Obligation Schedule and disposes of assets and property of the former Redevelopment Agency for the benefit of taxing agencies. The financial activities of this fund is excluded from the City-wide financial statements, but is presented in separate Fiduciary Fund financial statements.

D. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, including lease liabilities, claims and judgments, and accumulated unpaid vacation, sick pay and other employee benefit amounts, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as *expenditures* in governmental funds. Proceeds of general long-term debt, financing through leases and acquisitions under leases are reported as *other financing sources*.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Other revenues susceptible to accrual are sales taxes, significant building permit fees, and interest revenue. Forfeitures, licenses, other permits and miscellaneous revenue are not susceptible to accrual because they are not measurable until received in cash. Grant funding received in advance of the related expenditure is accounted for as unearned revenue.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City’s policy is to first apply restricted grant resources to such programs, followed by unrestricted resources if necessary.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Prepaids, Materials, Supplies and Deposits

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed, rather than when purchased.

Materials and supplies are valued at cost on a first-in first-out basis. Supplies in the enterprise and internal funds consist principally of materials and supplies for utility and internal operations. Materials and supplies of the governmental funds consist of expendable supplies and materials held for consumption. The cost is recorded as an expense or expenditure in the funds at the time individual inventory items are consumed.

Prepaids, materials, supplies and deposits in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

F. Deferred Inflows and Deferred Outflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate net statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension-related deferred outflows of resources arising from certain changes in the collective net pension liability.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources arising from certain changes in the collective net pension liability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to leases and deferred amounts related to pension and OPEB.

G. Property Tax

Santa Clara County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1.

Secured property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31. Collection of delinquent accounts is the responsibility of the County, which retains all penalties.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Revenue Recognition for Water Utility and Sewer Utility

Revenues are recognized based on cycle billings rendered to customers. Revenues for services provided but not billed at the end of a fiscal period are not material and are not accrued.

I. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Subscription-Based Information Technology Arrangements (SBITAs) Accounting

A Subscription-Based Information Technology Arrangement (SBITA) is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the contract term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over shorter of the subscription term or the useful life of the underlying IT assets. The City recognizes SBITA liabilities with an initial, individual value of \$500,000 or more for all funds, except for Capital Project Funds which the threshold is set lower at \$300,000, based on the future SBITA payments remaining at the start of the contract.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments as follows:

- The City uses the interest rate charged by the IT vendor as the discount rate. When the interest rate charged by the IT vendor is not provided, the City uses its estimated incremental borrowing rate as the discount rate for subscription liabilities.
- The subscription term includes the noncancellable period of the subscription.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with liabilities on the statement of net position.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. *Budgets and Budgetary Accounting*

The City adopts an annual operating budget on or before June 30 of the previous fiscal year, except for the Park Improvement and Storm Drain Capital Projects Funds which are budgeted on a project basis. The operating budget takes the form of a one year financial plan which is adopted in its entirety by the City Council by resolution. Because Milpitas is a general law city, it is not subject to a budgetary process prescribed by statute or charter.

The operating budget is subject to supplemental appropriations throughout its term in order to provide flexibility to meet changing needs and conditions. The City Manager's budget control remains at the level of department and/or project within any one fund. The City Manager may approve supplemental appropriations in the General Fund providing the total increase does not exceed 1% of the original total General Fund expenditure budget subject to the following. All additional appropriations that require the use of reserves must be approved by City Council. Expenditures cannot exceed the appropriated budget at the department level within each fund without City Council approval.

The City Manager is authorized to amend appropriations within the various departments and projects within a fund, provided that the amount of the amended appropriation is \$100,000 or less. Interfund transfers or transfers of an appropriation amount within a fund in which any single instance exceeds \$100,000 require prior approval of the City Council.

Budgeted amounts are as originally adopted, or as amended by the City Council. Individual amendments were not material in relation to the original appropriations which were amended.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (Continued)

B. Adjustments to GAAP Basis from Budgetary Basis

The City Manager's budget control remains at the level of department and/or project within any one fund. The City Manager has discretion over the unanticipated reserve (~1% of the General Fund operating budget), adopted by Council during the budget process. All additional appropriations that require the use of reserves must be approved by City Council. Expenditures cannot exceed the appropriated budget at the department level within each fund without City Council approval.

The City Manager is authorized to amend appropriations within the various departments and projects within a fund, provided that the amount of the amended appropriation is \$100,000 or less and does not impact the overall appropriations of a fund. Interfund transfers or transfers of an appropriation amount within a fund in which any single instance exceeds \$100,000 require prior approval of the City Council.

NOTE 3 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds except Cash and Investments held by Trustees, so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

The City invests in individual investments, money market mutual funds, and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the City employs the Trust and Custody Department of a bank as the custodian of certain City managed investments, regardless of their form.

California Law requires banks and savings and loan institutions to pledge government securities with a fair value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a fair value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or other agreements.

Cash and investments available for operations	\$370,411,852
Restricted Cash and Investments	1,553,680
Total Primary Government cash and investments	<u>371,965,532</u>
Cash and investments available for operations	39,338
Restricted Cash	3,582,989
Total Component Unit cash and investments	<u>3,622,327</u>
Cash and investments in Fiduciary Funds (separate statement)	13,840,372
Restricted Cash and Investments in Fiduciary Funds (separate account)	5,476
Total Fiduciary cash and investments	<u>13,845,848</u>
Total cash and investments	<u><u>\$389,433,707</u></u>

Cash and Investments Available for Operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy, updated or adopted on an annual basis, and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City's Investment Policy where it is more restrictive:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality*	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U. S. Treasury Bonds, Notes and Bills	5 Years		100%	No Limit
Federal Agency Obligations	5 Years		100%	30%
Bankers Acceptances	180 Days		40%	5%
Commercial Paper – Pooled Funds	270 Days	A	40%	(A)
Commercial Paper – Non-Pooled Funds	270 Days	A	25%	(A)
Negotiable Certificates of Deposit	5 Years		30%	5%
Repurchase Agreements	1 Year		100%	No Limit
Time Certificates of Deposit – Banks or Savings and Loans (Non- negotiable)	5 Years		100%	No Limit
Medium-Term Corporate Notes	5 Years	A	30%	5%
State of California Local Agency Investment Fund (LAIF Pool)	Upon Demand		100%	No Limit
Money Market Funds of Government Securities	Upon Demand	Top Rating Category	20%	10%
Municipal Securities and Municipal Treasury Notes or Bonds	5 Years	A	30%	5%
Mortgage Pass-Through and Asset Backed Securities	5 Years	AA	20%	5%
Collateralized Bank Deposits	Upon Demand		100%	No Limit

(A) Eligible Commercial Paper may not represent more than 5% of outstanding paper of an issuing corporation.

*At time of purchase

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt Agreements and Trust Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality*	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U. S. Treasury Bonds, Notes and Bills	5 Years		100%	No Limit
Federal Agency Obligations	5 Years		100%	30%
Time Certificates of Deposit – Banks or Savings and Loans	5 Years		100%	No Limit
Bankers Acceptances	180 Days	A	20%	5%
Commercial Paper – Pooled Funds	270 Days	A	40%	(A)
Commercial Paper – Non-Pooled Funds	270 Days	A	25%	(A)
Negotiable Certificates of Deposit	5 Years		30%	No Limit
Repurchase Agreements	1 Year		100%	No Limit
Medium-Term Corporate Notes	5 Years	AA	30%	5%
State of California Local Agency Investment Fund (LAIF Pool)	Upon Demand		No Limit	No Limit
Money Market and Mutual Funds	Upon Demand	Aaa/AAm	20%	10%
California Asset Management Program (CAMP)	Upon Demand		No Limit	No Limit

(A) The combined total of commercial paper may not represent more than 10% of the outstanding paper and notes of an issuing corporation.

*At time of purchase

During the fiscal year ended June 30, 2022, the City also implemented investment guidelines for its Section 115 Pension Trust, which authorize investments in a diversified portfolio, including equities and mutual funds, in order to achieve a 3% to 6% investment earnings goal during the next 5 to 10 years.

E. Investments Authorized for Terrace Gardens Inc.

Terrace Gardens, Inc. investments conform with the California Government Code.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

F. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the City's investments (including investments held by trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

Investment Type	12 Months or less	13 to 36 Months	36 to 60 Months	Total	Percentage of Portfolio
City and Successor Agency:					
Federal Agency Obligations	\$6,991,010	\$30,760,270	\$3,028,905	\$40,780,185	10.47%
Medium-Term Corporate Notes		35,938,071	24,673,041	60,611,112	15.56%
U.S. Treasury Notes		47,501,367	49,908,680	97,410,047	25.02%
California Local Agency Investment Fund	92,027,283			92,027,283	23.63%
Mutual Funds (U.S. Securities)	15,669,041			15,669,041	4.02%
Asset Backed Securities	375,485	14,358,851	12,351,906	27,086,242	6.96%
Municipal Securities and Municipal Treasury Notes or Bonds			2,144,889	2,144,889	0.55%
Terrace Gardens, Inc.:					
Nonnegotiable Certificates of Deposit	2,241,342			2,241,342	0.58%
Total Investments	<u>\$117,304,161</u>	<u>\$128,558,559</u>	<u>\$92,107,421</u>	337,970,141	
Demand Deposits - City of Milpitas				50,082,581	12.86%
Demand Deposits - Terrace Gardens				<u>1,380,985</u>	<u>0.35%</u>
Total Cash and Investments				<u>\$389,433,707</u>	<u>100.00%</u>

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of \$5,000, no maximum transaction amount, and at least 24 hours advance notice for withdrawals of \$10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2023 these investments matured in an average of 260 days.

Mutual funds are available for withdrawal on demand and at June 30, 2023 matured in an average of 25 days.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

G. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2023 for each of the Primary Government's investment types as provided by Standard and Poor's investment rating system:

Investment Type	AAA	AA+/AA/AA-	A+/A/A-	BBB+/BBB	Total
Federal Agency Obligations	\$40,780,185				\$40,780,185
Medium-Term Corporate Notes		\$12,476,648	\$47,176,936	\$957,528	60,611,112
Asset Backed Securities	18,600,844				18,600,844
Mutual Funds (U.S. Securities)	15,669,041				15,669,041
Municipal Securities and Municipal Treasury Notes or Bonds	2,144,889				2,144,889
Totals	<u>\$77,194,959</u>	<u>\$12,476,648</u>	<u>\$47,176,936</u>	<u>\$957,528</u>	<u>\$137,806,071</u>
Not rated:					
California Local Agency Investment Fund				\$92,027,283	\$92,027,283
Asset Backed Securities				8,485,398	8,485,398
Terrace Gardens, Inc.:					
Nonnegotiable Certificates of Deposit					2,241,342
Exempt from credit rate disclosure:					
U.S. Treasury Notes				97,410,047	97,410,047
Total Investments				<u>\$197,922,728</u>	<u>\$337,970,141</u>

Terrace Gardens, Inc. invests only in Nonnegotiable Certificates of Deposit. At December 31, 2022, all of Terrace Gardens' Nonnegotiable Certificates of Deposit totaling \$2,241,342 were fully insured by Federal Deposit Insurance.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

H. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the City's investments as of June 30, 2023:

	Level 2	Total
<i>Investments by Fair Value Level:</i>		
Federal Agency Obligations	\$40,780,185	\$40,780,185
Medium-Term Corporate Notes	60,611,112	60,611,112
U.S. Treasury Notes	97,410,047	97,410,047
Asset Backed Securites	27,086,242	27,086,242
Municipal Securities and Municipal Treasury Notes or Bonds	2,144,889	2,144,889
	<u>\$225,887,586</u>	<u>228,032,475</u>
<i>Investments Measured at Amortized Cost:</i>		
Mutual Funds (U.S. Securities)		15,669,041
<i>Investments Measured at Cost:</i>		
<i>Terrace Gardens, Inc.</i>		
Nonnegotiable Certificates of Deposit		2,241,342
<i>Investments Exempt from Fair Value Hierarchy:</i>		
California Local Agency Investment Fund		<u>92,027,283</u>
Total Investments		<u>\$337,970,141</u>

Federal Agency Obligations totaling \$42.9 million, Medium Term Corporate Notes of \$60.6 million, U.S. Treasury Notes totaling \$97.4 million, and Asset Backed Securities of \$27.1 million, classified in Level 2 of the fair value hierarchy, are valued using pricing techniques of matrix pricing or market corroborated pricing, with inputs such as yield curves or indices. These prices are obtained from various pricing sources by our custodian bank.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

I. Significant Investments

Investments in the securities of any individual issuers, other than U. S. Treasury securities, mutual funds and the California Local Agency Investment Fund, that represent 5% or more of total entity-wide investments are as follows at June 30, 2023:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Federal Agency Obligations	\$18,106,942
Federal Home Loan Mortgage Corporation	Federal Agency Obligations	11,527,012
Federal Home Loan Bank	Federal Agency Obligations	9,166,654

NOTE 4 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to move resources from one fund to another. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the fiscal year ended June 30, 2023 were as follows:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
Governmental Funds:		
General Fund	Community Facility District Special Revenue Fund	\$2,879,042 (A)
General Fund	Solid Waste Reduction and Services Special Revenue Fund	157,997 (A)
General Fund	Water Utility Enterprise Fund	2,687,393 (A)
General Fund	Sewer Utility Enterprise Fund	1,444,196 (A)
Street Improvement Capital Projects Fund	Gas Tax Special Revenue Fund	2,091,713 (B)
Street Improvement Capital Projects Fund	General Fund	710,248
Transit Area Impact Fee Capital Projects Fund	Park Improvement Capital Projects Fund	16,168 (C)
General Government Capital Projects Fund	General Fund	5,022,408 (B)
General Government Capital Projects Fund	Transit Area Impact Fee Fund	294,000 (B)
General Government Capital Projects Fund	Water Utility Enterprise Fund	262,000 (B)
General Government Capital Projects Fund	Sewer Utility Enterprise Fund	262,000 (B), (C)
General Government Capital Projects Fund	Gas Tax Special Revenue Fund	595,000 (B)
General Government Capital Projects Fund	Lighting & Landscape Maintenance District Special Revenue Fund	11,000 (B)
General Government Capital Projects Fund	Community Facilities District Special Revenue Fund	50,000 (B)
General Government Capital Projects Fund	Community Planning Special Revenue Fund	200,000 (B)
General Government Capital Projects Fund	Public Art Capital Projects Fund	142,500 (B)
General Government Capital Projects Fund	Park Improvement Capital Projects Fund	1,230,669 (B), (C)
General Government Capital Projects Fund	Storm Drain Development Capital Projects Fund	3,844 (C)
General Government Capital Projects Fund	Equipment Management Internal Service Fund	150,000 (B)
General Government Capital Projects Fund	General Fund	1,786 (B)
Gas Tax Special Revenue Fund	Street Improvement Capital Projects Fund	2,711,393 (C)
Lighting & Landscape Maintenance District Special Revenue Fund	General Fund	41,866 (A)
Community Planning Special Revenue Fund	General Government Capital Projects Fund	235,485 (C)
Affordable Housing Special Revenue Fund	General Fund	710,248 (C)
Storm Drain Development Capital Projects Fund	General Fund	1,420,497 (B)
	General Government Capital Projects Fund	200,000 (B)
	Governmental Funds Subtotal	<u>23,531,453</u>
Proprietary Funds:		
Sewer Utility Enterprise Fund	Park Improvement Capital Projects Fund	39,282 (C)
	Proprietary Funds Subtotal	<u>39,282</u>
Internal Service Funds:		
Equipment Management Internal Service Fund	General Fund	1,365,373 (A)
	Internal Service Funds Subtotal	<u>1,365,373</u>
	Total Interfund Transfers	<u>\$24,936,108</u>

- (A) To Transfer for Operating Cost
(B) To Fund Capital Project
(C) To Return Unexpended Project Funds

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 5 – LOANS RECEIVABLE

The City and former Redevelopment Agency entered into the loan programs below to improve the quality of housing and to increase the availability of affordable housing, and for other purposes. With the dissolution of the Redevelopment Agency as discussed in Note 16, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the City of Milpitas Housing Authority assumed the loans receivable of the Redevelopment Agency's Housing Reserve Special Revenue Fund as of February 1, 2012.

These loans were comprised of the following at June 30, 2023:

Housing and Community Development Loans:

Rehabilitation Loans	\$3,234,883
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Housing Authority Loans:

Milpitas Housing Associates	3,143,641
Parc Metropolitan Housing Development	49,990
Parc North Associates LLC	512,268
Mid-Peninsula Milpitas Affordable Housing Associates	17,964,622
KB Home South Bay Inc.	1,222,900
Western Pacific Housing Inc.	1,781,440
Shapell Industries	750,000
MIL Aspen Associates, Ltd.	3,323,888
Sango Court, L.P.	6,774,603
Total Housing Authority Loans Receivable	35,523,352
Total Loans Receivable	\$38,758,235

A. Rehabilitation Loans

The City administers a housing rehabilitation program using Housing and Community Development Act funds. Under the Program, individuals with incomes below a certain level are eligible to receive low or no interest loans, secured by deeds of trust, for construction work on their homes. At June 30, 2023, the City had outstanding rehabilitation loans of \$3,234,883 in its Housing and Community Development Special Revenue Fund. During the year ended June 30, 2023, the City did not receive a principal payment from all participants and accrued interest of \$8,973.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 5 – LOANS RECEIVABLE (Continued)

B. *Milpitas Housing Associates Loan*

In fiscal 1997, the former Redevelopment Agency loaned the Milpitas Housing Associates, a partnership of Bridge Housing and a developer, \$3,000,000 to assist in the financing of the construction of a 306 unit apartment complex. Fifty percent of the units were made available to very low and low income tenants. The Loan bore interest at the rate of 5.45% per year, compounded annually and is repayable in 2040, subject to certain conditions. The loan is secured by a subordinated deed of trust in the third position on the property. In January 2020, the City Council and the Housing Authority Commission approved a restructuring of the loan, which, 1) lowered the interest rate from 5.45% to a simple interest of 3.05% effective July 1, 2017, 2) forgave accrued interest of \$1,541,074 through fiscal year 2017, and 3) approved the foregoing of residual receipts totaling \$200,000 annually. As a result, fiscal year 2018 interest was recalculated to be \$91,500 and accrued and the prior fiscal year 2018 accrued interest of \$247,489 was written off. During fiscal year 2023, interest of \$143,641 was accrued, and as of June 30, 2023, principal and accrued interest outstanding totaled \$3,143,641.

C. *Parc Metropolitan Housing Development Loans*

The Housing Authority provides loans to eligible low-income families for the purchase of townhome units at the Parc Metropolitan Housing Development. During the year ended June 30, 2023, the Housing Authority received principal payments of \$2,919 and as of June 30, 2023, there were \$49,990 in loans outstanding.

D. *Parc North Associates LLC Loan*

In September 2003, the former Redevelopment Agency entered into an Owner Participation Agreement with Parc North Associates LLC for the development of 285 town homes and condominiums. Eighteen of the units were made available to very low income households, six of the units were made available to low income households, and thirty-four units were made available to moderate income households. In exchange, the Agency provided a grant of \$1,823,480 to the Developer for permits, fees, and infrastructure, along with silent-second loans to eligible low-income families for the purchase of these town homes and condominium. Interest of 5% begins on the 61st month after the recordation of the deeds of trust and continues until the loans are paid in full. During fiscal year 2023, principal of \$21,603 was paid and as of June 30, 2023, there were \$512,268 of such loans outstanding.

E. *Mid-Peninsula Milpitas Affordable Housing Associates*

In December 2005, the former Redevelopment Agency entered into a Disposition and Development Agreement with Mid-Peninsula Milpitas Affordable Housing Associates for the development of a 103-unit senior housing project with long-term affordability to extremely low and very low income seniors. Under the terms of the Agreement, the Agency provided a grant of \$1 million to the Developer and will provide a development loan up to \$14.6 million to the Developer. No interest is accrued on the first \$5 million of loan proceeds. The remaining \$9.6 million bears simple interest of 3.00% annually. Repayment of interest and principal is payable from surplus operating cash subject to certain conditions as defined in the Agreement, and unpaid principal and accrued interest is due in December 2062. The loan is secured by a second deed of trust on the property. Construction began in fiscal year 2006 and was completed in December 2008. During fiscal year 2023, \$288,000 was paid and accrued, respectively, and as of June 30, 2023, principal and accrued interest outstanding totaled \$17,964,622.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 5 – LOANS RECEIVABLE (Continued)

F. KB Home South Bay Inc. Loans

In January 2005, the former Redevelopment Agency entered into a Disposition and Development Agreement with KB Home South Bay Inc. for the development of a public park and approximately 700 housing units on the two parcels (Parcels C and D). In addition, the former Redevelopment Agency would provide a total of \$4,250,000 of silent-second mortgages to eighty-five moderate income households on Parcel C, approximately \$5,000,000 of subsidies to twenty-five moderate income households on Parcel D. The silent-second mortgages are not due for 45 years or upon the sale, renting or leasing of the property. Interest begins on the 37th month after the recordation of the Deed of Trust and continues until the loans are paid in full.

Due to changes in the housing market and stricter lending requirements which had created unforeseen challenges in finding qualified buyers for the affordable units, the former Redevelopment Agency amended the Agreement in February 2009 to establish an in-lieu housing payment of \$1,702,000 to remove the affordable restrictions on 46 of the 67 remaining unsold affordable units (\$37,000 for each unit). This amount was paid in equal parts to the Agency and to the County. In addition, the commitment for silent-second mortgages was reduced \$2,300,000 to \$1,950,000, and the total number of affordable units was reduced from 110 to 64.

As of June 30, 2023, there were \$954,900 of loans to Parcel C households outstanding. As of June 30, 2023 subsidies totaling \$1,222,900 had been provided.

G. Western Pacific Housing Inc., Loans

In August 2005, the former Redevelopment Agency entered into an Owner Participation Agreement with Fairfield Development, LLC for the development of a 464- unit residential apartment project called Centria, of which 93 units will be deed-restricted for very low- to moderate- income households. In November 2005, the project was purchased by Western Pacific Housing Inc. and obligations of the Owner Participation Agreement were assigned to Western Pacific Housing Inc. The former Redevelopment Agency will provide a grant of \$379,480 for permits, fees, and infrastructure. The former Redevelopment Agency also will provide a total of \$770,000 for silent-second down payment assistance loans for the 22 very-low income units. The loans are not due for 25 years or upon the sale, renting or leasing of the property. Interest will begin on the 61st month after the recordation of the Deed of Trust and continues until the loans are paid in full. Principal of \$1,341 was repaid in fiscal year 2023 and as of June 30, 2023 there were \$584,440 such loans outstanding.

In August 2008 the Owner Participation Agreement was amended to reduce the number of units to be constructed by Western Pacific Housing Inc. to 137 and provide for the conversion of 7 of the moderate income units to low income units. In addition, in August 2008 the 327 unconstructed units of the project were sold to Lyon Milpitas LLC and the Agency entered into a new Owner Participation Agreement with Lyon Milpitas LLC to complete the construction of the affordable housing units.

In September 2006, the former Redevelopment Agency entered into an Owner Participation Agreement with Western Pacific Housing, Inc. for the development of a 147-unit townhome project called Paragon that includes nine units deed-restricted to very low income residents and twenty units deed-restricted to moderate income residents. The Agency will provide silent-second loans of \$133,333 to each of the very low income households. Interest will begin on the date of the promissory note but will be forgiven on the fourth anniversary of the date the Deed of Trust recorded at a rate of 20% per year, and principal is due 45 years from the date the Deed of Trust was recorded. As of June 30, 2023, there were \$1,197,000 of silent second loans outstanding.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 5 – LOANS RECEIVABLE (Continued)

H. *Shapell Industries*

In June 2004, the former Redevelopment Agency entered into an Agreement with Shapell Industries of Northern California for the development of a 65-unit townhome development, which will include twenty deed-restricted affordable housing units for very low- and moderate-income units. In August 2005 the Agency entered into an Owner Participation Agreement with the Developer that, in exchange for the development of housing units, the Agency will provide a total of \$800,000 silent-second mortgages to sixteen moderate-income households. In addition, under the terms of the Agreement, the Agency assisted in the rehabilitation of four existing very low-income units in fiscal 2006. Interest will begin on the date of the promissory note, but will be forgiven on the fourth anniversary of the date the Deed of Trust recorded at a rate of 20% per year, and principal is due 45 years from the date the Deed of Trust was recorded. As of June 30, 2023, there were \$750,000 of silent second loans outstanding.

I. *MIL Aspen Associates, Ltd.*

In April 2007, the former Redevelopment Agency entered into an Owner Participation Agreement with MIL Aspen Associates, Ltd. for the development of a 101-unit multi-family project, of which 100 units will be deed-restricted for very low-income households. Under the terms of the Agreement, during fiscal year 2011 the Agency provided a \$2,300,000 loan to the Developer. The loan bears 5% interest compounded annually on outstanding principal balance, and is repayable in April 17, 2037. Upon June 1 of the year following the issuance of the final certificate of occupancy of the project and the first day of each June during the term of the loan, the Developer shall pay 50% of Surplus Cash generated by the Project, as defined in the Agreement, during the previous calendar year. During the year ended June 30, 2023, interest of \$165,118 was accrued, and as of June 30, 2023, principal and accrued interest totaled \$3,323,888.

J. *Sango Court, L.P.*

In May 2019, the Housing Authority entered into a development loan agreement with Sango Court, L.P. for construction of affordable housing at 355 Sango Court Apartments of which 101 will be affordable and 1 will be an above moderate income (AMI) managers unit. Under the terms of the Agreement, during fiscal year 2022 the Agency provided a \$6,500,000 loan to the Developer. The loan bears 3% interest compounded annually on outstanding principal balance and must be paid on the earlier of: (a) fifty-five (55) years from the date of conversion, or (b) December 31, 2079, or (c) by acceleration of the loan following a default. During the year ended June 30, 2023, interest of \$274,603 was accrued, and as of June 30, 2023, principal and accrued interest totaled \$6,774,603.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 6 – PROPERTY HELD FOR RESALE OR REDEVELOPMENT

A. General Fund

Pursuant to the terms of a settlement agreement between the City, Economic Development Corporation, Housing Authority, Santa Clara County Auditor-Controller, State Controller and other parties, a land parcel was transferred from the Successor Agency to the Housing Authority in June 2014. However, that parcel was not subject to housing related provisions and was transferred to the City from the Housing Authority in June 2014.

The land parcel is accounted for at the lower of cost or net realizable value or agreed-upon sales price if a disposition agreement has been made with a developer.

As of June 30, 2023, property totaling \$4,200,000 is held by the General Fund.

B. Housing Authority

The former Redevelopment Agency had purchased parcels of land as part of its efforts to develop or redevelop blighted properties within the Redevelopment areas. Such land parcels are accounted for at the lower of cost or net realizable value or agreed-upon sales price if a disposition agreement has been made with a developer. The City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the City of Milpitas Housing Authority assumed the property held for resale of the Redevelopment Agency's Housing Reserve Fund as of February 1, 2012.

In fiscal year 2010 the Agency purchased five housing units for \$1,503,718 in the Parc Metro Subdivision. During fiscal year 2011, the Agency purchased one additional Parc Metro Subdivision unit for \$305,095, one Centria Subdivision housing unit for \$248,056, and four KB Home Subdivision housing units for \$1,273,892. One of the KB Home Subdivision units with a book value of \$374,253 was sold in August 2011. Two of the KB Home Subdivision units with a book value of \$376,795 and \$294,921 were sold in December 2012 and February 2013, respectively. Four of the Parc Metro Subdivision units were sold in fiscal year 2013, with a total book value of \$1,245,559, and one unit with a book value of \$258,160 was sold in fiscal year 2019. The Centria unit was sold in fiscal year 2017 for \$296,000. In fiscal year 2023, two units were sold with a book value of \$305,095 and \$227,924. The units were purchased in order to retain them as affordable housing units and are being held for future resale. The remaining units are rented to tenants.

In February 2011, the Agency purchased additional property along South Main Street in the amount of \$1,800,000 which is intended to be incorporated into the Midtown Specific Plan for housing development. The purchase of this property had been funded by a loan from the Housing Reserve Special Revenue Fund to the Redevelopment Capital Projects Fund, and with the dissolution of the Agency as of February 1, 2012, the State Department of Finance approved the property as a housing asset and the property was transferred to the Housing Authority as the successor housing agency.

As of June 30, 2023, property totaling \$1,800,000 is held by the Housing Authority. The Housing Authority is required to develop or sell the properties on or before August 31, 2022.

As of June 30, 2023, the Housing Authority has completed a Phase II Environmental site assessment, asbestos, and lead based- paint analysis, a property appraisal, and retained broker representation to help prepare parcel 1 for sale.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7 – DEVELOPMENT AND TAX SHARING AGREEMENTS

The City and former Redevelopment Agency have entered into the development agreements below in an effort to provide incentives to develop new businesses, new tax revenues and affordable housing.

A. *South Main Senior Lifestyles, LLC.*

In August 2009, the former Redevelopment Agency entered into a Disposition and Development Agreement with the South Main Senior Lifestyles, LLC (SMSL) to develop 180 units of “Continuum of Care Senior Housing” (Phase 1 Parcel), of which 63 units will be for very low and low income households, and 207 units of family housing (Phase 2 Parcel) which will be market rate units. In accordance with the terms of the Agreement, the Agency will acquire the properties and resell them in two phases to the developer prior to construction, subject to certain conditions in the Agreement. In November 2009, the Agency purchased the properties along South Main Street in the amount of \$12,443,137. The sales price for the Phase 1 Parcel will be \$5,022,129, and the sales price for the Phase 2 Parcel will equal the greater of the fair market value of the Phase 2 Parcel as defined in the Agreement or \$7,377,871. In addition, the former Agency’s Housing Reserve Special Revenue Fund was to provide a grant in the amount of \$7.7 million to support the development and operation of the Phase 1 Parcel project.

In March 2011, the Economic Development Corporation assumed the obligations of the Disposition and Development Agreement and on October 18, 2011, a two year extension to the Agreement was approved to include a more extensive high density residential development plan of sixty-three residential units available at affordable housing cost to income-qualified very low and low income households.

In November 2013, the Housing Authority amended the Disposition and Development Agreement. The amendment states the Authority will convey the properties with a carrying value of \$12,443,137 to the developer as a grant after certain requirements are fulfilled. In addition, the amendment also eliminates the \$7.7 million grant obligation included in the initial agreement. It further amended the number of affordable units from 63 to 48, all at the very low income level for seniors.

In June 2015, the Housing Authority amended the Disposition and Development Agreement to extend the deadline to convey the properties to the developer from November 19, 2015 to June 30, 2017. In April 2017, the Housing Authority amended the Disposition and Development Agreement to extend the deadline from June 30, 2017 to December 31, 2017. On April 5, 2018, the agreement was again amended to extend the deadline to the date on which the grant deed conveying the Phase 1 Parcel to the developer is recorded. In April 2018, the terms of the agreement were fulfilled and the properties were transferred to the developer.

In February 2018, the City entered into a reimbursement agreement with the developer to reimburse the developer for the full actual cost of the design and improvement to replace an existing 8-inch sanitary sewer pipe with a 12-inch pipe. As of June 30, 2023, the City has issued a total of \$702,252 reimbursements to date.

B. *Sales Tax Sharing Agreement*

In June 2009, the City entered into a Sales Tax Sharing Agreement with a corporation that provides process control for the semiconductor and related industries. Under the terms of the Agreement, the City agreed to pay the corporation 50% of the calendar year sales and use tax revenues paid by the corporation and collected by the State Board of Equalization for the City that exceed the tax base. The tax base is defined in the Agreement as the average amount of annual sales tax increment received by the City from the corporation for calendar years 2006, 2007 and 2008. The agreement terminates in 2025. During the year ended June 30, 2023, the City had issued \$287,548 of sales tax were made to the corporation during fiscal year 2023.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7 – DEVELOPMENT AND TAX SHARING AGREEMENTS (Continued)

C. *Piper Montague Infrastructure Payment Cost Sharing Agreement*

In August 2009, the City entered into a four-party agreement with three developers in the Piper/Montague Subdistrict in which the developers agreed to share in the costs of infrastructure improvements, including street improvements, storm drain installation and a traffic signal, and certain storm water management facilities. Under the terms of the agreement, when one of the developers undertakes a project related to the shared infrastructure improvements or storm water facilities project, that developer receives TASP fee credits equal to the other two developers pro-rata share of the improvements. The other two developers are then to reimburse the City for those TASP fee credits through the payment of the Piper Montague Infrastructure Fee Payment (PMIP), when building permits are issued, as a surcharge to the TASP fee. In the event the developers do not pay the PMIP fees within seven years of the completion date of the improvements, then the City may levy assessments or collect Mello-Roos special taxes from the applicable properties for the applicable share of the improvements. The cost of the shared infrastructure improvements and storm water facilities project is estimated to total \$9.8 million. If a developer's TASP fee credits resulting from the installation of the shared infrastructure exceed its aggregate TASP Fee obligations, the developer is not entitled to a cash payment from the City, but they may be entitled to a credit against other development fees.

The developers have completed the shared infrastructure of \$8,690,752 as of June 30, 2023. The balance due from the two developers was \$440,100 as of June 30, 2023.

D. *Milpitas Station (San Jose) Venture, LLLP*

In June 2014, the City entered into a Fee Credit Agreement with Milpitas Station (San Jose) Venture, LLLP, which requires the developer to pay TASP fees of \$9,932,643 to defray all or a portion of the improvements and facilities costs associated with the Milpitas Station Project. Under the terms of the agreement, the developer will be entitled to reimbursements totaling \$1,500,000 for construction costs for roadway improvements, pole relocation improvements, and railroad crossing improvements and a park land fee credit totaling \$4,244,486 for the park land dedication to be applied against projected TASP fees. During the year ended June 30, 2023, there was a total of \$242,000 in reimbursements that were issued, and total reimbursements of \$5,744,486 have been issued to date.

E. *Anton Milpitas 730 LLC and 750 LLC*

In April 2018, the City entered into a Fee Reimbursement Agreement with Anton Milpitas 750 LLC and Anton Milpitas 730 LLC, which requires the developer to pay TASP fees of \$19,351,735 to defray all or a portion of the improvements and facilities costs associated with the 730 E. Capitol and 750 E. Capitol apartment complexes. Under the terms of the agreement, the developer will be entitled to reimbursements totaling \$8,910,221 for construction costs for parking and a variety of site improvements, including a public park. During the year ended June 30, 2023, the City did not issue park improvement credits and a total fee credits of \$7,220,719 have been issued to date.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7 – DEVELOPMENT AND TAX SHARING AGREEMENTS (Continued)

F. LMC Milpitas Holdings I, LLC and Lennar Homes of California

In July 2017, the City entered into a Fee Reimbursement Agreement with LMC Milpitas Holdings I LLC and Lennar Homes of California, which requires the developer to pay TASP fees of \$16,029,909 to defray all or a portion of the costs of public parks and public recycled water system. Under the terms of the agreement, the developer will be entitled to reimbursements totaling \$4,689,574 for construction and design costs for Montague Expressway and East Penitencia Creek. During the year ended June 30, 2023, no reimbursements were issued, and total reimbursements of \$4,030,688 have been issued to date.

NOTE 8 – CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for intangible right to use lease assets, the measurement of which is discussed in **Note 10** below. Contributed capital assets are valued at their estimated acquisition value on the date contributed. The City's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

The City has recorded all its public domain (infrastructure) capital assets, which include landscape, storm, street, and traffic systems.

All capital assets with limited useful lives and the right to use leased assets are required to be depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years is reported on the statement of net position as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The general capitalization threshold is \$5,000. The City has assigned the useful lives below to capital assets:

	Useful Lives Years
Buildings and improvements	30
Other improvements	20
Machinery and equipment	10
Landscape system	50
Storm system	15-25
Street system	25
Traffic system	20
Water system	30-61
Sewer system	50
Capacity rights	32

Terrace Gardens, Inc. has assigned the following useful lives to its capital assets: Buildings, 50 years; Building improvements, 10-50 years; and Equipment, 5-7 years.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8 – CAPITAL ASSETS (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

A. Governmental Capital Asset Additions, Retirements and Balances

	Balance at June 30, 2022	Additions	Retirements	Transfers	Balance at June 30, 2023
Capital assets not being depreciated:					
Land	\$84,829,602			\$12,609,503	\$97,439,105
Construction in progress	94,390,303	\$9,680,803		(\$28,677,960) *	75,393,146
Total capital assets not being depreciated	179,219,905	9,680,803		(16,068,457)	172,832,251
Capital assets being depreciated:					
Buildings and improvements	173,371,133				173,371,133
Other improvements	33,984,523			5,705,465	39,689,988
Machinery and equipment	49,119,458	352,703	(\$324,778)		49,147,383
Landscape system	30,115,221	42,378			30,157,599
Storm system	74,477,062			1,093,127	75,570,189
Street system	313,770,714	6,792,487		7,737,155	328,300,356
Traffic system	20,306,714	887,130			21,193,844
Intangible Right-to-use subscription asset		842,113			842,113
Total capital assets being depreciated	695,144,825	8,916,811	(324,778)	14,535,747	718,272,605
Less accumulated depreciation for:					
Buildings and improvements	(98,852,797)	(5,423,073)			(104,275,870)
Other improvements	(24,541,828)	(934,184)			(25,476,012)
Machinery and equipment	(37,725,066)	(1,639,783)	324,778		(39,040,071)
Landscape system	(17,081,042)	(604,342)			(17,685,384)
Storm system	(73,191,641)	(186,936)			(73,378,577)
Street system	(222,113,660)	(5,580,781)			(227,694,441)
Traffic system	(16,641,238)	(457,855)			(17,099,093)
Intangible Right-to-use subscription asset		(148,608)			(148,608)
Total accumulated depreciation	(490,147,272)	(14,975,562)	324,778		(504,798,056)
Net capital assets being depreciated	204,997,553	(6,058,751)		14,535,747	213,474,549
Governmental activities capital assets, net	\$384,217,458	\$3,622,052		(\$1,532,710) *	\$386,306,800

* In FY2023, \$1,532,710 was transferred to the Sewer Fund (\$217,597) and Water Fund (\$1,315,113) upon completion of PMIP project

In fiscal year 2023, the City implemented the provisions of **GASB Statement No. 96, Subscription-Based Information Technology Arrangements**, which required the City to record an intangible right-to-use subscription asset. As a result, a right-to-use subscription asset was recorded in the amount of \$842,113. As of June 30, 2023, the City has recorded a net intangible right-to use subscription asset amounting to \$693,505, with accumulated amortization of \$148,608. The subscription asset is offset with a subscription liability as discussed in Note 11.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8 – CAPITAL ASSETS (Continued)

Governmental activities construction in progress comprised the following at June 30, 2023:

Project	Total Budget	Actual Costs	Unexpended Budget
Alviso Adobe Renovation	\$8,159,272	\$8,086,203	\$73,069
McCandless Park	12,154,820	11,038,933	1,115,887
Sports Fields Turf Rehabilitation Program	476,000	142,460	333,540
Sandalwood Park Renovation	475,000	239,347	235,653
Minor Sports Courts Rehabilitation	915,000	544,606	370,394
McCarthy Blvd Landscape	1,032,256	662,414	369,842
Fire Station Improvements	1,750,000	1,121,030	628,970
City Building Improvement	4,115,000	3,330,262	784,738
Sinclair LMD Improvements	230,625	138,274	92,351
City Building, Exterior Painting	600,000	239,992	360,008
PD Communications	3,155,000	2,918,044	236,956
Replacement Fire Station Alert System	345,000	344,420	580
City Building Roofing	900,000	251,377	648,623
Police Records Management	1,099,721	978,614	121,107
Citywide Park Playground	2,053,497	1,776,478	277,019
Annual Sidewalk, Curb & Gutter Repair	2,396,840	2,383,085	13,755
Technology Projects	1,800,000	1,525,190	274,810
Midtown Street Light	300,000	264,037	35,963
2017-19 Finance System Upgrade	1,250,000	1,057,152	192,848
Annual Tree Replacement Program	544,000	329,763	214,237
Fire Station #2 Replacement	14,320,000	13,137,920	1,182,080
Fire Stations Security	200,000		200,000
Facilities Water Fixtures Retrofit Project	670,000	670,000	
Community and Senior Center Energy Resilience Project	5,107,597	4,254,387	853,210
Fire Station No. 1 Modular Building	800,000	1,786	798,214
Human Resources Information System	1,100,000		1,100,000
Cardoza Park Softball Fields Improvement	800,000	10,553	789,447
Storm Drain System Rehabilitation	1,190,000	987,655	202,345
Dempsey Road Storm Drain	1,660,000	230,962	1,429,038
Bart Project-Storm Improvement	33,000		33,000
Flap Gate Replacement	100,000	28,899	71,101
Storm Drain System Rehab 17-19	1,058,410	965,012	93,398
Storm Supervisory Control & Data Acquisition	2,416,590	2,190,000	226,590
Light Rail Median Landscaping	5,996,000	3,946,346	2,049,654
Second SCVWD Water Reservoir & Pump Station	200,000	2,118	197,882
Lower Penitencia Creek	1,825,000	356,165	1,468,835
Montague Pedestrian Overcrossing at Piper Drive	8,750,000	7,845,667	904,333
SCVWD Second Water Supply Turnout #2	100,000	643	99,357
Transit Area Police Substation	310,000	29,310	280,690
(Rmb) TASP Linear Trails	3,270,000	499,261	2,770,739
(Rmb) Trade Zone/Montague Park - North	3,100,000	1,122,237	1,977,763
S. Milpitas Blvd. Veh. Bridge at Penitencia	6,400,000	647,239	5,752,761
Montague Ped. Overcrossing at Penitencia	3,500,000	1,071,662	2,428,338
(Rmb) TASP Recycled Water Distribution	500,391		500,391
Trade Zone/Montague Park - Central	600,000	23,643	576,357
SCVWD Zone 1 Pressure Red. Valve	100,000		100,000
Total construction in progress	<u>\$107,859,019</u>	<u>\$75,393,146</u>	<u>\$32,465,873</u>

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8 – CAPITAL ASSETS (Continued)

B. Business-Type Capital Asset Additions, Retirements and Balances

	Balance at June 30, 2022	Additions	Transfer	Balance at June 30, 2023
Capital assets not being depreciated:				
Land	\$1,133,079			\$1,133,079
Construction in progress	28,460,393	\$5,515,934	(\$265,527)	33,710,800
Total capital assets not being depreciated	29,593,472	5,515,934	(265,527)	34,843,879
Capital assets being depreciated:				
Distribution facilities	81,197,041			81,197,041
Water Service lines	17,067,611		1,315,113	18,382,724
Sewer lines	87,500,145		483,124	87,983,269
Capacity rights	115,219,650	5,636,110		120,855,760
Total capital assets being depreciated	300,984,443	5,636,110	1,798,237	308,418,794
Less accumulated depreciation for:				
Distribution facilities	(56,246,951)	(1,192,282)		(57,439,233)
Water Service lines	(7,958,929)	(373,103)		(8,332,032)
Sewer lines	(53,769,165)	(1,425,282)		(55,194,447)
Capacity rights	(34,062,657)	(3,662,912)		(37,725,569)
Total accumulated depreciation	(152,037,698)	(6,653,579)		(158,691,281)
Net capital assets being depreciated	148,946,745	(1,017,469)	1,532,710	149,727,513
Business-type activities capital assets, net	\$178,540,217	\$4,498,465	\$1,532,710	\$184,571,392

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8 – CAPITAL ASSETS (Continued)

Business-type activities construction in progress comprised the following at June 30, 2023:

Project	Total Budget	Actual Costs	Unexpended Budget
BART Project-Sewer Improvement	\$243,323	\$229,730	\$13,593
Sewer Pump Station Rehabilitation Program	552,000	346,809	205,191
Minor Sewer Projects	213,000	132,871	80,129
Sanitary Supervisory Control & Data	316,600	262,500	54,100
Main Lift Station Odor Emissions Control	2,450,000	1,280,823	1,169,177
Sanitary Sewer Cathodic Protection Improvement	2,625,000	500,235	2,124,765
Well Upgrade Program	14,490,000	6,409,553	8,080,447
Water System Seismic Improvement	4,887,951	973,862	3,914,089
Hydrant Replacement	566,360	563,540	2,820
Abel St Pipeline Extension	940,000	44,777	895,223
Dempsey Road Water Line	7,857,772	1,245,433	6,612,339
Automated Water Meter	14,047,700	13,343,651	704,049
BART Project-Water Improvements	2,503,920	1,820,243	683,677
Supervisory Control & Data	6,516,600	5,722,658	793,942
Minor Water Projects	1,340,000	638,713	701,287
Water Leak Detection	631,474	195,402	436,072
	<u>\$60,181,700</u>	<u>\$33,710,800</u>	<u>\$26,470,900</u>

C. Terrace Gardens, Inc.'s Capital Assets

The following is a summary of Terrace Gardens Inc.'s changes in capital assets for the fiscal year ended December 31, 2022:

	Balance December 31, 2021	Additions	Balance December 31, 2022
Capital assets not being depreciated:			
Land	\$1,565,277	\$41,915	\$1,607,192
Total capital assets not being depreciated	<u>1,565,277</u>	<u>41,915</u>	<u>1,607,192</u>
Capital assets being depreciated:			
Buildings	12,107,935		12,107,935
Furniture	441,089	81,512	522,601
Office equipment	72,216		72,216
Improvements	2,803,128		2,803,128
Total capital assets being depreciated	<u>15,424,368</u>	<u>81,512</u>	<u>15,505,880</u>
Less accumulated depreciation	<u>(10,030,592)</u>	<u>(357,702)</u>	<u>(10,388,294)</u>
Net capital assets being depreciated	<u>5,393,776</u>	<u>(276,190)</u>	<u>5,117,586</u>
Total capital assets, net	<u>\$6,959,053</u>	<u>(\$234,275)</u>	<u>\$6,724,778</u>

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8 – CAPITAL ASSETS (Continued)

D. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

<i>Governmental Activities:</i>	
General Government	\$2,394,895
Public Works	7,341,391
Engineering	2,323,691
Recreation and Community Services	1,331,100
Police	80,908
Fire	290,095
Internal Service Fund	1,213,482
Total Governmental Activities	\$14,975,562
 <i>Business-Type Activities:</i>	
Water Utility	\$1,565,385
Sewer Utility	5,088,194
Total Business-Type Activities	\$6,653,579
 <i>Discretely Presented Component Unit:</i>	
Terrace Gardens, Inc.	\$357,702

E. Sewer Treatment Capacity Rights

The City has a contract with the San Jose/Santa Clara Wastewater Treatment Plant, known as the Regional Wastewater Facility (RWF), which gives Milpitas and other tributary agencies rights to a percentage of the capacity of their sewage treatment facilities. The contract terminates in 2031 and requires the City to pay its share of operations, capital expenses and debt service on the treatment plant. The City also pays capital costs based on allocated flow capacity rights of 14.25 million gallons per day or about 8.53% of the total plant capacity, 167 million gallons per day. The City has capitalized its share in the amount of \$120,855,760. The operation and maintenance costs are calculated based upon actual sewage flow and strengths. In fiscal year 2023, the City's operation and maintenance share was approximately 5.458% of the total RWF operations.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 9 – LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

A. Current Year Transactions and Balances

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

	Original Issue Amount	Balance June 30, 2022	Retirements	Balance June 30, 2023	Current Portion
Governmental Activities Debt - Direct Borrowing:					
2020 General Fund Lease Revenue Bonds					
4.0%, due June 1, 2041	\$18,445,000	\$18,170,000	\$470,000	\$17,700,000	\$520,000
Plus: Unamortized bond premium		3,299,841	173,676	3,126,165	
	<u>\$18,445,000</u>	<u>\$21,469,841</u>	<u>\$643,676</u>	<u>\$20,826,165</u>	<u>\$520,000</u>
 Business-type Activities Debt					
Wastewater Revenue Refunding Bonds, 2017 Series					
2.0% - 5.0%, due November 1, 2026	\$4,725,000	\$2,815,000	\$515,000	\$2,300,000	\$535,000
Plus: Unamortized bond premium		354,279	70,856	283,423	
Wastewater Revenue Bonds, 2019 Series					
4.0% - 5.0%, due November 1, 2049	29,840,000	28,910,000	505,000	28,405,000	535,000
Plus: Unamortized bond premium		4,945,917	183,182	4,762,735	
Water Revenue Bonds, 2019 Series					
4.0% - 5.0%, due June 1, 2049	17,210,000	16,465,000	315,000	16,150,000	325,000
Plus: Unamortized bond premium		2,755,919	102,071	2,653,848	
Total Business-Type Activities	<u>\$51,775,000</u>	<u>\$56,246,115</u>	<u>\$1,691,109</u>	<u>\$54,555,006</u>	<u>\$1,395,000</u>

B. 2020 General Fund Lease Revenue Bonds

On November 10, 2020, the Milpitas Municipal Financing Authority issued the 2020 Lease Revenue Bonds (Capital Projects) in the original principal amount of \$18,445,000 to provide funds to finance a portion of the Fire Station No. 2 Replacement project and variety of energy improvement projects. The Bonds bear interest rates of 4.0 %. Interest is payable every June 1 and December 1 beginning on June 1, 2021. Principal on the bonds will be payable on June 1 beginning on June 1, 2022 through 2037, followed by a term bond which will be due June 1, 2041. The Bonds were structured with a par optional redemption date of June 1, 2030. Bonds maturing on June 1, 2041 are subject to mandatory redemption.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 9 – LONG-TERM DEBT (Continued)

C. *Wastewater Revenue Refunding Bonds, Series 2017*

On December 4, 2017, the City issued Wastewater Revenue Refunding Bonds, Series 2017, in the original principal amount of \$4,725,000 to provide funds to prepay an Installment Sale Agreement between the City and the Milpitas Public Financing Authority, thereby defeasing and prepaying all of the Certificates of Participation 2006 Series A and to pay the cost of issuing the 2017 Bonds. The 2006 COPs were called in January 2018. Principal on the 2017 Bonds is payable annually and interest is payable semi-annually through 2027. The 2017 Bonds contain a provision that in an event of default, the Trustee may declare the principal of the bonds, together with all accrued interest at the date of default, immediately due and payable, or exercise any and all rights and remedies available to it under applicable law, including the right to enforce from the City all payments due on the 2017 Bonds, and the City will pay all reasonable fees and expenses incurred by the Trustee and those of its attorneys.

The 2017 Bonds are pledged by net revenues from the City's Sewer System.

D. *Wastewater Revenue Bonds, Series 2019*

On October 22, 2019, the Milpitas Municipal Financing Authority issued Wastewater Revenue Bonds, Series 2019, in the original principal amount of \$29,840,000 to provide funds for certain improvements to the City's wastewater system. The Bonds bear interest rates of 4.0% to 5.0%. Interest is payable every May 1 and November 1 beginning on May 1, 2020. Principal on the bonds will be payable on November 1 beginning on November 1, 2020 through 2039, followed by a term bond which will be due on November 1, 2049. The Bonds were structured with a par optional redemption date of May 1, 2029. Bonds maturing on May 1, 2049 are subject to mandatory redemption. The Bonds contain a provision that in an event of default, the Trustee may declare the principal of the bonds, together with all accrued interest at the date of default, immediately due and payable, or exercise any and all rights and remedies available to it under applicable law, including the right to enforce from the City all payments due on the Bonds, and the City will pay all reasonable fees and expenses incurred by the Trustee and those of its attorneys.

The 2019 Bonds are pledged by net revenues from the City's Wastewater System and are on parity with the 2017 Bonds. For the fiscal year 2023, net revenues amounted to \$11,726,268 which represented coverage of 4.82 over the \$2,431,275 debt service of both bond issues.

E. *Water Revenue Bonds, Series 2019*

On October 24, 2019, the Milpitas Municipal Financing Authority issued Water Revenue Bonds, Series 2019, in the original principal amount of \$17,210,000 to provide funds to the City for certain improvements to the City's water system. The Bonds bear interest of 4.0% to 5.0% and interest is payable every June 1 and December 1 beginning on June 1, 2020. Principal on the bonds will be payable on June 1 beginning on June 1, 2020 through 2039, followed by term bonds that are due June 1, 2044 and June 1, 2049 respectively. The Bonds were structured with a par optional redemption date of June 1, 2029. Bonds maturing on June 1, 2044 and June 1, 2049 are subject to mandatory redemption.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 9 – LONG-TERM DEBT (Continued)

The Bonds contain a provision that in an event of default, the Trustee may declare the principal of the bonds, together with all accrued interest at the date of default, immediately due and payable, or exercise any and all rights and remedies available to it under applicable law, including the right to enforce from the City all payments due on the Bonds, and the City will pay all reasonable fees and expenses incurred by the Trustee and those of its attorneys.

The Bonds are collateralized by net revenues from the City's Water System. For the fiscal year 2023, net revenues amounted to \$8,841,793 which represented coverage of 8.47 over the \$1,047,050 debt service.

F. Debt Service Requirements

Annual debt service requirements are shown below:

Year Ending June 30	Governmental Activities Revenue Bonds		Business-Type Activities Revenue Bonds	
	Total Principal	Total Interest	Total Principal	Total Interest
2024	\$520,000	\$708,000	\$1,395,000	\$2,081,400
2025	570,000	687,200	1,460,000	2,013,650
2026	625,000	664,400	1,530,000	1,939,275
2027	735,000	639,400	1,605,000	1,861,400
2028	830,000	610,000	1,040,000	1,795,775
2029-2033	4,700,000	2,522,800	6,045,000	8,130,375
2034-2038	5,715,000	1,505,400	7,705,000	6,435,500
2039-2043	4,005,000	324,400	9,750,000	4,376,775
2044-2048			11,915,000	2,200,000
2049-2050			4,410,000	177,700
	<u>17,700,000</u>	<u>\$7,661,600</u>	<u>46,855,000</u>	<u>\$31,011,850</u>
Plus: Unamortized bond premium	<u>3,126,165</u>		<u>7,700,006</u>	
	<u>\$20,826,165</u>		<u>\$54,555,006</u>	

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10 – LEASES

A. Policies

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. The City recognizes lease receivable or liabilities with an initial, individual value of \$500,000 or more for all funds, except for Capital Project Funds which the threshold is set lower at \$300,000, based on the future lease payments remaining at the start of the lease.

Lessor

The City is a lessor for noncancellable leases of buildings and facilities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts as follows:

- The City uses bond interest rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Lessee

The City is a lessee for miscellaneous leases. If the lease is over the threshold, the City will recognize a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10 – LEASES (Continued)

Key estimates and judgments related to leases include how City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, City generally uses bond interest rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

As of June 30, 2023, the City has no leases over the threshold subject to GASB 87 as a lessee.

B. Leases Receivable (City as Lessor)

The summary for the leases details and balances related to leases receivable and deferred inflows of resources recorded in the General Fund as of June 30, 2023 were:

Lessee	Property Location	Original Lease Date	Original Term (Years)	Extension (Years)	Expiration Date Including Options	Monthly Revenue as of June 30, 2023	Lease Receivable Balance at June 30, 2023	Deferred Inflow of Resources at June 30, 2023
Capital Telecom Acquisition LLC	Fire Station No. 1 Grounds, 777 So. Main Street, Milpitas, CA 95035	6/6/2012	15	25	6/6/2052	\$2,044	\$851,604	\$807,629
American Tower	HWY680 on CALAVERAS	2/1/2019	5	20	2/1/2044	2,727	739,249	701,611
Milpitas Auto Properties LLC	Freeway Sign on 950 Thompson	8/17/2010	10	30	8/17/2050	10,036	2,482,554	2,433,401
Clear Channel	Advertising display on the property	7/30/2013	30	30	7/30/2073	14,363	9,388,313	8,944,011
Total						<u>\$29,170</u>	<u>\$13,461,720</u>	<u>\$12,886,652</u>

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10 – LEASES (Continued)

The future principal and interest lease receivables as of June 30, were as follows:

For the Year Ended June 30	Principal	Interest	Total
2024	\$66,986	\$286,098	\$353,084
2025	74,718	284,596	359,314
2026	82,787	282,927	365,714
2027	91,205	281,082	372,287
2028	99,986	279,054	379,040
2029-2033	645,213	1,357,894	2,003,107
2034-2038	926,725	1,274,942	2,201,667
2039-2043	1,270,060	1,158,869	2,428,929
2044-2048	1,387,564	1,015,790	2,403,354
2049-2053	1,339,990	861,551	2,201,541
2054-2058	1,186,679	737,375	1,924,054
2059-2063	1,586,156	590,736	2,176,892
2064-2068	2,065,469	397,484	2,462,953
2069-2074	2,638,182	148,424	2,786,606
Totals	<u>\$13,461,720</u>	<u>\$8,956,822</u>	<u>\$22,418,542</u>

Fire Station No. 1 grounds

As shown in the summary table, the City leases a part of the Tower Leases Area in 777 South Main Street to Capital Telecom Acquisition LLC. The original lease terms were 15 years with a 25 year extension. As of June 30, 2023, the leases had 29 years remaining. The City recognized \$5,635 in lease revenue and \$18,206 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

HWY 680 on CALAVERAS

As shown in the summary table, the City leases a portion of the parcel in 1325 E. Calaveras Blvd. to American Tower. The original lease terms were 5 years with a 20 year extension. As of June 30, 2023, the leases had 21 years remaining. The City recognized \$16,549 in lease revenue and \$15,939 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Freeway Sign on 950 Thompson

As shown in the summary table, the City leases the Piercey Toyota dealership site at 950 Thompson Street to Milpitas Auto Properties LLC. The original lease terms were 10 years with a 30 year extension. As of June 30, 2023, the leases had 27 years remaining. The City recognized \$66,785 in lease revenue and \$53,651 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Advertising display

As shown in the summary table, the City leases parcels for purpose of advertising to be visible from the US interstate 880 to Clear Channel. The original lease terms were 30 years with a 30 year extension. As of June 30, 2023, the leases had 50 years remaining. The City recognized \$170,253 in rental revenue related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 11 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A summary of subscription-based information technology arrangements (SBITA) transactions for the fiscal year ended June 30, 2023, are as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Current Portion
Subscription Liability					
Microsoft 365	\$0	\$842,113	(\$277,935)	\$564,178	\$136,679
Total	\$0	\$842,113	(\$277,935)	\$564,178	\$136,679

On March 2022, the City entered into a three-year SBITA for the purchases of software and software services for Microsoft 365. An initial subscription liability was recorded in the amount of \$842,113 during fiscal year 2023, at the time the subscription was placed into service. Implementation costs and prepayments made on the subscription were included in the measurement of the liability during the year ended June 30, 2023.

As of June 30, 2023, the value of the subscription liability was \$564,178. The City is required to make annual principal and interest payments throughout the life of the subscription. The subscription has an interest rate of 2.08%. As part of the subscription, the City has recorded an intangible right to use subscription asset and accumulated amortization as disclosed in Note 8.

The future subscription and interest subscription payments as of June 30, 2023 follows:

For the Year Ended June 30	Principal	Interest	Total
2024	\$136,679	\$11,078	\$147,757
2025	139,549	8,208	147,757
2026	142,479	5,277	147,756
2027	145,471	2,285	147,756
Totals	\$564,178	\$26,848	\$591,026

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12 – NET POSITION AND FUND BALANCES

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash, receivables and deferred outflows of resources, less its liabilities and deferred inflows of resources. Portions of a fund's balance may be restricted, committed or assigned for future expenditure.

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis, as explained in Note 1D.

A. Net Position

Net Position is the excess of all assets and deferred outflows of resources over all liabilities and deferred inflows of resources. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only for proprietary funds and at the Government-wide level, and are described below:

Net Investment in Capital Assets and Capacity Rights, describes the portion of Net Position which is represented by the current net book value of the City's capital assets and capacity rights, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects and redevelopment funds restricted for community development activities.

Unrestricted describes the portion of Net Position which is not restricted as to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash, receivables and deferred outflows of resources, less its liabilities and deferred inflows of resources.

The City's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Assets not expected to be converted to cash, such as prepaids, notes receivable, and property held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by resolution of the City Council which may be altered only by formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12 – NET POSITION AND FUND BALANCES (Continued)

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council and may be changed at the discretion of the City Council. This category includes: encumbrances; nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose; and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

Detailed classifications of the City's Fund Balances, as of June 30, 2023, are below:

Fund Balance Classifications	General Fund	Major Special Revenue Fund	Major Capital Projects		General Government Projects Fund	Other Governmental Funds	Total
		Housing Authority	Street Improvement Fund	Transit Area Impact Fee Fund			
Nonspendable:							
Loans receivable							
Prepays, materials, supplies and deposits	\$724,275	\$2,000			\$118,429	\$29,784	\$874,488
Property held for resale	4,200,000						4,200,000
Subtotal Nonspendable	4,924,275	2,000			118,429	29,784	5,074,488
Restricted for:							
Programs and Maintenance			\$5,000,756			8,413,209	13,413,965
Housing and community development		40,074,468				3,826,276	43,900,744
Law enforcement services						114,439	114,439
Solid waste reduction and services						2,283,705	2,283,705
Assessment district services						2,443,660	2,443,660
Hetch-Hetchy ground lease						1,468,865	1,468,865
Community planning						318,447	318,447
Community benefits						422,822	422,822
Affordable housing						5,089,723	5,089,723
Affordable housing unrestricted						3,170,042	3,170,042
Park improvement projects						5,451,027	5,451,027
Storm drain projects						6,427,060	6,427,060
General government projects					570,275		570,275
Transit area capital projects				\$60,819,077			60,819,077
Subtotal Restricted		40,074,468	5,000,756	60,819,077	570,275	39,429,275	145,893,851
Committed to:							
PERS stabilization	6,072,492						6,072,492
Artificial turf replacement	1,900,000						1,900,000
Technology replacement	2,000,000						2,000,000
Facilities replacement	7,000,000						7,000,000
Subtotal Committed	16,972,492						16,972,492
Assigned to:							
Uninsured claims payable	2,775,318						2,775,318
Public art projects						1,017,671	1,017,671
Contracts	3,627,706						3,627,706
General government capital projects					25,466,667		25,466,667
Other assigned	518,419						518,419
Subtotal Assigned	6,921,443				25,466,667	1,017,671	33,405,781
Unassigned:							
General Fund							
Contingency reserve	19,758,079						19,758,079
Budget stabilization	19,758,079						19,758,079
Future deficit	1,452,576						1,452,576
ERAF reserve	2,322,866						2,322,866
Strategic Property Acquisition Revenue	710,248						710,248
Unassigned	682,955						682,955
Subtotal Unassigned	44,684,803						44,684,803
Total fund balances	\$73,503,013	\$40,076,468	\$5,000,756	\$60,819,077	\$26,155,371	\$40,476,730	\$246,031,415

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12 – NET POSITION AND FUND BALANCES (Continued)

C. Fund Balance Policies

The City's Fiscal Policies, which are annually approved as part of the adoption of the budget, prescribes the City's fund balance requirements and targets.

- 1) The City will fund the following reserves as follows with any General Fund audited year end operating surplus after the General Fund Contingency Reserve and General Fund Budget Stabilization Reserve requirements are met and pension budgetary surplus are allocated to the PERS Rate Stabilization Reserve:
 - **Part I**
 - Contingency Reserve (Policy Statement #41)
 - General Fund Budget Stabilization Reserve (Policy Statement #42)
 - **Part II (any remaining balance)**
 - Pension budgetary surplus allocated to the PERS Rate Stabilization Reserve (Policy Statement #43)
 - **Part III (any remaining balance)**
 - Artificial Turf Replacement (\$230,000) (Policy Statement #54)
 - **Part IV (any remaining balance)**
 - 30% General Government Capital Improvement Fund
 - 20% Storm Drain Fund
 - 10% Affordable Housing
 - 10% Transportation/transit
 - 15% Technology Replacement
 - 10% SPAR (Strategic Property Acquisition Revenue) (Policy #57)
 - 5% Unassigned
- 2) The City will maintain a Contingency Reserve of at least 16.67% or two months of the annual operating expenditures in the General Fund to be used only in the case of dire need as a result of physical or financial emergencies and disasters as determined by the City Council. The City Council will set the reserve amount annually after the results of the prior fiscal year's Annual Comprehensive Financial Report (ACFR) are known. For the year ended June 30, 2023, the reserve is set at \$19,758,079 and classified in the unassigned fund balance.
- 3) The City will maintain a General Fund Budget Stabilization Reserve with a target of 16.67%, or two months, of annual operating expenditures. The purpose of this reserve is to provide budget stability when there are fluctuations that result in lower than projected revenues and or higher than projected expenditures that cannot be rebalanced within existing budget resources in any given fiscal year. This reserve is intended to provide a buffer, or bridge funding, to protect against reducing service levels when these fluctuations occur. This reserve will be funded only after General Fund Contingency Reserve requirements have been met. The City Council will set the reserve amount annually after the results of the prior fiscal year's Annual Comprehensive Financial Report (ACFR) are known. For the year ended June 30, 2023, the reserve is set at \$19,758,079 and classified in the unassigned fund balance.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12 – NET POSITION AND FUND BALANCES (Continued)

- 4) The City will maintain in the General Fund and the Water and Sewer Utility Enterprise Funds or in a Section 115 Trust a Public Employees Retirement (PERS) Rate Stabilization Reserve. The City's actuary has determined that the General Fund portion of the Unfunded Actuarial Liability for the Miscellaneous Retirement Plan is 84.9% and for the Water and Sewer Utility Enterprise Funds portion of the Unfunded Actuarial Liability for the Miscellaneous Retirement Plan is 8.5% and 6.6%, respectively. The contributions to the PERS Rate Stabilization Reserve from the Utility Funds shall be consistent with the General Fund contributions. If confirmed by City's actuary that contributions are advised for that respective year, then any savings resulting from the pension budgeting methodologies shall be contributed to the PERS Rate Stabilization Reserve. However, the General Fund portion of any pension savings shall only be allocated to the PERS Rate Stabilization Reserve after the General Fund Contingency Reserve and the General Fund Budget Stabilization Reserve requirements have been met. The Utility Funds' portion of any pension savings shall only be allocated to the PERS Rate Stabilization Reserve after the Capital Reserve and Rate Stabilization Reserve (RSR) requirements in the Water and Sewer utility funds have been met. If confirmed by City's actuary that contributions are advised for that respective year, then additionally, 20% of any General Fund or Enterprise Funds annual operating surpluses shall be allocated to the PERS Rate Stabilization Reserve.
- 5) The City will maintain a capital reserve for artificial turf replacement with a target of \$2 million and an annual set-aside amount of at least \$230,000 until the target is reached. This reserve shall be used to accrue funding for the normal depreciation expense of the City's artificial turf fields over their useful life. Eligible uses of this reserve may include the replacement of the City's artificial turf fields so as to eliminate large spikes in capital expenses and normalize annual costs.
- 6) Annually, the City will endeavor to transfer \$300,000 from the General Fund to the Technology Replacement Fund set aside in a reserve with a target of \$5 million. This reserve shall be used to accrue funding for technology projects such as the major rehabilitation or replacement of the City's technology infrastructure or new technology initiatives.
- 7) The City will maintain a capital reserve for Facilities Replacement with a target of \$10 million. This reserve shall be used to accrue funding for major rehabilitation or replacement of City facilities (buildings/structures). Eligible uses of this reserve may include both the direct funding of public facility improvements and the servicing of related debt.
- 8) The City will maintain a Storm Drain replacement reserve to replace and repair storm drain pump stations. The City will endeavor to transfer \$500,000 annually from the General Fund to the Storm Drain Fund for this purpose.
- 9) The City will maintain a General Liability and Workers' Compensation Claims Reserve of \$2 million in the General Fund, which will be reviewed for adjustments annually.
- 10) Other reserves designated in the General Fund for investment portfolio market gain and uninsured claims payable will be calculated adjusted annually at appropriate levels.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12 – NET POSITION AND FUND BALANCES (Continued)

- 11) The City will maintain capital reserves in the Water and Sewer utility enterprise funds to provide for future capital projects and unanticipated emergencies, such as water main break repairs, pump station repairs. The City will attempt to maintain a capital reserve of approximately 30% of the annual operating and maintenance expenses for the Water utility fund and 25% of the annual operating and maintenance expenses for the Sewer utility fund. The City Council will set the reserve amounts annually after the results of the prior fiscal year's Annual Comprehensive Financial Report (ACFR) are known. For the year ended June 30, 2023, the capital reserve for the Water Operating Fund is set at \$8,638,318 and for the Sewer Operating Fund at \$4,132,726.
- 12) The City will maintain a Rate Stabilization Reserve (RSR) in the Water and Sewer utility enterprise funds with a goal of at least 16.67% or two months of the respective annual operating expenditures after the Capital Reserve requirements have been met. The RSR shall be used to mitigate the effects of occasional shortfalls in revenue or unanticipated expenditures that cannot be re-balanced within existing budgeted resources in any given fiscal year. Revenue shortfalls may result from a number of events such as weather factors (wet weather or drought events and natural disasters), increased water conservation, and poor regional economic conditions. The Rate Stabilization Reserves should be used to assist in smoothing out revenue variability resulting from these factors and ensure that adequate resources are available during such times that might otherwise require large rate increases to utility customers. The City Council will set the reserve amounts annually after the results of the prior fiscal year's Annual Comprehensive Financial Report (ACFR) are known. The RSR funding will be phased within five years, or sooner, as part of the fiscal year end closing process. Thereafter, the replenishment of these reserves may also be incorporated into the annual Adopted Operating Budget if resources are available to replenish the reserves.
- 13) The City will maintain \$2 million infrastructure replacement funds in both the Water and Sewer Utility Enterprise Funds. The goal is to accumulate at least \$2 million a year from each utility fund to set-aside for replacement of infrastructure as the infrastructure reaches the end of its useful life.
- 14) The City will maintain a capital reserve in the Equipment Management Internal Service Fund to enable the timely replacement of vehicles and depreciable equipment as cost. The City will maintain a minimum fund balance of at least 30% of the replacement costs for equipment accounted for in this fund.

D. Net Investment In Capital Assets

The balances related to Net Investment in Capital Assets are comprised of the following as of June 30, 2023:

	Governmental Activities	Business-Type Activities	Total
Capital Asset, Net of Accumulated Depreciation	\$386,306,800	\$184,571,392	\$570,878,192
Less Capital Debt	(21,390,343)	(54,555,006)	(75,945,349)
Plus Unspent Bond Proceeds	592,509	961,171	1,553,680
	<u>\$365,508,966</u>	<u>\$130,977,557</u>	<u>\$496,486,523</u>

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS

A. General Information

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous		
	Classic Tier I	Classic Tier II	PEPRA
	Prior to	After	On or after
	October 9, 2011	October 9, 2011	January 1, 2013
Hire date			
Benefit formula	2.7% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% - 2.7%	1.092% - 2.418%	1.0% - 2.5%
Required employee contribution rates	8%	7%	7%
Required employer contribution rates	9.99%	9.99%	9.99%
Required Unfunded Actuarial Liability Contribution	\$6,568,304		
	Safety		
	Classic Tier I	Classic Tier II	PEPRA
	Prior to	After	On or after
	April 8, 2012	April 8, 2012	January 1, 2013
Hire date			
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3%	2.4% - 3%	2.0% - 2.7%
Required employee contribution rates	9%	9%	11.25%
Required employer contribution rates	19.03%	19.03%	19.03%
Required Unfunded Actuarial Liability Contribution	\$10,718,177		

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or the City can elect a lump sum payment option. The City's required contributions for the unfunded liability in the Miscellaneous and Safety Plans for the year ended June 30, 2023 were \$6,568,304 and \$10,718,177, respectively, which were made under the lump sum payment option.

Employees Covered – The following employees were covered by the benefit terms for each Plan as of the most recent actuarial valuation date of June 30, 2021 and measurement date of June 30, 2022:

	Miscellaneous			Safety		
	Classic Tier I	Classic Tier II	PEPRA Tier	Classic Tier I	Classic Tier II	PEPRA Tier
Inactive employees or beneficiaries currently receiving benefits	429			259		
Inactive employees entitled to but not yet receiving benefits	356			25		
Active employees	104	11	115	84	8	66
Total	889	11	115	368	8	66

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. If the client made additional UAL payments in FY20, FY21 or FY22, CalPERS may have issued letters subsequent to the FY20 Actuarial Valuation to revise the required UAL payment amounts.

In May 2021, the City established a Section 115 irrevocable trust to set aside funds to meet the City's future pension contributions or unfunded liabilities. The Trust is owned and monitored by the City but externally managed by investment professionals. In June 2021, the City transferred \$35.4 million to the Trust, and as of June 30, 2023, the City reported the account balance of the trust of \$32,671,513. This amount has been reported as cash and investments in the Pension Section 115 Internal Service Fund.

B. Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

Actuarial Assumptions – The total pension liabilities as of the June 30, 2022 measurement date were determined using the following actuarial assumptions:

	Miscellaneous and Safety (1)
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	(2)
Investment Rate of Return	6.90% (3)
Mortality	Derived using CalPERS Membership Data for all Funds (4)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies. 2.30% thereafter

- (1) Actuarial assumptions are the same for all benefit tiers (Classic Tier I, Classic Tier II, and PEPRA)
- (2) Depending on age, service and type of employment
- (3) Net of pension plan investment expenses, including inflation
- (4) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 valuation were based on the results of a November 2021 actuarial experience study for the period 2001 to 2019. Further details of the Experience Study can be found on the CalPERS website at www.calpers.ca.gov.

Discount Rate – The discount rate used to measure the total pension liability for each Plan was 6.90%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

The expected real rates of return by asset class are as follows:

Asset Class (1)	Assumed Asset Allocation	Real Return (1,2)
Global Equity-Cap Weighted	30.0%	4.54%
Global Equity-Non-Cap Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	<u>100.00%</u>	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follows:

Miscellaneous Plan			
Increase (Decrease)			
Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)	
Balance at June 30, 2021 (Measurement Date)			
	\$266,299,950	\$216,090,576	\$50,209,374
Changes in the year:			
Service cost	4,859,903		4,859,903
Interest on the total pension liability	18,711,899		18,711,899
Differences between actual and expected experience	1,596,580		1,596,580
Changes of assumptions	8,099,828		8,099,828
Changes in benefit terms			
Contribution - employer		9,800,794	(9,800,794)
Contribution - employee		1,861,769	(1,861,769)
Net Plan to Plan Resource Movement			
Net investment income		(16,338,954)	16,338,954
Administrative expenses		(134,612)	134,612
Other Miscellaneous Income/(Expense)			
Benefit payments, including refunds of employee contributions	(14,478,741)	(14,478,741)	
Net changes	18,789,469	(19,289,744)	38,079,213
Balance at June 30, 2022 (Measurement Date)	\$285,089,419	\$196,800,832	\$88,288,587

Safety Plan			
Increase (Decrease)			
Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)	
Balance at June 30, 2021 (Measurement Date)			
	\$393,250,269	\$292,618,647	\$100,631,622
Changes in the year:			
Service cost	7,801,769		7,801,769
Interest on the total pension liability	27,775,910		27,775,910
Differences between actual and expected experience	1,878,012		1,878,012
Changes of assumptions	14,433,785		14,433,785
Changes in benefit terms			
Contribution - employer		14,258,505	(14,258,505)
Contribution - employee		2,853,307	(2,853,307)
Net Plan to Plan Resource Movement			
Net investment income		(22,163,861)	22,163,861
Administrative expenses		(182,284)	182,284
Other Miscellaneous Income/(Expense)			
Benefit payments, including refunds of employee contributions	(21,827,081)	(21,827,081)	
Net changes	30,062,395	(27,061,414)	57,123,809
Balance at June 30, 2022 (Measurement Date)	\$423,312,664	\$265,557,233	\$157,755,431
Grand Totals - Both Plans	\$708,402,083	\$462,358,065	\$246,044,018

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	5.90%	5.90%
Net Pension Liability	\$125,691,788	\$214,455,733
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$88,288,587	\$157,755,431
1% Increase	7.90%	7.90%
Net Pension Liability	\$57,349,896	\$111,157,850

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense of \$32,765,120 for the Miscellaneous Plan and \$13,021,231 for the Safety Plan, for total pension expense of \$19,743,889. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions after the measurement date	\$9,421,792	
Differences between actual and expected experience	1,175,834	
Changes of assumptions	4,724,900	
Net differences between projected and actual earnings on plan investments	9,821,396	
Total	<u>\$25,143,922</u>	<u>\$0</u>

General Fund typically has been used in prior years to liquidate pension liabilities.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 13 – PENSION PLANS (Continued)

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions after the measurement date	\$15,469,857	
Differences between actual and expected experience	2,890,087	
Changes of assumptions	11,226,277	
Net differences between projected and actual earnings on plan investments	13,160,477	
Total	<u>\$42,746,698</u>	<u>\$0</u>
Grand Totals - Both Plans	<u>\$67,890,620</u>	<u>\$0</u>

\$24,891,649 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization	
	Miscellaneous	Safety
2023	\$5,832,733	\$6,383,097
2024	3,001,601	5,978,169
2025	659,880	4,666,511
2026	6,227,916	10,249,064
	<u>\$15,722,130</u>	<u>\$27,276,841</u>

E. Public Agency Retirement System

The Omnibus Budget Reconciliation Act of 1990 (OBRA) mandates that public sector employees who are not members of their employer's existing retirement system as of January 1, 1992 be covered by either Social Security or an alternative plan.

The City's part-time, seasonal and temporary employees are covered under the Public Agency Retirement System (PARS), a defined contribution plan, which requires these employees to contribute 6% and the City to contribute 1.5% of the employees pay plus administration costs.

The City's required contributions of \$34,064 and the employee's required contributions of \$136,248 were made during the fiscal year ending June 30, 2023.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS

A. *Deferred Compensation Plan*

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under this Plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

B. *Retiree Medical Benefits*

The liability for explicit subsidy benefits for the dependents of City retirees were previously included together with other City plan OPEB liabilities. However, the City was also contributing directly toward the cost of these dependent benefits by making negotiated contributions determined as a percentage of payroll for active employees in each bargaining group, effectively contributing twice. Beginning with fiscal year 2020, the total OPEB liability for these dependent fund benefits is now being determined and reported separately. Further discussion is included in Note 13C and 13D.

The City provides postretirement health care benefits through its defined benefit Retiree Medical Benefits Agent Multiple-employers Plan to employees who retire in good standing from the City after attaining the age of 50 and to certain employees who retire due to disability. As of June 30, 2023, there were 310 participants receiving these health care benefits.

The City joined the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by CALPERS, consisting of an aggregation of single-employer plans. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the California Public Employees' Retirement System, CERBT, P.O. Box 942703, Sacramento, CA 94229-2703.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

In order to qualify for postemployment medical and dental benefits an employee must retire from the City and maintain enrollment in one of City's eligible health plans. In addition, there are eligibility rules and contribution requirements defined in the Memorandum of Understanding (MOU) with each employee group. In the MOUs, the Benefit Cap is defined as not more than the single medical premium rate paid by the City for active employees, and the Retiree Cap is 15% above the single Kaiser medical premium rate. The eligibility rules for each MOU are summarized below, starting with benefits for retirees, followed by benefits for dependents.

Medical Benefit for Retirees:

	Hire/Retirement Date	Date of Retirement	Eligibility Rule (Continuous Years of Service)	City Contribution Requirement
Professional / Technical (PROTECH)	Before July 1, 1995	Before June 30, 1989	n/a	PEMHCA Minimum Only
		After July 1, 1990 but before September 1, 2002	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After August 31, 2002	Less than 5	PEMHCA Minimum Only
			At least 5	Benefit Cap
	After June 30, 1995	After August 31, 2002	Less than 5	PEMHCA Minimum Only
			5 but less than 9	Up to 25% of the Benefit cap
			9 but less than 14	Up to 50% of the Benefit Cap
			14 but less than 19	Up to 75% of the Benefit Cap
			At least 19	Up to 100% of the Benefit Cap
Mid-Management and Confidential (LIUNA) (Began 9/2003)	Before July 1, 1995	Any	Less than 5	PEMHCA Minimum Only
			At least 5	Benefit cap
	After June 30, 1995	Any	Less than 5	PEMHCA Minimum Only
			5 but less than 9	Up to 25% of the Benefit Cap
			9 but less than 14	Up to 50% of the Benefit Cap
			14 but less than 19	Up to 75% of the Benefit Cap
Unrepresented Miscellaneous and Fire*	Before July 1, 1995	Before January 1, 1989	n/a	PEMHCA Minimum Only
		After July 1, 1990 but before September 1, 2002	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After August 31, 2002	Less than 5	PEMHCA Minimum Only
			At least 5	Benefit cap
	After June 30, 1995	Any	Less than 5	PEMHCA Minimum Only
			5 but less than 10	Up to 25% of the Benefit Cap
			10 but less than 15	Up to 50% of the Benefit Cap
			15 but less than 20	Up to 75% of the Benefit Cap
			At least 20	Up to 100% of the Benefit Cap

- In the grid above and on the following pages, “Benefit Cap” refers to the single medical premium rate paid by the City for active employees, currently Kaiser. “Retiree Cap” refers to 115% of the Benefit Cap.
- Upon reaching Medicare, the City contributes up to 100% of the employee only Medicare rates. “Vesting” percentages still apply.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Medical benefits for retirees (continued):

Hire/Retirement Date		Date of Retirement	Eligibility Rule (Continuous Years of Service)	City Contribution Requirement
Unrepresented Police ONLY*	Before July 1, 1995	Before January 1, 1989	n/a	PEMHCA Minimum Only
		After December 31, 1988 but before July 1, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After June 30, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Retiree Cap
	After June 30, 1995	Any	Less than 5	PEMHCA Minimum Only
			5 but less than 10	Up to 25% of the Retiree Cap
			10 but less than 15	Up to 50% of the Retiree Cap
			15 but less than 20	Up to 75% of the Retiree Cap
			At least 20	Up to 100% of the Retiree Cap
Fire Safety (IAFF)	Before January 1, 1995	Before January 1, 1990	n/a	PEMHCA Minimum Only
		After December 31, 1989 but before January 1, 1995	Less than 1	PEMHCA Minimum Only
			At least 1	Any employee only premium
		After December 31, 1994 but before February 21, 2007	Less than 1	PEMHCA Minimum Only
			1 but less than 10	50% of any employee only premium
			At least 10	100% of any employee only premium
			Less than 1	PEMHCA Minimum Only
		After February 20, 2007	1 but less than 10	Up to 50% of the lesser of the Retiree Cap and the premium rate
			At least 10	Up to 100% of the lesser of the Retiree Cap and the premium rate
	After December 31, 1994	Before February 21, 2007	Less than 1	PEMHCA Minimum Only
			1 but less than 10	Up to 25% of the Benefit Cap
			10 but less than 15	Up to 50% of the Benefit Cap
			15 but less than 20	Up to 75% of the Benefit Cap
			At least 20	Up to 100% of the Benefit Cap
		After February 20, 2007	Less than 1	PEMHCA Minimum Only
			1 but less than 10	25% of the lesser of the Retiree Cap and the premium rate
			10 but less than 15	50% of the lesser of the Retiree Cap and the premium rate
			15 but less than 20	75% of the lesser of the Retiree Cap and the premium rate
			At least 20	100% of the lesser of the Retiree Cap and the premium rate

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Medical benefits for retirees (continued):

	Hire/Retirement Date	Date of Retirement	Eligibility Rule (Continuous Years of Service)	City Contribution Requirement
Police (MPOA)	Before January 1, 1996	Before January 1, 1989	n/a	PEMHCA Minimum Only
		After December 31, 1988 but before July 1, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After June 30, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Up to the Retiree Cap
	After December 31, 1995	Before July 1, 2003	Less than 1	PEMHCA Minimum Only
			1 but less than 9	25% of any employee only premium
			9 but less than 14	50% of any employee only premium
			14 but less than 19	75% of any employee only premium
			At least 19	100% of any employee only premium
		After June 30, 2003	Less than 1	PEMHCA Minimum Only
			1 but less than 9	Up to 25% of the Retiree Cap
			9 but less than 14	Up to 50% of the Retiree Cap
			14 but less than 19	Up to 75% of the Retiree Cap
			At least 19	Up to 100% of the Retiree Cap
Employee Association (MEA)	Before July 1, 1996	Before July 16, 1989	n/a	PEMHCA Minimum Only
		After July 17, 1989 but before March 19, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After March 18, 2003	Less than 5	PEMHCA Minimum Only
			At least 5	Benefit Cap
	After June 30, 1996	Any	Less than 1	PEMHCA Minimum Only
			1 but less than 10	Up to 25% of the Benefit Cap
			10 but less than 15	Up to 50% of the Benefit Cap
			15 but less than 20	Up to 75% of the Benefit Cap
			At least 20	Up to 100% of the Benefit Cap
Supervisors (MSA) (Ended June, 30, 2012)	Before June 30, 1995	Before July 1, 1996	n/a	PEMHCA Minimum Only
		After June 30, 1996 and before November 27, 2007	Less than 5	PEMHCA Minimum Only
			At least 5	Any employee only medical premium rate
		After November 26, 2007	Less than 5	PEMHCA Minimum Only
			At least 5	Benefit Cap
	After June 29, 1995	After November 27, 2007	Less than 5	PEMHCA Minimum Only
			5 but less than 9	Up to 25% of the Benefit Cap
			9 but less than 14	Up to 50% of the Benefit Cap
			14 but less than 19	Up to 75% of the Benefit Cap
			At least 19	Up to 100% of the Benefit Cap

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Medical benefits for dependents:

Group	Date of Hire	Date of Retirement	Minimum Years of Continuous Service	City Contribution for Dependent Medical Premiums ¹
Professional / Technical (PROTECH)	Before July 1, 1995	After December 4, 2006	At least 5	Up to 100% of family/dependent premium
			5 but less than 9	Up to 25% of the family/dependent premium
	After June 30, 1995	After December 4, 2006	9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
Mid-Management and Confidential (LIUNA)	Before July 1, 1995	After January 1, 2007	At least 5	Up to 100% of family/dependent premium
			5 but less than 9	Up to 25% of the family/dependent premium
	After June 30, 1995	After January 1, 2007	9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
Unrepresented (UNREP-Police) ²	Before January 1, 1996	After June 30, 2003	At least 5	100% of family/dependent premiums
			5 but less than 9	Up to 25% of the family/dependent premium
	After December 31, 1995	After June 30, 2003	9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
Unrepresented (UNREP-Fire) ³	Before January 1, 1996	After September 4, 2007	At least 5	100% of family/dependent premiums
			5 but less than 9	Up to 25% of the family/dependent premium
	After December 31, 1995	After September 4, 2007	9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium

¹ Family/Dependent Medical Premium is active employee Single+1 OR Family medical premium rate less active employee Single medical reimbursement.

² If the UNREP-Police fund is depleted, MPOA will provide funding for the dependent benefits. Effective September 1, 2019, MPOA will Administer dependent medical benefits for Unrep Police.

³ The Fire Chief is ineligible for dependent fund benefits.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Medical benefits for dependents (continued):

Group	Date of Hire	Date of Retirement	Minimum Years of Continuous Service	City Contribution for Dependent Medical Premiums ¹
Unrepresented (UNREP-Misc)5	Before January 1, 1996	After June 30, 2018	At least 5	100% of family/dependent premiums
	After December 31, 1995	After June 30, 2018	5 but less than 9	Up to 25% of the family/dependent premium
			9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
Fire Safety (IAFF)4	Before January 1, 1995	After February 19, 2007	5 but less than 9	50% of family/dependent medical premiums
	After December 31, 1994	After February 19, 2007	At least 10	100% of family/dependent medical premiums
			5 but less than 9	Up to 25% of the family/dependent premium
			9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
	Police (MPOA)	Before January 1, 1996	After June 30, 2003	At least 5
After December 31, 1995		After June 30, 2003	5 but less than 9	Up to 25% of the family/dependent premium
			9 but less than 14	Up to 50% of the family/dependent premium
			14 but less than 19	Up to 75% of the family/dependent premium
			At least 19	Up to 100% of the family/dependent premium
Employee Association (MEA)	Before June 30, 1996	After June 30, 2003	At least 5	100% of any family/dependent medical premiums
	After June 29, 1996		5 but less than 10	Up to 25% of the lowest family/dependent premium
			10 but less than 15	Up to 50% of the lowest family/dependent premium
			15 but less than 20	Up to 75% of the lowest family/dependent premium
			At least 20	Up to 100% of the lowest family/dependent premium

¹ Family/Dependent Medical Premium is active employee Single+1 OR Family medical premium rate less active employee Single medical reimbursement.

⁴ The amounts paid for dependents are adjusted to keep the fund viable. Currently, the IAFF dependent fund pays the following amounts:

- \$300 per month for 1 dependent
- \$500 per month for two or more dependents

⁵ The fire Chied is eligible for dependent fund benefits in Unrep Misc group.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

C. Net OPEB Liability

Funding Policy and Contributions – The City’s policy is to prefund these benefits by accumulating assets with CERBT discussed above pursuant to the City’s annual budget approved by Council. For the year ended June 30, 2023, the City’s contributions to the Plan were \$2,267,207.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2022:

Active employees	387
Inactive employees or beneficiaries currently receiving benefit payments	310
Inactive employees entitled to but not yet receiving benefit payments	93
Total	790

Actuarial Methods and Assumptions – The City’s net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2021, that was rolled forward using standard update procedures to determine the total OPEB liability as of June 30, 2023, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	6.15%
Inflation	2.50%
Salary Increase	3.00%
Investment Rate of Return	6.15%
Mortality Rate	MacLeod Watts Scale of 2022 applied generationally
Healthcare Trend Rate	5.80% grading down to 3.9% for years 2076 and thereafter

The underlying mortality assumptions were based on the mortality table published by CalPERS in their 2017 study, adjusted to back out 15 years of Scale MP 2016 to central year 2015 and all other actuarial assumptions used in the July 1, 2019 valuation are based on the result of a June 30, 2019 actuarial experience study for the period from 1997 to 2015, except for a different basis used to project future mortality improvements.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The City's accumulated assets are allocated using one of three diversified allocation strategies offered by CERBT. The target allocation for each major asset class using Strategy 2 are summarized in the following table:

Asset Class	Target Allocation
Global Equities	49.0%
Fixed Income	23.0%
Global Real Estate (REITs)	20.0%
Treasury Inflation Protected Securities	5.0%
Commodities	3.0%
Total	100.0%

Discount Rate

Explicit Subsidy Liability – The City expects the trust assets to yield 6.15 over the long term, based on information published by CalPERS as of the June 30, 2022 valuation date. Net contributions to the trust in recent years have been set at a level to prefund the explicit portion of benefits, with no advance funding of the implicit subsidy liability. Accordingly, the discount rate used for the City's explicit OPEB liability is 6.15%.

Implicit Subsidy Liability – The City expects to continue to fund the implicit subsidy liability on a pay-as-you-go basis. Therefore, the Fidelity 20 year AA General Obligation Municipal Bond Index was used in determining the discount rates used to calculate the implicit subsidy liability. As of the end of the Measurement Period, the discount rates for the Fidelity index were 3.69%.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Changes in Net OPEB Liability – The changes in the net OPEB liability follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2022	\$63,294,468	\$64,102,543	(\$808,075)
Changes Recognized for the Measurement Period:			
Service Cost	2,077,984		2,077,984
Interest on the total OPEB liability	3,916,381		3,916,381
Changes in benefit terms			
Differences between expected and actual experience			
Changes of assumptions			
Contributions from the employer		1,757,265	(1,757,265)
Net investment income		(8,452,324)	8,452,324
Other Expenses			
Plan Experience			
Administrative expenses		(16,234)	16,234
Benefit payments	(3,382,910)	(3,382,910)	
Net changes	2,611,455	(10,094,203)	12,705,658
Balance at June 30, 2023 (Measurement Date 6/30/22)	\$65,905,923	\$54,008,340	\$11,897,583

The benefit payments and refunds include implied subsidy benefit payments in the amount of \$2,308,511.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates
– The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate		
Discount Rate -1%	(6.15%)	Discount Rate +1%
\$20,311,270	\$11,897,583	\$4,930,109

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Net OPEB Liability/(Asset)		
Healthcare Cost Trend Rates		
1% Decrease	(5.40%-4.00%)	1% Increase
\$4,263,228	\$11,897,583	\$21,270,264

D. Dependent Fund Post Employment Benefit (OPEB) Plan (Total OPEB Liability)

Plan Description – The City provides continuation of medical coverage to its retiring employees and their eligible dependents, through its defined benefit Retiree Medical Benefits Agent Multiple-employers plan. Pursuant to various bargaining agreements with different employee groups, the City contributes a percent of total payroll toward the cost of medical coverage for the eligible dependents of retirees. The City does not define the eligibility for or amount of any such benefits paid, nor is it legally obligated to make any payments to these dependents. The extent of the City's obligation is to make the negotiated contributions to the funds. However, the City has determined that a liability for the projected cost of these benefits must be reported in its financial statements in accordance with current accounting standards. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2022:

Active employees	387
Inactive dependents of retirees currently receiving benefit payments	171
Inactive employees entitled to but not yet receiving benefit payments	29
Total	587

Actuarial Methods and Assumptions – The Union Dependent Funds' total OPEB liability was measured as of June 30, 2022 and the total OPEB liability was determined by an actuarial valuation dated June 30, 2022, that was rolled forward using standard update procedures to determine the total OPEB liability as of June 30, 2022 based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	6.15%
Inflation	2.50%
Salary Increase	3.00%
Investment Rate of Return	6.15%
Mortality Rate	MacLeod Watts Scale of 2022 applied generationally
Healthcare Trend Rate	5.80% grading down to 3.9% for years 2076 and thereafter

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

Changes in Total OPEB Liability – The changes in the total OPEB liability follows:

	<u>Increase (Decrease)</u> <u>Total OPEB</u> <u>Liability</u> <u>(a)</u>
Balance at June 30, 2022	\$34,524,825
Changes Recognized for the Measurement Period:	
Service Cost	1,767,339
Interest on the total OPEB liability	687,094
Changes in benefit terms	
Differences between expected and actual experience	
Changes of assumptions	(7,639,426)
Contributions from the employer	(1,012,052)
Net investment income	
Other Expenses	
Plan Experience	
Administrative expenses	
Benefit payments	
Net changes	(6,197,045)
Balance at June 30, 2023 (Measurement Date)	<u>\$28,327,780</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69%) or 1-percentage point higher (4.69%) than the current discount rate:

<u>Net OPEB Liability/(Asset)</u>		
<u>Discount Rate</u>		
<u>Discount Rate -1%</u>	<u>3.67%</u>	<u>Discount Rate +1%</u>
<u>\$32,301,032</u>	<u>\$28,327,780</u>	<u>\$25,076,646</u>

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<u>Net OPEB Liability/(Asset)</u>		
<u>Healthcare Cost</u>		
<u>Trend Rates</u>		
<u>1% Decrease</u>	<u>(5.80% - 3.90%)</u>	<u>1% Increase</u>
<u>\$24,426,248</u>	<u>\$28,327,780</u>	<u>\$33,293,093</u>

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

E. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized Retiree Medical Benefits OPEB Plan and Dependent Fund OPEB Plan recognized expense of (\$283,307) and \$2,110,424 respectively, for total OPEB expense of \$1,827,117. At June 30, 2023, the Retiree Medical Benefits OPEB plan and Union Dependent Funds reported deferred outflows and inflows of resources related to OPEB from the following sources:

Retiree Medical Benefits OPEB Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$2,267,207	
Differences between actual and expected experience		(\$6,160,675)
Changes of assumptions	3,457,971	(3,463,196)
Net differences between projected and actual earnings on plan investments	4,214,051	
Total	<u>\$9,939,229</u>	<u>(\$9,623,871)</u>
Dependent Fund OPEB Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$1,031,989	
Differences between actual and expected experience		(\$1,121,527)
Changes of assumptions	3,825,563	(6,743,831)
Net differences between projected and actual earnings on plan investments		
Total	<u>\$4,857,552</u>	<u>(\$7,865,358)</u>
Grand Total, Both Plans	<u>\$14,796,781</u>	<u>(\$17,489,229)</u>

\$3,299,196 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization	
	Retiree Medical Benefits Plan	Dependent Fund
2024	(\$2,285,524)	(\$344,009)
2025	(2,085,684)	(344,009)
2026	(463,342)	(344,009)
2027	2,725,657	(344,009)
2028	157,044	(599,932)
Thereafter		(2,063,827)
Total	<u>(1,951,849)</u>	<u>(4,039,795)</u>

General Fund has been primarily used in prior years to liquidate OPEB liabilities.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14 – EMPLOYEE BENEFITS (Continued)

F. Accrued Vacation and Sick Leave Liabilities

Employees accrue vacation up to certain maximums, based on employee classification. Employees may elect to be paid a portion of their vacation at various times according to the applicable memorandum of understanding. Sick leave may be accumulated without limit. Vested sick leave may be paid upon separation from service in good standing and is based on a vesting schedule determined by years of service.

The City measures and adjusts the liability for vacation and sick leave annually at its fiscal year end. During the year ended June 30, 2023, sick leave benefits payable decreased by \$987,110 and vacation benefits payable increased by \$341,328. For all governmental funds, amounts expected to be paid out for permanent liquidation are recorded as fund liability; the long-term portion is recorded in the Statement of Net Position.

The changes of the Accrued Vacation and Sick Leave Liabilities and the allocation of each liability among the departments are as follows:

	Accrued Vacation		Sick Leave	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
Balance as of June 30, 2022	\$6,140,534	\$468,774	\$2,173,327	\$203,959
Additions	2,766,805	202,280	1,093,912	77,035
Payments and adjustments	(2,394,045)	(233,712)	(2,017,720)	(140,337)
Balance as of June 30, 2023	<u>\$6,513,294</u>	<u>\$437,342</u>	<u>\$1,249,519</u>	<u>\$140,657</u>
General Government	\$638,194		\$2,246	
Building	173,312			
Public Works	465,553		281,537	
Engineering	273,412			
Planning	209,657			
Recreation	488,291		29,046	
Police	2,453,777		494,911	
Fire	1,649,058		423,013	
Water Utility		\$260,062		\$92,549
Sewer Utility		177,280		48,108
Internal Service	162,040		18,766	
Total	<u>\$6,513,294</u>	<u>\$437,342</u>	<u>\$1,249,519</u>	<u>\$140,657</u>
Long-Term Portion:				
Governmental activities	\$3,887,538		\$588,448	
Business-type activities		\$304,140		\$50,163
Total long term portions	<u>\$3,887,538</u>	<u>\$304,140</u>	<u>\$588,448</u>	<u>\$50,163</u>
Current Portion:				
Governmental activities	\$2,625,756		\$661,071	
Business-type activities		\$133,202		\$90,494
Total current portions	<u>\$2,625,756</u>	<u>\$133,202</u>	<u>\$661,071</u>	<u>\$90,494</u>

Accrued Vacation and Sick Leave are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 15 – RISK MANAGEMENT

A. Risk Pool

The City participates in the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA), a joint powers authority established to provide liability insurance coverage, claims and risk management, and legal defense to its participating members. PLAN JPA provides \$5,000,000 of self-funded general liability and auto coverage and \$30,000,000 excess liability coverage per occurrence and is responsible for paying claims in excess of the City's \$100,000 deductible. PLAN JPA also provides \$2,000,000 employee theft coverage in excess of the City's \$10,000 deductible, and \$2,000,000 of government crime coverage (with various sub-limits depending on the type of crime) in excess of the City's \$10,000 deductible. PLAN JPA provides coverage for property damage up to \$1 billion. The City retains a self-insured amount of \$5,000 for each property and \$5,000 for each vehicle per occurrence.

During the fiscal year, ended June 30, 2023, the City contributed \$2,360,851 for the 2022/23 program year.

PLAN JPA is governed by a Board of Directors consisting of representatives from member municipalities. The Board controls the operations of PLAN JPA, consisting of funding policies and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's annual contributions to PLAN JPA are calculated based on the ratio of the City's payroll to the total payrolls of all entities participating in the program and the City's loss experience. Actual surpluses or losses are shared according to a formula developed from overall costs and spread to member entities on a percentage basis.

Financial statements may be obtained from PLAN JPA, 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

B. Workers Compensation

The City has a commercial insurance policy which provides workers compensation coverage up to a maximum of \$20,000,000. The City has a deductible or uninsured liability of up to \$750,000 per claim for miscellaneous employees and \$1,000,000 for public safety employees.

C. Dental

The City is self-insured for dental care for miscellaneous employees up to a maximum of \$14,000 per family, based on years of service. Claims are funded on a pay-as-you-go basis. During the year ended June 30, 2023 the City paid \$1,144,091 in dental claims and administrative fees. Public safety employees are insured under various dental care insurance plans.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 15 – RISK MANAGEMENT (Continued)

D. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments, including a provision for claims incurred but not reported, when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable.

The City's liability for uninsured claims is limited to worker's compensation and general liability claims, as discussed above, and was computed as follows based on claims experience:

	2023			2022
	Worker's Compensation	General Liability	Total	
Beginning balance	\$5,803,733	\$395,486	\$6,199,219	\$6,900,574
Liability for current fiscal year claims	2,001,694	552,866	2,554,560	2,300,509
Increase (decrease) in estimated liability for prior fiscal year claims and claims incurred but not reported (IBNR)	(290,663)	25,780	(264,883)	(1,470,358)
Claims paid	(1,901,544)	(234,607)	(2,136,151)	(1,531,506)
Ending balance	<u>\$5,613,220</u>	<u>\$739,525</u>	<u>\$6,352,745</u>	<u>\$6,199,219</u>
Due in one year	<u>\$1,315,630</u>	<u>\$332,139</u>	<u>\$1,647,769</u>	<u>\$1,483,266</u>

Settlements have not exceeded insurance coverage in the past three fiscal years.

NOTE 16 – COMMITMENTS AND CONTINGENT LIABILITIES

A. Litigation

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

B. Federal and State Grant Programs

The City participates in several Federal and State grant programs. These programs are subject to audit by the City's independent accountants in accordance with the provisions of the federal Single Audit Act as amended and applicable State requirements. No cost disallowances have been proposed as a result of audits completed to date; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 16– COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

C. Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding by fund as of June 30, 2023 were as follows:

Major Governmental Funds:	
General Fund	\$2,156,892
Housing Authority Fund	8,258
Non-Major Governmental Funds	<u>79,818</u>
Total Encumbrances	<u><u>\$2,244,968</u></u>

D. South Bay Water Recycling System Facility Replacement

As required by the Water Pollution Control Plant's National Pollutant Discharge Elimination System (NPDES) permit, the regional partner agencies are responsible for maintenance and operation of the South Bay Water Recycling System. The regional partner agencies, which includes the City of Milpitas, are also responsible for the planned \$2 billion rehabilitation/replacement of the facility over the next thirty years. The City's share of the project is approximately 6.196% as discussed in Note 8E.

E. Bay Area Water Supply and Conservation Agency Revenue Bonds Surcharge

The City contracts with the City and County of San Francisco for the purchase of water from the Hetch Hetchy System operated by the San Francisco Public Utilities Commission (SFPUC). The City is also a member of the Bay Area Water Supply and Conservation Agency (BAWSCA) which represents the interests of all the 24 cities and water districts, as well as two private utilities, that purchase wholesale water from the SFPUC.

In 2009 the City entered into a new 25 year agreement with the SFPUC that includes a minimum water delivery level of 5.341MGD. One of the ways that the new agreement differs from the old is in how facilities constructed by the SFPUC that benefit the regional customers are treated from a rate and financial perspective. Under the old agreement, facilities were built, capitalized, and added to the rate base with a rate of return (interest), and then paid for over their useful lives through wholesale rates. Under the new agreement, the SFPUC issues revenue bonds and the debt service (which also includes an interest component) is paid for through rates over the life of the bonds.

During the transition from the old to the new contracts, one of the issues addressed was how to deal with the \$370 million in assets that were still being paid for by the wholesale customers under the old agreement. The assets were transferred to the new agreement, assigned a life with an agreed upon rate of return of 5.13%. Also negotiated was a provision to allow the wholesale customers to prepay any remaining existing assets' unpaid principal balance without penalty or premium. This prepayment was executed through the issuance of bonds by BAWSCA which provide a better interest rate given the favorable rate environment.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 16 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

BAWSCA issued Revenue Bonds in the principal amount of \$335,780,000 in January 2013 to prepay the capital cost recovery payment obligation and fund a stabilization fund. The Bonds mature in October 2034 and are secured by surcharges to the monthly water purchase charges imposed upon the participating members. The Bonds are not a debt obligation of any member, and BAWSCA's failure to pay its Bonds would not constitute a default by any participating member.

Should any participating member fail to pay its share, BAWSCA will rely on the stabilization fund and will pursue all legal remedies to collect the shortfall from the delinquent member. In the interim, other participating members may have their portion adjusted to insure the continued payment of the debt service surcharge.

The risk of bearing the debt service expense of a defaulting member is not significantly different than the risk each member assumes currently for fluctuations in water purchase charges. Under the Bond indenture, BAWSCA maintains a stabilization fund. If surcharge revenues collected are less than needed (due to a member's failure to pay timely), BAWSCA uses the stabilization fund to fund the debt service deficiency, and increases the surcharge in the subsequent year to make up for the prior year shortfall and reimburse the stabilization fund account. Also, given that each participating agency's governing body adopted a Resolution to participate in the Bond issue, Management believes that default is generally very unlikely.

The annual debt service surcharges are a fixed amount for each participant and are calculated by taking the subsequent fiscal year's debt service, multiplied by each participant's actual water purchase as a percent of total wholesale customer water purchases from the prior fiscal year. One-twelfth of the annual surcharge is included in the monthly bill from SFPUC. Because each participant's share of the debt service surcharge is proportional to the amount of water purchased during the prior fiscal year, the City's share of the debt service will fluctuate from year to year.

The City paid its surcharge of \$820,819 during fiscal year 2023, which is included as a component of purchased water expenses in the Water Enterprise Fund. The surcharge for fiscal year 2024 is estimated to be \$603,300.

F. Housing Successor Excess Surplus

Health and Safety Code (HSC) Section 34176.1(d) defines an excess surplus as an unencumbered balance held by the housing successor that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the housing successor fund during the housing successor's preceding four fiscal years, whichever is greater. If a housing successor has an excess surplus, the HSC Section requires that the housing successor encumber the excess surplus for eligible purposes described in the HSC Section 34176.1(a)(3) or transfer the funds to another local housing successor within three fiscal years. If the housing successor fails to comply with this provision, the housing successor, within 90 days of the end of the third fiscal year, is required to transfer any excess surplus to the Department of Housing and Community Development for expenditure pursuant to the Multifamily Housing Program or the Joe Serna, Jr. Farmworker Housing Grant Program.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES

A. *Redevelopment Dissolution*

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

Effective January 31, 2012, the Redevelopment Agency was dissolved. Certain assets of the Redevelopment Agency Housing Reserve Fund were distributed to a Housing Successor; and all remaining Redevelopment Agency assets and liabilities were distributed to a Successor Agency. The Successor Agency received a finding of completion on June 27, 2014.

Under the provisions of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City's Housing Authority elected to become the Housing Successor and on February 1, 2012, certain housing assets were transferred to the City's Housing Authority Special Revenue Fund.

The City also elected to become the Successor Agency and on February 1, 2012 the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established on March 26, 2012. The activities of the Successor Agency were subject to review and approval of the Oversight Board, which was comprised of seven members, including one member of City Council and one former Redevelopment Agency employee appointed by the Mayor.

On July 1, 2018, the duties of the Milpitas Oversight Board transferred to a new Santa Clara Countywide Consolidated Oversight Board, which is now responsible for overseeing the winddown affairs of all Successor Agencies in Santa Clara County, including the Successor Agency to the Milpitas Redevelopment Agency.

The activities of the Housing Successor are reported in the Housing Authority Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the County Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

Cash and investments of the Successor Agency as of June 30, 2023 are discussed in Note 3. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2023.

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES (Continued)

B. Development Agreements

The Successor Agency assumed the obligations of the former Redevelopment Agency's Disposition and Development Agreements as follows:

Installment Purchase Agreement

The Redevelopment Agency agreed to purchase two parcels of land comprising thirty-five acres surrounding the County Correctional Facility for \$57,750,000 in cash and \$135,000,000 payable over eighteen years at no interest.

The Agency also agreed to re-sell this land to developers for a total of \$57,750,000, of which \$40,000,000 was received in fiscal 2005 and the remainder was received on the close of escrow on the second parcel in fiscal 2006. The Agency's intent in purchasing this land was to simultaneously re-sell it for development.

In addition, starting in 2024 the Agency is required to pay the County the greater of \$2,000,000 or 50% of the sales tax revenue arising out of sales originating on certain properties that are in the Midtown Area, but not to exceed \$5,000,000 annually, until the earlier of either June 30, 2038, the date that tax increment revenue allocated to the Agency has reached its limit; or the termination of the Redevelopment Plan.

C. Long-Term Obligations

1. Current Year Transactions and Balances

The Successor Agency's debt issues and transactions are summarized below and discussed in detail thereafter.

	Balance June 30, 2022	Retirements	Balance June 30, 2023	Current Portion
Installment Purchase Agreement with the County of Santa Clara - Direct Borrowing				
due June 30, 2023	\$2,493,124	\$2,493,124	\$0	\$0
2015 Tax Allocation Bonds				
2%-5%, due September 1, 2032	80,440,000	7,800,000	72,640,000	8,185,000
Plus: Unamortized bond premium	12,703,594	1,190,962	11,512,632	
Total	\$95,636,718	\$11,484,086	\$84,152,632	\$8,185,000

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2. Installment Purchase Agreement with the County of Santa Clara

The former Redevelopment Agency had a non-interest bearing Installment Purchase Agreement with the County of Santa Clara in the original principal amount of \$135,000,000, as mentioned in Note 15B. As discussed in Note 15B, under the Agreement, the former Redevelopment Agency purchased two parcels of land that were later sold to developers. The amount due under the Agreement does not bear interest and is payable annually through 2023. During fiscal year 2022-23, the Agency paid off the debt in full.

3. 2015 Tax Allocation Refunding Bonds

In March 2015, the Successor Agency issued Tax Allocation Refunding Bonds in the original principal amount of \$127,790,000. The proceeds of the Bonds were used to advance refund and defease the outstanding balance of the 2003 Tax Allocation Bonds, which were redeemed on March 23, 2015. The Bonds are secured by Redevelopment Property Tax Trust Fund (RPTTF) revenues. In lieu of a reserve fund, the 2015 Bonds are secured by a reserve insurance policy in the amount of \$11,822,000, issued by Assured Guaranty Municipal Corp. Principal is payable annually and the interest is payable semi-annually through 2032. The 2015 Bonds contain a provision that in an event of default, the Trustee may declare the principal of the bonds, together with all accrued interest at the date of default, immediately due and payable, or (b) exercise any and all rights and remedies available to it under applicable law, including right to enforce from the Successor Agency all payments due on the Bonds, and the Successor Agency will pay all reasonable fees and expenses incurred by the Trustee and those of its attorneys. On August 27, 2021, S&P Global Ratings (formerly Standard & Poor's Financial Services, LLC) upgraded its Local Currency Long-Term Ratings on the Bonds from 'AA- to AA'.

4. Debt Service Requirements

Debt service requirements are shown below for all long-term debt:

Year Ending June 30	2015 Tax Allocation Bonds	
	Total Principal	Total Interest
2024	\$8,185,000	\$3,427,375
2025	8,595,000	3,007,875
2026	9,025,000	2,567,375
2027	9,475,000	2,104,875
2028	9,950,000	1,619,250
2029-2033	27,410,000	3,054,250
	72,640,000	\$15,781,000
Plus: Unamortized bond premium	11,512,632	
	<u>\$84,152,632</u>	

CITY OF MILPITAS
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES (Continued)

5. *Defeased Bonds*

As of June 30, 2023, the outstanding balance of defeased debt was \$2,635,000 for the Redevelopment Agency 1997 Tax Allocation Bonds.

D. *Commitments and Contingencies*

State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semi-annually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the County Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The City expects such amounts, if any, to be immaterial.



REQUIRED SUPPLEMENTARY INFORMATION



City of Milpitas

Required Supplementary Information

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Agent Multiple-Employer Retiree Medical Benefits (OPEB) Plan
Last 10 fiscal years*

Measurement Date	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/22
Total OPEB Liability						
Service Cost	\$2,386,392	\$2,356,491	\$2,423,566	\$1,958,563	\$1,503,917	\$2,077,984
Interest	4,794,071	5,155,080	5,462,138	3,581,088	4,100,155	3,916,381
Changes in benefit terms			(17,098,878)			
Differences between expected and actual experience			(11,594,216)		(3,161,213)	
Changes of assumptions	(1,263,847)	(113,934)	(1,624,371)	(5,621,298)	4,971,305	
Benefit payments	(3,325,081)	(2,994,247)	(3,183,858)	(3,122,284)	(3,221,642)	(3,382,910)
Net change in total OPEB liability	2,591,535	4,403,390	(25,615,619)	(3,203,931)	4,192,522	2,611,455
Total OPEB liability - beginning	80,926,571	83,518,106	87,921,496	62,305,877	59,101,946	63,294,468
Total OPEB liability - ending (a)	\$83,518,106	\$87,921,496	\$62,305,877	\$59,101,946	\$63,294,468	\$65,905,923
Plan fiduciary net position						
Contributions - employer	\$4,959,756	\$4,803,893	\$4,651,743	\$4,528,174	\$1,743,593	\$1,757,265
Contributions - employee						
Net investment income	3,708,342	3,175,844	2,834,217	1,745,028	14,164,474	(8,452,324)
Administrative expense	(18,732)	(21,490)	(9,742)	(24,292)	(19,480)	(16,234)
Benefit payments	(3,325,081)	(2,994,247)	(3,183,858)	(3,122,284)	(3,221,642)	(3,382,910)
Other Expenses		(51,721)				
Net change in plan fiduciary net position	5,324,285	4,912,279	4,292,360	3,126,626	12,666,945	(10,094,203)
Plan fiduciary net position - beginning	33,780,048	39,104,333	44,016,612	48,308,972	51,435,598	64,102,543
Plan fiduciary net position - ending (b)	\$39,104,333	\$44,016,612	\$48,308,972	\$51,435,598	\$64,102,543	\$54,008,340
Net OPEB liability (asset) - ending (a)-(b)	\$44,413,773	\$43,904,884	\$13,996,905	\$7,666,348	(\$808,075)	\$11,897,583
Plan fiduciary net position as a percentage of the total OPEB liability	46.82%	50.06%	77.54%	87.03%	101.28%	81.95%
Covered-employee payroll	\$42,017,236	\$43,375,678	\$48,788,854	\$52,202,907	\$59,134,552	\$59,298,425
Net OPEB liability as a percentage of covered-employee payroll	105.70%	101.22%	28.69%	14.69%	-1.36%	20.06%

* Fiscal year 2018 was the first year of implementation.

City of Milpitas Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS Agent Multiple-Employer Retiree Medical Benefits (OPEB) Plan Last 10 fiscal years*

Fiscal Year Ended June 30,	2018			2019			2020		
	Explicit	Implicit	Total	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarially determined contribution	\$3,387,020	(\$219,104)	\$3,167,916	\$3,492,808	(\$546,593)	\$2,946,215	\$788,831	\$1,545,113	\$2,333,944
Contributions in relation to the actuarially determined contribution	3,387,020	1,416,873	4,803,893	3,492,808	1,158,935	4,651,743	3,478,018	1,050,156	4,528,174
Contribution deficiency (excess)	\$0	(\$1,635,977)	(\$1,635,977)	\$0	(\$1,705,528)	(\$1,705,528)	(\$2,689,187)	\$494,957	(\$2,194,230)
Covered-employee payroll	\$43,375,678	\$43,375,678	\$43,375,678	\$48,788,854	\$48,788,854	\$48,788,854	\$52,202,907	\$52,202,907	\$52,202,907
Contributions as a percentage of covered-employee payroll	7.81%	3.27%	11.08%	7.16%	2.38%	9.53%	6.66%	2.01%	8.67%

Fiscal Year Ended June 30,	2021			2022			2023		
	Explicit	Implicit	Total	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarially determined contribution	\$655,377	\$1,552,190	\$2,207,567	\$655,377	\$1,611,861	\$2,267,238	\$1,723,519	\$1,232,729	\$2,956,248
Contributions in relation to the actuarially determined contribution	655,377	1,088,216	1,743,593	682,866	1,074,399	1,757,265	1,034,478	1,232,729	2,267,207
Contribution deficiency (excess)	\$0	\$463,974	\$463,974	(\$27,489)	\$537,462	\$509,973	\$689,041	\$0	\$689,041
Covered-employee payroll	\$59,134,552	\$59,134,552	\$59,134,552	\$59,298,425	\$59,298,425	\$59,298,425	\$59,298,425	\$59,298,425	\$59,298,425
Contributions as a percentage of covered-employee payroll	1.11%	1.84%	2.95%	1.15%	1.81%	2.96%	1.74%	2.08%	3.82%

Notes to Schedule

Valuation date:

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2022
Actuarial Assumptions:	
Discount Rate	6.15%
Inflation	2.50%
Salary Increase	3.00%
Investment Rate of Return	6.15%
Mortality Rate	MacLeod Watts Scale of 2022 applied generationally
Healthcare Trend Rate	5.8% grading down to 3.9% for years 2076 and thereafter

* Fiscal year 2018 was the first year of implementation.

City of Milpitas
Required Supplementary Information

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
Dependent Fund (OPEB) Plan
Last 10 fiscal years*

Measurement Date	6/30/2019	6/30/20	6/30/21	6/30/22
Total OPEB Liability				
Service Cost		\$1,139,508	\$1,402,597	\$1,767,339
Interest		905,377	810,987	687,094
Changes in benefit terms	\$28,504,872			
Differences between expected and actual experience			(1,465,027)	
Changes of assumptions		3,100,405	2,591,371	(7,639,426)
Benefit payments		(1,437,201)	(1,028,064)	(1,012,052)
Net change in total OPEB liability	<u>28,504,872</u>	<u>3,708,089</u>	<u>2,311,864</u>	<u>(6,197,045)</u>
Total OPEB liability - beginning		<u>28,504,872</u>	<u>32,212,961</u>	<u>34,524,825</u>
Total OPEB liability - ending (a)	<u>\$28,504,872</u>	<u>\$32,212,961</u>	<u>\$34,524,825</u>	<u>\$28,327,780</u>
Plan fiduciary net position				
Contributions - employer		\$1,437,201		\$1,012,052
Contributions - employee				
Net investment income				
Administrative expense				
Benefit payments		(1,437,201)		(1,012,052)
Other Expenses				
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - beginning		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Plan fiduciary net position - ending (b)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net OPEB liability - ending (a)-(b)	<u>\$28,504,872</u>	<u>\$32,212,961</u>	<u>\$34,524,825</u>	<u>\$28,327,780</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered-employee payroll	<u>\$48,788,854</u>	<u>\$52,202,907</u>	<u>\$59,134,552</u>	<u>\$59,298,425</u>
Net OPEB liability as a percentage of covered-employee payroll	<u>58.42%</u>	<u>61.71%</u>	<u>58.38%</u>	<u>47.77%</u>

*The liability of this Plan had been previously included together with other City plan OPEB Liabilities.
Beginning with fiscal year 2020, the City began to report the liability of this plan separately.
No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

City of Milpitas
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

Dependent Fund (OPEB) Plan

Last 10 fiscal years*

Fiscal Year Ended June 30,	2020	2021	2022	2023
	<u>Explicit</u>	<u>Explicit</u>	<u>Explicit</u>	<u>Explicit</u>
Actuarially required contribution	N/A (a)	N/A (a)	N/A (a)	N/A (a)
Contributions in relation to the actuarially required contributions	<u>\$1,028,064</u>	<u>\$0</u>	<u>\$1,012,052</u>	<u>\$0</u>
Contribution deficiency (excess)	<u>N/A (a)</u>	<u>N/A (a)</u>	<u>N/A (a)</u>	<u>N/A (a)</u>
Covered-employee payroll	<u>\$48,788,854</u>	<u>\$52,202,907</u>	<u>\$59,298,425</u>	<u>\$59,298,425</u>
Contributions as a percentage of covered-employee payroll	N/A (a)	N/A (a)	N/A (a)	N/A (a)

*No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

(a) Due to the nature of the Plan, actuarially required contribution is not available.

See Note 12D for contribution requirements.



City of Milpitas
Required Supplementary Information

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Miscellaneous Plan - Agent Multiple-Employer Defined Pension Plan

Last 10 Years*

Measurement Period	2013-14	2014-15	2015-16	2016-17
Total Pension Liability				
Service Cost	\$2,652,510	\$2,664,628	\$2,666,665	\$3,008,973
Interest	13,600,615	14,114,152	14,689,192	15,078,047
Differences between expected and actual experience		(982,598)	(18,301)	(1,238,427)
Changes of assumptions		(3,463,459)		12,475,424
Changes in benefits				
Benefit payments, including refunds of employee contributions	(8,381,334)	(8,930,516)	(9,558,779)	(10,236,837)
Net change in total pension liability	7,871,791	3,402,207	7,778,777	19,087,180
Total pension liability - beginning	184,205,937	192,077,728	195,479,935	203,258,712
Total pension liability - ending (a)	\$192,077,728	\$195,479,935	\$203,258,712	\$222,345,892
Plan fiduciary net position				
Contributions - employer	\$3,356,909	\$4,076,975	\$4,519,744	\$5,048,143
Contributions - employee	1,439,932	1,326,989	1,333,019	1,266,956
Net investment income	22,034,637	3,281,429	775,183	16,109,364
Administrative expense		(164,523)	(89,109)	(211,414)
Benefit payments, including refunds of employee contributions	(8,381,334)	(8,930,516)	(9,558,779)	(10,236,837)
Other Miscellaneous Income/Expense				
Net Plan to Plan Resource Movement			(370)	(370)
Net change in plan fiduciary net position	18,450,144	(409,646)	(3,020,312)	11,975,842
Plan fiduciary net position - beginning	128,172,005	146,622,149	146,212,503	143,192,191
Plan fiduciary net position - ending (b)	\$146,622,149	\$146,212,503	\$143,192,191	\$155,168,033
Net pension liability - ending (a)-(b)	\$45,455,579	\$49,267,432	\$60,066,521	\$67,177,859
Plan fiduciary net position as a percentage of the total pension liability	76.33%	74.80%	70.45%	69.79%
Covered payroll	\$15,682,538	\$16,009,660	\$16,161,589	\$16,418,123
Net pension liability as percentage of covered payroll	289.85%	307.74%	371.66%	409.17%

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions. In 2022, the accounting discount rate reduced from 7.15% to 6.90%. In 2016, 2018, 2019, 2020 and 2021, there were no changes. In 2022, the accounting discount rate reduced from 7.15% to 6.90%. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts were based on the 7.5% discount rate.

* Fiscal year 2015 was the first year of implementation.

City of Milpitas

Required Supplementary Information

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Miscellaneous Plan - Agent Multiple-Employer Defined Pension Plan
Last 10 Years*

Measurement Period	2017-18	2018-19	2019-20	2021-22	2022-23
Total Pension Liability					
Service Cost	\$3,042,853	\$3,361,140	\$3,777,335	\$4,262,309	\$4,859,903
Interest	15,647,110	16,517,342	17,295,222	18,046,275	18,711,899
Differences between expected and actual experience	1,831,444	4,569,776	2,592,349	1,466,976	1,596,580
Changes in assumptions	(1,404,854)				8,099,828
Changes in benefits					
Benefit payments, including refunds of employee contributions	(10,906,398)	(11,589,225)	(12,009,750)	(12,545,846)	(14,478,741)
Net change in total pension liability	8,210,155	12,859,033	11,655,156	11,229,714	18,789,469
Total pension liability - beginning	222,345,892	230,556,047	243,415,080	255,070,236	266,299,950
Total pension liability - ending (a)	<u>\$230,556,047</u>	<u>\$243,415,080</u>	<u>\$255,070,236</u>	<u>\$266,299,950</u>	<u>\$285,089,419</u>
Plan fiduciary net position					
Contributions - employer	\$5,762,448	\$6,864,376	\$7,965,270	\$8,925,250	\$9,800,794
Contributions - employee	1,473,732	1,569,027	1,772,996	1,998,174	1,861,769
Net investment income	13,123,448	10,774,536	8,527,794	40,453,566	(16,338,954)
Administrative expense	(241,795)	(116,977)	(241,663)	(177,248)	(134,612)
Benefit payments, including refunds of employee contributions	(10,906,398)	(11,589,225)	(12,009,750)	(12,545,846)	(14,478,741)
Other Miscellaneous Income/Expense	(459,172)	381			
Net Plan to Plan Resource Movement	(381)				
Net change in plan fiduciary net position	8,751,882	7,502,118	6,014,647	38,653,896	(19,289,744)
Plan fiduciary net position - beginning	155,168,033	163,919,915	171,422,033	177,436,680	216,090,576
Plan fiduciary net position - ending (b)	<u>\$163,919,915</u>	<u>\$171,422,033</u>	<u>\$177,436,680</u>	<u>\$216,090,576</u>	<u>\$196,800,832</u>
Net pension liability - ending (a)-(b)	<u>\$66,636,132</u>	<u>\$71,993,047</u>	<u>\$77,633,556</u>	<u>\$50,209,374</u>	<u>\$88,288,587</u>
Plan fiduciary net position as a percentage of the total pension liability	71.10%	70.42%	69.56%	81.15%	69.03%
Covered payroll	<u>\$18,846,066</u>	<u>\$22,079,190</u>	<u>\$19,463,309</u>	<u>\$25,754,131</u>	<u>\$27,165,471</u>
Net pension liability as percentage of covered payroll	353.58%	326.07%	398.87%	194.96%	325.00%

* Fiscal year 2015 was the first year of implementation.

City of Milpitas
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

Miscellaneous Plan - Agent Multiple-Employer Defined Pension Plan
Last 10 Years*

Fiscal Year Ended June 30	2015	2016	2017	2018
Actuarially determined contribution	\$3,252,668	\$4,236,931	\$5,082,638	\$6,243,904
Contributions in relation to the actuarially determined contributions	3,252,668	4,236,931	5,082,638	6,243,904
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$16,009,660	\$16,161,589	\$16,418,123	\$18,846,066
Contributions as a percentage of covered payroll	20.32%	26.22%	30.96%	33.13%
Notes to Schedule				
Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015
Methods and assumptions used to determine contribution rates:				
Actuarial cost method	Entry Age Actuarial Cost Method			
Amortization method	Level percentage of payroll			
Asset valuation method	Fair Value of Assets.			
Inflation	2.75% for 2015 to 2019, 2..625% for 2020, 2.50% for 2021 and 2022, and 2.30% for 2023			
Salary increases	Varies by Entry Age and Service			
Investment rate of return	7.5% for 2015 to 2018, 7.375% for 2019, 7.25% for 2020, 7.00% for 2021 and 2022, and 6.80% for 2023, net of administrative expenses, including inflation.			
Retirement age	The probabilities of Retirement are base on the CalPERS Experience Study.			
Mortality	The probabilities of mortality are based on the CalPERS Experience Study. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries for 2015 to 2018. For 2019, 2020, 2021 and 2022, pre-retirement and post-retirement mortality rates include 15 years of projected mortality using 90% of Scale MP-2016 published by the Society of Actuaries. For 2023, pre-retirement and post-retirement mortality rates include generational mortality using 80% of Scale MP-2020 published by the Society of Actuaries.			

* Fiscal year 2015 was the 1st year of implementation.

2019	2020	2021	2022	2023
\$6,863,508	\$8,337,504	\$8,916,157	\$9,799,723	\$9,421,792
6,863,508	8,337,504	8,916,157	9,799,723	9,421,792
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$22,079,190	\$19,463,309	\$21,793,252	\$25,754,131	\$27,165,471
31.09%	42.84%	40.91%	38.05%	34.68%
6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2021

City of Milpitas Required Supplementary Information

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS Safety Plan - Agent Multiple-Employer Defined Pension Plan Last 10 Years*

Measurement Period	2013-14	2014-15	2015-16	2016-17
Total Pension Liability				
Service Cost	\$4,932,970	\$4,808,751	\$5,094,318	\$5,934,642
Interest	19,838,662	20,535,893	21,663,378	22,434,283
Differences between expected and actual experience		(2,363,470)	3,274,330	(690,685)
Changes of assumptions		(5,052,089)		18,725,315
Changes in benefits				
Benefit payments, including refunds of employee contributions	(13,076,629)	(13,656,196)	(14,390,575)	(14,864,837)
Net change in total pension liability	11,695,003	4,272,889	15,641,451	31,538,718
Total pension liability - beginning	268,587,329	280,282,332	284,555,221	300,196,672
Total pension liability - ending (a)	\$280,282,332	\$284,555,221	\$300,196,672	\$331,735,390
Plan fiduciary net position				
Contributions - employer	\$5,856,270	\$6,604,951	\$7,230,399	\$7,887,539
Contributions - employee	1,839,234	1,887,408	2,064,277	2,233,341
Net investment income	30,157,647	4,420,615	1,031,136	22,090,936
Administrative expense		(224,227)	(121,445)	(288,028)
Net Plan to Plan Resource Movement				
Other Miscellaneous Income/Expense				
Benefit payments, including refunds of employee contributions	(13,076,629)	(13,656,196)	(14,390,575)	(14,864,837)
Net change in plan fiduciary net position	24,776,522	(967,449)	(4,186,208)	17,058,951
Plan fiduciary net position - beginning	175,461,012	200,237,534	199,270,085	195,083,877
Plan fiduciary net position - ending (b)	\$200,237,534	\$199,270,085	\$195,083,877	\$212,142,828
Net pension liability - ending (a)-(b)	\$80,044,798	\$85,285,136	\$105,112,795	\$119,592,562
Plan fiduciary net position as a percentage of the total pension liability	71.44%	70.03%	64.99%	63.95%
Covered payroll	\$18,310,535	\$18,810,920	\$20,170,400	\$21,078,669
Net pension liability as percentage of covered payroll	437.15%	453.38%	521.12%	567.36%

Notes to Schedule:

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions. In 2017, the accounting discount rate reduced from 7.65% to 7.15%. In 2016, 2018, 2019, 2020 and 2021, there were no changes. In 2022, the accounting discount rate reduced from 7.15% to 6.90%. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts were based on the 7.5% discount rate.

* Fiscal year 2015 was the 1st year of implementation.

2017-18	2018-19	2019-20	2021-22	2022-23
\$5,975,378	\$6,211,449	\$6,711,730	\$7,266,789	\$7,801,769
23,331,989	24,560,414	25,568,359	26,671,979	27,775,910
626,935	4,563,968	981,131	2,106,663	1,878,012
(986,630)				14,433,785
(16,083,729)	(17,533,455)	(18,278,539)	(20,179,552)	(21,827,081)
12,863,943	17,802,376	14,982,681	15,865,879	30,062,395
331,735,390	344,599,333	362,401,709	377,384,390	393,250,269
\$344,599,333	\$362,401,709	\$377,384,390	\$393,250,269	\$423,312,664
\$8,866,550	\$10,288,856	\$12,104,306	\$13,294,083	\$14,258,505
2,240,962	2,441,763	2,748,961	2,834,054	2,853,307
17,931,642	14,733,700	11,689,024	55,066,837	(22,163,861)
(330,577)	(159,951)	(329,757)	(241,588)	(182,284)
(521)				
(627,771)	521			
(16,083,729)	(17,533,455)	(18,278,539)	(20,179,552)	(21,827,081)
11,996,556	9,771,434	7,933,995	50,773,834	(27,061,414)
212,142,828	224,139,384	233,910,818	241,844,813	292,618,647
\$224,139,384	\$233,910,818	\$241,844,813	\$292,618,647	\$265,557,233
\$120,459,949	\$128,490,891	\$135,539,577	\$100,631,622	\$157,755,431
65.04%	64.54%	64.08%	74.41%	62.73%
\$20,840,464	\$21,681,207	\$23,703,982	\$26,167,767	\$26,110,338
578.01%	592.64%	571.80%	384.56%	604.19%

City of Milpitas
Required Supplementary Information

SCHEDULE OF CONTRIBUTIONS

Safety Plan - Agent Multiple-Employer Defined Pension Plan
Last 10 Years*

Fiscal Year Ended June 30	2015	2016	2017	2018
Actuarially determined contribution	\$5,856,270	\$7,230,399	\$7,887,539	\$8,866,550
Contributions in relation to the actuarially determined contributions	5,904,019	7,346,983	7,887,539	8,866,550
Contribution deficiency (excess)	<u>(\$47,749)</u>	<u>(\$116,584)</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$18,810,920	\$20,170,400	\$21,078,669	\$21,698,152
Contributions as a percentage of covered payroll	31.39%	36.42%	37.42%	40.86%
Notes to Schedule				
Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Fair Value of Assets.
Inflation	2.75% for 2015 to 2019, 2.625% for 2020, 2.50% for 2021 and 2022, and 2.30% for 2023
Salary increases	Varies by Entry Age and Service
Investment rate of return	7.5% for 2015 to 2018, 7.375% for 2019, 7.25% for 2020, 7.00% for 2021 and 2022, and 6.80% for 2023, net of administrative expenses, including inflation.
Retirement age	The probabilities of Retirement are base on the CalPERS Experience Study.
Mortality	The probabilities of mortality are based on the CalPERS Experience Study. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries for 2015 to 2018. For 2019, 2020, 2021 and 2022, pre-retirement and post-retirement mortality rates include 15 years of projected mortality using 90% of Scale MP-2016 published by the Society of Actuaries. For 2023, pre-retirement and post-retirement mortality rates include generational mortality using 80% of Scale MP-2020 published by the Society of Actuaries.

* Fiscal year 2015 was the 1st year of implementation.

City of Milpitas
Required Supplementary Information

2019	2020	2021	2022	2023
\$10,288,856	\$12,104,306	\$13,294,083	\$14,258,505	\$15,469,857
10,288,856	12,104,306	13,294,083	14,258,505	15,469,857
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$20,840,464	\$21,681,207	\$23,707,982	\$26,167,767	\$26,110,338
49.37%	55.83%	56.07%	54.49%	59.25%
6/30/2016	6/30/2017	6/30/2018	6/30/2018	6/30/2021



NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

GAS TAX FUND

Established to account for the City's share of state gasoline taxes which are restricted for use on construction and maintenance of the street system in Milpitas.

HOUSING AND COMMUNITY DEVELOPMENT FUND

Established to account for community development block grants and expenditures.

LAW ENFORCEMENT SERVICES FUND

Established to account for the proceeds from Federal and State asset seizures. This fund also accounts for the Supplemental Law Enforcement Services grant, Local Law Enforcement Block grant, Justice Assistance grant and expenditures. These funds must be used only for specified law enforcement purposes.

SOLID WASTE REDUCTION AND SERVICES FUND

Established to account for landfill tipping fees allocated by Santa Clara County. The County allocates a fee of \$1 per ton to each City to be used in relation to the State of California Waste Reduction Act. Revenue is used for the implementation of waste reduction programs to meet the State required landfill deposits percentage reduction. The fund also accounts for special charges built into garbage rates specifically for community promotions and household hazardous waste activities.

LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT FUND

Established to account for assessments collected within the district. Revenue is used for servicing and maintaining the public landscaping and additional lighting for the district.

COMMUNITY FACILITIES DISTRICT FUND

Established to account for assessments collected within the district. Revenue is used for providing City services for the district.

HETCH-HETCHY GROUND LEASE FUND

Established to account for the lease payment to the City and County of San Francisco for the permitted use of the Hetch-Hetchy land.

COMMUNITY PLANNING FUND

Established to account for fees collected to fund the General Plan update, zoning ordinance update and other long range planning documents.

COMMUNITY BENEFITS FUND

Established to account for fees collected from developers to fund Public Benefits for the Community.

AFFORDABLE HOUSING FUND

Established to account for fees collected from developers to fund Affordable Housing activities.

AFFORDABLE HOUSING UNRESTRICTED FUND

Established to account for Affordable Housing unrestricted activities funded by General Fund Surplus.

CAPITAL PROJECTS FUNDS:

PUBLIC ART FUND

Established to account for the acquisition and installation of public art. Financing provided by a percentage of eligible project expenditures within the City's Annual Capital Improvement Program.

PARK IMPROVEMENT FUND

Established to account for the construction and maintenance of City parks. A special park improvement fee is imposed on developments to provide financing.

STORM DRAIN DEVELOPMENT FUND

Established to account for the construction and maintenance of storm drain projects. A special storm drain fee is imposed on developments to provide financing.





CITY OF MILPITAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2023

SPECIAL REVENUE FUNDS						
	Gas Tax	Housing and Community Development	Law Enforcement Services	Solid Waste Reduction and Services	Lighting and Landscape Maintenance District	Community Facilities District
ASSETS						
Cash and investments available for operations	\$7,892,463	\$588,802	\$751,388	\$2,188,999	\$348,456	\$2,073,382
Receivables:						
Accounts				217,669		
Due from other governments	501,212	187,005	15,740			64,659
Interest	19,534		90	5,880	936	11,698
Loans receivable		3,234,883				
Prepays, materials, supplies and deposits			2,440	3,486	2,509	16,298
Total Assets	<u>\$8,413,209</u>	<u>\$4,010,690</u>	<u>\$769,658</u>	<u>\$2,416,034</u>	<u>\$351,901</u>	<u>\$2,166,037</u>
LIABILITIES						
Accounts payable		\$184,414	\$29,096	\$15,578	\$2,497	\$3,759
Accrued payroll			748	23,135	5,763	43,452
Unearned revenue			622,935	71,287		
Refundable deposits				18,843		
Total Liabilities		<u>184,414</u>	<u>652,779</u>	<u>128,843</u>	<u>8,260</u>	<u>47,211</u>
FUND BALANCE						
Fund Balances:						
Nonspendable			2,440	3,486	2,509	16,298
Restricted	\$8,413,209	3,826,276	114,439	2,283,705	341,132	2,102,528
Assigned						
Total Fund Balances	<u>8,413,209</u>	<u>3,826,276</u>	<u>116,879</u>	<u>2,287,191</u>	<u>343,641</u>	<u>2,118,826</u>
Total Liabilities and Fund Balances	<u>\$8,413,209</u>	<u>\$4,010,690</u>	<u>\$769,658</u>	<u>\$2,416,034</u>	<u>\$351,901</u>	<u>\$2,166,037</u>

SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			Total Nonmajor Governmental Funds
Hetch-Hetchy Ground Lease	Community Planning	Community Benefits	Affordable Housing	Affordable Housing Unrestricted	Public Art	Park Improvement	Storm Drain Development	
\$1,461,329	\$326,441	\$422,822	\$5,080,213	\$3,159,096	\$1,012,942	\$5,000,726	\$6,503,153	\$36,810,212
			13,500			779,820		217,669
7,536	3,273		24,702	10,946	5,406	42,974	26,210	1,561,936
								159,185
	2,176		2,871		4			3,234,883
\$1,468,865	\$331,890	\$422,822	\$5,121,286	\$3,170,042	\$1,018,352	\$5,823,520	\$6,529,363	\$42,013,669
			\$3,323			\$372,333	\$102,303	\$713,303
	\$11,251		25,369		\$677	160		110,555
								694,222
	16							18,859
	11,267		28,692		677	372,493	102,303	1,536,939
	2,176		2,871		4			29,784
\$1,468,865	318,447	\$422,822	5,089,723	\$3,170,042		5,451,027	6,427,060	39,429,275
					1,017,671			1,017,671
1,468,865	320,623	422,822	5,092,594	3,170,042	1,017,675	5,451,027	6,427,060	40,476,730
\$1,468,865	\$331,890	\$422,822	\$5,121,286	\$3,170,042	\$1,018,352	\$5,823,520	\$6,529,363	\$42,013,669

CITY OF MILPITAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	Gas Tax	Housing & Community Development	Law Enforcement Services	Solid Waste Reduction and Services	Lighting and Landscape Maintenance District	Community Facilities District
REVENUES:						
Other taxes					\$457,525	\$4,651,788
Licenses and fines				\$1,850,693		
Use of money and property	\$75,734	\$8,971	\$8,916	\$16,158	11,145	30,962
Intergovernmental	3,888,101	581,154	259,641	194,142		
Charges for services				20,172		
Developer contributions						
Other						
Total Revenues	3,963,835	590,125	268,557	2,081,165	468,670	4,682,750
EXPENDITURES:						
Current:						
General Government		581,154				11,155
Building, Safety and Housing						
Recreation and Community Services			4,611			
Public Works				681,960	256,019	1,776,047
Engineering				200	90,338	
Planning						
Police			222,548			
Fire			38,887			
Capital outlay						
Total Expenditures		581,154	266,046	682,160	346,357	1,787,202
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,963,835	8,971	2,511	1,399,005	122,313	2,895,548
OTHER FINANCING SOURCES (USES)						
Transfers in	2,711,393				41,866	
Transfers (out)	(2,686,713)			(157,997)	(11,000)	(2,929,042)
Total Other Financing Sources (Uses)	24,680			(157,997)	30,866	(2,929,042)
NET CHANGE IN FUND BALANCES	3,988,515	8,971	2,511	1,241,008	153,179	(33,494)
Fund balances at beginning of year	4,424,694	3,817,305	114,368	1,046,183	190,462	2,152,320
FUND BALANCES AT END OF YEAR	\$8,413,209	\$3,826,276	\$116,879	\$2,287,191	\$343,641	\$2,118,826

SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			Total Nonmajor Governmental Funds
Hetch-Hetchy Ground Lease	Community Planning	Community Benefits	Affordable Housing	Affordable Housing Unrestricted	Public Art	Park Improvement	Storm Drain Development	
								\$5,109,313
\$18,288	\$6,215	\$4,386	\$72,184	\$33,758	\$14,769	\$223,200	\$68,102	1,850,693
			51,555			438,647		592,788
	302,712							5,413,240
		60,000	786,631			655,993	164,259	322,884
					80,576			1,666,883
								80,576
18,288	308,927	64,386	910,370	33,758	95,345	1,317,840	232,361	15,036,377
35,789		6,110	95,893	118,138				848,239
			792,844					792,844
					1,457			6,068
								2,714,026
	329,185		37,290					90,538
								366,475
								222,548
								38,887
						2,928,303	1,441,653	4,369,956
35,789	329,185	6,110	926,027	118,138	1,457	2,928,303	1,441,653	9,449,581
(17,501)	(20,258)	58,276	(15,657)	(84,380)	93,888	(1,610,463)	(1,209,292)	5,586,796
	235,485			710,248			1,620,497	5,319,489
	(200,000)				(142,500)	(1,286,119)	(3,844)	(7,417,215)
	35,485			710,248	(142,500)	(1,286,119)	1,616,653	(2,097,726)
(17,501)	15,227	58,276	(15,657)	625,868	(48,612)	(2,896,582)	407,361	3,489,070
1,486,366	305,396	364,546	5,108,251	2,544,174	1,066,287	8,347,609	6,019,699	36,987,660
\$1,468,865	\$320,623	\$422,822	\$5,092,594	\$3,170,042	\$1,017,675	\$5,451,027	\$6,427,060	\$40,476,730

CITY OF MILPITAS
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

	GAS TAX			HOUSING AND COMMUNITY DEVELOPMENT		
	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
REVENUES						
Other taxes						
Licenses and fines						
Use of money and property	\$42,674	\$75,734	\$33,060	\$10,952	\$8,971	(\$1,981)
Intergovernmental	3,917,532	3,888,101	(29,431)	686,922	581,154	(105,768)
Charges for services						
Developer contributions						
Total Revenues	<u>3,960,206</u>	<u>3,963,835</u>	<u>3,629</u>	<u>697,874</u>	<u>590,125</u>	<u>(107,749)</u>
EXPENDITURES						
Current:						
General Government:						
City Manager						
City Attorney						
Finance					14,578	(14,578)
Non-departmental				1,239,162	566,576	672,586
Building, Safety and Housing						
Recreation and Community Services						
Public Works						
Engineering						
Planning						
Police						
Fire						
Total Expenditures				<u>1,239,162</u>	<u>581,154</u>	<u>658,008</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,960,206</u>	<u>3,963,835</u>	<u>3,629</u>	<u>(541,288)</u>	<u>8,971</u>	<u>550,259</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	848,458	2,711,393	1,862,935			
Transfers (out)	<u>(2,789,041)</u>	<u>(2,686,713)</u>	<u>102,328</u>			
Total Other Financing Sources (Uses)	<u>(1,940,583)</u>	<u>24,680</u>	<u>1,965,263</u>			
NET CHANGE IN FUND BALANCES	<u>\$2,019,623</u>	<u>3,988,515</u>	<u>\$1,968,892</u>	<u>(\$541,288)</u>	<u>8,971</u>	<u>\$550,259</u>
ADJUSTMENT TO BUDGETARY BASIS:						
Expenditures capitalized for GAAP purposes						
Capital Outlay						
Encumbrance adjustments						
Fund balances at beginning of year		<u>4,424,694</u>			<u>3,817,305</u>	
Fund balances at end of year		<u>\$8,413,209</u>			<u>\$3,826,276</u>	

LAW ENFORCEMENT SERVICES			SOLID WASTE REDUCTION AND SERVICES			LIGHTING AND LANDSCAPING MAINTENANCE DISTRICT		
Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
						\$459,473	\$457,525	(\$1,948)
\$22,415	\$8,916	(\$13,499)	\$400,000	\$1,850,693	\$1,450,693			
391,487	259,641	(131,846)	36,650	16,158	(20,492)	1,878	11,145	9,267
			413,084	194,142	(218,942)			
				20,172	20,172			
413,902	268,557	(145,345)	849,734	2,081,165	1,231,431	461,351	468,670	7,319
	4,611							
			988,542	697,485	291,057	329,499	256,019	73,480
			8,382	200	8,182	109,573	92,736	16,837
777,897	351,397	426,500						
38,887	38,887							
816,784	394,895	426,500	996,924	697,685	299,239	439,072	348,755	90,317
(402,882)	(126,338)	276,544	(147,190)	1,383,480	1,530,670	22,279	119,915	97,636
60,000		(60,000)				41,866	41,866	
			(157,996)	(157,997)	(1)	(11,000)	(11,000)	
60,000		(60,000)	(157,996)	(157,997)	(1)	30,866	30,866	
(\$342,882)	(126,338)	\$216,544	(\$305,186)	1,225,483	\$1,530,669	\$53,145	150,781	\$97,636
	128,849			15,525			2,398	
	114,368			1,046,183			190,462	
	\$116,879			\$2,287,191			\$343,641	

(Continued)

CITY OF MILPITAS
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

	COMMUNITY FACILITIES DISTRICT			HETCH-HETCHY GROUND LEASE		
	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
REVENUES						
Other taxes	\$4,156,571	\$4,651,788	\$495,217			
Use of money and property	52,329	30,962	(21,367)	\$39,539	\$18,288	(\$21,251)
Intergovernmental						
Charges for services						
Developer contributions						
Total Revenues	<u>4,208,900</u>	<u>4,682,750</u>	<u>473,850</u>	<u>39,539</u>	<u>18,288</u>	<u>(21,251)</u>
EXPENDITURES						
Current:						
General Government:						
City Manager						
City Attorney						
Finance						
Non-departmental	8,008	11,155	(3,147)	37,500	35,789	1,711
Building, Safety and Housing						
Recreation and Community Services						
Public Works	1,484,556	1,776,047	(291,491)			
Engineering						
Planning						
Police						
Total Expenditures	<u>1,492,564</u>	<u>1,787,202</u>	<u>(294,638)</u>	<u>37,500</u>	<u>35,789</u>	<u>1,711</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,716,336</u>	<u>2,895,548</u>	<u>179,212</u>	<u>2,039</u>	<u>(17,501)</u>	<u>(19,540)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers (out)	<u>(2,929,042)</u>	<u>(2,929,042)</u>				
Total Other Financing Sources (Uses)	<u>(2,929,042)</u>	<u>(2,929,042)</u>				
NET CHANGE IN FUND BALANCES	<u>(\$212,706)</u>	<u>(33,494)</u>	<u>\$179,212</u>	<u>\$2,039</u>	<u>(17,501)</u>	<u>(\$19,540)</u>
ADJUSTMENT TO BUDGETARY BASIS:						
Expenditures capitalized for GAAP purposes						
Capital Outlay						
Encumbrance adjustments						
Fund balances at beginning of year		<u>2,152,320</u>			<u>1,486,366</u>	
Fund balances at end of year		<u>\$2,118,826</u>			<u>\$1,468,865</u>	

COMMUNITY PLANNING			COMMUNITY BENEFITS			AFFORDABLE HOUSING		
Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
\$16,846	\$6,215	(\$10,631)	\$9,414	\$4,386	(\$5,028)	\$129,124	\$72,184	(\$56,940)
254,000	302,712	48,712				51,555	51,555	
				60,000	60,000	\$500,000	786,631	286,631
270,846	308,927	38,081	9,414	64,386	54,972	680,679	910,370	229,691
			50,000	6,110	43,890	\$34,506	33,673	833
						23,211	3,399	19,812
						95,030	58,821	36,209
						1,021,266	792,844	228,422
269,813	329,185	(59,372)					37,290	(37,290)
269,813	329,185	(59,372)	50,000	6,110	43,890	1,174,013	926,027	247,986
1,033	(20,258)	(21,291)	(40,586)	58,276	98,862	(493,334)	(15,657)	477,677
235,485	235,485							
(200,000)	(200,000)							
35,485	35,485							
\$36,518	15,227	(\$21,291)	(\$40,586)	58,276	\$98,862	(\$493,334)	(15,657)	\$477,677
	305,396			364,546			5,108,251	
	\$320,623			\$422,822			\$5,092,594	

(Continued)

CITY OF MILPITAS
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP LEGAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2023

	AFFORDABLE HOUSING UNRESTRICTED			PUBLIC ART		
	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)	Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
REVENUES						
Other taxes						
Use of money and property	\$56,574	\$33,758	(\$22,816)	\$30,944	\$14,769	(\$16,175)
Intergovernmental						
Charges for services					80,576	80,576
Developer contributions						
Total Revenues	56,574	33,758	(22,816)	30,944	95,345	64,401
EXPENDITURES						
Current:						
General Government:						
City Manager						
City Attorney						
Finance						
Non-departmental		118,138	(118,138)			
Building, Safety and Housing						
Recreation and Community Services					1,457	(1,457)
Public Works						
Engineering						
Planning						
Police						
Total Expenditures		118,138	(118,138)		1,457	(1,457)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	56,574	(84,380)	(140,954)	30,944	93,888	62,944
OTHER FINANCING SOURCES (USES)						
Transfers in		710,248	710,248			
Transfers (out)				(130,000)	(142,500)	(12,500)
Total Other Financing Sources (Uses)		710,248	710,248	(130,000)	(142,500)	(12,500)
NET CHANGE IN FUND BALANCES	\$56,574	625,868	\$569,294	(\$99,056)	(48,612)	\$50,444
ADJUSTMENT TO BUDGETARY BASIS:						
Expenditures capitalized for GAAP purposes						
Capital Outlay						
Encumbrance adjustments						
Fund balances at beginning of year		2,544,174			1,066,287	
Fund balances at end of year		\$3,170,042			\$1,017,675	

TOTALS		
Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
\$4,616,044	\$5,109,313	\$493,269
400,000	1,850,693	1,450,693
449,339	301,486	(147,853)
5,460,580	4,974,593	(485,987)
254,000	322,884	68,884
500,000	927,207	427,207
11,679,963	13,486,176	1,806,213

84,506	33,673	50,833
23,211	3,399	19,812
	14,578	(14,578)
1,379,700	790,479	589,221
1,021,266	792,844	228,422
	6,068	(6,068)
2,802,597	2,729,551	73,046
117,955	92,936	25,019
269,813	329,185	(59,372)
777,897	351,397	426,500

6,476,945	5,144,110	1,332,835
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5,203,018	8,342,066	3,139,048
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950,324	3,698,992	2,748,668
(6,217,079)	(6,127,252)	89,827

(5,266,755)	(2,428,260)	2,838,495
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(\$63,737)	5,913,806	\$5,977,543
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146,772
22,620,352
<u>\$28,680,930</u>



INTERNAL SERVICE FUNDS

Internal Service Funds report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its components units, or to other governments, on a cost reimbursement basis. These funds include the following:

EQUIPMENT MANAGEMENT INTERNAL SERVICE FUND

The Equipment Management Internal Service Fund is used to finance and account for the replacement of equipment used by City departments and the maintenance of computer systems on a cost reimbursement basis.

PENSION SECTION 115 INTERNAL SERVICE FUND

The Pension Section 115 Internal Service Fund is used to accumulate funds which may be used to fund either the annual actuarially determined pension contribution amounts, pay down unfunded pension liabilities with CalPERS, or reduce the length of pension cost amortization schedules with CalPERS.



CITY OF MILPITAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2023

	Equipment Management	Pension Section 115	Totals
ASSETS			
Current Assets			
Cash and investments	\$14,267,327	\$32,671,513	\$46,938,840
Interest receivable	60,425		60,425
Total current assets	14,327,752	32,671,513	46,999,265
Noncurrent Assets			
Materials, supplies and deposits	591,117		591,117
Capital assets (net of accumulated depreciation)	8,480,587		8,480,587
Total noncurrent assets	9,071,704		9,071,704
Total Assets	23,399,456	32,671,513	56,070,969
LIABILITIES			
Current Liabilities			
Accounts payable	112,019	8,453	120,472
Interest payable			
Refundable deposit	12		12
Accrued payroll	49,800		49,800
Accrued vacation	121,268		121,268
Sick leave payable	13,820		13,820
Capital lease			
Noncurrent Liabilities			
Accrued vacation	40,772		40,772
Sick leave payable	4,946		4,946
Total Liabilities	342,637	8,453	351,090
NET POSITION			
Invested in capital assets	8,480,587		8,480,587
Restricted for pension expenses		32,663,060	32,663,060
Unrestricted	14,576,232		14,576,232
Total Net Position	\$23,056,819	\$32,663,060	\$55,719,879

CITY OF MILPITAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Equipment Management	Pension Section 115	Totals
OPERATING REVENUES			
Charges for services	\$3,552,091		\$3,552,091
Other	65,533	\$1,144,841	1,210,374
Total Operating Revenues	3,617,624	1,144,841	4,762,465
OPERATING EXPENSES			
Personal services	1,538,014		1,538,014
Services and supplies	1,278,271	85,191	1,363,462
Depreciation and amortization	1,213,482		1,213,482
Maintenance and repairs	618,463		618,463
Total Operating Expenses	4,648,230	85,191	4,733,421
Operating Income (Loss)	(1,030,606)	1,059,650	29,044
NONOPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	12,326		12,326
Interest income(loss)	96,517	1,066,064	1,162,581
Total Nonoperating Revenues (Expenses)	108,843	1,066,064	1,174,907
Income (Loss) Before Contributions and Transfers	(921,763)	2,125,714	1,203,951
Contributions	277,568		277,568
Transfer in	1,365,373		1,365,373
Transfer out	(150,000)		(150,000)
Change in net position	571,178	2,125,714	2,696,892
Net position-beginning	22,485,641	30,537,346	53,022,987
Net position-ending	\$23,056,819	\$32,663,060	\$55,719,879

CITY OF MILPITAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Equipment Management	Pension Section 115	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$3,617,863	\$1,144,841	\$4,762,704
Payments to suppliers	(1,858,896)	(76,738)	(1,935,634)
Payments to employees	(1,505,594)		(1,505,594)
Net cash provided by operating activities	253,373	1,068,103	1,321,476
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	1,365,373		1,365,373
Transfers out	(150,000)		(150,000)
Cash Flows from Noncapital Financing Activities	1,215,373		1,215,373
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(75,135)		(75,135)
Proceeds from sale of capital assets	12,326		12,326
Cash Flows from Capital and Related Financing Activities	(62,809)		(62,809)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	61,987	1,066,064	1,128,051
Cash Flows from Investing Activities	61,987	1,066,064	1,128,051
Net increase (decrease) in cash and cash equivalents	1,467,924	2,134,167	3,602,091
Cash and investments at beginning of period	12,799,403	30,537,346	43,336,749
Cash and investments at end of period	\$14,267,327	\$32,671,513	\$46,938,840
NONCASH TRANSACTIONS:			
Contributions and transfers of capital assets, net	\$277,568		\$277,568
Retirement of capital assets, net			
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	(1,030,606)	\$1,059,650	29,044
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,213,482		1,213,482
Change in assets and liabilities:			
Receivables, net	239		239
Materials, supplies and deposits	9,542		9,542
Accounts and other payables	60,716	8,453	69,169
Net cash provided by operating activities	\$253,373	\$1,068,103	\$1,321,476



STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time:

- Net Position – Schedule 1
- Changes in Net Position – Schedule 2
- Fund Balances, Governmental Funds – Schedule 3
- Changes in Fund Balance, Governmental Funds – Schedule 4

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

- Assessed Value and Actual Value of Taxable Property – Schedule 5
- Direct and Overlapping Property Taxes Rates – Schedule 6
- Principal Property Taxpayers – Schedule 7
- Property Tax Levies and Collections – Schedule 8
- Taxable Sales by Category – Schedule 9
- Direct and Overlapping Sales Tax Rates – Schedule 10
- Principal Sales Tax Payers – Schedule 11

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

- Ratios of Outstanding Debt by Type – Schedule 12
- Bonded Debt Pledged Revenue Coverage, Redevelopment Agency Tax Allocation Bonds – Schedule 13
- Computation of Direct and Overlapping Debt – Schedule 14
- Legal Debt Margin Information – Schedule 15
- Installment Payment Coverage, Sewer Certificates of Participation and Waste Water Revenue Refunding Bonds – Schedule 16
- Installment Payment Coverage, Water Revenue Bonds – Schedule 17

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

- Bimonthly Sewer Rates by Customer Class – Schedule 18
- Bimonthly Water Rates by Customer Class – Schedule 19
- Demographic and Economic Statistics – Schedule 20
- Principal Employers – Schedule 21

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

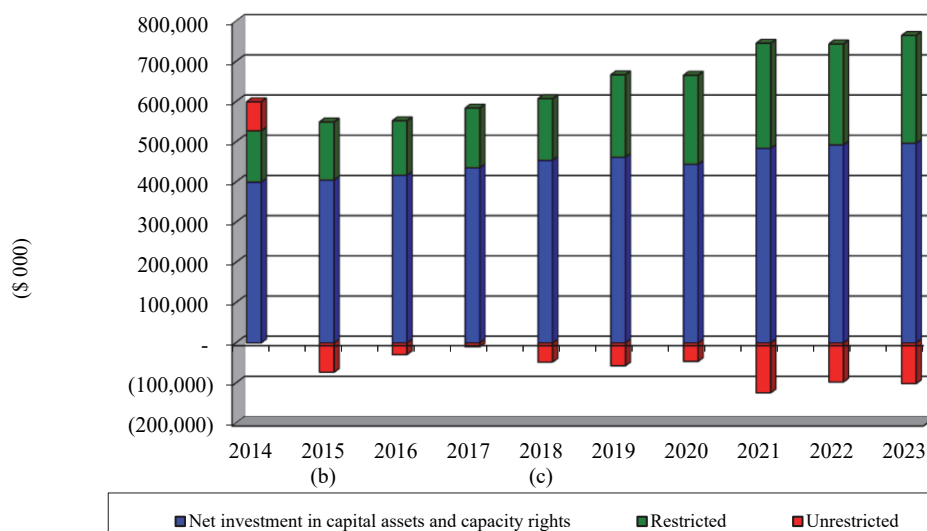
- Authorized Full-Time Equivalent Employees by Function/Program – Schedule 22
- Operating Indicators by Function/Program – Schedule 23
- Capital Asset Statistics by Function/Program – Schedule 24

Sources

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.



CITY OF MILPITAS
NET POSITION
LAST TEN FISCAL YEARS
 (Accrual basis of accounting)
 (Dollars in Thousands)



	Fiscal Year Ended June 30,				
	2014	2015 (b)	2016	2017	2018 (c)
Governmental activities					
Net investment in capital assets and capacity rights	\$291,704	\$291,500	\$298,321	\$312,138	\$323,239
Restricted	90,758	103,829	100,327	108,630	109,726
Unrestricted	51,315	(84,598)	(44,368)	(30,091)	(63,405)
Total governmental activities net position	<u>\$433,777</u>	<u>\$310,731</u>	<u>\$354,280</u>	<u>\$390,677</u>	<u>\$369,560</u>
Business-type activities					
Net investment in capital assets and capacity rights	\$107,816	\$113,232	\$118,588	\$122,937	\$130,736
Restricted	37,254	40,867	35,130	40,311	43,834
Unrestricted	20,880	11,586	15,261	20,254	15,784
Total business-type activities net position	<u>\$165,950</u>	<u>\$165,685</u>	<u>\$168,979</u>	<u>\$183,502</u>	<u>\$190,354</u>
Primary government					
Net investment in capital assets and capacity rights	\$399,520	\$404,732	\$416,909	\$435,075	\$453,975
Restricted	128,012	144,696	135,457	148,941	153,560
Unrestricted	72,195	(73,012)	(29,107)	(9,837)	(47,621)
Total primary government net position	<u>\$599,727</u>	<u>\$476,416</u>	<u>\$523,259</u>	<u>\$574,179</u>	<u>\$559,914</u>
	Fiscal Year Ended June 30				
	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets and capacity rights	\$326,564	\$344,471	\$358,445	\$365,009	\$365,509
Restricted	145,983	158,716	189,030	176,451	179,036
Unrestricted	(65,799)	(93,911)	(142,708)	(118,570)	(114,218)
Total governmental activities net position	<u>\$406,748</u>	<u>\$409,276</u>	<u>\$404,767</u>	<u>\$422,890</u>	<u>\$430,327</u>
Business-type activities					
Net investment in capital assets and capacity rights	\$135,048	\$99,331	\$125,206	\$127,204	\$130,978
Restricted	59,191	63,084	72,629	75,083	89,091
Unrestricted	8,930	47,967	18,483	21,208	12,857
Total business-type activities net position	<u>\$203,169</u>	<u>\$210,382</u>	<u>\$216,318</u>	<u>\$223,495</u>	<u>\$232,926</u>
Primary government					
Net investment in capital assets and capacity rights	\$461,612	\$443,802	\$483,651	\$492,213	\$496,487
Restricted	205,174	221,800	261,659	251,534	268,127
Unrestricted	(56,869)	(45,944)	(124,225)	(97,362)	(101,361)
Total primary government net position	<u>\$609,917</u>	<u>\$619,658</u>	<u>\$621,085</u>	<u>\$646,385</u>	<u>\$663,253</u>

- (a) The City implemented the provisions of GASB Statement 63 in fiscal year 2013, which replaced the term “net assets” with the term “net position”
- (b) The City implemented the provisions of GASB Statement 68 in fiscal year 2015 that required the restatement of net position. Amounts prior to 2015 have not been restated.
- (c) The City implemented the provisions of GASB Statement 75 in fiscal year 2018 that required the restatement of net position. Amounts prior to 2018 have not been restated.

CITY OF MILPITAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting)
 (Dollars in Thousands)

	Fiscal Year Ended June 30,			
	2014	2015	2016	2017
Expenses				
Governmental activities				
General Government	\$21,074	\$18,118	\$18,614	\$21,174
Building and Safety	2,684	2,617	2,513	3,389
Building, Housing and Safety				
Recreation and Community Services				
Public Works	18,664	17,509	12,761	16,266
Engineering			5,790 (d)	6,249 (d)
Planning and Neighborhood Services	2,119	2,372	2,649 (d)	3,103 (d)
Planning				
Parks and Recreation	3,012	3,098	4,090	4,949
Police	23,373	24,699	24,556	30,270
Fire	15,159	16,301	16,400	20,499
Interest on Long Term Debt	240	67	56	48
Total governmental activities expenses	86,325	84,781	87,429	105,947
Business-type activities				
Water Utility	17,369	18,344	19,743	20,666
Recycled Water Utility	(c)	(c)	(c)	(c)
Sewer Utility	11,008	10,426	10,872	9,969
Total business-type activities expenses	28,377	28,770	30,615	30,635
Total primary government expenses	\$114,702	\$113,551	\$118,044	\$136,582
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	\$1,819	\$1,063	\$2,065	\$1,970
Building and Safety	6,445	5,128	5,963	7,814
Building, Housing and Safety				
Recreation and Community Services				
Public Works	2,472	2,644	(d)	(d)
Engineering			2,863 (d)	2,720 (d)
Planning and Neighborhood Services	432	700	747	292
Planning				
Parks and Recreation	1,958	2,060	1,981	2,301
Police	1,091	1,151	1,138	1,184
Fire	2,120	1,885	2,440	3,224
Operating grants and contributions	6,195	6,201	7,320	7,880
Capital grants and contributions	15,483	14,711	35,195	32,256
Total government activities program revenues	38,015	35,543	59,712	59,641
Business-type activities				
Charges for services:				
Water Utility	21,354	21,136	18,709	26,318
Recycled Water Utility	(c)	(c)	(c)	(c)
Sewer Utility	12,753	14,453	15,964	16,803
Operating grants and contributions	57	127	63	89
Capital grants and contributions	1,402	710	1,103	4,937
Total business-type activities program revenue	35,566	36,426	35,839	48,147
Total primary government program revenues	\$73,581	\$71,969	\$95,551	\$107,788
Net (Expense)/Revenue				
Governmental activities	(\$48,310)	(\$49,238)	(\$27,717)	(\$46,306)
Business-type activities	7,189	7,656	5,224	17,512
Total primary government net expense	(\$41,121)	(\$41,582)	(\$22,493)	(\$28,794)

- (a) The City implemented the provisions of GASB Statement 63 in fiscal year 2013, which replaced the term "net assets" with the term "net position."
- (b) The parks division is part of the Public Works department beginning in fiscal year 2013.
- (c) Beginning in fiscal year 2013, the Recycled Water Utility is part of the Water Utility.
- (d) Public Works and Engineering are separate departments beginning in fiscal year 2016.
- (e) Neighborhood Services is a component of Building, Housing and Safety, and Planning is a separate department beginning in fiscal year 2019.
- (f) Under the terms of a settlement agreement with the County Auditor - Controller, Successor Agency to the Milpitas Redevelopment Agency and other parties, the City and Economic Development Corporation transferred cash and certain capital assets to the Successor Agency and received certain capital assets from the Successor Agency.

2018	2019	2020	2021	2022	2023
\$19,111	\$25,281	\$24,050	\$25,247	\$25,213	\$25,711
4,148	(e)	(e)	(e)	(e)	(e)
(e)	5,449	7,418	6,705	4,943	7,940
5,890	7,020	7,095	5,174	6,114	8,410
15,903	20,053	20,342	20,219	22,063	23,657
5,712 (d)	6,459 (d)	7,314 (d)	6,826 (d)	5,047 (d)	6,006 (d)
3,586 (d)	(e)	(e)	(e)	(e)	(e)
	1,851	2,741	2,489	1,851	2,638
33,840	35,868	43,505	38,919	29,468	39,545
24,194	26,535	31,472	31,859	29,040	31,799
	17	37	785	838	565
112,384	128,533	143,974	138,223	124,577	146,271
23,742	25,232	28,750	28,959	26,898	28,070
(c)	(c)	(c)	(c)	(c)	(c)
12,715	12,231	15,240	15,982	15,622	20,226
36,457	37,463	43,990	44,941	42,520	48,296
\$148,841	\$165,996	\$187,964	\$183,164	\$167,097	\$194,567
\$2,088	\$2,347	\$1,809	\$1,710	\$1,931	\$1,400
10,093 (e)		(e)	(e)	(e)	(e)
	9,718	6,621	8,629	8,815	7,815
2,559	2,655	1,145	762	2,360	3,328
(d)	(d)	(d)	(d)	(d)	(d)
2,465 (d)	2,379 (d)	2,132 (d)	1,792 (d)	1,096 (d)	2,960 (d)
418 (e)		(e)	(e)	(e)	(e)
	226	452	408	474	505
1,089	1,130	1,087	1,055	1,421	1,565
3,326	2,172	2,402	2,553	2,582	2,498
6,521	8,277	10,643	14,986	15,335	16,230
34,003	47,194	33,423	18,997	19,924	7,901
62,562	76,098	59,714	50,892	53,938	44,283
29,667	29,355	32,792	34,658	34,374	34,242
(c)	(c)	(c)	(c)	(c)	(c)
17,139	17,830	19,566	20,152	21,593	24,953
124	114	171	125	306	59
2,507	2,755	601	1,434	1,026	2,509
49,437	50,054	53,130	56,369	57,299	61,763
\$111,999	\$126,152	\$112,844	\$107,261	\$111,237	\$106,046
(\$49,822)	(\$52,435)	(\$84,260)	(\$87,331)	(\$70,639)	(\$101,988)
12,980	12,591	9,140	11,428	14,779	13,467
(\$36,842)	(\$39,844)	(\$75,120)	(\$75,903)	(\$55,860)	(\$55,860)

(Continued)

CITY OF MILPITAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Dollars in Thousands)

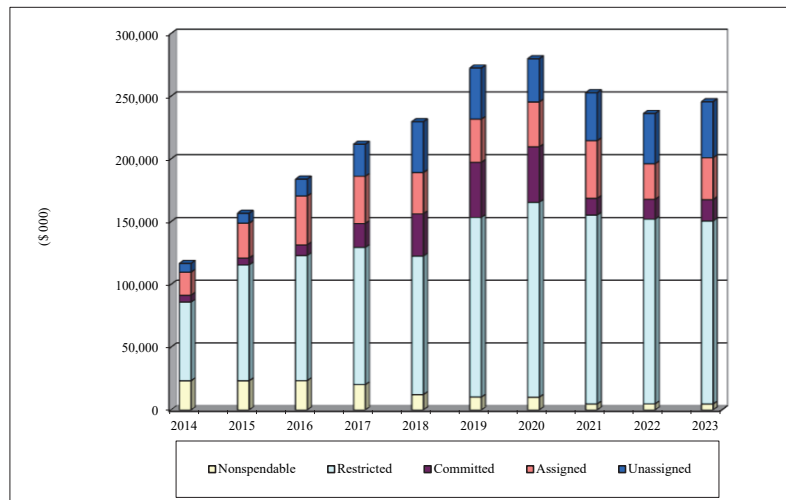
	Fiscal Year Ended June 30,			
	2014	2015	2016	2017
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes:				
Property taxes	\$27,607	\$24,927	\$27,068	\$30,262
Sales and use taxes	19,014	18,779	23,924	25,392
Hotel/Motel taxes	9,336	10,917	11,757	11,858
Other taxes	672	664	822	803
Franchise fees	3,453	3,659	3,841	3,871
Motor vehicle in lieu	31	29	29	34
Investment earnings	844	379	913	118
Gain on sale of capital assets/property				7,324
Miscellaneous	200	333	287	118
Transfers	3,402	1,627	2,625	2,923
Extraordinary item				
Special Item	49,799			
Total government activities	64,559	61,314	71,266	82,703
Business-type activities				
Investment earnings	690	383	695	(65)
Transfers	(3,402)	(1,627)	(2,625)	(2,923)
Total business-type activities	(2,712)	(1,244)	(1,930)	(2,988)
Total primary government	\$61,847	\$60,070	\$69,336	\$79,715
Change in net position				
Governmental activities	\$16,249	\$12,076	\$43,549	\$36,397
Business-type activities	4,477	6,412	3,294	14,524
Total primary government	\$20,726	\$18,488	\$46,843	\$50,921

- (a) The City implemented the provisions of GASB Statement 63 in fiscal year 2013, which replaced the term "net assets" with the term "net position."
- (b) The parks division is part of the Public Works department beginning in fiscal year 2013.
- (c) Beginning in fiscal year 2013, the Recycled Water Utility is part of the Water Utility.
- (d) Public Works and Engineering are separate departments beginning in fiscal year 2016.
- (e) Neighborhood Services is a component of Building, Housing and Safety, and Planning is a separate department beginning in fiscal year 2019.
- (f) Under the terms of a settlement agreement with the County Auditor - Controller, Successor Agency to the Milpitas Redevelopment Agency and other parties, the City and Economic Development Corporation transferred cash and certain capital assets to the Successor Agency and received certain capital assets from the Successor Agency.

2018	2019	2020	2021	2022	2023
\$31,893	\$33,811	\$37,684	\$40,979	\$42,646	\$47,100
26,991	27,983	24,173	24,170	33,210	37,344
12,122	14,503	11,377	4,213	8,013	11,190
814	808	836	791	1,070	737
4,678	5,127	5,173	5,036	5,188	5,690
39	36	60	57	87	84
301	4,474	2,808	965	(7,560)	1,864
186	4	43	28	198	34
2,511	390	446	503	1,554	765
	2,489	4,187	6,079	4,357	4,616
(12,432) (f)					
67,103	89,625	86,787	82,821	88,763	109,424
171	2,712	2,261	588	(3,246)	580
(2,511)	(2,489)	(4,187)	(6,079)	(4,357)	(4,616)
(2,340)	223	(1,926)	(5,491)	(7,603)	(4,036)
\$64,763	\$89,848	\$84,861	\$77,330	\$81,160	\$105,388
\$17,281	\$37,190	\$2,527	(\$4,510)	\$18,124	\$7,436
10,640	12,814	7,214	5,937	7,176	9,431
\$27,921	\$50,004	\$9,741	\$1,427	\$25,300	\$16,867



CITY OF MILPITAS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Dollars in Thousands)



	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$23,279	\$23,265	\$23,387	\$20,209	\$10,043	\$10,234	\$10,189	\$4,783	\$4,866	\$4,924
Restricted	0	0	0	0	0	0	0	0	0	0
Committed	5,433	5,433	8,440	19,026	33,643	43,852	44,082	13,266	15,766	16,972
Assigned	6,658	7,013	9,052	8,067	8,629	5,916	6,118	6,543	6,114	6,921
Unassigned	13,521	13,864	13,410	25,440	40,496	40,655	34,387	38,128	40,038	44,685
Total General Fund	\$48,891	\$49,575	\$54,289	\$72,742	\$92,811	\$100,657	\$94,776	\$62,720	\$66,784	\$73,502 (a)
All Other Governmental Funds										
Nonspendable	\$32	\$11	\$13	\$15	\$2,229	\$85	\$20	\$28	\$27	\$150
Restricted	62,661	92,347	99,701	109,416	110,418	143,232	155,359	150,544	147,231	145,894
Assigned	11,808	20,806	29,956	29,635	24,284	28,532	29,768	39,508	22,250	26,485
Unassigned	(6,610)	(5,932)	0	0	0	0	0	0	0	0
Total all other governmental funds	\$67,891	\$107,232	\$129,670	\$139,066	\$136,931	\$171,849	\$185,147	\$190,080	\$169,508	\$172,529 (a)

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

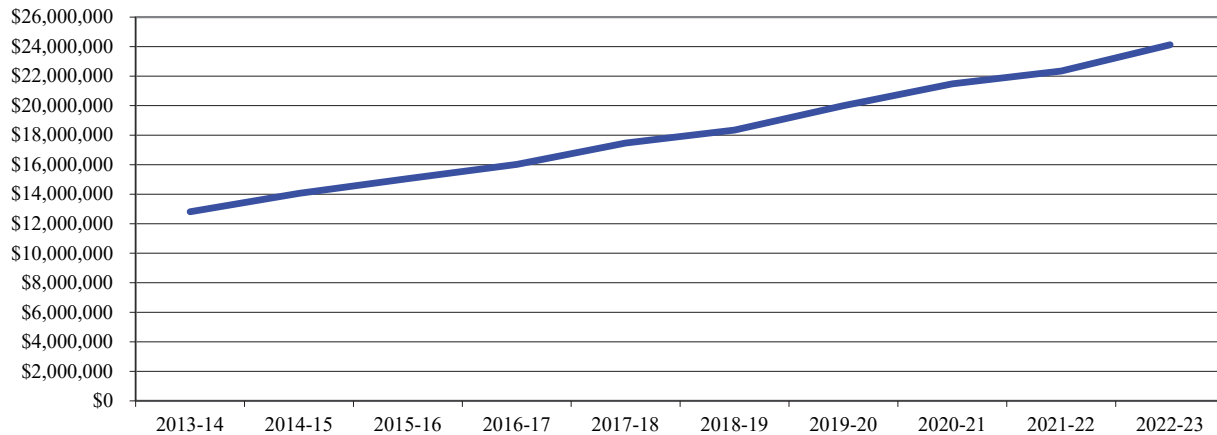
CITY OF MILPITAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Dollars in Thousands)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Revenues					
Property taxes	\$27,608	\$24,927	\$27,068	\$30,261	\$31,893
Sales taxes	19,766	19,572	24,719	26,214	27,854
Hotel/Motel taxes					
Franchise fees					
Other taxes	14,992	17,505	18,737	19,349	20,429
Licenses and fines	8,193	6,971	8,051	10,497	12,758
Use of money and property	2,964	2,032	3,037	2,180	2,719
Intergovernmental	5,216	5,482	6,104	4,696	6,228
Charges for services	5,735	6,449	7,196	7,238	6,981
Developer contributions	13,975	11,614	29,410	25,637	29,065
Other	1,144	205	113	310	568
Total Revenues	99,593	94,757	124,435	126,382	138,495
Expenditures					
Current:					
General Government	13,204	12,814	13,771	17,089	15,397
Building and Safety	2,658	2,706	2,885	3,148	3,633
Building, Housing and Safety					
Recreation and Community Services					
Human Resources and Recreation	3,124	3,329	(c)	(c)	(c)
Parks and Recreation	(a)	(a)	(a)	(a)	(a)
Public Works	8,535	9,199	6,020	6,839	6,983
Engineering			3,257	3,527	3,103
Planning and Neighborhood Services	2,202	2,570	2,805	2,978	3,153
Planning					
Police	22,165	24,193	26,124	27,247	27,880
Fire	14,587	15,605	17,470	18,456	21,034
Capital outlay	10,035	14,376	24,811	26,151	27,243
Debt service:					
Principal	3,828	6,000			
Interest and fees	223	61	54	48	69
Total Expenditures	80,561	90,853	100,580	109,359	112,992
Excess (deficiency) of revenues over (under) expenditures	19,032	3,904	23,855	17,023	25,503
Other Financing Sources (Uses)					
Proceeds from debt issuance					
Payments to refunded debt escrow agent					
Proceeds/gain from sale of properties	6	4	160	7,324	
Loss from sale/conveyance of property					(12,437)
Transfers in	7,499	25,558	23,001	18,405	19,505
Transfers (out)	(4,098)	(19,305)	(19,864)	(14,903)	(14,637)
Total other financing sources (uses)	3,407	6,257	3,297	10,826	(7,569)
Extraordinary Items					
Assets transferred to Housing Successor					
Assets transferred to/liabilities assumed by Successor Agency/Housing Successor					
Special Item					
Assets transferred to/from Successor Agency and County	-27,261 (b)				
Net Change in fund balances	\$22,439	\$10,161	\$27,152	\$27,849	\$17,934
Debt service as a percentage of noncapital expenditures	5.5%	7.4%	0.1%	0.1%	0.1%

- (a) Beginning in fiscal year 2013, parks maintenance division is part of the public works department and the recreation division is part of human resources department. However starting in fiscal year 2016, the recreation was separated out from Human Resources as an individual department
- (b) Under the terms of a settlement agreement with the County Auditor - Controller, Successor Agency to the Milpitas Redevelopment Agency and other parties, the City and Economic Development Corporation transferred cash and certain capital assets to the Successor Agency and received certain capital assets from the Successor Agency.
- (c) Human Resources is a component of General Government and Recreation is a separate department beginning in fiscal year 2016.
- (d) Neighborhood Services is a component of Building, Housing and Safety, and Planning is a separate department beginning in fiscal year 2019.
- (e) Transient occupancy taxes and Franchise fees were reported separately from Other taxes beginning in fiscal year 2020.

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$33,811	\$37,799	\$41,093	\$42,759	\$47,210
28,890	25,058	25,114	34,364	38,476
	11,377 (e)	4,213 (e)	8,012 (e)	11,189 (e)
	5,173 (e)	5,036 (e)	5,188 (e)	5,690 (e)
23,386	4,632 (e)	4,889 (e)	5,940 (e)	6,154 (e)
11,757	9,039	10,993	11,287	10,147
8,452	8,092	1,505	(5,980)	3,432
6,019	9,089	12,576	15,403	16,062
6,969	5,228	4,816	6,114	6,908
41,153	24,684	15,880	9,331	2,399
926	983	642	621	935
161,363	141,154	126,757	133,039	148,602
21,352	19,146	22,902	24,657	22,390
(d)	(d)	(d)		
5,038	5,784	6,088	5,853	7,635
5,144	5,227	3,662	5,041	6,640
(c)	(c)	(c)		
(a)	(a)	(a)		
8,151	9,588	10,671	10,850	12,053
3,201	3,559	3,846	3,474	3,539
(d)	(d)	(d)		
1,648	2,116	2,293	2,142	2,484
30,389	34,301	34,803	35,023	37,656
23,225	26,416	28,200	29,483	29,227
23,435	32,106	33,648	33,828	21,196
199	728		275	748
104	155	449	737	740
121,886	139,126	146,562	151,363	144,308
39,477	2,028	(19,805)	(18,324)	4,294
952		21,919		
1		3	118	65
(152)				
37,936	27,164	21,486	16,902	23,531
(35,449)	(21,777)	(50,724)	(13,225)	(20,131)
3,288	5,387	(7,316)	3,795	3,465
\$42,765	\$7,415	(\$27,121)	(\$14,529)	\$7,759
0.3%	0.7%	0.3%	0.7%	0.7%

CITY OF MILPITAS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (Dollars in Thousands)



Fiscal Year	Real Property				Unsecured	Less: Tax-Exempt Property (c)	Total Taxable Assessed Value (a)	Total Direct Tax Rate (b)
	Residential Property	Commercial Property	Industrial Property	Other (c)				
2013-14	\$6,793,845	\$1,388,236	\$2,622,328	\$540,230	\$1,764,760	(\$296,041)	\$12,813,358	1%
2014-15	7,728,283	1,427,474	2,628,858	654,879	1,887,428	(266,136)	14,060,786	1%
2015-16	8,629,667	1,445,665	2,788,984	649,712	1,844,591	(299,860)	15,058,759	1%
2016-17	9,386,926	1,493,922	3,248,012	675,017	1,529,223	(314,291)	16,018,809	1%
2017-18	10,143,815	1,581,140	3,563,327	782,718	1,710,357	(315,999)	17,465,358	1%
2018-19	10,997,080	1,619,668	3,504,633	790,143	1,761,094	(328,719)	18,343,899	1%
2019-20	12,311,913	1,684,889	3,752,681	665,325	1,917,745	(333,527)	19,999,026	1%
2020-21	13,398,580	1,792,792	4,048,447	534,924	1,890,212	(186,858)	21,478,097	1%
2021-22	14,045,849	1,861,634	4,231,585	463,153	1,922,357	(178,163)	22,346,415	1%
2022-23	15,166,680	1,890,500	4,568,761	496,705	2,196,227	(193,979)	24,124,894	1%

Source: Hdl Coren & Cone, Santa Clara County Assessor Combined Tax Rolls

Notes:

- (a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.
- (b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.
- (c) Corrections were made for Fiscal Years 2013-14 through 2018-19 to correct the amounts for Other and Tax-Exempt Property. Total assessed value was unchanged.

CITY OF MILPITAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of assessed value)

Fiscal Year	City Direct Rates		Overlapping Rates (a)		
	Basic Rate (b)	Total Direct	County of Santa Clara (c)	School Districts	Special Districts
2013-14	1.00	1.00	0.0437	0.0961	0.0070
2014-15	1.00	1.00	0.0503	0.0750	0.0065
2015-16	1.00	1.00	0.0503	0.0817	0.0057
2016-17	1.00	1.00	0.0498	0.0734	0.0086
2017-18	1.00	1.00	0.0621	0.0880	0.0062
2018-19	1.00	1.00	0.0589	0.0850	0.0042
2019-20	1.00	1.00	0.0581	0.1245	0.0410
2020-21	1.00	1.00	0.0412	0.1255	0.0037
2021-22	1.00	1.00	0.0412	0.1210	0.0051
2022-23	1.00	1.00	0.0412	0.1172	0.0044

Source: County of Santa Clara, Tax Rates & Information

Notes:

- (a) Overlapping rates are those of local and county governments that apply to property owners within the City of Milpitas. Not all overlapping rates apply to all Milpitas property owners. These are voter approved levies in addition to the 1% State levy.
- (b) The City's basic property tax rate can only be increased by a 2/3 vote of the City's residents.
- (c) The overlapping rates for the County of Santa Clara were corrected in prior years to include amounts that were previously omitted by mistake.

CITY OF MILPITAS
PRINCIPAL PROPERTY TAX PAYERS
FISCAL YEARS 2022-23 and 2013-14

Taxpayer	2022-2023			2013-2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Cisco Systems Inc.	\$826,020,918	1	3.42%	\$987,389,413	1	7.71%
KLA Tencor Corporation	612,263,450	2	2.54%	249,599,168	3	1.95%
Headway Technologies Inc	525,346,522	3	2.18%	114,307,730	7	0.89%
Milpitas-District 1 Owner LLC	452,824,710	4	1.88%			
Milpitas Mills LP	352,602,886	5	1.46%	302,422,174	2	2.36%
Sanbox Expansion LLC	249,318,497	6	1.03%	89,250,000	9	0.70%
Anton Milpitas	236,590,987	7	0.98%			
Western Digital Technologies Inc	224,214,039	8	0.93%			
McCarthy Center Holding LLC	203,531,025	9	0.84%			
Amalfi Milpitas LLC	176,047,464	10	0.73%			
California Diversified LLC				153,500,000	4	1.20%
Linear Technology Corporation				132,393,688	5	1.03%
BRE Milpitas LLC				121,141,738	6	0.95%
Silicon Valley California I LLC				106,048,587	8	0.83%
Fairfield Murphy RD LLC				83,610,070	10	0.65%
Subtotal	<u>\$3,858,760,498</u>		<u>15.99%</u>	<u>\$2,339,662,568</u>		<u>18.26%</u>
Fiscal Year 2022-2023 Total Net Assessed Valuation			\$24,124,894,000			
Fiscal Year 2013-2014 Total Net Assessed Valuation			\$12,813,358,000			

Source: Hdl, Coren & Cone, Santa Clara County Assessor 2022/23 Combined Tax Rolls

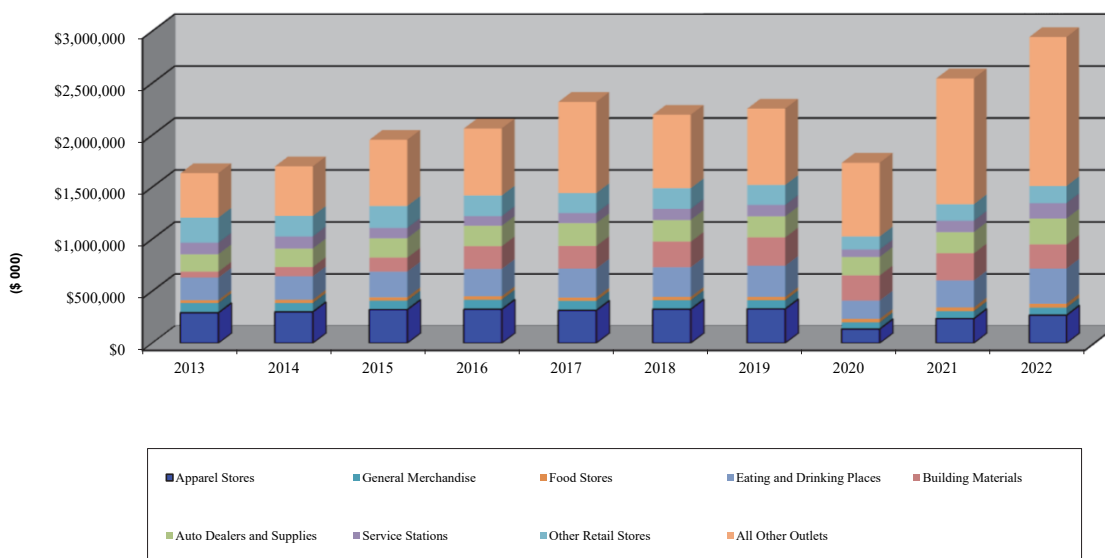
CITY OF MILPITAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Dollars in thousands)

<u>Fiscal Year</u>	<u>Taxes Levied (a)</u>	<u>Current Collections (a)</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Taxes Collected (a)</u>	<u>Percent of Levy</u>
2013-14	27,608	27,608	100.00%	0	27,608	100.00%
2014-15	24,927	24,927	100.00%	0	24,927	100.00%
2015-16	27,068	27,068	100.00%	0	27,068	100.00%
2016-17	30,262	30,262	100.00%	0	30,262	100.00%
2017-18	31,893	31,893	100.00%	0	31,893	100.00%
2018-19	33,811	33,811	100.00%	0	33,811	100.00%
2019-20	37,684	37,684	100.00%	0	37,684	100.00%
2020-21	41,093	41,093	100.00%	0	41,093	100.00%
2021-22	42,759	42,759	100.00%	0	42,759	100.00%
2022-23	47,210	47,210	100.00%	0	47,210	100.00%

(a) The City elected to participate in the "Teeter" plan offered by the County whereby cities receive 100% of the taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes.

Source: City of Milpitas Comprehensive Financial Annual Report

CITY OF MILPITAS
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(Dollars in Thousands)
Adjusted for Economic Data (a)



	CALENDAR YEARS									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Apparel Stores	\$291,569	\$300,449	\$321,992	\$324,754	\$314,471	\$325,502	\$328,545	\$135,733	\$235,718	\$267,979
General Merchandise	93,209	85,048	86,475	92,857	90,725	86,646	83,356	63,773	70,904	73,663
Food Stores	27,962	30,876	32,076	32,093	32,541	31,105	31,622	33,133	35,305	37,683
Eating and Drinking Places	216,040	225,234	246,653	262,560	278,180	285,726	299,484	176,508	260,109	337,908
Building Materials	58,260	90,386	134,128	219,504	217,800	245,999	273,634	241,873	261,114	230,481
Auto Dealers and Supplies	167,073	177,278	186,944	195,626	218,899	208,229	201,342	176,691	204,344	249,917
Service Stations	110,416	115,955	98,981	93,188	97,579	107,423	110,121	72,722	108,410	148,616
Other Retail Stores	241,299	197,600	211,323	198,233	191,621	198,054	192,134	123,956	158,486	163,503
All Other Outlets	427,716	476,482	636,541	645,440	877,058	706,636	734,758	709,740	1,211,268	1,433,583
Total	\$1,633,544	\$1,699,308	\$1,955,113	\$2,064,255	\$2,318,874	\$2,195,320	\$2,254,996	\$1,734,129	\$2,545,658	\$2,943,333

Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

(a) Adjusted for Economic Data - reflects adjustments for prior periods taxable sales in the appropriate quarters.

CITY OF MILPITAS
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year	City Direct Rate	Santa Clara County (b)	State of California
2013-14	1.00	1.50	6.25
2014-15	1.00	1.50	6.25
2015-16	1.00	1.50	6.25
2016-17	1.00	2.00	6.00 (a)
2017-18	1.00	2.00	6.00
2018-19	1.00	2.00	6.00
2019-20	1.00	2.00	6.00
2020-21	1.25	2.00	6.00
2021-22	1.25	2.13	6.00
2022-23	1.25	2.13	6.00

Source: California State Board of Equalization

(a) On April 1, 2017, the County increased the rate 0.50% and on January 1, 2017 the State decreased the rate 0.25%.

(b) Corrections were made to the County and State rates in all years. 0.25% that is part of the County Transportation Fund was being counted as State rate by mistake.

Note: The City's sales tax rate may be changed only with approval of the State Legislature.

CITY OF MILPITAS
 PRINCIPAL SALES TAX PAYERS
 FISCAL YEARS 2022-23 and 2013-14
 IN ALPHABETICAL ORDER

Fiscal Year 2022-2023	Fiscal Year 2013-2014
7 Eleven	Best Buy
Arco	Burlington
Autumn Information Systems	Chevron
Best Buy	Chevron
Burlington	Cisco Systems
Cisco Systems	Coach
Coach	Dave & Busters
Consolidated Electrical Distributors	Flextronics
Envision Honda of Milpitas	Gap Outlet
Envision Toyota of Milpitas	Headway Technologies
Eplus Technology	Home Depot
Flextronics	KLA Tencor
Floor & Décor	Kohls
Headway Technologies	Marshalls
Home Depot	Mazak Corporation
Hoya Corporation USA	Milpitas Materials Company
Inspur Systems	Nanometrics
Jacklin Shell	Nike Factory Store
KLA Tencor	One Workplace
KZ Kitchen Cabinet & Stone	Piercey Toyota
Marshalls	Pivot Interiors
Milpitas Materials Company	Shell
Teledyne Lecroy	South Bay Honda
Veeco Process Equipment Inc	USA Gas
Walmart Supercenter	Walmart Supercenter

Source: HDL Coren & Cone

CITY OF MILPITAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in thousands, except per capita)

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Lease Revenue Bonds	Purchase Agreement	Capital Lease	Certificates of Participation	Revenue Bonds (d)			
2013-14	\$0	\$6,000	\$274	\$6,910	\$0	\$13,184	0.59%	\$188
2014-15	0	0	186	6,490	0	6,676	0.29%	96
2015-16	0	0	94	6,055	0	6,149	0.26%	81
2016-17	0	0	0	5,605	0	5,605	0.22%	74
2017-18	0	0	0	0	5,363	5,363	0.20%	71
2018-19	0	0	728	0	4,812	5,540	0.19% (b)	73
2019-20	0	0	0	0	59,448	59,448	1.76%	763
2020-21	21,919	0	0	0	57,882	79,801	2.11%	1,056
2021-22	21,470	0	0	0	56,246	77,716	2.11%	961
2022-23	20,826	0	0	0	54,555	75,381	1.76%	930

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

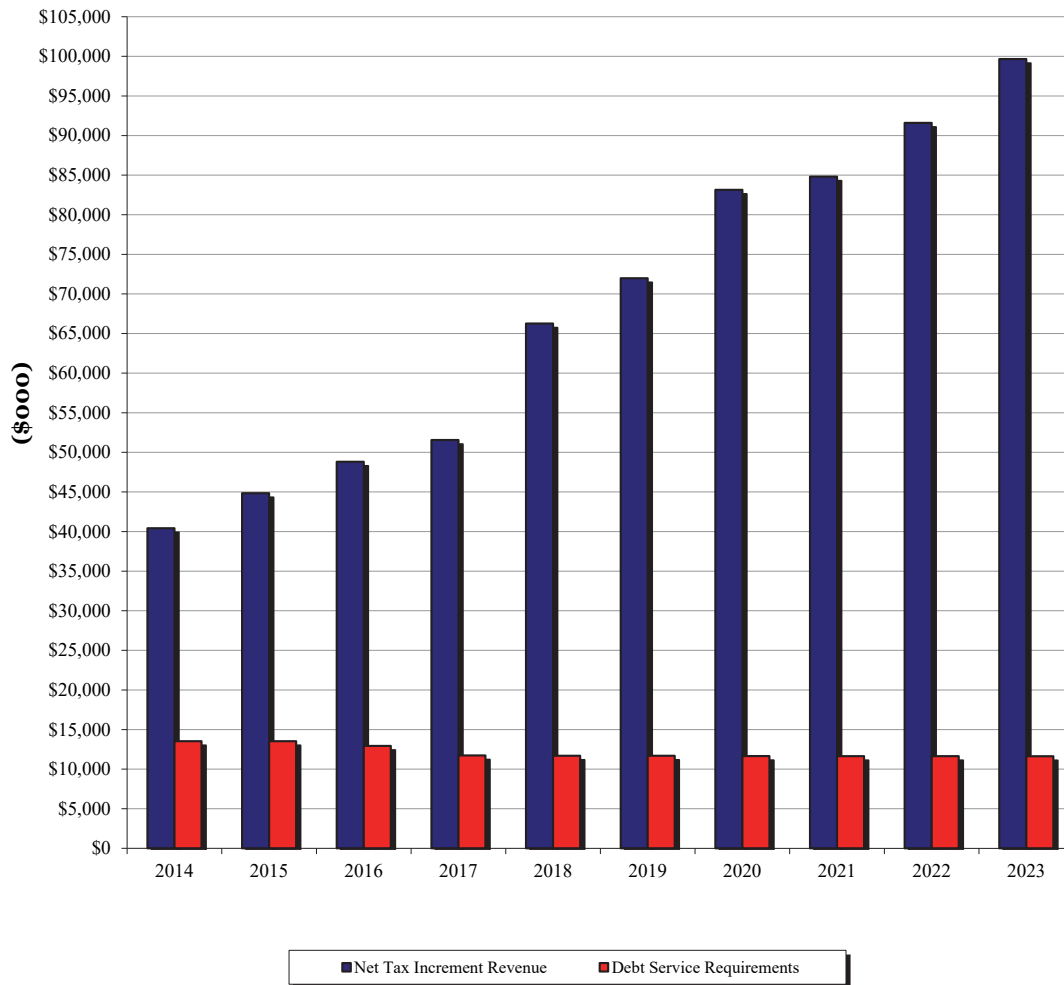
(a) See Schedule 20 for personal income and population data.

(b) The Redevelopment Agency was dissolved as of January 31, 2012 and its debt was assumed by a Successor Agency.

(c) Data for fiscal year 2018-19 not available until May of 2020.

(d) Balance of Revenue Bonds includes unamortized Bond Premium

CITY OF MILPITAS
BONDED DEBT PLEDGED REVENUE COVERAGE
REDEVELOPMENT AGENCY TAX ALLOCATION BONDS
LAST TEN FISCAL YEARS



Fiscal Year Ended June 30	Redevelopment Agency Property Tax Increments (a)	Less Housing Reserve Fund	Net Tax Increment Revenue	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2014	\$40,418,284 (c)	\$0 (b)	\$40,418,284	\$5,825,000 (c)	\$7,713,234 (c)	\$13,538,234	2.99
2015	44,843,881 (c)	0 (b)	44,843,881	6,120,000 (c)	7,414,608 (c)	13,534,608	3.31
2016	48,810,216 (c)	0 (b)	48,810,216	7,375,000 (c)	5,567,028 (c)	12,942,028	3.77
2017	51,563,292 (c)	0 (b)	51,563,292	6,045,000 (c)	5,682,175 (c)	11,727,175	4.40
2018	66,266,187 (c)	0 (b)	66,266,187	6,225,000 (c)	5,467,000 (c)	11,692,000	5.67
2019	71,988,412 (c)	0 (b)	71,988,412	6,475,000 (c)	5,213,000 (c)	11,688,000	6.16
2020	83,139,471	0 (b)	83,139,471	6,735,000 (c)	4,915,125 (c)	11,650,125	7.14
2021	84,805,793	0 (b)	84,805,793	7,070,000 (c)	4,570,000 (c)	11,640,000	7.29
2022	91,606,749	0 (b)	91,606,749	7,425,000 (c)	4,207,625 (c)	11,632,625	7.87
2023	99,657,121	0 (b)	99,657,121	7,800,000 (c)	3,827,000 (c)	11,627,000	8.57

- (a) Tax increments are net of pass-through payments and administrative fees withheld by the County prior to distribution to the Agency.
- (b) The Redevelopment Agency was dissolved as of January 31, 2012 and its debt was assumed by a Successor Agency. The Successor Agency collects Property Taxes, with no distinction between housing and non-housing revenues, which are used for the repayment of the former Redevelopment Agency's Bonds.
- (c) Tax increment reported in this table after the dissolution date is the amount calculated by the County Auditor-Controller as available for payment of enforceable obligations. Under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Debt service reported was paid by the Successor Agency.

CITY OF MILPITAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2023

JURISDICTION	PERCENTAGE APPLICABLE TO CITY OF MILPITAS (1)	AMOUNT APPLICABLE TO CITY OF MILPITAS
2022-23 Assessed Valuation, Direct and Overlapping Debt		\$24,124,508,667
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>		
Santa Clara County		\$40,572,641
San Jose- Evergreen Community College District		128,148,445
Milpitas Unified School District		269,361,281
East Side Union High School District		8,357,755
Berryessa Union School District		10,546,251
Santa Clara Valley Water District Benefits Assessment District		1,515,933
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		458,502,306
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT</u>		
Santa Clara County General Fund Obligations		\$43,662,166
Santa Clara County Pension Obligation Bonds		12,850,040
Santa Clara County Board of Education Certificates of Participation		36,437
San Jose-Evergreen Community College District OPEB Bonds		5,909,390
Milpitas Unified School District General Fund Obligations		9,207,889
East Side Union High School District OPEB Bonds		234,525
Berryessa Union School District General Fund Obligations		150,132
City of Milpitas General Fund Obligations	100%	17,700,000
Santa Clara County Vector District Certifications of Participations		47,933
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		89,798,512
Less: Santa Clara County supported obligations		409,973
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$89,388,539
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency)</u>	100%	\$72,640,000
TOTAL DIRECT DEBT		\$17,700,000
TOTAL GROSS OVERLAPPING DEBT		\$603,240,818
TOTAL NET OVERLAPPING DEBT		\$602,830,845
GROSS COMBINED TOTAL DEBT		\$620,940,818 (2)
NET COMBINED TOTAL DEBT		\$620,530,845

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

<u>Ratios to 2022-23 Assessed Valuation:</u>	
Total Overlapping Tax and Assessment Debt	1.90%
<u>Ratios to Assessed Valuation:</u>	
Direct Debt %	0.07%
Total Gross Debt %	2.57%

Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

CITY OF MILPITAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

Legal Debt Margin Calculation for Fiscal Year 2022-23

Assessed value (net) - June 30, 2023	<u>\$24,124,508,667</u>	
Debt limit: 3.75% of assessed value (a)		\$904,669,075
Debt applicable to limit		
Total Bonded Debt		
Less: Tax Allocation Bonds		
not subject to limit		
Amount of Debt subject to limit		<u>0</u>
Legal debt margin		<u>\$904,669,075</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a percentage of Debt Limit
2013-14	\$480,501	\$0	\$480,501	0.0%
2014-15	527,280	0	\$527,280	0.0%
2015-16	564,703	0	\$564,703	0.0%
2016-17	600,705	0	\$600,705	0.0%
2017-18	654,951	0	\$654,951	0.0%
2018-19	687,896	0	\$687,896	0.0%
2019-20	749,963	0	\$749,963	0.0%
2020-21	805,429	0	\$805,429	0.0%
2021-22	837,991	0	\$837,991	0.0%
2022-23	904,669	0	\$904,669	0.0%

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in being assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

Source: City of Milpitas Finance Department
Santa Clara County Tax Assessor's Office

CITY OF MILPITAS
 INSTALLMENT PAYMENT COVERAGE
 SEWER CERTIFICATES OF PARTICIPATION AND
 WASTEWATER REVENUE REFUNDING BONDS
 LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Installment Payments			Coverage
				Principal	Interest	Total	
2013-14	\$13,235,908	\$7,834,220	\$5,401,688	\$405,000	\$278,965	\$683,965	7.90
2014-15	14,664,759	7,263,553	7,401,206	420,000	264,528	684,528	10.81
2015-16	16,408,718	7,687,848	8,720,870	435,000	249,348	684,348	12.74
2016-17	16,803,344	6,657,757	10,145,587	450,000	233,193	683,193	14.85
2017-18	17,245,001	9,031,729	8,213,272	470,000	216,055	686,055	11.97
2018-19	19,163,495	8,427,888	10,735,607	480,000	170,273	650,273	16.51
2019-20	20,664,951	10,235,463	10,429,488	460,000	808,477	1,268,477	8.22
2020-21	20,499,033	11,425,234	9,073,799	920,000	1,498,525	2,418,525	3.75
2021-22	21,592,843	9,373,484	12,219,359	980,000	1,455,875	2,435,875	5.02
2022-23	25,221,023	13,494,755	11,726,268	1,020,000	1,411,275	2,431,275	4.82

NOTE: The Certificates of Participation were issued on November 28, 2006 and called on January 5, 2018.
 The 2017 Wastewater Revenue Refunding Bonds were issued on December 4, 2017.
 The 2019 Wastewater Revenue Bonds were issued on October 22, 2019.

- (1) Gross Revenues include sewer service charges, other operating revenues, and interest income.
 Gross Revenues exclude connection fees and capital contributions.
- (2) Operating Expenses include sewer treatment services, personnel services, services and supplies,
 and repairs and maintenance expenses.
 Operating Expenses exclude depreciation and amortization expenses.

CITY OF MILPITAS
 INSTALLMENT PAYMENT COVERAGE
 WATER REVENUE FUNDS
 LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Installment Payments			Coverage
				Principal	Interest	Total	
2013-14							
2014-15							
2015-16							
2016-17							
2017-18							
2018-19							
2019-20	\$33,954,254	\$26,919,455	\$7,034,799	\$155,000	\$419,018	\$574,018	12.26
2020-21	35,023,092	27,314,613	7,708,479	290,000	755,650	1,045,650	7.37
2021-22	32,732,692	24,593,074	8,139,618	300,000	744,050	1,044,050	7.80
2022-23	34,554,183	25,712,390	8,841,793	315,000	744,050	732,050	12.08

NOTE: The Water Revenue Bonds were issued on October 24, 2019.

- (1) Gross Revenues include water service charges, other operating revenues, and interest income.
Gross Revenues exclude connection fees and capital contributions.
- (2) Operating Expenses include wholesale water purchases, personnel services, services and supplies, and repairs and maintenance expenses.
Operating Expenses exclude depreciation and amortization expenses.

CITY OF MILPITAS
BIMONTHLY SEWER RATES BY CUSTOMER CLASS
LAST TEN FISCAL YEARS

Fiscal Year	Residential			Commercial	
	Single Family Per Dwelling Unit	Multi-Family Per Dwelling Unit	Mobile Home Parks Per Dwelling Unit	Flat Rate	Quantity Charges (a)
2013-14	75.92	51.06	33.36	13.72	2.38 - 6.99
2014-15	86.93	52.22	38.20	14.68	2.73 - 8.00
2015-16	90.27	69.32	56.97	14.97	3.94 - 8.34
2016-17	90.27	69.32	56.97	14.97	3.94 - 8.34
2017-18	90.27	69.32	56.97	14.97	3.94 - 8.34
2018-19	102.52	78.73	64.70	24.30	4.21 - 9.63
2019-20	111.07	85.30	70.08	25.78	4.54 - 10.65
2020-21	118.34	90.88	74.66	26.55	4.91 - 11.48
2021-22	124.14	95.34	78.28	27.35	5.31-12.09
2022-23	128.44	97.96	84.42	29.25	4.95 - 11.58

Source: City of Milpitas, Ordinance 208.53

(a) For each one hundred cubic feet of water used. Charge varies depending on the business or type of business.

CITY OF MILPITAS
BIMONTHLY WATER RATES BY CUSTOMER CLASS
LAST TEN FISCAL YEARS

Fiscal Year	Single Family Residential			Commercial (a)	
	Potable Residential	Capital Surcharge	5/8 inch Meter Charge	Potable Commercial Industrial Institutional Construction	5/8 to 10 inch Meter Charge
2013-14	2.30 - 4.86*		26.82	4.94	26.82 - 654.23
2014-15	2.62 - 5.29*		27.36	5.29	27.36 - 667.31
2015-16	4.75		18.00	4.75	18.00 - 900.00
2016-17	5.13	1.30	19.44	5.13	19.44 - 972.00
2017-18	5.13	1.30	19.44	5.13	19.44 - 972.00
2018-19**	5.13 - 5.31	1.30 - 1.08	19.44 - 27.01	5.13 - 5.31	19.44 - 1,350.33
2019-20	5.63	1.08	28.63	5.63	26.83 - 1,431.35
2020-21	6.32	1.08	32.17	6.32	32.17-1608.26
2021-22	6.70	1.08	34.10	6.70	34.10-1704.76
2022-23	7.17	1.14	35.87	7.17	35.87-4700.56

Source: City of Milpitas, Ordinance 120.50

*Residential rates were a range based on consumption amounts for the period. There were 4 levels with the lowest rate being for use under 10 hc, and the highest rate for use over 30 hcf in the period..

**Rate effective Service Period April 1, 2019 to June 30, 2019 implemented on bill dated June 17, 2019. July 2018 rate listed first, and April rate listed second.

(a) For each one hundred cubic feet of water used. Charge varies depending on the business or type of business.

CITY OF MILPITAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN CALENDAR YEARS
 (Personal Income in Thousands)

<u>Calendar Year</u>	<u>Population</u>	<u>Population Density (Sq. Mile)</u>	<u>Total Personal Income</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate (%)</u>	<u>Land Area (Sq. Mile)</u>
2013	70,092	5,131	\$2,234,603	\$31,881	10,156	5.50%	13.66
2014	69,903	5,117	2,287,366	32,722	10,281	4.90%	13.66
2015	75,521	5,529	2,374,221	31,437	10,291	3.90%	13.66
2016	75,410	5,520	2,528,663	33,532	10,260	3.50%	13.66
2017	75,410	5,520	2,721,275	36,086	10,318	3.60%	13.66
2018	76,231	5,581	2,966,362	38,912	10,172	2.80%	13.66
2019	77,961	5,707	3,373,340	43,269	10,308	2.70%	13.66
2020	75,663	5,539	3,787,034	50,051	10,413	7.50%	13.66
2021	80,839	5,918	3,744,971	46,326	10,072	5.30%	13.66
2022	81,067	5,935	4,289,458	52,912	9,967	2.70%	13.66

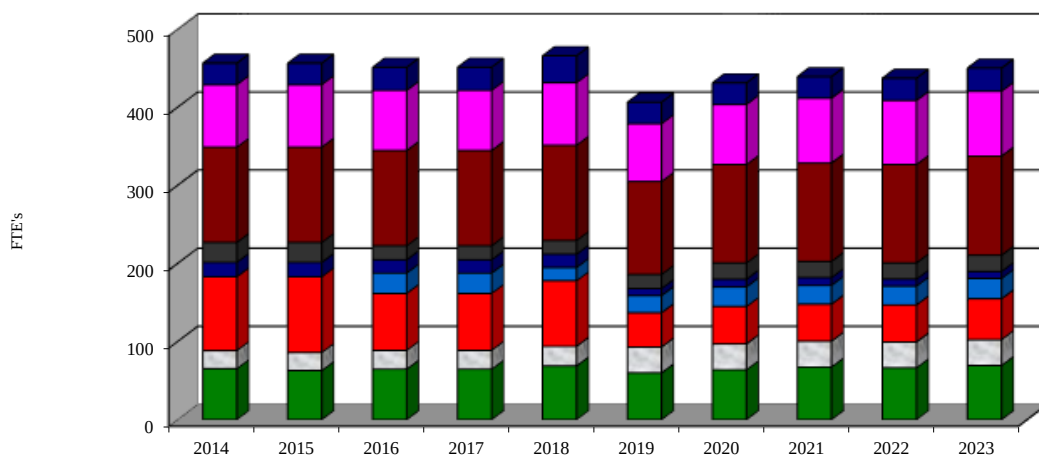
Sources: HdL, Coren & Cone
 City of Milpitas Annual Budget

CITY OF MILPITAS
PRINCIPAL EMPLOYERS
FISCAL YEARS 2022-23 and 2013-14

Employer	2022-23			2013-14		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Cisco Systems, Inc.	3,600	1	8.759%	3,816	1	11.43%
KLA-Tencor Corporation	2,718	2	6.613%	2,402	2	7.19%
Western Digital Tech (SanDisk Corporation)	1,700	3	4.136%	1,875	3	5.61%
Analog Devices (Linear Technology Corporation)	1,283	4	3.122%	1,240	4	3.71%
Flextronics International (aka Vista Point Technologies)	1,139	5	2.771%	1,200	5	3.59%
Milpitas Unified School District	901	6	2.192%	841	6	2.52%
Headway Technologies Inc. (2 Locations)	874	7	2.127%	699	8	2.09%
Amazon Delivery	639	8	1.555%			
City of Milpitas	401	9	0.976%			
Walmart Supercenter	325	10	0.791%			
FireEye, Inc				702	7	2.10%
Spectra Laboratories				350	9	1.05%
Kaiser Permanente				350	10	1.05%
Subtotal	<u>13,580</u>		<u>33.0414%</u>	<u>13,475</u>		<u>40.3443%</u>
Total Labor Force	41,100			33,400		

Source: California Municipal Statistics, Inc.

CITY OF MILPITAS
AUTHORIZED FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS



General Government	Building	Public Works	Engineering and Planning
Planning and Neighborhood Services	Recreation	Parks and Recreation	Police
Fire	Utilities		

	Fiscal Year Ended June 30									
Function	2014	2015	2016	2017	2018	2019 (e)	2020	2021	2022	2023
General Government	65.5	63.0	64.8	64.8	69.0	60.0	64.0	67.5	66.5	69.5
Building, Housing and Safe	23.0	23.0	24.0	24.0	25.0	33.0 (c)	33.0 (c)	33.0	33.0	33.0
Public Works	94.5	97.0	73.0 (b)	73.0	84.0	44.0	48.0	47.5	47.6	52.4
Engineering			26.0 (b)	26.0	17.0	22.0	25.0	24.0	24.0	26.0
Planning	18.5	18.5	17.0	17.0	17.0	9.0 (c)	10.0 (c)	10.0	9.0	9.0
Recreation	25.5	25.5	18.0	18.0	17.5	18.0	20.75	20.75	20.75	20.75
Parks and Recreation										
Police:										
Sworn Police	92.0	92.0	92.0	93.0	93.0	90.0	93.0	93.0	93.0	93.0
Civilians	30.0	30.0	30.0	29.0	29.0	29.0	33.0	33.0	33.0	34.0
Fire:										
Firefighters and Safety										
Officers	70.0	68.0	66.0	66.0	68.0	71.0	73.0	79.0	78.0	79.0
Civilians	10.0	12.0	11.0	11.0	12.0	3.0	4.0	4.0	4.0	4.0
Utilities (d)	27.5	27.5	29.5	29.5	34.5	27.5	27.5	27.5	28.4	29.6
Total	456.5	456.5	451.3	451.3	466.0	406.5	431.3	439.3	437.3	450.3

(a) Beginning in fiscal year 2013, parks maintenance division is now under public works department and recreation division is part of human resources department, but it is reported separately here.

(b) Beginning in fiscal year 2016, Public Works and Engineering are separate departments.

(c) Neighborhood Services is a component of Building, Housing and Safety, and Planning is a separate department beginning in fiscal year 2019.

(d) Utilities is comprised of employees from Public Works and Finance.

(e) In Fiscal Year 2019, the City removed unfunded authorized positions.

Source: City of Milpitas, final budget

CITY OF MILPITAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year Ended June 30				
	2014	2015	2016	2017	2018
Building Safety & Housing					
Building permits issued	4,300	4,300	4,200	4,090	4,200
Plan review performed	1,500	1,400	1,500	1,610	1,700
Code Customer Service Requests / Violations abated	725	755	755	800	714
Public Works					
Street miles maintained	139	139	139	139	298
Customer Service Requests	2,880	2,800	2,794	2,800	3,000
Development projects reviewed	205	190	178	158	160
Planning					
Applications to Planning Commission	159	236	92	92	100
Recreation					
Sports Center members	1,450	1,504	1,600	1,325	1,450
Senior nutrition meals served	20,656	21,231	20,158	18,678	17,206
Police					
Avg response time to emergency calls (minutes)	2:33	2:32	2:40	2:44	2:57
Number of anti-terrorist patrol checks	2,550	2,300	2,400	2,200	2,200
Crime prevention presentations	200	200	125	70	56
Number of vehicle citations issued	3,516	3,600	5,900	5,720	5,900
Fire					
Emergency calls for service	4,356	4,950	5,000	5,000	5,200
Public education events	45	80	100	112	200
Permits Inspections	4,510	4,666	7,600	7,322	7,577
Plan Review	807	983	1,200	1,550	1,700
Utility					
Clean sewer lines (feet)	640,255	500,000	500,000	500,000	491,244
Repair, replace or set water meters	298	279	189	152	115
Average daily consumption (thousands of gallons)	9,300	9,300	7,800	5,800	6,590

Source: City of Milpitas, final budget

Footnote: Statistic for DARE presentations: schools/students is removed from this schedule in 2022 due to no activity since 2013

Fiscal Year Ended June 30				
2019	2020	2021	2022	2023
4,300	4,000	3,000	3,000	3,800
1,600	4,800	4,900	4,900	5,200
784	600	600	600	600
298	298	303	303	308
2,384	4,468	3,353	4,652	5,176
225	134	48	24	15
419	37	31	60	60
1,575	1,877	506	1,024	1,104
18,322	20,145	39,783	28,699	21,112
2:41	2:36	2:40	2:49	2:55
1,949	1,479	958	490	233
104	110	105	47	28
5,895	6,000	6,300	4,230	3,829
5,640	5,600	5,390	6,164	6,782
223	134	0	2,082	5,079
7,824	7,772	2,949	1,652	1,668
1,600	1,575	1,884	1,401	1,448
528,051	432,022	636,681	331,232	234,040
147	219	113	25	18
8,394	8,410	7,440	6,895	6,490

CITY OF MILPITAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018
Function/Program					
Public Works					
Miles of streets	287	298	298	298	298
Street lights	4,500	4,577	4,577	4,581	5,119
Square feet of buildings maintained (in thousands)	376	376	376	376	322
City vehicles	252	260	264	264	269
Signs	5,500	5,700	5,700	6,000	10,000
Signal lights	72	70	71	72	72
City Parks	34	34	33	32	32
Acres of Parkland	180	180	180	195	195
Playgrounds	25	34	34	33	30
Parks and recreation					
Community centers	1	1	1	1	1
Senior centers	1	1	1	1	1
Sports centers	1	1	1	1	1
Satellite centers	0	0	0	2	2
Swimming pools	3	3	3	3	3
Tennis courts	20	21	21	21	21
Football field	1	1	1	1	1
Baseball/softball fields	8	9	9	7	7
Soccer fields	9	12	13	13	13
Basketball courts	8	7	9	10	10
Volleyball courts / Horse Shoe Pits / Bocce Ball / Cricket Field / Par Course	9	7	10	13	12
Handball courts	5	5	5	6	6
Skate Park					
Joint use:					
Russell Bobbysocks Fields	0	0	0	3	3
Soccer fields	0	0	0	2	2
Open Space - Number of School Sites	0	0	0	0	0
Police					
Police stations	2	2	2	2	2
Police patrol vehicles	29	28	34	29	29
Fire					
Fire stations	4	4	4	4	4
Fire Apparatus	19	19	13	11	11
Fire hydrants	1,847	2,033	2,033	2,039	2,039
Utility					
Miles of water mains	214	213	203	203	206
Water Tank Storage capacity (million of gallons)	16	16	16	16	16
Miles of sanitary sewers	179	179	173	173	175
Miles of storm drain	110	110	99	99	105
Miles of recycled water main	4	23	23	21	23

Source: City of Milpitas, final budget

Fiscal Year Ended June 30				
2019	2020	2021	2022	2023
298	298	303	303	308
5,141	4,418	4,494	4,494	4,516
473	473	473	455	455
271	258	268	256	302
10,000	6,000	6,000	6,000	6,000
74	78	83	83	83
32	36	36	36	36
195	154	154	154	154
33	33	33	33	33
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	2	1	1	1
3	3	3	3	3
21	21	21	21	21
1	1	1	1	1
9	9	9	11	11
8	8	8	8	8
10	10	10	10	10
10	10	10	10	10
6	6	6	6	6
			1	1
3	3	3	0	0
8	2	2	0	0
0	0	0	13	13
2	2	2	2	2
29	29	30	30	30
4	4	4	4	4
12	13	13	13	13
2,039	2,308	2,308	2,308	2,308
206	206	206	206	206
16	16	16	16	16
173	173	173	173	160
99	99	99	99	99
26	26	26	24	24



**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Members of the City Council
City of Milpitas, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Milpitas, California, as of and for the year ended June 30, 2023, and have issued our report thereon dated September 25, 2022. Our report includes a reference to other auditors who audited the financial statements of Terrace Gardens, Inc., as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or on compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated September 25, 2023 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze & Associates

Pleasant Hill, California
September 25, 2023

CITY OF MILPITAS
BICYCLE/PEDESTRIAN PROJECTS
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2023 AND 2022

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**Bicycle/Pedestrian Projects
Financial Statement
For the Years Ended June 30, 2023 and 2022**

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INDEPENDENT AUDITOR'S REPORT

Honorable Members of the City Council
City of Milpitas, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the City of Milpitas Bicycle/Pedestrian Projects (Projects) of the City of Milpitas, California, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Projects as of June 30, 2023 and 2022, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Projects and do not purport to, and do not present fairly the financial position of the City as of June 30, 2023 and 2022, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Projects' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023, on our consideration of the Projects' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Projects' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Projects' internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
September 25, 2023

CITY OF MILPITAS
BICYCLE/PEDESTRIAN PROJECTS
BALANCE SHEETS
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Receivable from MTC	<u>\$0</u>	<u>\$155,316</u>
Total Assets	<u><u>\$0</u></u>	<u><u>\$155,316</u></u>
LIABILITIES		
Due to the City	<u>\$0</u>	<u>\$155,316</u>
Total Liabilities	<u>0</u>	<u>155,316</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	<u>0</u>	<u>155,316</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>155,316</u>
FUND BALANCE		
Fund Balance	<u>0</u>	<u>(155,316)</u>
Total Fund Balance	<u>0</u>	<u>(155,316)</u>
Balance	<u><u>\$0</u></u>	<u><u>(\$155,316)</u></u>

See accompanying notes to financial statements

CITY OF MILPITAS
BICYCLE/PEDESTRIAN PROJECTS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
TDA Article 3.0 (Note 2)	<u>\$258,918</u>	<u>\$211,883</u>
Total Revenues	<u><u>\$258,918</u></u>	<u><u>\$211,883</u></u>
EXPENDITURES		
ADA Curb Ramp Transition Program (22001050)		\$155,316
ADA Curb Ramp Transition Program (23001046)	<u>\$103,602</u>	
Total Expenditures	<u>103,602</u>	<u>155,316</u>
Net change in fund balance	155,316	56,567
Fund balance at beginning of year	<u>(155,316)</u>	<u>(211,883)</u>
Fund balance at end of year	<u><u></u></u>	<u><u>(\$155,316)</u></u>

See accompanying notes to financial statements

**CITY OF MILPITAS
BICYCLE/PEDESTRIAN PROJECTS
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
--

The City of Milpitas has developed the Bicycle/Pedestrian Projects (Projects) under the Transportation Development Act (TDA), Article 3.0 for the construction of pedestrian pathways and wheelchair ramps and bicycle master plan studies. The Projects are funded by TDA grants.

The TDA Fund is distributed through the Metropolitan Transportation Commission (MTC) which is the agency responsible for allocation of funds to eligible claimants within the greater San Francisco Bay Area.

The following is a summary of significant accounting policies applicable to the Projects which conform to generally accepted accounting principles as applicable to governments.

A. *Fund Accounting*

The Projects are accounted for as part of the General Government Capital Projects Fund of the City of Milpitas. This fund is a set of self-balancing accounts which comprise its assets, deferred inflows/outflows of resources, liabilities, fund balance, revenues and expenditures.

B. *Basis of Accounting*

Basis of accounting refers to when revenues and expenditures are recognized. The Projects are accounted for in a governmental fund type and the modified accrual basis of accounting is used. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The Projects considers all revenues reported in the governmental funds to be available if the revenues are collected within forty-five days after year-end. Expenditures are recognized when they are incurred.

C. *Deferred Inflows and Deferred Outflows of Resources*

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**CITY OF MILPITAS
BICYCLE/PEDESTRIAN PROJECTS
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2023 and 2022**

NOTE 2 – TDA ARTICLE 3.0 REVENUE

For the year ended June 30, 2023 and 2022, the City had allocation instructions from the Metropolitan Transportation Commission for the following projects:

Instruction Number	Project Name	Grant Award	Expended in June 30, 2021	Expended in June 30, 2022	Expended in June 30, 2023	Revenue in June 30, 2021	Revenue in June 30, 2022	Revenue in Fiscal Year 2023
19001050	ADA Curb Ramp Transition Program 2019	\$127,587	\$127,587				\$127,587	
20001031	ADA Curb Ramp Transition Program 2020	84,296	84,296				84,296	
22001050	ADA Curb Ramp Transition Program 2022	155,316		\$155,316				\$155,316
23001046	ADA Curb Ramp Transition Program 2023	103,602			\$103,602			103,602
		<u>\$470,801</u>	<u>\$211,883</u>	<u>\$155,316</u>			<u>\$211,883</u>	<u>\$258,918</u>

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING,
ON COMPLIANCE WITH THE TRANSPORTATION
DEVELOPMENT ACT AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Members of the City Council
City of Milpitas, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Milpitas Bicycle/Pedestrian Projects (Projects) as of and for the year ended June 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Projects' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Projects' internal control. Accordingly, we do not express an opinion on the effectiveness of the Projects' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Projects' financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Projects' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our procedures included the applicable audit procedures contained in §6666 and §6667 of Title 21 of California Code of Regulations and tests of compliance with the applicable provisions of the Transportation Development Act and the allocation instructions and resolutions of the Metropolitan Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated September 25, 2023 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Projects' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Projects' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Metropolitan Transportation Commission, management, City Council, others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in dark ink that reads "Maze & Associates". The script is cursive and fluid, with the ampersand being particularly stylized.

Pleasant Hill, California
September 25, 2023

**CITY OF MILPITAS
MEMORANDUM ON INTERNAL CONTROL
FOR THE YEAR ENDED JUNE 30, 2023**

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**CITY OF MILPITAS
MEMORANDUM ON INTERNAL CONTROL**

For the Year Ended June 30, 2023

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MEMORANDUM ON INTERNAL CONTROL

To the City Council of
the City of Milpitas, California

We have audited the basic financial statements of the City of Milpitas for the year ended June 30, 2023, and have issued our report thereon dated September 25, 2023. Our opinions on the basic financial statements and this report, insofar as they relate to Terrace Gardens, Inc, are based solely on the report of other auditors. In planning and performing our audit of the basic financial statements of the City of Milpitas as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

Management's written responses included in this report have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, City Council, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in dark ink that reads 'Maze & Associates' in a cursive, flowing script.

Pleasant Hill, California
September 25, 2023

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MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We cite them here to keep you informed of developments:

EFFECTIVE FISCAL YEAR 2024:

GASB 100 – *Accounting for Changes and Error Corrections*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

EFFECTIVE FISCAL YEAR 2025:

GASB 101 – Compensated Absences

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Recognition And Measurement

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

Notes To Financial Statements

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

GASB 101 – Compensated Absences (Continued)

How the Changes in this Statement Will Improve Financial Reporting

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

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MEMORANDUM ON INTERNAL CONTROL

STATUS OF PRIOR YEAR SIGNIFICANT DEFICIENCIES

2022-01 Timeliness of Year-End Close

Criteria: Effective organizations develops plans to ensure that adequate resources are available to analyze the City's general ledger to ensure that all accounts are accurate and timely for the reporting year. These resources need to be in place throughout the fiscal year to ensure proper accounting processes and procedures and allow time for the analysis of account balances and activities.

Condition: During the audit, City staff proposed numerous journal entries, which caused the audit team to reprocess and reanalyze the trial balance. City staff had difficulty completing closing entries prior to providing the trial balance for audit in various areas, which affected the year-end closing process and many of the City's funds.

Cause: The tight labor market directly impacted the City's recruitment causing multiple vacancies in the finance department. Furthermore, the City's legacy financial system is inflexible which causes staff to perform time-consuming procedures that delay year-end close.

Potential Effect: The above condition delayed the completion of the year-end closing process, which increases the risk that errors or misstatements may go undetected by staff and corrections may not be made in a timely manner.

Recommendation: The City should analyze staff resources to determine what plans can or should be made to ensure that the financial data is processed properly and timely. In addition, the City must develop procedures to ensure that accounts are analyzed throughout the fiscal year and after the year-end close to ensure that additional closing entries are not required prior to providing the general ledger for audit.

Current Status: Implemented

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MEMORANDUM ON INTERNAL CONTROL

STATUS OF PRIOR YEAR OTHER MATTERS

2022-02 **Missing Dates of Preparation and Review for Bank Reconciliations**

Criteria: Bank reconciliations should be completed as soon as reasonably possible after each month-end, usually within 30 days, and subsequently reviewed for accuracy.

Condition: Per review of February 28, 2022, General Checking bank reconciliation, there was no documentation of when it was reviewed. In addition, per review of the August 31, 2021, and October 31, 2021, Worker's Compensation bank reconciliations, there was no documentation of the dates when they were prepared and reviewed.

Cause: The General checking bank reconciliation for February 2022 was reviewed however the date was erroneously omitted. The Worker's Compensation bank reconciliation was transitioned to the City's worker's compensation administrator and in doing so, the process was not thoroughly defined with documentation of preparer, reviewer, and dates.

Potential Effect: Bank reconciliation is an essential element of the City's internal control structure. In order to be an effective control, bank reconciliations should be completed as soon as reasonably possible after each month-end, usually within 30 days, and subsequently reviewed for accuracy. Errors and un-reconciled differences should be investigated and corrected immediately, so as to prevent additional errors, unauthorized transactions and decrease in efficiency.

Recommendation: The City should document the date when each bank reconciliation was prepared and reviewed in a timely manner.

Current Status: Implemented

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CITY OF MILPITAS
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED
JUNE 30, 2023

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CITY OF MILPITAS
REQUIRED COMMUNICATIONS
For the Year Ended June 30, 2023

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REQUIRED COMMUNICATIONS

To the City Council of
the City of Milpitas, California

We have audited the basic financial statements of the City of Milpitas (City) for the year ended June 30, 2023. We did not audit the financial statements of Terrace Gardens, Inc. as of and for the year ended December 31, 2022, which represent 1.02%, 1.51%, and 1.12% of the assets, net position and revenues, respectively, of the primary government. These component unit financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for this entity, is based solely on the report of the other auditors.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated April 17, 2023.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies - Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year, except as follows:

GASB 96 – Subscription Based Information Technology Arrangements

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancelable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government’s incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

The pronouncement became effective, and was disclosed in Note 8 for SBITA asset and Note 11 for SBITA liabilities to the financial statements.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 91 – *Conduit Debt Obligations*

GASB 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Unusual Transactions, Controversial or Emerging Areas - We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates - Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City’s financial statements were:

Estimated Fair Value of Investments: As of June 30, 2023, the City held approximately \$389.4 million of cash and investments as measured by fair value as disclosed in Note 3 to the financial statements. Fair value is essentially market pricing in effect as of June 30, 2023. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2023.

Estimate of Depreciation: Management’s estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 8 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimate of Compensated Absences: Accrued compensated absences which are comprised of accrued vacation and sick leave is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 14F to the financial statements. We evaluated the key factors and assumptions used to develop the accrued compensated absences in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Claims Liabilities: Management's estimate of the claims liabilities payable is disclosed in Note 15 to the financial statements and is based on estimates determined by the City's risk pool and third party claims administrator, which are based on the claims experience of the City. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net Pension Liabilities and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net pension liabilities and deferred outflows/inflows of resources are disclosed in Note 13 to the financial statements and are based on accounting valuations determined by the California Public Employees Retirement System, which are based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net OPEB Liability and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net OPEB liability is disclosed in Note 14 to the financial statements and is based on actuarial study determined by a consultant, which is based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures - The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the City Council.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated September 25, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the supplementary information that accompanies the financial statements, but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections which accompany the financial statements, but are not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

This information is intended solely for the use of City Council and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
September 25, 2023

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
COMPLIANCE WITH THE PROPOSITION 111
2022-2023 APPROPRIATIONS LIMIT INCREMENT**

Honorable Mayor and Members of the City Council
City of Milpitas, California

We have performed the procedures enumerated below on the Appropriations Limit Worksheet (Worksheet) of the City of Milpitas, California, for the year ended June 30, 2023. The City's management is responsible for the Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of these procedures, which were suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitation Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- A. We obtained the Worksheet and determined that the 2022-2023 Appropriations Limit of \$129,057,419 and annual adjustment factors were adopted by Resolution of the City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.
- B. We recomputed the 2022-2023 Appropriations Limit by multiplying the 2021-2022 Prior Year Appropriations Limit by the Total Growth Factor. We recomputed the Total Growth Factor by multiplying the population option by the inflation option.
- C. For the Worksheet, we agreed the Per Capita Income Factor, City Population Factor and County Population Factor to California State Department of Finance Worksheets.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Worksheet. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management and the City Council and is not intended to be and should not be used by anyone other than those specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

Pleasant Hill, California
September 25, 2023



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	FY 2023-24 1st Quarter Financial Status Report for the Quarter Ended September 30, 2023 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	12/5/2023
Recommendation:	Review the FY 2023-24 Quarterly Financial Status Report for the quarter ended September 30, 2023.

BACKGROUND:

On June 6, 2023, the City Council approved the Fiscal Year (FY) 2023-24 Adopted Operating Budget in the amount of \$231.9 million and the General Fund Budget in the amount of \$129.5 million. After adoption of the budget, staff monitors revenues and expenditures for all funds with an emphasis on the General Fund and Enterprise Funds.

ANALYSIS:

This staff report provides a quarterly update on budget versus actual revenues and expenditures of the General, Water and Sewer Funds, the City's major operating funds. The summary information below as well as the attachments comprise the FY 2023-24 Quarterly Financial Status Report for the quarter ended September 30, 2023. Major revenue sources and expenditures for these funds are discussed below. The attachments provide a more detailed summary of budget versus actual revenues and expenditures for the first quarter of FY 2023-24 as well as prior year actual for comparison purposes.

General Fund

On June 6, 2023, the City Council approved the Fiscal Year (FY) 2023-24 Adopted Operating General Fund Budget in the amount of \$129.5 million. As of September 30, 2023, the City received \$10.8 million in revenues, or 8.5% of the FY23-24 amended revenue budget and incurred \$39.3 million in expenditures, or 29.9% of the FY23-24 amended operating budget. Revenues and expenditures are seasonal with cash flow fluctuations due to timing of revenue receipts and City services rendered. As such, actual percentage of revenues may not match the lapsed time period of the quarterly report (i.e. 8.5% of revenue versus 25% for 3-month time period).

Revenues

As mentioned above, the three months ending September 30, 2023, the General Fund has received \$10.8 million, or 8.5% of the FY 2023-24 amended revenue budget of \$127.1 million, net of the facility and technology reserve sources. The General Fund revenue receipts of \$10.8 million is comparable between FY23/24 and FY22/23. However, there are several categories of decline including licenses, permits & fines and hotel tax. A few categories of improvements including franchise tax and charges for services.

General Fund Revenues	Amended Budget	Receipts 9/30/23	Outstanding Favorable/ (Unfavorable)	% Receipt	FY23 Receipts 9/30/2022	FY24 vs FY23
Property Tax	\$ 46,023,851	55,558	\$ (45,968,293)	0.1%	152,697	-63.6%
Sales and Use Tax	28,877,560	2,548,646	\$ (26,328,914)	8.8%	2,619,631	-2.7%
Sales and Use Tax - Measure F	6,991,000	577,295	\$ (6,413,705)	8.3%	540,873	6.7%
Licenses, Permits & Fines	8,662,020	1,508,298	\$ (7,153,722)	17.4%	2,207,171	-31.7%
Hotel/Motel Tax	11,811,236	1,921,022	\$ (9,890,214)	16.3%	2,149,488	-10.6%
Operating Transfer In	8,131,426	1,144,387	\$ (6,987,039)	14.1%	1,072,397	6.7%
Charges for Services	8,112,825	1,853,147	\$ (6,259,678)	22.8%	1,294,625	43.1%
Franchise Fees	5,811,868	650,600	\$ (5,161,268)	11.2%	213,125	205.3%
Intergovernmental	820,572	105,542	\$ (715,030)	12.9%	35,585	196.6%
Other Taxes	1,088,586	128,422	\$ (960,164)	11.8%	216,793	-40.8%
Other Revenues	389,525	91,828	\$ (297,697)	23.6%	235,960	-61.1%
Interest Income	414,000	168,649	\$ (245,351)	40.7%	59,339	184.2%
Total General Fund Revenue	\$ 127,134,469	\$10,753,394	\$ (116,381,075)	8.5%	\$ 10,797,684	-0.4%
Facility & Technology Reserves	2,400,000					
Total General Fund Revenues & Reserves	\$ 129,534,469					

- Property Taxes and Redevelopment Property Tax Trust Fund: Most property tax revenue is received in December and April, so it is normal for property tax revenue to be low in the first quarter. The revenue forecast estimates \$47.2 million in total property tax revenue for the City of Milpitas based on the County of Santa Clara (County) projections, net 30% for ERAF pending litigation. Compared to the County's most recent update on November 3, 2023, the County's property tax projections are net \$1.2 million higher than the adopted budget of \$46.0 million. However, the significant property tax contingencies relate to (1) ERAF allocation involved in on-going litigation (2) property tax assessed valuation being reviewed and revised downward by the Santa Clara County Assessor and (3) lower real estate transactions due to high mortgage rates.
- Sales & Use Tax: Sales tax is usually collected one quarter in arrears. As of September 30, 2023, the City has received one month of sales tax receipts. Revenues are 2.7% lower than last year at the same time. As more data becomes available from the sales tax expert consultant, sales tax revenue will continue to be monitored and may need to be adjusted accordingly at mid-year.
- Sales & Use Tax – Measure F: The district tax became operative April 1, 2021 and sunsets in eight years. As of September 30, 2023, the City has received one quarter of sales tax receipt for Measure F. Revenues are 6.7% higher than last year at the same time. As more data becomes available from the sales tax expert consultant, sales tax revenue will continue to be monitored and may need to be adjusted accordingly at mid-year.
- Franchise Fees: Revenues are 205% higher than last year at the same time. This is due to a timing difference. Specifically last year in 2022, the sanitation fees due in August (1st quarter) were not received until October (2nd quarter) thereby understating Q1 FY22-23.
- Hotel/Motel (TOT) Tax: Revenues are 10.6% lower than last year at the same time. Post COVID travel remains uncertain especially for the Milpitas lodging which is focused on business related travel. Staff will continue to monitor this revenue.
- Intergovernmental Revenues: Revenues are 196.6% higher than last year at the same time due. Intergovernmental revenues includes grant revenues which are already programed into the FY23-24 budget and appropriations offset accordingly

- **Other Taxes:** Revenues are 40.8% lower than last year at the same time. Other Taxes includes real estate transfer tax, business license tax and motor vehicle license tax. Due to few real estate transactions in 2023, the real estate transfer tax is 33% lower than last year at the same time. Staff will continue to monitor this revenue.
- **License and Permits:** Revenues are 31.7% lower than last year at the same time. This is largely due to the City processing fewer permits than prior year. Project timelines vary on a case-by-case basis and seldom within City control. Staff will continue to monitor this revenue.
- **Charges for Services:** Revenues are 43.1% higher than last year at the same time. This is due to a timing difference. Specifically last year in 2022, the police charges were received in Q2 while in 2023 they were received in Q1. Excluding this impact, the FY23/24 Charges for Services revenues are comparable to FY22/23 within 3%
- **Interest Income:** Revenues are 184.2% higher than last year at the same time due. However, Q1 gains will be offset by some losses already incurred in Q2 (October 2023) as part of rebalancing the portfolio. Staff will continue to monitor this revenue.

Expenditures

For the three months ending September 30, 2023, the General Fund has utilized \$39.3 million, or 29.9%, of the FY 23-24 amended operating budget of \$131.6 million. The amended operating budget represents \$129.5 million of the adopted appropriation and \$2.0 million of carryover encumbrances. As of September 30, 2023, General Fund expenditures are consistent with prior year as a percentage expended of the budget. Staff will continue to monitor expenditures relative to Council authorized appropriations.

Departments	Amended Budget	Total YTD Expenditure	% of Amended Budget	FY23 Expenditure Including Encumbrance	% of Amended FY23 Budget
City Council	674,148	188,446	28.0%	114,049	18.7%
City Manager	2,452,834	483,342	19.7%	641,296	27.9%
City Clerk	649,839	135,031	20.8%	120,928	21.3%
Economic Development	1,049,225	231,346	22.0%	195,012	20.2%
Policy Planning	4,826,046	1,038,165	21.5%	1,071,285	0.0%
Building Safety & Housing	6,458,073	2,192,880	34.0%	2,040,418	32.6%
City Attorney	1,224,505	256,062	20.9%	121,143	9.8%
Engineering	4,009,993	892,803	22.3%	877,000	21.8%
Finance	5,117,692	1,427,504	27.9%	1,185,163	26.6%
Fire	29,504,419	7,331,628	24.8%	7,083,410	25.0%
Human Resources	2,032,773	616,177	30.3%	585,207	29.3%
Information Technology	5,050,958	963,166	19.1%	944,891	23.0%
Non-Departmental	8,358,113	5,079,240	60.8%	4,767,921	59.9%
Planning	2,158,470	645,881	29.9%	739,579	33.1%
Police	41,417,503	11,090,295	26.8%	9,371,923	24.6%
Public Works	11,345,400	4,504,998	39.7%	3,967,685	39.3%
Recreation & Community Services	6,852,299	2,406,232	35.1%	2,056,643	34.2%
Transfers In/Out/Revenue	3,243,817	843,817	26.0%	341,866	100.0%
Grand Total	131,600,061	39,288,847	29.9%	35,154,134	29.4%

Grants and Donations

In accordance with City Council approved Budget Guidelines, the City Manager has the authority to accept grants and donations up to \$100,000. Staff is reporting on acceptance of these grants and donations for this quarter.

1. 2024 CAL OES CA 9-1-1 Training - \$20,000
2. CA Recycle Grant FY22-23 - \$20,424

Unanticipated Expenditure Reserve

In accordance with the City Council approved Budget Guidelines, as part of the quarterly financial status reports, Staff is reporting on the Unanticipated Expenditure Reserve for this quarter. There were no new appropriation and/or contract authorized for this quarter.

Water Maintenance & Operation (M&O) Fund Financial Status

Revenues: For the three months ended September 30, 2023, \$8.7 million of charges for services, or 25.8%, of the \$33.7 million budgeted has been received. Total revenue received amounts to \$8.8 million, or 25.8%, of the \$34.2 million budgeted.

Expenditures: For the three months ended September 30, 2023, \$25.5 million, or 75.2%, of the \$33.9 million amended budget has been spent and/or encumbered. The Santa Clara Valley Water District and San Francisco Water Department wholesale water purchase contract encumbrance was posted for the full year in Q1 of FY24.

Sewer Maintenance & Operation (M&O) Fund Financial Status

Revenues: For the three months ended September 30, 2023, \$5.8 million of charges for services, or 24.7%, of the \$23.5 million budgeted has been received. Total revenue received amounts to \$5.9 million, or 24.7%, of the \$23.8 million budgeted.

Expenditures: For the three months ended September 30, 2023, \$9.2 million, or 53.7%, of the \$17.2 million amended budget has been spent and/or encumbered. The City of San Jose wastewater treatment contract encumbrance was posted for the full year in Q1 of FY24.

POLICY ALTERNATIVE(S):

Alternative 1: Do not review the report.

Pros: There are no pros to not review the report.

Cons: Not reviewing the report may be interpreted that the data is incorrect.

Reason not recommended: Staff is reporting actual unaudited financial data to inform the Council and the public on the City's financial status.

FISCAL IMPACT:

This is an informational report intended to provide a financial update of the City's General, Water and Sewer funds for the quarter ended September 30, 2023. No budget amendment is recommended.

California Environmental Quality Act (CEQA):

This item is not a Project under CEQA exempt under CEQA Guideline 15378(b)(4) as it is a government fiscal activity that does not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment.

RECOMMENDATION:

Review the FY 2023-24 Quarterly Financial Status Report for the Quarter Ended September 30, 2023

Attachment(s):

- A. FY 2023-24 Revenue Report for Fiscal Year-To-Date September 30, 2023
- B. FY 2023-24 General Fund Expenditures by Department September 30, 2023
- C. FY 2023-24 Water and Sewer Funds Financial Status for Fiscal Year-To-Date September 30, 2023

CITY OF MILPITAS
General Fund Revenues
For Fiscal Year-To-Date September 30, 2023

	FY24	FY24	FY24	FY24	FY24	FY24	FY24	FY23	Percentage
General Fund Revenues	Adopted Budget	Budget Amendments	Grant Carryover	Amended Budget	Receipts 9/30/23	Outstanding Favorable/ (Unfavorable)	% Receipt	FY23 Receipts 9/30/2022	FY24 vs FY23
Property Tax	46,023,851			\$ 46,023,851	55,558	\$ (45,968,293)	0.1%	152,697	-63.6%
Sales and Use Tax	28,877,560			28,877,560	2,548,646	\$ (26,328,914)	8.8%	2,619,631	-2.7%
Sales and Use Tax - Measure F	6,991,000			6,991,000	577,295	\$ (6,413,705)	8.3%	540,873	6.7%
Licenses, Permits & Fines	8,662,020			8,662,020	1,508,298	\$ (7,153,722)	17.4%	2,207,171	-31.7%
Hotel/Motel Tax	11,811,236			11,811,236	1,921,022	\$ (9,890,214)	16.3%	2,149,488	-10.6%
Operating Transfer In	8,131,426			8,131,426	1,144,387	\$ (6,987,039)	14.1%	1,072,397	6.7%
Charges for Services	8,111,025	1,800		8,112,825	1,853,147	\$ (6,259,678)	22.8%	1,294,625	43.1%
Franchise Fees	5,811,868			5,811,868	650,600	\$ (5,161,268)	11.2%	213,125	205.3%
Intergovernmental	820,572			820,572	105,542	\$ (715,030)	12.9%	35,585	196.6%
Other Taxes	1,088,586			1,088,586	128,422	\$ (960,164)	11.8%	216,793	-40.8%
Other Revenues	389,525			389,525	91,828	\$ (297,697)	23.6%	235,960	-61.1%
Interest Income	414,000			414,000	168,649	\$ (245,351)	40.7%	59,339	184.2%
Total General Fund Revenue	\$ 127,132,669	\$ 1,800	\$ -	\$ 127,134,469	\$ 10,753,394	\$ (116,381,075)	8.5%	\$ 10,797,684	-0.4%
Facility & Technology Reserves	2,400,000			2,400,000					
Total General Fund Revenues & Reserves	\$ 129,532,669			\$ 129,534,469					

City of Milpitas
General Fund Expenditure By Department Financial Status
For Fiscal Year-To-Date September 30, 2023

Departments	Adopted Budget	Amendments	Grants C/O	Encumb. C/O	Amended Budget	Expenditure	Encumbrance	Total YTD Expenditure	% of Amended Budget	FY23 Expenditure Including Encumbrance	% of Amended FY23 Budget
City Council	624,450	0	0	49,698	674,148	139,937	48,509	188,446	28.0%	114,049	18.7%
City Manager	2,380,301	0	0	72,533	2,452,834	391,277	92,066	483,342	19.7%	641,296	27.9%
City Clerk	649,839	0	0	0	649,839	135,031	0	135,031	20.8%	120,928	21.3%
Economic Development	1,049,225	0	0	0	1,049,225	231,346	0	231,346	22.0%	195,012	20.2%
Policy Planning	4,703,815	0	0	122,231	4,826,046	897,590	140,575	1,038,165	21.5%	1,071,285	0.0%
Building Safety & Housing	6,385,627	0	0	72,446	6,458,073	1,557,766	635,113	2,192,880	34.0%	2,040,418	32.6%
City Attorney	1,189,895	0	0	34,610	1,224,505	244,720	11,342	256,062	20.9%	121,143	9.8%
Engineering	3,989,913	0	0	20,080	4,009,993	765,933	126,870	892,803	22.3%	877,000	21.8%
Finance	4,926,443	0	0	191,249	5,117,692	1,036,771	390,733	1,427,504	27.9%	1,185,163	26.6%
Fire	29,293,563	0	0	210,856	29,504,419	7,037,816	293,812	7,331,628	24.8%	7,083,410	25.0%
Human Resources	2,017,207	0	0	15,566	2,032,773	468,172	148,005	616,177	30.3%	585,207	29.3%
Information Technology	4,911,128	0	0	139,830	5,050,958	615,188	347,978	963,166	19.1%	944,891	23.0%
Non-Departmental	7,771,743	0	0	586,370	8,358,113	4,479,166	600,074	5,079,240	60.8%	4,767,921	59.9%
Planning	2,024,149	0	16,050	118,271	2,158,470	537,123	108,758	645,881	29.9%	739,579	33.1%
Police	41,213,199	0	18,416	185,888	41,417,503	9,891,665	1,198,630	11,090,295	26.8%	9,371,923	24.6%
Public Works	11,086,237	0	0	259,163	11,345,400	2,236,666	2,268,332	4,504,998	39.7%	3,967,685	39.3%
Recreation & Community Services	6,775,931	1,800	0	74,568	6,852,299	1,937,342	468,890	2,406,232	35.1%	2,056,643	34.2%
Transfers In/Out/Revenue	3,243,817	0	0	0	3,243,817	843,817	0	843,817	26.0%	341,866	100.0%
Grand Total	129,532,667	1,800	34,466	2,031,128	131,600,061	32,549,736	6,739,110	39,288,847	29.9%	35,154,134	29.4%

City of Milpitas
Water and Sewer Financial Status
For Fiscal Year-To-Date September 30, 2023 (unaudited)

Water Fund

Revenue Categories	Adopted Budget	Amendments	Grants C/O	Amended Budget	Receipt	Outstanding	% Receipt	Receipt 9/30/2022	% Receipt 9/30/2022
Charges for Services	33,748,979	0	0	33,748,979	8,711,103	25,037,876	25.8%	8,427,005	25.4%
Intergovernmental	0	0	0	0	0	0	0.0%	0	0.0%
Licenses, Permits & Fines	0	0	0	0	0	0	0.0%	(56,390)	0.0%
Other Revenues	0	0	0	0	7,432	(7,432)	0.0%	8,018	0.0%
Use of Money and Property	428,455	0	0	428,455	105,954	322,501	24.7%	41,118	11.1%
Grand Total	34,177,434	0	0	34,177,434	8,824,489	25,352,945	25.8%	8,419,752	25.1%

Expenditures by Department	Adopted Budget	Amendments	Grants C/O	Encumb. C/O	Amended Budget	Expenditure	Encumbrance	Total YTD Exp.	% of Amended Budget	Total YTD Exp. 9/30/2022	% of Amended Budget 9/30/2022
City Attorney	9,000	0	0	0	9,000	0	0	0	0.0%	0	0.0%
City Manager	9,167	0	0	0	9,167	0	0	0	0.0%	0	0.0%
Finance	1,097,356	0	0	11,647	1,109,003	215,822	77,692	293,514	26.5%	299,319	26.5%
Non-Departmental	24,839,144	0	0	4,753	24,843,897	3,557,534	20,422,794	23,980,328	96.5%	22,433,915	95.5%
Public Works	4,993,205	0	0	20,534	5,013,739	1,070,735	105,825	1,176,560	23.5%	1,208,540	27.1%
Transfers In/Out/Revenue	2,869,298	0	0	0	2,869,298	0	0	0	0.0%	671,848	25.0%
Grand Total	33,817,170	0	0	36,934	33,854,104	4,844,091	20,606,311	25,450,402	75.2%	24,613,622	77.5%

Sewer Fund

Revenue Categories	Adopted Budget	Amendments	Grants C/O	Amended Budget	Receipt	Outstanding	% Receipt	Receipt 9/30/2022	% Receipt 9/30/2022
Charges for Services	23,539,248	0	0	23,539,248	5,819,428	17,719,820	24.7%	6,059,243	24.7%
Intergovernmental	0	0	0	0	0	0	0.0%	0	0.0%
Licenses, Permits & Fines	0	0	0	0	1	(1)	0.0%	(32,114)	0.0%
Other Revenues	0	0	0	0	-134	134	0.0%	39,282	100.0%
Use of Money and Property	286,967	0	0	286,967	58,508	228,459	20.4%	28,396	13.8%
Grand Total	23,826,215	0	0	23,826,215	5,877,803	17,948,412	24.7%	6,094,807	24.6%

Expenditures by Department	Adopted Budget	Amendments	Grants C/O	Encumb. C/O	Amended Budget	Expenditure	Encumbrance	Total YTD Exp.	% of Amended Budget	Total YTD Exp. 9/30/2022	% of Amended Budget 9/30/2022
City Manager	9,167	0	0	0	9,167	0	0	0	0.0%	0	0.0%
Engineering	0	0	0	0	0	0	0	0	0.0%	0	0.0%
Finance	670,509	0	0	11,647	682,156	117,503	77,692	195,195	28.6%	226,949	31.1%
Non-Departmental	11,223,018	0	0	23,458	11,246,476	2,649,620	5,623,675	8,273,295	73.6%	7,541,412	72.1%
Public Works	3,643,288	0	0	72,451	3,715,739	638,080	101,936	740,016	19.9%	846,329	21.0%
Transfers In/Out/Revenue	1,503,623	0	0	0	1,503,623	0	0	0	0.0%	361,049	25.0%
Grand Total	17,049,605	0	0	107,556	17,157,161	3,405,203	5,803,303	9,208,506	53.7%	8,975,739	53.9%



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Reviewing and Accepting the Annual Development Impact Fee Annual Report for the Calaveras Boulevard Widening Traffic Impact Fee, the Transit Area Specific Plan (TASP) Impact Fee, and the Storm Drain Fee for the Fiscal Year Ended June 30, 2023 (Staff Contact: Lauren Lai, Finance Director, 408-586-3111)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	12/5/2023
	<u>Recommendation:</u> Adopt a resolution consistent with the Mitigation Fee Act to review and accept the annual development impact fee disclosure information for the Calaveras Blvd Widening Traffic Impact Fee, Transit Area Specific Plan Impact Fee and Storm Drain Fee for the Fiscal Year Ended June 30, 2023.

Background:

California Government Code Section 66000 et seq. ("Mitigation Fee Act") requires local agencies to provide an accounting of fees charged for development projects. The City has two basic accounting and reporting responsibilities under the Government Code. Section 66001(d) requires that, five years after collecting a development fee subject to this Code section and every five years thereafter, the local agency shall make findings with respect to any portion of the fee remaining unexpended, whether committed or uncommitted. If the required findings are not made, the unexpended funds shall be refunded to the current property owners.

Five-year findings must:

1. Identify the purpose of the fee;
2. Demonstrate a reasonable relationship between the fee and the purpose for which it was charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements; and
4. Designate the approximate dates on which these funding sources can be expected to be deposited into the appropriate account or fund.

When sufficient funds have been collected to complete financing on incomplete public improvements, the local agency has 180 days to identify an approximate date by which the construction of the public improvement will begin or else is required to refund the unexpended fees, including accrued interest, to the current owner of lots or units of the development project.

For Fiscal Year ending on June 30, 2019, the City reported its last Five-Year findings for the remaining unexpended fee proceeds for the Calaveras Blvd Widening Traffic Impact Fee, and Transit Area Specific Plan Impact Fee. The City will need to report the next Five-Year findings report for Fiscal Year ending on June 30, 2024.

The second requirement set forth under Government Code Section 66006(b)(1)* provides that each local agency is required on an annual basis, within 180 days after fiscal year end, for each separate account, to make available to the public the following information:

1. Brief description of the type of fee in the account;
2. The amount of the fee;
3. The account's beginning and ending balance;
4. The amount of fees collected and the interest earned;

5. A description of the improvements on which the funds were expended and the amount expended on each improvement including the percentage of the improvement funded with development fees;
6. An approximate date by which the construction of a public improvement will begin if the local agency determines that sufficient funds have been collected to complete financing on the incomplete improvement;
7. A description of each inter-fund transfer or loan made from the account; and
8. The amount of any refunds or allocations made pursuant to Code Section 66001.

The City deposits impact fees subject to the above disclosure in the Calaveras Boulevard Widening Traffic Impact Fee Fund, Transit Area Specific Plan (TASP) Impact Fee Fund, and Storm Drain Development Fund to track these development related fees. Interest income is allocated to these funds based on their respective monthly cash balances. Expenditures from these funds were in the form of capital improvement projects to either renovate existing facilities or maintain the existing level of service, consistent with the General Plan and approved Capital Improvement Plan, due to increased demand related to the development projects.

Analysis:

Annual reports (included in the agenda packet) summarize the Fiscal Year 2022-2023 fund activity for Calaveras Boulevard Widening Traffic Impact Fee (Exhibit 1); Transit Area Specific Plan (TASP) Impact Fee (Exhibit 2); and Storm Drain Development Fee (Exhibit 3). The reports show the amount of fees collected in fiscal year 2022-2023, interest income, a brief description of the projects funded, the percentage of the projects funded by the development fees, and the beginning and ending balance of the funds. The table below shows the beginning fund balance, revenues received, expenditures and ending fund balance for each impact fee for Fiscal Year 2022-2023. The plan to expend the funds available in ending fund balances for the various fees is outlined in the attached reports. For the TASP Impact Fee, for example, the unexpended fee proceeds will be used to fund necessary infrastructure (e.g.: A community center/recreation facility, a park, Montague Expressway widening) as identified in the Transit Area Development Impact Fee Report and the City's Capital Improvement Program 2023-2027 Final Report.

FY 2022-23	Calaveras Blvd Widening Traffic Impact Fee	TASP Impact	Storm Drain Development*
Beginning Fund Balance	\$80,710	\$45,838,875	\$1,273,204
Revenues	4,297	1,419,309	416,873
Expenditures	0	(3,864,485)	3,844
Loan Payment**	0	174,390	0
Ending Fund Balance	\$85,007	\$43,568,089	\$1,686,233

*Annual reporting for the Storm Drain Fee is subject to Government Code Section 66013, however those reporting requirements are substantially similar to the annual reporting requirements under Government code section 66006 and are referred to collectively here for convenience.

**Payment received for Loan to Piper Montague Infrastructure Plan (PMIP) Fund.

Policy Alternative:

Alternative 1: Do not adopt the resolution and accept the annual development impact fee disclosure information.

Pros: There are no pros to not adopt the resolution and accept the annual development impact fee disclosure information.

Cons: Not adopting the resolution and accepting the annual development impact fee disclosure information will violate the Mitigation Fee Act.

Reason not recommended: None

Fiscal Impact:

Aside from the staff time to prepare this annual report, there is no fiscal impact to receive the report.

California Environmental Quality Act:

The action is an organizational or administrative activity of the City government that will not result in direct or indirect physical changes in the environment and is not a project pursuant to Cal. Code of Regs., tit. 14, § 15378.

Recommendation:

Adopt a resolution consistent with the Mitigation Fee Act to review and accept the annual development impact fee disclosure information for the Calaveras Blvd Widening Traffic Impact Fee, Transit Area Specific Plan Impact Fee and Storm Drain Fee for the Fiscal Year Ended June 30, 2023.

Attachment:

Resolution including Annual Reports as Exhibits

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS REVIEWING AND ACCEPTING ANNUAL DEVELOPMENT IMPACT FEE DISCLOSURE INFORMATION FOR THE CALAVERAS BOULEVARD WIDENING TRAFFIC IMPACT FEE, THE TRANSIT AREA SPECIFIC PLAN IMPACT FEE AND THE STORM DRAIN FEE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTIONS 66006 and 66013

WHEREAS, the Mitigation Fee Act, Government Code Section 66000 *et seq.*, authorizes the City of Milpitas (“City”) to impose, collect, and expend mitigation fees to offset the impacts of development within the City; and

WHEREAS, pursuant to its authority under the Mitigation Fee Act (Government Code §§ 66000 *et seq.*) the City Council established, adopted, and imposed a Calaveras Boulevard Traffic Impact Fee, a Transit Area Specific Plan (“TASP”) Impact Fee and a Storm Drain Fee (collectively, the “Fees”); and

WHEREAS, the City has deposited all Fees in separate non-commingled funds (“Funds”) established for such a purpose; and

WHEREAS, the City has made available to the public within one hundred eighty (180) days following the last day of the fiscal year the annual accounting information (“Annual Report”) required by the Mitigation Fee Act related to each of the Fees; and

WHEREAS, the City has mailed notice at least fifteen (15) days prior to this meeting to all interested parties who have requested notice of any meeting relative to the City’s imposition of the Fees and has held a duly noticed, regularly scheduled public meeting at which oral and written testimony was received regarding the Annual Reports at least fifteen (15) days after the City made this information publicly available.

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. In accordance with Government Code Section 66006(b) and Section 66013, the City Council has reviewed and approves the Annual Reports for each of the Fees, which are attached to this Resolution as **Exhibits 1-3**, and are also placed on file with the City Clerk. The Council, based upon the information contained in the Annual Report and the remaining need for the unexpended funds, finds as follows:
 - a. That each of the Annual Reports describe the types of Fees contained in each of the Funds, including the amount of the fees, the beginning and ending balance of the Funds, as well as the amount of fees collected, and the interest earned thereon.
 - b. That each of the Annual Reports identifies each public improvement on which the Fees were expended, the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the Fees.
 - c. That there were interfund transfers or loans made from the Funds, as noted.
 - d. That sufficient funds have not been collected to complete the financing of any incomplete public improvement, and that there were no refunds or allocations made of the Fees.

3. Pursuant to these findings, and at this time, there shall not be a refund of any unexpended Fees.

PASSED AND ADOPTED this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Michael Mutalipassi, City Attorney

City of Milpitas

Annual Report of Development Fees and Expenditures for the Fiscal Year ended June 30, 2023

Exhibit 1

Calaveras Boulevard Widening Traffic Impact Fee

Description:

In order to implement the goals and objectives of the City of Milpitas General Plan and to mitigate the traffic impacts caused by new development in the City of Milpitas, certain roadways such as Calaveras Boulevard must be widened.

Fee:

The amount of the fee as of June 30, 2023 was as follows:

Area Covered	Type of Dwelling	Amount
Citywide except TASP to widen Calaveras Boulevard	Residential 5 or more units	\$278 per dwelling unit
	Retail Development of 1,000 or more square feet	\$1,184 per thousand square feet
	Office Development of 1,000 or more square feet	\$588 per thousand square feet
	Other Uses	A focused nexus study will be required

Exhibit 1- continued

Calaveras Widening Impact Fee Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances for

Fiscal Year 2022-2023

Fees collected and interest earned:

Revenues

Traffic Fees	\$ 3,407
Interest	<u>890</u>
Total Revenues	<u>4,297</u>

Excess/(deficiency) of revenues over/ (under) expenditures	4,297
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Beginning and ending balance:

Fund Balance, beginning of year	<u>80,710</u>
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Fund Balance, end of year	<u>\$85,007</u>
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Inter-fund transfer or loan made description:

None

Refunds made from surplus fees and amount of any allocations made:

None

Exhibit 2

Annual Report for the Transit Area Specific Plan (TASP) Impact Fee

Fiscal Year ended June 30, 2023

Description:

Based on Resolution No. 8344 Exhibit A Transit Area Development Impact Fee Update Report prepared by Economic & Planning Systems, Inc., dated February 2014, the purpose of the Transit Area Specific Plan Impact fee is to fund the planning and development (as described in the Report) of an approximately 437-acre area in the southern portion of the City near the Great Mall shopping center to support more residents and workers with appropriately scaled utilities, parks, community facilities, and roadways.

Fee:

The amount of the fee as of June 30, 2023 was as follows:

Type of Dwelling	Amount
Residential	\$47,550 per unit
Retail	\$31.11 per square foot
Office	\$53.46 per square foot

Exhibit 2- Continued

Transit Area Specific Plan (TASP) Impact Fee Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for

Fiscal Year 2022-2023

Fees collected and interest earned:

Revenues:

TASP Impact Fees	\$ 728,766
Interest	<u>690,543</u>
Total Revenues	<u>1,419,309</u>

Fees expended on public improvement (See table for % of cost funded with fees):

Expenditures:

1. CP 2006 - Transit Area Specific Plan Update (DB44)	(134,636)*
2. CP 2010 – Land/Right-of-Way Value Determination	9,000
3. CP 2016 – S. Milpitas Blvd. Veh. Bridge at Penitencia	700,000
4. CP 2018 – Montague Ped. Overcrossing at Penitencia	2,490,000
5. CP 2019 – (Rmb) TASP Recycled Water Distribution	300,000
6. CP 2022 - Feasibility of POCs at VTA Light Rail Platforms	(56,221)*
7. CP 3469 – Metro Impact Fee Study	150,000
8. CP3490 – Capital Improvement Program Administration	144,000
9. CP5115 – Parks and Recreation Master Plan Update	(16,168)*
10. S. Milpitas Blvd Railroad Crossing Reconstruction and Widening Improvements	242,000
11. TASP Plan Administration Expenses	<u>36,512</u>
Total Expenditures	<u>3,864,485</u>

Excess (deficiency) of revenues over (under) expenditures	(2,445,176)
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Payment received for Loan to Piper Montague Infrastructure Plan (PMIP) fund	719,142
PMIP refund to Pulte and SCS	(498,008)
Pulte Homes PJ Invoices	(46,744)

Beginning and ending balance:

Fund Balance, beginning of year	<u>45,838,875</u>
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Fund Balance, end of year	<u>\$43,568,089</u>
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*Capital Improvement Project returned funds back to the TASP fund.

CIP/Item Number and Title	Project Description	% of the project funded with development fees	Construction Commencement Date
CP 2006 - Transit Area Specific Plan Update (DB44)	The Transit Area Specific Plan (TASP) was approved in 2008. There have been minor amendments to TASP focused primarily on individual properties, but no comprehensive evaluation of the plan and the effectiveness of its implementation has been made. Approximately 95% of the housing planned and cleared under CEQA for the area have been entitled or constructed. Approximately 50% of retail uses and none of the office have been developed. An evaluation of development projects proposed, entitled, or constructed; processes and regulations for development; changes to the land use diagram; and remaining development capacity should be undertaken. This project will include an update to the TASP EIR to provide environmental clearance for additional residential development.	100%	N/A
CP 2010 - Land/Right-of-Way Value Determination	This project provides for the annual evaluation and determination of land and right-of-way fair market values within the City for the purpose of updating development fee calculations such as the park-in-lieu fee.	100%	2019
CP 2016 - S. Milpitas Blvd. Vehicle Bridge at Penitencia	This project provides for design and construction of a vehicular bridge over Penitencia Creek at the end of the new S. Milpitas Blvd. Extension. The vehicular bridge is part of the Transit Area Specific Plan (TASP) circulation infrastructure improvement to provide vehicular, bicycle and pedestrian connectivity between TASP developments, Milpitas BART station, Great Mall and surrounding residential developments.	100%	Design only. Construction has not yet started.
CP 2018 - Montague Ped. Overcrossing at Penitencia	This project provides for design and construction of a pedestrian overcrossing (POC) over Montague Expressway at the east levee of Penitencia Creek. The pedestrian overcrossing is part of the Transit Area Specific Plan (TASP) circulation infrastructure improvement to provide safe and convenient pedestrian connectivity between TASP residential developments, schools, parks, Great Mall, and the BART Station.	100%	Design only. No funding for construction yet.
CP 2019 - (Rmb) TASP Recycled Water Distribution	The project provides reimbursement to developers for the construction of recycled water system extension in the Transit Area Specific Plan (TASP) area. This project is the City's effort to diversify the water supply system and offset the use of potable water with recycled water mainly for irrigation purposes. New mains will be installed along Great Mall Parkway, East Capitol Avenue, Montague Expressway, South Milpitas Boulevard, McCandless Drive, Sango Court, Tarob Court, and the Piper/Montague subdistrict.	100%	2019
CP 2022 - Feasibility of POCs at VTA Light Rail Platforms	The project provides for a feasibility study to determine the possibility of constructing pedestrian overcrossings (POC) at Valley Transportation Authority (VTA) Light Rail Platforms over eastbound lanes of Great Mall Parkway near South Main Street and E. Capital Avenue near S. Milpitas Blvd.	100%	N/A

CP 3469 - Metro Impact Fee Study	This project provide for the preparation of an impact fee nexus study for infrastructure needs in the Milpitas Metro Specific Plan (update of the 2008 TASP) planning area.	100%	N/A
CP 3490 - Capital Improvement Program Administration	This project provides for the annual preparation of the Capital Improvement Program. Work includes program administration, printing, and software programming assistance.	20%	N/A
CP 5115 - Parks and Recreation Master Plan Update	This project provides for an update to the 2008 Parks and Recreation Master Plan to include Transit Area Specific Plan (TASP) Parks, Midtown Parks, and City recreational facilities. The update will include an existing conditions assessment study of all parks and recreation facilities, public engagement and outreach, strategic plan to provide high-quality accessible parks and recreation facilities, programing and growth assessment analysis and plan for future growth in the City.	50%	N/A
8	South Milpitas Blvd Railroad Crossing Reconstruction and Widening Improvements.	100%	2016
9	TASP Plan Administration Expense	100%	N/A

Inter-fund transfer or loan made description:

None

Refunds made from surplus fees and amount of any allocations made:

None

Exhibit 3

Annual Report Storm Drain Fee

Fiscal Year ended June 30, 2023

Description:

Prior to connection or discharge to any storm drain facility from a new development project, developers shall pay City a fee for connection/discharge to the City's storm drain system (Municipal Code XI-16-16). The purpose of the storm drain fee is to fund facilities necessary to provide storm drain services, and revenues derived from the fee imposed by the City shall be used solely for that purpose.

Fee:

The amount of the fee as of June 30, 2023 was as follows:

Type of Dwelling	Parcel Size	Per Parcel Fee
Connection Fees		
Single-family medium density	Equal or smaller than 8,710 square feet	\$1,100
Single-family low density	Between 8,711 and 43,560 square feet	\$1,916
Single-family	Between 1 acre and 4 acres	\$3,594
Single-family	Between 4 acre and 9 acres	\$4,792
Single-family	Greater than 9 acres	\$6,469
Multiple-family		\$16,771 per acre
Commercial, industrial, institutional, or mixed use sites		\$21,562 per acre
Schools with athletic fields		\$7,187 per acre
Parks		\$4,792 per park

Exhibit 3- continued

Storm Drain Development Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances for

Fiscal Year 2022-2023

Fees collected and interest earned:

Revenues:

Connection Fees	\$164,259
Funding returned from closed project CP 3700	202,345
Interest	<u>50,269</u>

Total Revenues	<u>416,873</u>
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Expenditures:

Unused funding returned to General Government CIP for closed project CP 3713	<u>3,844</u>
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Excess (deficiency) of revenues over (under) expenditures	<u>413,029</u>
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Beginning and ending balance:

Fund Balance, beginning of year	<u>1,273,204</u>
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Fund Balance, end of year	<u>\$ 1,686,233</u>
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CIP Number	Project Description	% of the project funded with development fees	Construction commencement Date	Status Of Project
CP 3700 – Wrigley-Ford Creek Rehabilitation	This project provides for dredging and removal of debris and maintenance work at Wrigley-Ford Creeks. The work required permits from the Army Corp of Engineers (ACOE) and the Regional Water Quality Control Board (RWQCB) for wetland and riparian restoration.	100%	2008	Closed
CP 3713 – Trash Removal Devices	The project provides for the installation of trash removal devices within the City's storm water collection system. Proposed work includes design and installation of two devices.	70%	2016	Closed

Refunds made from surplus fees and amount of any allocations made:

None



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Approving a Site Development Permit and PUD Amendment Permit to Develop a New One-and-a-Half Story Single-Family Residence and to Deviate from the Approved Designs, on a Vacant 1.1-acre Lot Located in the R1-H Single-Family Residential Zoning District with a Hillside Combining District at 1321 Terra Vista Court (Staff Contact: Jay Lee, Planning Director, 408-586-3077)
Category:	Consent Calendar-Community Development
Meeting Date:	12/5/2023
Recommendation:	Consider the exemption in accordance with CEQA and adopt a resolution approving Site Development Permit No. SD22-0013 and Planned Unit Development Amendment No. PA23-0001 to allow the development of a new single-family residence at 1321 Terra Vista Court, subject to the attached Conditions of Approval.

BACKGROUND:

On November 17, 1992, the City Council approved Planned Unit Development (PUD) No. 68 (Countryside Estates) to allow the construction of six hillside residential home sites on a 24.5-acre parcel. Each home site would be reviewed separately under the provisions of an "S" Zone Application or Site Development Permit and subject to a precise building envelope established by the PUD. To date, two lots have been approved for development.

On December 16, 2022, Eugene H. Sakai, of Studio S Square Architecture, Inc. submitted a Site Development Permit and PUD amendment Permit application to develop a new 4,929-square foot, one-and-a-half story single-family residence on a vacant 1.1-acre lot (Lot 4 of the Countryside Estates subdivision) located at 1321 Terra Vista Court. The zoning designation for this property is Single-Family Residential (R1) with a Hillside (H) Combining District. Per Milpitas Municipal Code (MMC) Section XI-10-45.09-2, no building permit shall be issued for the construction or expansion of a single-family structure in the Hillside (H) Combining District until such structure has received a site and architectural review approval by the Planning Commission (PC) and City Council (CC). On October 25, 2023, the PC held a duly noticed public hearing on this item and voted to unanimously approve the proposed project and also recommend approval by the City Council (6-0). A copy of PC Resolution No. 23-015 is attached to this report.

ANALYSIS:

Planning staff recommends that the City Council review and approve a resolution to allow the development of a single-family residence, attached garage, and associated improvements on a vacant lot located at 1321 Terra Vista Court. The project site is located on the northeastern edge of the City of Milpitas, adjacent to properties with the same single-family hillside zoning designation. Unincorporated Santa Clara County properties are located further to the north.

The project is designed in a modern French Chateau style, which adds to the neighborhood's diversity. The exterior materials are composed of painted stucco, high quality stone veneer and a standing seam metal roof, with metal and stain grade wood accents. The articulation of the architectural forms blending with a variety of finishes creates an attractive front elevation, along with an integrated curved driveway pattern that enhances the house and the neighborhood. All exterior materials and finishes work together as a palette of earth-tone colors, creating harmony with the surroundings. The colors and materials are complementary to the neighboring residences and within an earth tone range.

In accordance with MMC Section XI-10-45.09-7, and as outlined in the attached resolution and staff report, the City Council shall consider the following guidelines in its review of the proposed project:

(a) Avoid unreasonable interference with views and privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of the residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.

(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.

(c) Minimize Perception of Excessive Bulk. The design of the proposed main and/or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.

(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.

(e) Grading. All grading shall be kept to a minimum and shall comply with the grading ordinance criteria.

The project, including both the home and attached garage, features a creative design, with a minimal building footprint and substantial setbacks from neighboring property lines to alleviate unreasonable interference with views and privacy. The majority of land around the residence and associated driveway will be preserved as natural landscape similar to nearby vacant properties and designated open space lots in the immediate area.

The incorporation of varying rooflines has minimized the perception of excessive bulk, a clear delineation of colors and materials, and the punctuation of walls along the front and side elevations. The proposed maximum height of the residence at 26 feet and 10.5 inches is within the 27-foot height limit, and all required building setbacks will substantially exceed the minimum standards to help mitigate potential impairment of light and air. Given the steep slope of the lot, grading was required to accommodate a one-and-a-half story home with rear yard access. In order to minimize grading, the rear yard entry is located on the second floor, which requires considerably less grading than having the exit on the first floor. However, due to the property slope and proximity to the crestline, the project will result in 3,005 cubic yards of cut and 435 cubic yards of fill. As noted earlier in the report, the Planning Commission recommended Council approval of the project based on the required findings for approval.

POLICY ALTERNATIVE(S):

Alternative 1: Direct staff to draft a resolution to deny the project for review at a subsequent meeting.

Pros: The existing hillside lot is not developed and remains as open space, or a new or revised project could be proposed.

Cons: The applicant would need to either withdraw the application or resubmit revised plans for development of a new residence at this location.

Reason for Not Recommending: The proposed project meets the required findings for approval and is consistent with the City's goals of supporting the development of a new high-quality housing in all areas of the City, including appropriate hillside locations. Both staff and the Planning Commission are recommending approval of the proposed project.

FISCAL IMPACT:

If the proposed project is approved, the applicant will apply for building permits and pay associated fees. The new single-family home will increase the property value and tax revenues but will also increase the demand for City services, including public safety and utilities. The project is located within an existing residential subdivision with existing services nearby.

California Environmental Quality Act (CEQA):

The project is exempt from further environmental review under CEQA pursuant to Section 15303(a) for New Construction or Conversion of Small Structures including one single-family residence or a second dwelling unit in a residential zone. The Project proposes the new construction of a single-family residence and attached garage within a residentially zoned area on a legally established parcel, and it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. As a separate and independent basis, the project is exempt from further CEQA review pursuant to Section 15183 of the CEQA

Guidelines for projects consistent with a community plan, general plan or zoning. The project is consistent with the General Plan and the applicable zoning, and there are no significant environmental impacts peculiar to the project or its site.

RECOMMENDATION:

Adopt a resolution approving Site Development Permit No. SD22-0013 and PUD Amendment Permit No. PA23-0001 to allow the development of a new single-family residence at 1321 Terra Vista Court, subject to the attached Conditions of Approval.

Attachments:

- (a) City Council Resolution
- (b) Planning Commission Staff Report dated October 25, 2023
- (c) Planning Commission Resolution No. 23-015
- (d) Project Plans
- (e) Story Pole Installation

RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING SITE DEVELOPMENT PERMIT NO. SD22-0013 AND PLANNED UNIT DEVELOPMENT AMENDMENT PA23-0001 TO DEVELOP A NEW HILLSIDE HOME LOCATED ON A VACANT 1.1-ACRE SITE AT 1321 TERRA VISTA CT (APN: 029-07-012) AND MAKING CEQA FINDINGS OF EXEMPTION

WHEREAS, on December 16, 2022, an application was submitted by Eugene H. Sakai, of Studio S Square Architecture, Inc. (“Applicant”), for a development proposal to allow the development of a 4,929 square-foot, one and a half-story single-family residence (“Project”) on a vacant 1.1-acre site within Planned Unit Development No. 68 at 1321 Terra Vista Ct (APN: 029-07-012). The Project site is zoned Single Family Residential - Hillside; and

WHEREAS, Planned Unit Development Amendment Permit No. PA23-0001 is also required to allow for a change in the exterior finishes within this project and associated Planned Unit Development Area, known as PUD 68; and

WHEREAS, the Planning Division completed an environmental assessment for the Project in accordance with the California Environmental Quality Act (CEQA), which assessment determined that the Project is exempt from CEQA review pursuant to Section 15303 (New Construction and Conversion of Small Structures) of the CEQA Guidelines and, as a separate and independent basis, pursuant to Section 15183 of the CEQA Guidelines; and

WHEREAS, on October 25, 2023, the City of Milpitas Planning Commission held a duly-noticed public hearing on the subject application, at which time all those in attendance were given the opportunity to speak on the Project, and the Planning Commission unanimously (6-0) recommended approval of the Project to the City Council subject to Conditions of Approval per Planning Commission Resolution No. 23-015; and

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

SECTION 1: Recitals

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 incorporated herein by reference.

SECTION 2: California Environmental Quality Act (CEQA) Findings

The project is exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15303(a) for “New Construction or Conversion of Small Structures including one single-family residence, or a second dwelling unit in a residential zone,” because it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. The Project’s proposed new construction of a single-family residence and its accessory structures are within a residentially zoned area on a legal parcel and none of the exceptions, as specified in Section 15300.2 of the CEQA Guidelines that would preclude applicability of this exemption are present. As a separate and independent basis, the Project is exempt from Section 15183 of the CEQA Guidelines as a project consistent with a community plan, general plan or zoning in that it is consistent with the development density established in the Milpitas General Plan and the applicable zoning and there are no project-specific significant effects which are peculiar to this project or its site.

SECTION 3: Site Development Permit Findings (Section XI-10-57.03(F)(1))

The City Council makes the following findings based on the evidence in the public record in support of Site Development Permit No. SD22-0013:

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

The architectural design and site planning of the proposed home is aesthetically compatible with the neighboring homes with an emphasis of minimizing changes to the natural topography. The proposed

home incorporates earth tone colors and is sited in a manner as to not draw attention when viewed from the valley floor.

2. *The project is consistent with the Milpitas Zoning Ordinance.*

The proposed home meets the development standards in the Single-Family Hillside Zoning district and Countryside Estates PUD 68 for setbacks, height requirements, and landscaping and is requesting an amendment to PUD 68 for parking, total allowed square footage and exterior finishes. As demonstrated in Table 1 below.

Table 1: Summary of Development Standards

Standards	Hillside & PUD 68 Requirements	Proposed	Complies
Front Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	55 ft. and 7 inches from the property line	Yes
Side Yard Setback	40 ft. minimum	44 ft. and 11 in. on south; 50 ft. and 8.5 in. on north.	Yes
Rear	40 ft. minimum	127 ft. and 7.5 inches	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	4,929 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,339 sq. ft.	Yes
Building Height (Maximum)	17 ft. west of crestline; 27 ft. east of crestline / 1 ½ stories	1 ½ story or 26 feet and 10.5 inches	Yes
Parking	Four spaces required	Six spaces (three inside garage & three outside)	Yes
Crestline Zone of Protection	Within three hundred (300) feet easterly of the crestline, structure heights shall be restricted so that no structure extends above the crestline site line	Within 300 ft east of the crestline, not visible from the three closest viewpoints nor does the height of the structure extend into the crestline site line	Yes

Due to the subject property's location, the project is also required to comply with the development standards in the City's Hillside Combining District. Per MMC Section XI-10-45.09-7 of the Zoning Ordinance, the Planning Commission and City Council shall consider the following guidelines in its review. Staff has determined the Project to be consistent with the Hillside Architectural Guidelines as demonstrated in Table 2 below.

Table 2: Hillside Zoning Ordinance Compliance

Site and Architectural Guidelines <i>Section 45.09-7</i>	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home relative to the maximum allowable size outlined in Table 3, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 10.5 inches, and substantially setback from adjacent property lines to the north and south, which minimizes interference with views and privacy. Additionally, the lot to the west is dedicated as Common Area only and will not be developed with future residential uses.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The project site is currently vacant and undeveloped and has no existing trees. As such, no trees will be removed. As proposed, the design of the house is carefully sited to be built on the flattest portions of the lot, following the natural landscape and existing contours of the site to limit cut to 3,005 cubic yards and fill to 435 cubic yards, with a net export of 2,570 cubic yards. Minimal landscaping is also proposed, including 22 mid-size trees and various flowering plants, ground cover, succulents and shrubs.
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front and side facing elevations to remove the perception of bulk within the one-and-a-half-story residence. The footprint of the proposed home is also angled in its orientation to the front property line, thus minimizing the perception of excessive bulk. Furthermore, as described and shown in Table 3, the proposed main residence is proposed to be sized in scale closer to immediate neighbors' proposed residences built on lots less than 3.0-acres in size. The overall building footprint of the main residence on the 1.1-acre lot is consolidated, and the remaining portions of the lot will also remain undeveloped, and no accessory structures are proposed.
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed 27 feet in height as permitted for homes east of the crestline, and meets or exceeds all minimum setbacks as required by the Hillside development standards. The proposed home also has a combination of mansard-style and minimally pitched roof systems that could be used to utilize future solar energy. With regards to adjacent properties, the lot to the west is reserved as Common Area and the residences to the east are located greater than 429 feet away. As such,

Site and Architectural Guidelines <i>Section 45.09-7</i>	Consistency Finding
	the proposed main residence will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. The proposed location of the main dwelling is where the existing lot is most flat, and grading is limited to 3,005 cubic yards of necessary cut to accommodate the one-and-a-half story dwelling and modest pool and 435 cubic yards of the grading will be repurposed as fill.

Site & Architectural Design

The project is designed in a modern Chateau style, which adds to the diversity of the neighborhood. The exterior materials are composed of painted stucco, high quality stone veneer and a standing seam metal roof, with metal and stain grade wood accents. The articulation of the architectural forms blending with a variety of finishes creates an attractive front elevation, along with an integrated curved driveway pattern that enhances the house and the neighborhood. All exterior materials and finishes work together as a palette of earth tone colors creating harmony with the surroundings. The colors and materials are complementary to the neighboring residences and within an earth tone range.

Grading and Landscaping

Due to the sloped lot and vehicular access requirements, the applicant has requested that the site be graded in order to make the site feasible for residential development. In an effort to limit the amount of ground to be removed, the applicant has proposed a site plan which locates the proposed home on the flattest portion of the site. Given the steep slope of the lot, grading was required to accommodate a one-and-a-half-story home with rear yard access. In order to minimize grading, the rear yard entry is located on the second floor, which requires considerably less grading than having the exit on the first floor. However, due to the property slope and proximity to the crestline, the project will result in 3,005 cubic yards of cut and 435 cubic yards of fill for the construction of a new home and the required grade at the driveway for firetruck access. 435 cubic yards of cut will be repurposed, resulting in a net export of 2,570 cubic yards. Furthermore, no grading is proposed in the crestline zone of protection, and grading is limited to the near footprint of the home and rear patio area. The proposed landscape plan includes a variety of flowers, shrubs, succulents, and trees. As demonstrated in Attachment B (Project Plans), these plans are consistent with the grading/landscaping requirements within the Hillside Ordinance.

Crestline Zone of Protection

In an effort to protect the quality of views of the hills from the valley floor, development standards related to crestlines have been incorporated into the Zoning Code. Per MMC Section XI-10-45.06, the purpose of the crestline zone of protection is to preserve the natural quality of the crestline and the slopes immediately below, when viewed from the valley floor. In addition, Section 45.06-2 states that, in the area within three hundred (300) feet easterly of the crestline building heights shall be restricted so that no structure extends above the crestline site line. An exhibit was given to the applicant demonstrating the location of prominent crestlines identified by the City. To demonstrate compliance with the crestline zone of protection and site line, which is located within the rear half of the existing lot, the applicant installed “story poles” along the minimum setback line and took pictures from areas recognized by the City as vantage points and required by the Hillside Ordinance Section XI-45-.06-3. Specifically, designated viewpoints VP2, VP3, and VP4 were included within this analysis. As demonstrated in Attachment C and plan Sheet A0.5, although cross section #3 for VP4 would intrude into the site line, the story pole tests

confirm the project will not be visible from the valley floor, and therefore, is compliant with the Crestline Zone of Protection.

3. *The project is consistent with the Milpitas General Plan.*

The project is consistent with the Milpitas General Plan, and particularly with Policy CD 7- 5, which states to limit new development in the Hillside Area to only to Very Low Density Residential, open space and park uses. The project meets this finding, as the site is a part of an approved Planned Unit Development, which subdivided lots planned for clustered housing. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor. As outlined in Table 3 below.

Table 3: General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints as the project site is located over 100 feet west of the crestline. Project Plan sheets A0.4 and A0.5 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. The proposed Project will be situated at the flattest portion of the lot to limit disruption to the existing natural topography by limiting cut and fill to 3,005 cubic yards and fill to 435 cubic yards for both construction phases. The total earthwork exported will be 2,570 cubic yards to accommodate the home's footprint and meet the grade requirements to not be visible from the valley floor.
<i>CD 7-3 Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. Minimal contour grading will be required for the construction of the new residence due to its siting on the flattest areas of the lot. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set.
<i>CD 7-4 Avoid mass graded pads within hillside areas. Smaller steps or grade changes should be used over single, large, slope banks to the greatest extent feasible.</i>	Consistent. The building pad is proposed at the flattest portion of the lot and will only necessitate minimal grading, including equal cut and fill. Grading has been minimized as much as feasibly possible in the Project, in that the site follows the site's natural contours in an effort to preserve the natural terrain quality.
<i>CD 7-5 Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation, as the subject site is to be used as a single-family residence.

As described above, the Project is compatible and consistent with the surrounding uses and has been found to conform to the intent of the Milpitas 2040 General Plan designation. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor.

SECTION 4: *Planned Unit Development (Section XI-10-54.07(B)(6)(a-c)) – The Planning Commission makes the following standard requirements based on the evidence in the public record in support of the Planned Unit Development Amendment. PA21-0002:*

1. *The proposed development will result in an intensity of land utilization no higher than and standards of open spaces at least as high as permitted or specified otherwise for such development in the General Plan, Zoning Ordinance and Subdivision ordinance.*

The permit amendment, along with the project, will result in an intensity no higher than and standards of open space at least as high as permitted, in that the PUD requirements mirror the Hillside combining zoning requirements, in regard to land utilization, planting, irrigation, and open space. This standard has been met.

2. *The development will not create traffic congestion pursuant to the California Environment Quality Act (CEQA). However, if traffic congestion is created by the proposed development, the traffic impacts will be mitigated by traffic improvements proposed by the developer or by funding capital projects and by on-site provisions for traffic circulation and parking or, if it cannot be mitigated, the Planning Commission and City Council shall issue any necessary findings pursuant to CEQA.*

The project associated with the PUD permit amendment, will not create traffic congestion that will significantly and negatively affect existing traffic operations. This standard has been met.

3. *For residential development in the Valley Floor Planning Area, as defined in the Milpitas General Plan Land Use Element, the maximum dwelling unit density per gross acre shall be the upper limit of the corresponding General Plan density range within each zoning designation. In the case of the Valley Floor Planning Area residential developments proposed on land zoned "R3" (Multiple Family Residential) an overall density of up to forty (40) units per gross acre can be approved if the following criteria are found by the City Council to be met*

The proposed the PUD permit amendment shall not have any effect on residential development density. This standard has been met.

Furthermore, in order to grant a Planned Unit Development amendment, the following findings are hereby made pursuant to Milpitas Municipal Code Section XI-10-54.07(B)(6)(d):

1. *Development of the site under the provisions of the Planned Unit Development will result in public benefit not otherwise attainable by application of the regulations of general zoning districts.*

The amendment, along with the project, will result in a public benefit by conforming the PUD to current development standards and allow flexibility for a smaller garage, more square footage for the residential structure and changes to the exterior, without being detrimental to the light, air or privacy of any other structure or use currently existing or anticipated.

2. *The proposed Planned Unit Development is consistent with the Milpitas General Plan.*

The amendment, along with the project is consistent with the Milpitas General Plan, as demonstrated and outlined in Table 2 above.

3. *The proposed development will be in harmony with the character of the surrounding neighborhood and will have no adverse effects upon the adjacent or surrounding development, such as shadows, view obstruction, or loss of privacy that are not mitigated to acceptable levels.*

The architectural design and site planning of the proposed home are aesthetically compatible with the neighboring homes, with an emphasis of minimizing changes to the natural topography. The proposed

home incorporates earth tone colors, creating harmony with the surroundings. The colors and materials of the proposed French chateau design are complementary to the neighboring residences. Additionally, the proposed home is on a 1.1-acre parcel sitting at a minimum of 40 feet set back from all property lines, with a minimum of 80 feet between the closest neighboring home, and therefore will not interfere with privacy.

SECTION 4: City Council Approval

Based on the foregoing, the City Council hereby approves Site Development Permit No. SD22-0013 to allow the construction of a new single-family residence in the R1-H Single-family Residential Zoning District with an H Hillside Combining District located at 1321 Terra Vista Ct, based on the above findings and subject to the Conditions of Approval attached hereto as **Exhibit 1** and incorporated herein.

PASSED AND ADOPTED this ____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Michael Mutalipassi, City Attorney

**CONDITIONS OF APPROVAL
1333 TERRA VISTA CT
SITE DEVELOPMENT PERMIT NO. P-SD21-0009 AND
PLANNED UNIT DEVELOPMENT AMENDMENT PA21-0002 (APN 029-07-010)**

General Conditions

1. General Compliance. The applicant and owner, including all successors in interest (collectively “Permittee”) shall comply with each and every condition set forth in this Permit. Site Development Permit No. SD21-0009 and Planned Unit Development Amendment PA21-0001 (“Permit”) shall have no force or effect and no building permit shall be issued unless and until all things required by the below-enumerated precedent conditions have been performed or caused to be performed and this Resolution has been recorded by the Permittee with the Santa Clara County’s Recorder Office. **(P)**
2. Modifications to project. Any deviation from the approved site plan, floor plans, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or Designee. If the Planning Director or designee determines that the deviation is significant, the Permittee shall be required to apply for review and obtain approval of the Planning Commission, in accordance with the Zoning Ordinance. **(P)**
3. Effective Date. Unless there is a timely appeal filed in accordance with the Milpitas Zoning Code, the date of approval of this Permit is the date on which the decision-making body approved this Permit. **(P)**
4. Acceptance of Permit. Should Permittee fail to file a timely appeal within twelve (12) calendar days of the date of approval of this Permit, inaction by Permittee shall be deemed to constitute each of the following:
 - a. Acceptance of this Permit by Permittee; and
 - b. Agreement by the Permittee to be bound by, comply with, and to do all things required of or by Permittee pursuant to all of the terms, obligations, and conditions of this Permit.
5. Permit Expiration. Pursuant to Section XI-10-64.06 of the Milpitas Zoning Code, this Permit shall become null and void if the activity permitted by this Permit is not commenced within two (2) years from the date of approval, or for a project submitted with a tentative map, within the time limits of the approved tentative map. Pursuant to Section XI-10-64.06(B) of the Milpitas Zoning Code, an activity permitted by this Permit shall be deemed to have commenced when the project:
 - a. Completes a foundation associated with the project; or
 - b. Dedicates any land or easement as required from the zoning action; or
 - c. Complies with all legal requirements necessary to commence the use, or obtains an occupancy permit, whichever is sooner.
6. Time Extension. Pursuant to Section XI-10-64.07 of the Milpitas Zoning Code, unless otherwise provided by State law, Permittee shall have the right to request a one-time extension of the Permit if the request is made in writing to the Planning Division prior to the expiration date of the approval. **(P)**
7. Project Job Account. If Permittee’s project job account is at any time delinquent or below the required deposit amount, City will not continue to review or process the application until Permittee’s private job account is paid in full and the required deposit has been made. Additionally, prior to the issuance of any building permit or occupancy permit, as applicable, Permittee shall pay in full the project account balance and establish a remaining balance of at least twenty-five percent (25%) of the required initial deposit. **(P)**
8. Notice. Pursuant to California Government Code Section 66020, any protest filed in court relating to the imposition of fees, dedication, reservations, or other exactions to be imposed on the development project shall be filed within ninety (90) days after the date of the adoption of this Resolution. This provision serves as notice from the local agency to the Permittee that the ninety (90) day period in which the applicant may file a protest has begun under California Government Code Section 66020(d)(1). **(P)**

9. Cost and Approval. Permittee shall fully complete and satisfy each and every condition set forth in this Resolution and any other condition applicable to the project to the sole satisfaction of the City. Additionally, Permittee shall be solely responsible and liable for the cost to satisfy each and every condition. Permittee shall pay all required fees and charges to City at the rate in effect at time of building permit issuance, or, the rate in effect when the fees and charges are due and paid in full to City. There is no vesting of any fees or charges with the adoption of this Resolution. **(P)**
10. Conditions. Each and every condition set forth in this Exhibit shall apply to the project and continue to apply to the project so long as the Permittee is operating the project under the permits and approvals in this Resolution. **(P)**
11. Compliance with Laws. The construction, use, and all related activity authorized under this Permit shall comply with all applicable local, state, and federal laws, rules, regulations, guidelines, requirements, and policies. **(CA/P)**
12. Previous Approvals. Permittee shall abide and continue to comply with all previous City approvals, permits, or requirements relating to the subject property, unless explicitly superseded or revised by this Permit. **(P)**
13. Indemnification. To the fullest extent permitted by law, Permittee shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the project, including but not limited to, the approval of the discretionary permits, maps under the Subdivision Map Act, and/or the City's related determinations or actions under the California Environmental Quality Act, and (ii) Permittee's construction, operation, use, or related activity under this Permit. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. Permittee shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Permittee shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition. **(CA)**
14. Revocation, Suspension, Modification. This Permit may be suspended, revoked, or modified in accordance with Section XI-10-63.06 of the Milpitas Zoning Code. **(P)**
15. Severability. If any term, provision, or condition of this Permit is held to be illegal or unenforceable by the Court, such term, provision, or condition shall be severed and shall be inoperative, and the remainder of this Permit shall remain operative, binding, and fully enforceable.
16. Permittee shall develop the approved project in conformance with the approved plans approved by the **Planning Commission on October 25, 2023**, in accordance with these Conditions of Approval. **(P)**

Any deviation from the approved site plan, elevations, materials, colors, landscape plan, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or Designee. If the Planning Director or designee determines that the deviation is significant, Permittee shall be required to apply for review and obtain approval of the Planning Commission or City Council, as applicable, in accordance with the Milpitas Zoning Code. **(P)**
17. Response to Conditions of Approval. Permittee shall provide a written response to comments upon submittal for building permit application. The responses should clearly indicate how each condition of approval has been addressed in the plans and shall note the appropriate plan sheet. **(P)**
18. Prior to the issuance of a building permit, the owner or designee shall include within the four first pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the project. **(P)**
19. Streets shall be designed to generally follow the contours and land form in order to minimize cut and fill. Exposed walls and facing roadways and retaining walls shall be no greater than six feet in height. Crib walls fencing roadways shall be no greater than 15 feet in height. **(P)**
20. Landscaping coverage and stabilization of graded slopes shall be selected and designed to be compatible with surrounding natural vegetation or to replace removed natural vegetation and should recognize climatic, soil, and ecologic characteristic of the region. Plan materials that require excessive water after becoming established should be avoided. **(P)**

21. Trees which have a six inch or greater diameter trunk size at a point three feet above grade may not be removed without obtaining prior approval from the City. The location of all such trees shall be shown on all plans submitted for approval. The Planning Commission, upon review of an "S" Zone application approval, shall have the power to authorize removal, relocation or replacement if the Permittee can show that such requirement is unreasonable as applied to the particular property. If the removal is permitted, the replacement of any trees removed pursuant to this section shall be at a five to one (5:1) ratio. **(P)**
22. Within six months, or such other period established by the Planning Commission, after the commencement of grading activities, all graded areas not covered by an impervious surface shall be stabilized in such manner as shall be approved by the Community Development Manager. **(P)**
23. Where two cut-or-fill slopes intersect, the intersection shall be horizontally rounded and blended. **(P)**
24. Where any cut-or-fill slopes intersect the natural grade, the intersection of each slope shall be vertically and/or horizontally rounded and blended. **(P)**
25. Fees: Upon reviewing Exhibit B from the Subdivision Improvement Agreement, it appears that a number of fees were deferred to be paid before building permit issuance. Those fees are listed here
 - a. Prior to the final (occupancy) of each building, a cash fee (\$1333.00/per dwelling unit) to cover the development pf park and recreations areas shall be collected by the City for the granting of the PUD.

Fire Department

23. The project/development shall comply with the requirements of the Fire Department and the California Fire Code, as outlined, as may be amended by the City of Milpitas. Changes to the site plan and/or internal circulation shall be reviewed and approved by the Fire Department. **(F)**
24. Fire Department Access
 - a. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather capabilities. Bearing capacity for the driveway and the entry drive court shall be designed to provide a minimum of 50,000 lbs. bearing capacity for the fire apparatus. CFC Section 503.2.3
 - b. Fire apparatus access roads shall have an unobstructed width of not less than 20 feet (6096 mm), except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of 13 feet 6 inches (4115 mm).
25. An approved automatic fire sprinkler system (NFPA 13D minimum) shall be provided for all structures (living space, garage, outdoor spaces attached to the home, pool cabana, ADU, etc.). California Fire Code Section 903.2 amended by Milpitas Municipal Code V-300-2.82.
 - a. FIRE SPRINKLERS for NEW HOMES
 - 25.a.1. An approved automatic fire sprinkler system (NFPA 13D minimum) shall be provided for the home (living space, garage, outdoor spaces attached to the home, etc.). California Fire Code Section 903.2, amended by Milpitas Municipal Code **V-300-2.62**
 - 25.a.2. FIRE DEPARTMENT PERMIT – REQUIRED
The Milpitas Fire Department shall approve new installation and/or modifications to existing fire protection, alarm or monitoring system(s). A separate submittal is required to the Milpitas Fire Department, for review and approval, prior to the commencement of any work. CFC Section 901.2
 - 25.a.3. WATER SUPPLY SERVICE TO THE HOME
The existing water supply service to the home may need upgrading to service the automatic fire sprinkler system. All new water services shall be done as required by the City of Milpitas Engineering Division.
26. ACCESS CONTROL DEVICES. When access control devices including bars, grates, gates, electric or magnetic locks or similar devices, which would inhibit rapid fire department emergency access to the building, are installed, such devices shall be approved by the fire code official. All access control devices shall be provided with an approved means for deactivation or unlocking by the fire department. Access control devices shall also comply with Chapter 10 Egress. (Knox box location shall be at 6 feet above the finish floor, or fire access walkway or road).
27. SITE ADDRESS. New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Where required by the fire code official, address

numbers shall be provided in additional approved locations to facilitate emergency response. Address numbers shall be Arabic numerals or alphabet letters and shall be consistent with Milpitas standardized addressing guidelines. Where access is by means of a private road the building cannot be viewed by the public way, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained.

28. **KEY BOX.** The Fire Code Official is authorized to require a key box to be installed in an approved location if necessary, for lifesaving or firefighting purpose. The key box shall be of an approved type listed in accordance with UL 1037, and shall contain keys to gain necessary access as required by the fire code official. (Knox box location shall be at 6 feet above finish floor, or fire access walkway or road).

Building Department

29. **Compliance with Building Code of Regulations.** The Project shall comply with the requirements of the Building Safety and Housing Department and the California Code of Regulations Title 24 and the Milpitas Municipal Code as adopted by the City. Building permits shall be submitted to and approved by the Building Safety and Housing Department prior to start of construction. All California Code of Regulations Title 24 and Milpitas Municipal Code requirements applicable at the time of building permit application must be met in advance of any building permit approvals or related construction. Changes to the site plan and/or building plan require review and approval by the Building Safety and Housing Department. **(B)**

Engineering Department

PRIOR TO CONSTRUCTION PLAN SUBMITTALS

*The following conditions shall be met **prior to** any detailed construction plan check submittals (Building or Engineering, except demolition and rough grade plans), unless otherwise approved by the Director of Engineering/City Engineer. City reserves the right to reject any plan check submittal if any of the following conditions are not met. **(E)***

12. **Stormwater Control Plan:** Permittee shall submit City approved final Stormwater Control Plan (SWCP) that complies with the latest Municipal Regional Stormwater NPDES Permit, including Low Impact Development (LID) Section C3.c.i.(2)(b) measures for harvesting and reuse, infiltration, or evapo-transpiration, for City's review and approval by the Engineering Department.
13. **Submittal Requirements:** Permittee to ensure that all plan check submittals are in accordance with City's submittal check list for each permit type, including but not limited to, payment of permit fees and/or fee deposit at the time of the submittal.

PRIOR TO OFF-SITE PLAN APPROVAL/ENCROACHMENT PERMIT ISSUANCE

*The following conditions shall be addressed as part of the off-site improvement plan review and shall be met **prior to** encroachment permit issuance, unless otherwise approved by the Director of Engineering/City Engineer. **(E)***

14. **Public Improvement Design Standards:** All public improvements shall be designed and constructed in accordance with all applicable public improvement design standards, including but not limited to:
- a. Milpitas Design Guidelines: (<http://www.ci.milpitas.ca.gov/milpitas/departments/engineering/design-guidelines/>);
 - b. Standard details and specifications: (<http://www.ci.milpitas.ca.gov/milpitas/departments/engineering/standard-details-and-specifications/>);
 - c. Americans with Disabilities Act (ADA) requirements, where applicable.
15. **Storm Drain Design:** Permittee shall submit storm drain hydrology and hydraulic calculations based upon a 10-year storm event to justify the size of the storm drain lateral flowing full, without surcharging the main line pipe, and to be reviewed and approved by the Engineering Department.
16. **Domestic Water and Fire Service Calculations:** Permittee shall submit potable water and fire service calculations to confirm adequacy of lateral size, pressure and flow, to be reviewed and approved by the Engineering Department and Fire Department. Hydraulic modeling analysis by the City and paid by the Permittee may be required as needed. Permittee shall be responsible to implement any necessary improvements if there is any identified deficiency to the existing main as a result of the project.

17. Water Service Agreement: Permittee shall complete a water service agreement to obtain water service.
18. Encroachment Permit: Prior to any work in the public right-of-way and/or public easement, obtain an encroachment permit with insurance requirements for all public improvements including a traffic control plan per the latest California Manual on Uniform Traffic Control Devices (MUTCD) standards to be reviewed and approved by the Engineering Department.
19. Pothole Encroachment Permit: Due to new utility service connections on City streets, Permittee shall pothole and verify all potential utility crossing conflict as part of the public improvement plan during the design stage.
20. Water Efficient Landscapes: Permittee shall comply with Milpitas Municipal Code Title VIII, Chapter 5 Water Efficient Landscapes for landscape design, including but not limited to, providing separate water meters for domestic water service and irrigation service and providing applicable landscape documentation package.
21. Solid Waste and Recycling Facility Design: Permittee shall comply with all applicable City design guidelines/details associated with haul route, turning radius, vertical and horizontal clearance, trash enclosure, staging area, storage area, etc.
22. Solid Waste Management: The project must meet all Milpitas Sanitation and SB 1383 requirements for solid waste management.
23. Mailboxes: The Permittee shall obtain information from the US Postal Services regarding placement of required mailboxes. Structures to protect mailboxes may require Building, Engineering and Planning Divisions review.

DURING CONSTRUCTION

*The following conditions shall be complied with at all times **during** the construction phase of the project, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

24. Dewatering: If dewatering is needed during construction, Permittee shall obtain a Short-Term Industrial Wastewater Permit from the San Jose/Santa Clara Water Pollution Control Plant for discharging the groundwater to a sanitary sewer system.
25. On-site Recycle Water Coordination: Permittee's cross-connection specialist shall coordinate the phasing of the construction; facilitate the cross-connection testing in order to minimize the impact for occupied buildings during cross-connection testing; sign-off before the water meter set; coordinate on-site construction inspection; complete the site inspection; fill out required paperwork/questionnaire; and provide them to the City for forwarding to South Bay Water Recycling.
26. Prohibition of Potable Water Usage: Permittee shall use recycled water for construction purposes, including dust control and compaction. Permittee shall comply with MMC VIII-6-5.00 and 6-6.00 where potable water usage is prohibited, unless otherwise approved by the City Council.
27. Construction Staging and Employee Parking: Permittee shall place all construction related materials, equipment, and arrange construction workers parking on-site and not located in the public right-of-ways or public easements.
28. Water Shut-down Plan: Permittee shall provide a water shut-down plan at least seven days in advance of the shut-down in coordination with the Engineering Inspector and notify affected property owners/tenants when cut-in tee(s) is/are required.

PRIOR TO FIRST OCCUPANCY

*The following conditions shall be met **prior to** first building occupancy on either lot, unless otherwise approved the Director of Engineering/City Engineer.*

29. Completion of Public Improvements: Permittee shall complete all public improvements, including but not limited to frontage improvements and fire hydrants, as shown on City approved plans.
30. Landscape Certificate of Completion: Permittee shall submit a Certificate of Substantial Completion that complies with the Milpitas Municipal Code Water Efficient Landscapes ordinance.
51. Fees: Upon reviewing Exhibit B from the Subdivision Improvement Agreement, it appears that a number of fees were deferred to be paid before building permit issuance. Those fees are listed here, as well as additional fees that may apply:
 - a. Hillside water reimbursement fee: \$12,010
 - b. Treatment Plant Fee: \$880 per dwelling
 - c. Cost of meter purchases: these were listed in Exhibit B, but the City no longer collects those. Instead, we have the customer order the meters through our supplier and pay the supplier directly.
 - d. Sewer connection fee: \$1,908 single family parcel (separate from Treatment Plant fee)
 - e. Storm Drain Connection Fee: \$3,594 for single family parcels 1 acre to 4 acres

(P) = Planning
 (B) = Building
 (E) = Engineering
 (F) = Fire Prevention
 (CA) = City Attorney

NOTICE OF RIGHT TO PROTEST

The Conditions of Project Approval set forth herein include certain fees, dedication requirements, reservation requirements, and other exactions. Pursuant to Government Code Section 66020(d)(1), these Conditions constitute written notice of a statement of the amount of such fees, and a description of the dedications, reservations, and other exactions. You are hereby further notified that the 90-day approval period in which you may protest these fees, dedications, reservations, and other exactions, pursuant to Government Code Section 66020(a), began on date of adoption of this resolution. If you fail to file a protest within this 90-day period complying with all of the requirements of Section 66020, you will be legally barred from later challenging such exactions.

AGREEMENT

Permittee/Property Owner

The undersigned agrees to each and every condition of approval and acknowledges the NOTICE OF RIGHT TO PROTEST and hereby agrees to use the project property on the terms and conditions set forth in this resolution.

Dated: _____

 Signature of Permittee

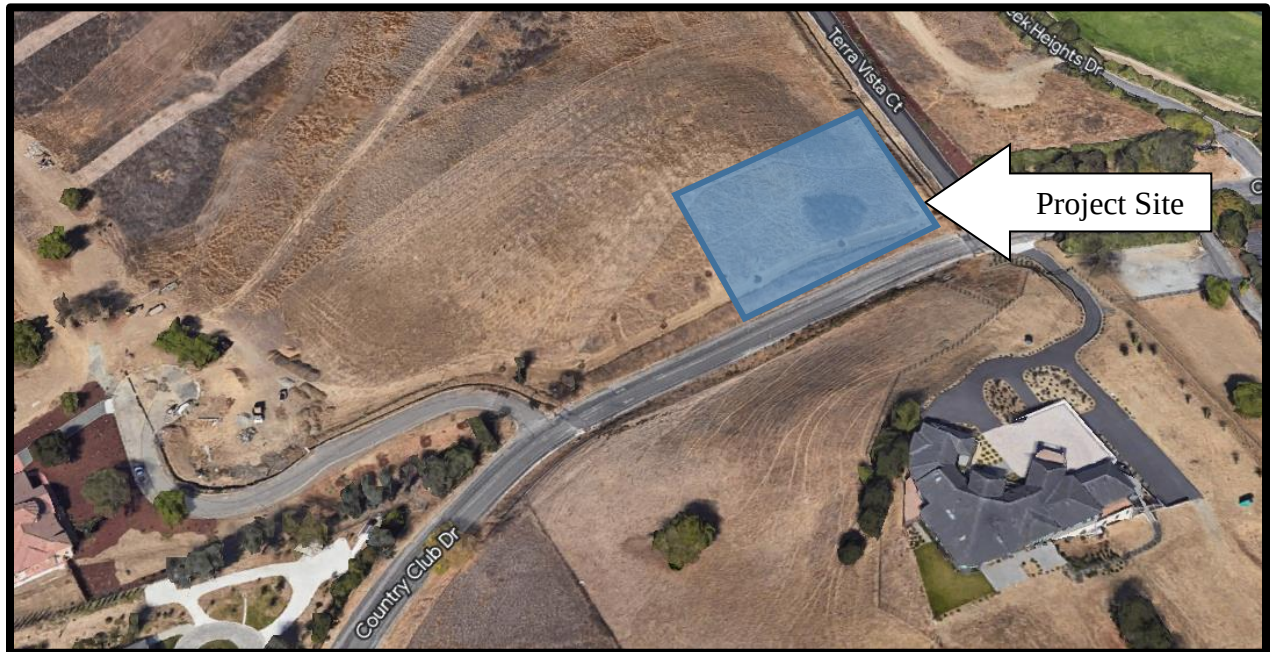


MILPITAS PLANNING COMMISSION STAFF REPORT

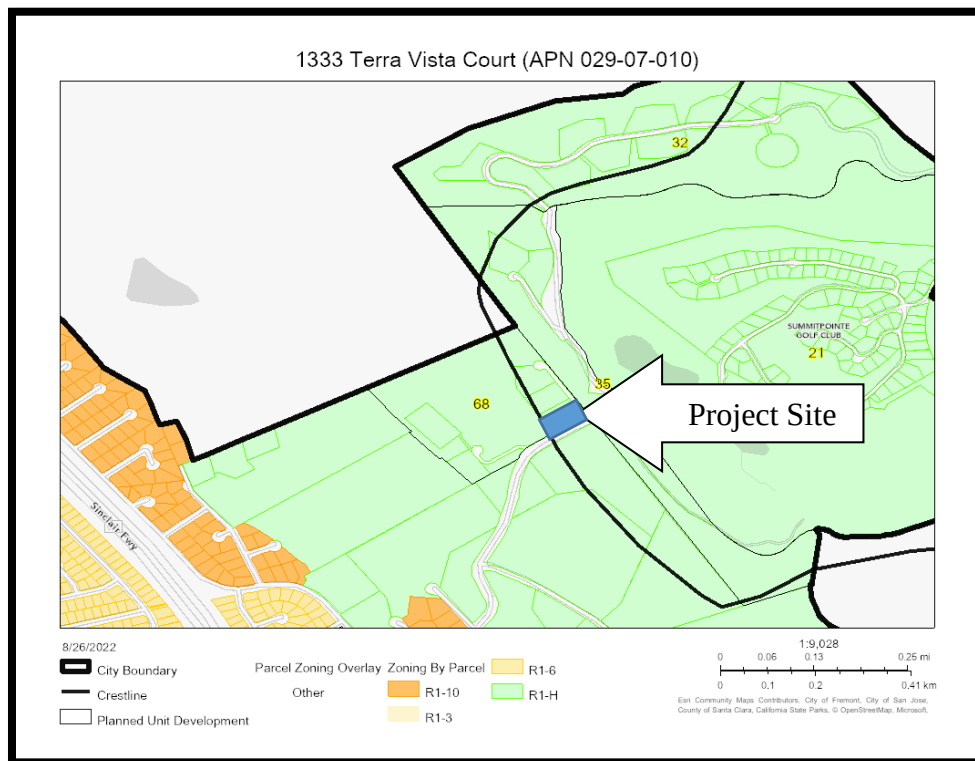
October 25, 2023

APPLICATION:	NEW HILLSIDE RESIDENCE - 1321 TERRA VISTA COURT (LOT 4) - Site Development Permit No. SD22-0013 and PUD Amendment No. PA23-0001: A request for an Amendment to the development standards for a single-family home within Planned Unit Development No. 68 (Countryside Estates) to deviate from the approved designs for that single-family home and a Site Development Permit to construct a 4,929 square-foot, two-story, single-family residence with an attached three-car garage on a 1.1-acre vacant site located in the R1-H Single-family Residential-Hillside Zoning District with a Site and Architectural (-S) Overlay at 1321 Terra Vista Court (Countryside Estates, Lot 4).
RECOMMENDATION:	Staff recommends that the Planning Commission adopt Resolution No. 23-015 approving and recommending City Council approval of Site Development Permit SD22-0013 and Planned Unit Development Amendment PA23-0001, subject to the attached Conditions of Approval.
LOCATION:	
Address/APN:	1321 Terra Vista Court (APN 029-07-012)
Area of City:	Northeastern portion of the City of Milpitas in the hillside area
PEOPLE:	
Project Applicant:	Eugene Sakai, Studio S Squared Architecture, Inc.
Project Planner:	Randy Baez, Associate Planner
LAND USE:	
General Plan Designation:	Hillside Low-Density (HLD)
Zoning District:	Single Family Residential-Hillside (R1-H)
Planned Unit Development:	No. 68 (Countryside Estates)
Site Area:	1.1 acres
ENVIRONMENTAL:	Categorically exempt from environmental review under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15303(a) (New Construction or Conversion of Small Structures) and Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning).

Map 1
3D Aerial Project Location



Map 2
Zoning Map



BACKGROUND

History

On November 17, 1992, the City Council approved Planned Unit Development (PUD) No. 68 (Countryside Estates) to allow the construction of six hillside residential home sites on a 24.5-acre parcel. Each home site would be reviewed separately under the provisions of an “S” Zone Application or Site Development Permit and subject to a precise building envelope established by the PUD. To date, lots 2 and 6 have been approved for development.

Process

In addition to satisfying the substantive and procedural requirements typically applicable to a Site Development Permit and Planned Unit Development Amendment, because of the project’s location within the Hillside Combining District (“H”), the application must be considered by both the Planning Commission and the City Council (Milpitas Municipal Code [MMC] Section XI-10-45.09) for conformance with the Hillside Site and Architectural Guidelines.

PROJECT DESCRIPTION

Overview

The project site is an undeveloped 1.1-acre parcel located at the intersection of Country Club Drive and Terra Vista Court within Planned Unit Development No. 68: Countryside Estates. The property and neighboring properties are zoned Single Family Residential – Hillside. The project site is located on the east side of the hillside crest line. A vicinity map of the subject site location is shown on Map 1.

The applicant is requesting a Site Development Permit and a Planned Unit Development Amendment to construct a 4,929-square foot, two-story single-family residence and a 797 square-foot accessory structure (Accessory Dwelling Unit) on a 1.1-acre vacant lot. The residence will include an attached 1-car and 2-car garage, in addition to three off-street parking spaces access from the swing-in driveway. The project also includes an amendment to Planned Unit Development No. 68 to include the following change:

1. Changes to exterior finishes and design to allow for a contemporary Chateau design for this lot, which will include painted stucco, stone veneer, and a standing seam metal roof.

Location and Context

The project site is located in the northeastern portion of the City of Milpitas in the hillside area. Map 2 and the following table provide a summary of the Zoning and Land Uses surrounding the site

Table 1: Surrounding Zoning and Land Uses

	General Plan	Zoning	Existing Use
Subject Site	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Vacant
North	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Vacant
South	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Single-Family Home

East	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Vacant
West	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Vacant

PROJECT ANALYSIS

General Plan and Zoning Conformance

Milpitas General Plan 2040

The General Plan designation for the project site is Hillside Low Density (HLD). The General Plan details the goals, objectives and policies for the City's Hillside Area. It is characterized by gentle to steep slopes, grassy terrain with some chaparral and trees, wildlife, geologically unstable areas, the Ed R. Levin County Regional Park, and a feeling of remoteness from the more urban portions of the city. The Hillside Low Density designation allows a maximum of one (1) housing unit per gross acre. The project is in conformance with the policies and standards in the City's General Plan policies, as outlined in the following table:

Table 2: General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints, as the project site is located over 100 feet east of the crestline. Project Plan sheets A0.4 and A0.5 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. The proposed Project will be situated at the flattest portion of the lot to limit disruption to the existing natural topography by limiting cut to 3,005 cubic yard and fill to 435 cubic yards for both construction phases. The total earthwork exported will be 2,570 cubic yards to accommodate the home's footprint and meet the grade requirements to not be visible from the valley floor.
<i>CD 7-3 Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. Minimal contour grading will be required for the construction of the new residence due to its siting on the flattest areas of the lot. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set.
<i>CD 7-4 Avoid mass graded pads within hillside areas. Smaller steps or grade</i>	Consistent. The building pad is proposed at the flattest portion of the lot and will only

<i>changes should be used over single, large, slope banks to the greatest extent feasible.</i>	necessitate minimal grading to accommodate the residence. Grading has been minimized as much as feasibly possible in the Project, in that the site follows the site's natural contours in an effort to preserve the natural terrain quality.
CD 7-5 <i>Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation, as the subject site is to be used as a single-family residence.

Development Standards

The site is located in the R1-H Single-Family Residential-Hillside Combining District. The “H” Zoning District promotes and encourages the orderly development of the hillside area of the City by the application of regulations and requirements established to meet the particular constraints associated with the development of hillside areas, including, but not limited to, geologic problems, slope, safe access, and visibility.

Per MMC Section XI-10-45.17-3, the subject parcel is less than 3.0-acres, which allows for the smallest maximum size for the main residence and the least amount of impervious surface coverage compared to parcels over this acre threshold. The project applicant chose to conform to development standards within its maximum limitations. Table 3 demonstrates the Project’s consistency with the applicable development standards of the R1-H zone and PUD # 68.

Table 3: Summary of Development Standards

Standards	Hillside & PUD 68 Requirements	Proposed	Complies
Front Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	55 ft. and 7 inches from the property line	Yes
Side Yard Setback	40 ft. minimum	44 ft. and 11 in. on south; 50 ft. and 8.5 in. on north.	Yes
Rear	40 ft. minimum	127 ft. and 7.5 inches	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	4,929 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,339 sq. ft.	Yes
Building Height (Maximum)	17 ft. west of crestline; 27 ft. east of crestline / 1 ½ stories	1 ½ story or 26 feet and 10.5 inches	Yes
Parking	Four spaces required	Six spaces (three inside garage & three outside)	Yes

Standards	Hillside & PUD 68 Requirements	Proposed	Complies
Crestline Zone of Protection	Within three hundred (300) feet easterly of the crestline, structure heights shall be restricted so that no structure extends above the crestline site line	Within 300 ft east of the crestline, not visible from the three closest viewpoints nor does the height of the structure extend into the crestline site line	Yes

Due to the subject property's location, the project is also required to comply with the development standards in the City's Hillside Combining District. Per MMC Section XI-10-45.09-7 of the Zoning Ordinance, the Planning Commission and City Council shall consider the following guidelines in its review. Staff has determined the Project to be consistent with the Hillside Architectural Guidelines as demonstrated in Table 4 below.

Table 4: Hillside Zoning Ordinance Compliance

Site and Architectural Guidelines Section 45.09-7	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home relative to the maximum allowable size outlined in Table 3, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 10.5 inches, and substantially setback from adjacent property lines to the north and south, which minimizes interference with views and privacy. Additionally, the lot to the west is dedicated as Common Area only and will not be developed with future residential uses.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The project site is currently vacant and undeveloped and has no existing trees. As such, no trees will be removed. As proposed, the design of the house is carefully sited to be built on the flattest portions of the lot, following the natural landscape and existing contours of the site to limit cut to 3,005 cubic yards and fill to 435 cubic yards, with a net export of 2,570 cubic yards. Minimal landscaping is also proposed, including 22 mid-size trees and various flowering plants, ground cover, succulents and shrubs.

Site and Architectural Guidelines Section 45.09-7	Consistency Finding
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front and side facing elevations to remove the perception of bulk within the one-and-a-half-story residence. The footprint of the proposed home is also angled in its orientation to the front property line, thus minimizing the perception of excessive bulk. Furthermore, as described above and shown in Table 3, the proposed main residence is proposed to be sized in scale closer to immediate neighbors' proposed residences built on lots less than 3.0-acres in size. The overall building footprint of the main residence on the 1.1-acre lot is consolidated, and the remaining portions of the lot will also remain undeveloped, and no accessory structures are proposed.
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed 27 feet in height as permitted for homes east of the crestline, and exceeds all minimum setbacks as required by the Hillside development standards. The proposed home also has a combination of mansard-style and minimally pitched roof systems that could be used to utilize future solar energy. With regards to adjacent properties, the lot to the west is reserved as Common Area and the residences to the east are located greater than 429 feet away. As such, the proposed main residence will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. The proposed location of the main dwelling is where the existing lot is most flat, and grading is limited to 3,005 cubic yards of necessary cut to accommodate the two-story dwelling and modest pool and 435 cubic yards of the grading will be repurposed as fill.

Planned Unit Development Amendment

The project is also located within PUD 68, which establishes total allowed square footage, total grading allowed, size of the garage and exterior finish materials. Per PUD 68 (adopted November 1992), the lot shall have a 3-car garage, 4,000-5,000 square feet of total allowable square footage for the residential structure, and only permits certain types of exterior finishes.

Staff has determined through analysis and research that PUD 68, also known as Countryside Estates, which was established to regulate the construction of six custom homes, is no longer reflective of the current development patterns of the Bay Area.

An increase in residential square footage is not required; however, Staff recommends amending the PUD for this lot to allow for the proposed changes in exterior finishes. In order to approve such changes, the Planning Commission must make the finding that these changes will not be detrimental to the light, air or privacy of any other structure or use currently existing or anticipated.

Site & Architectural Design

The project is designed in a modern Chateau style, which adds to the diversity of the neighborhood. The exterior materials are composed of painted stucco, high quality stone veneer and a standing seam metal roof, with metal and stain grade wood accents. The articulation of the architectural forms blending with a variety of finishes creates an attractive front elevation, along with an integrated curved driveway pattern that enhances the house and the neighborhood. All exterior materials and finishes work together as a palette of earth tone colors creating harmony with the surroundings. The colors and materials are complementary to the neighboring residences and within an earth tone range.

Grading and Landscaping

Due to the sloped lot and vehicular access requirements, the applicant has requested that the site be graded in order to make the site feasible for residential development. In an effort to limit the amount of ground to be removed, the applicant has proposed a site plan which locates the proposed home on the flattest portion of the site. Given the steep slope of the lot, grading was required to accommodate a two-story home with rear yard access. In order to minimize grading, the rear yard entry is located on the second floor, which requires considerably less grading than having the exit on the first floor. However, due to the property slope and proximity to the crestline, the project will result in 3,005 cubic yards of cut and 435 cubic yards of fill for the construction of a new home and the required grade at the driveway for firetruck access. 435 cubic yards of cut will be repurposed, resulting in a net export of 2,570 cubic yards. Furthermore, no grading is proposed in the crestline zone of protection, and grading is limited to the near footprint of the home and rear patio area. The proposed landscape plan includes a variety of flowers, shrubs, succulents, and trees. As demonstrated in Attachment B (Project Plans), these plans are consistent with the grading/landscaping requirements within the Hillside Ordinance.

Crestline Zone of Protection

In an effort to protect the quality of views of the hills from the valley floor, development standards related to the crestline have been incorporated into the Zoning Code. Per MMC Section XI-10-45.06, the purpose of the crestline zone of protection is to preserve the natural quality of the crestline and the slopes immediately below, when viewed from the valley floor. In addition, Section 45.06-2 states that, in the area within three hundred (300) feet easterly of the crestline, structure heights shall be restricted so that no structure extends above the crestline site line. An exhibit was given to the applicant demonstrating the location of prominent crestlines identified by the City. To demonstrate compliance with the crestline zone of protection and site line, which is located within the rear half of the existing lot, the applicant installed “story poles” along the minimum setback line and took pictures from areas recognized by the City as vantage points and

required by the Hillside Ordinance Section XI-45-.06-3. Specifically, designated viewpoints VP2, VP3, and VP4 were included within this analysis. As demonstrated in Attachment C and plan Sheet A0.5, although cross section #3 for VP4 would intrude into the site line, the story pole tests confirm the project will not be visible from the valley floor, and therefore, is compliant with the Crestline Zone of Protection.

FINDINGS FOR APPROVAL (OR DENIAL)

A finding is a statement of fact relating to the information that the Planning Commission has considered in making a decision. Findings shall identify the rationale behind the decision to take a certain action. Based on substantial evidence in the public record, Staff has found that the proposed project is consistent with the General Plan, Zoning Ordinance, and all required Findings.

Site Development Permit Findings (Section XI-10-57-03-1(F))

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

As described within the staff report, the architectural design and site planning of the proposed home is aesthetically compatible with the neighboring homes with an emphasis of minimizing changes to the natural topography. The proposed home incorporates earth tone colors and is sited in a manner as to not draw attention when viewed from the valley floor.

- 2. The project is consistent with the Milpitas Zoning Ordinance in that:*

As described in table 3 above, the proposed home meets the development standards in the Single-Family Hillside Zoning District and Countryside Estates PUD 68 for setbacks, height requirements, and landscaping and is requesting an amendment to PUD 68 for exterior finishes.

- 3. The project is consistent with the Milpitas General Plan in that:*

The project is consistent with the Milpitas General Plan, and particularly with Policy CD 7-5, which states to limit new development in the Hillside Area to only to Very Low Density Residential, open space and park uses. The project meets this finding, as the site is a part of an approved Planned Unit Development, which subdivided lots planned for clustered housing. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor.

Planned Unit Development (Section XI-10-54.07(B)(6)(a-d))

- 1. The proposed development will result in an intensity of land utilization no higher than and standards of open spaces at least as high as permitted or specified otherwise for such development in the General Plan, Zoning Ordinance and Subdivision ordinance.*

The permit amendment, along with the project, will result in an intensity no higher than and standards of open space at least as high as permitted, in that the PUD requirements mirror the

Hillside combining zoning requirements, in regards to land utilization, planting, irrigation, and open space. This standard has been met.

2. *The development will not create traffic congestion pursuant to the California Environment Quality Act (CEQA). However, if traffic congestion is created by the proposed development, the traffic impacts will be mitigated by traffic improvements proposed by the developer or by funding capital projects and by on-site provisions for traffic circulation and parking or, if it cannot be mitigated, the Planning Commission and City Council shall issue any necessary findings pursuant to CEQA.*

The project associated with the PUD permit amendment, will not create traffic congestion that will significantly and negatively affect existing traffic operations. This standard has been met.

3. *For residential development in the Valley Floor Planning Area, as defined in the Milpitas General Plan Land Use Element, the maximum dwelling unit density per gross acre shall be the upper limit of the corresponding General Plan density range within each zoning designation. In the case of the Valley Floor Planning Area residential developments proposed on land zoned "R3" (Multiple Family Residential) an overall density of up to forty (40) units per gross acre can be approved if the following criteria are found by the City Council to be met.*

The proposed the PUD permit amendment shall not have any effect on residential development density. This standard has been met.

Furthermore, in order to grant a Planned Unit Development amendment, the following findings are hereby made pursuant to Milpitas Municipal Code Section XI-10-54.07(B)(6)(d):

1. *Development of the site under the provisions of the Planned Unit Development will result in public benefit not otherwise attainable by application of the regulations of general zoning districts.*

The amendment, along with the project, will result in a public benefit by conforming the PUD to current development standards and allow flexibility for a smaller garage, more square footage for the residential structure and changes to the exterior, without being detrimental to the light, air or privacy of any other structure or use currently existing or anticipated.

2. *The proposed Planned Unit Development is consistent with the Milpitas General Plan.*

The amendment, along with the project is consistent with the Milpitas General Plan, as demonstrated and outlined in Table 2 above.

3. *The proposed development will be in harmony with the character of the surrounding neighborhood and will have no adverse effects upon the adjacent or surrounding development, such as shadows, view obstruction, or loss of privacy that are not mitigated to acceptable levels.*

The architectural design and site planning of the proposed home are aesthetically compatible with the neighboring homes, with an emphasis of minimizing changes to the natural topography. The proposed home incorporates earth tone colors and is tucked into the hillside as to not draw attention to it when viewing from the valley floor. All exterior materials and finishes work together as a palette of earth tone colors, creating harmony with the surroundings. The colors and materials of the proposed French chateau design are complementary to the neighboring residences. Additionally, the proposed home is on a 1.1-acre parcel sitting at a minimum of 40 feet set back from all property lines, with a minimum of 80 feet between the closest neighboring home, and therefore will not interfere with privacy.

ENVIRONMENTAL REVIEW

The proposed Project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15303(a) (New Construction or Conversion of Small Structures) and Section 15183 (Projects Consistent with a Community Plan, General Plan or Zoning).

PUBLIC COMMENT/OUTREACH

Staff provided public notice for the application in accordance with City and State public noticing requirements. At the time of writing this report, there have been no inquiries from the public. A notice was published in the Milpitas Post on October 13, 2023. In addition, 18 notices were sent to owners and occupants within 300 feet of the project site. A public notice was also provided on the project site, on the City's Website, www.ci.milpitas.ca.gov, and posted at City Hall.

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission:

1. Open the Public Hearing to receive comments;
2. Close the Public Hearing; and
3. Adopt Resolution 23-015, approving and recommending the City Council approve the Site Development Permit No. SD22-0013 and Planned Unit Development Amendment P-PA23-0001, to allow the construction of a single-family residence in the hillside district, subject to the findings and attached Conditions of Approval.

ATTACHMENTS

- A: Resolution 23-015
- B: Project Plans
- C: Story Pole Installation

RESOLUTION NO. 23-015

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MILPITAS APPROVING AND RECOMMENDING APPROVAL OF SITE DEVELOPMENT PERMIT NO. SD22-0013 AND PLANNED UNIT DEVELOPMENT AMENDMENT PA23-0001 TO THE MILPITAS CITY COUNCIL TO DEVELOP A NEW HILLSIDE HOME LOCATED ON A VACANT 1.1-ACRE SITE AT 1321 TERRA VISTA CT (APN: 029-07-012). THE PROJECT SITE IS ZONED SINGLE FAMILY RESIDENTIAL - HILLSIDE

WHEREAS, on December 16, 2022, an application was submitted by Eugene Sakai, of Studio S Squared Architecture, Inc. (“Applicant”), for a development proposal to allow the development of a 4,929-square foot, one and a half-story single-family residence (“Project”) on a vacant 1.1-acre site within Planned Unit Development No. 68 at 1321 Terra Vista Ct (APN: 029-07-012). The Project site is zoned Single Family Residential - Hillside; and

WHEREAS, Planned Unit Development Amendment Permit No. PA23-0013 is also required to allow for changes in the exterior finishes within this project from the associated Planned Unit Development Area, known as PUD 68; and

WHEREAS, the Planning Division completed an environmental assessment for the Project in accordance with the California Environmental Quality Act (CEQA), which assessment determined that the Project is exempt from CEQA review pursuant to Section 15303 (New Construction and Conversion of Small Structures) of the CEQA Guidelines and, as a separate and independent basis, pursuant to Section 15183 of the CEQA Guidelines; and

WHEREAS, on October 25, 2023, the Planning Commission held a duly noticed public hearing on the subject application, at which all those in attendance were given the opportunity to speak on Project; and

WHEREAS, the Planning Commission has considered all of the written and oral testimony presented at the public hearing in making its decision; and

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

SECTION 1: Recitals.

The Planning Commission 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 incorporated herein by reference.

SECTION 2: CEQA Finding

The project is exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15303(a) for “New Construction or Conversion of Small Structures including one single-family residence, or a second dwelling unit in a residential zone,” because it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. The Project’s proposed new construction of a single-family residence and its accessory structures are within a residentially zoned area on a legal parcel and none of the exceptions, as specified in Section 15300.2 of the CEQA Guidelines that would preclude applicability of this exemption are present. As a separate and independent basis, the Project is exempt

from Section 15183 of the CEQA Guidelines as a project consistent with a community plan, general plan or zoning in that it is consistent with the development density established in the Milpitas General Plan and the applicable zoning and there are no project-specific significant effects which are peculiar to this project or its site.

SECTION 3: Site Development Permit (Section XI-10-57.03(F)(1)) - The Planning Commission makes the following findings based on the evidence in the public record in approving Site Development Permit No. SD22-0013:

1. *The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

The architectural design and site planning of the proposed home is aesthetically compatible with the neighboring homes with an emphasis of minimizing changes to the natural topography. The proposed home incorporates earth tone colors and is sited in a manner as to not draw attention when viewed from the valley floor.

2. *The project is consistent with the Milpitas Zoning Ordinance.*

The proposed home meets the development standards in the Single Family Hillside Zoning District and Countryside Estates PUD 68 for setbacks, height requirements, and landscaping and is requesting an amendment to PUD 68 for exterior finishes. As demonstrated in Table 1 below.

Table 1:
Summary of Development Standards

Standards	Hillside & PUD 68 Requirements	Proposed	Complies
Front Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	55 ft. and 7 inches from the property line	Yes
Side Yard Setback	40 ft. minimum	44 ft. and 11 in. on south; 50 ft. and 8.5 in. on north.	Yes
Rear	40 ft. minimum	127 ft. and 7.5 inches	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	4,929 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,339 sq. ft.	Yes
Building Height (Maximum)	17 ft. west of crestline; 27 ft. east of crestline / 1 ½ stories	1 ½ story or 26 feet and 10.5 inches	Yes
Parking	Four spaces required	Six spaces (three inside garage & three outside)	Yes
Crestline Zone of Protection	Within three hundred (300) feet easterly of the crestline, structure heights shall be restricted so that no structure extends above the crestline site line	Within 300 ft east of the crestline, not visible from the three closest viewpoints nor does the height of the structure extend into the crestline site line	Yes

Due to the subject property's location, the project is also required to comply with the development standards in the City's Hillside Combining District. Per MMC Section XI-10-45.09-7 of the Zoning Ordinance, the Planning Commission and City Council shall consider the following guidelines in its review. Staff has determined the Project to be consistent with the Hillside Architectural Guidelines as demonstrated in Table 2 below.

Table 2:
Hillside Zoning Ordinance Compliance

Site and Architectural Guidelines <i>Section 45.09-7</i>	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home relative to the maximum allowable size outlined in Table 3, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 10.5 inches, and substantially setback from adjacent property lines to the north and south, which minimizes interference with views and privacy. Additionally, the lot to the west is dedicated as Common Area only and will not be developed with future residential uses.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The project site is currently vacant and undeveloped and has no existing trees. As such, no trees will be removed. As proposed, the design of the house is carefully sited to be built on the flattest portions of the lot, following the natural landscape and existing contours of the site to limit cut to 3,005 cubic yards and fill to 435 cubic yards, with a net export of 570 cubic yards. Minimal landscaping is also proposed, including 22 mid-size trees and various flowering plants, ground cover, succulents and shrubs.
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front and side facing elevations to remove the perception of bulk within the one-and-a-half-story residence. The footprint of the proposed home is also angled in its orientation to the front property line, thus minimizing the perception of excessive bulk. Furthermore, as described above and shown in Table 3, the proposed main residence is proposed to be sized in scale closer to immediate neighbors' proposed residences built on lots less than 3.0-acres in size. The overall building footprint of the main residence on the 1.1-acre lot is consolidated, and the remaining portions of the lot will also remain undeveloped, and no accessory structures are proposed.

Site and Architectural Guidelines <i>Section 45.09-7</i>	Consistency Finding
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed 27 feet in height as permitted for homes east of the crestline, and meets or exceeds all minimum setbacks as required by the Hillside development standards. The proposed home also has a combination of mansard-style and minimally pitched roof systems that could be used to utilize future solar energy. With regards to adjacent properties, the lot to the west is reserved as Common Area and the residences to the east are located greater than 429 feet away. As such, the proposed main residence will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. As proposed, the proposed location of the main dwelling is where the existing lot is most flat, but grading is limited to 3,005 cubic yards of cut to accommodate the two-story dwelling and 435 cubic yards of the grading will be repurposed as fill.

Site & Architectural Design

The project is designed in a modern Chateau style, which adds to the diversity of the neighborhood. The exterior materials are composed of painted stucco, high quality stone veneer and a standing seam metal roof, with metal and stain grade wood accents. The articulation of the architectural forms blending with a variety of finishes creates an attractive front elevation, along with an integrated curved driveway pattern that enhances the house and the neighborhood. All exterior materials and finishes work together as a palette of earth tone colors creating harmony with the surroundings. The colors and materials are complementary to the neighboring residences and within an earth tone range.

Grading and Landscaping

Due to the sloped lot and vehicular access requirements, the applicant has requested that the site be graded in order to make the site feasible for residential development. In an effort to limit the amount of ground to be removed, the applicant has proposed a site plan which locates the proposed home on the flattest portion of the site. Given the steep slope of the lot, grading was required to accommodate a two-story home with rear yard access. In order to minimize grading, the rear yard entry is located at the second floor, which requires considerably less grading than having the exit on the first floor. However, due to the property slope and proximity to the crestline, the project will result in 3,005 cubic yards of cut and 435 cubic yards of fill for the construction of a new home and the required grade at the driveway for firetruck access. 435 cubic yards of cut will be repurposed resulting in a net export of 2,570 cubic yards. Furthermore, no grading is proposed in the crestline zone of protection and grading is limited to the near footprint of the home and rear patio area. The proposed landscape plan includes a variety of flowers, shrubs, succulents, and trees. As demonstrated in Attachment B (Project Plans), these plans are consistent with the grading/landscaping requirements within the Hillside Ordinance.

Crestline Zone of Protection

In an effort to protect the quality of views of the hills from the valley floor, development standards related to crestlines have been incorporated into the Zoning Code. Per MMC Section XI-10-45.06, the purpose of the crestline zone of protection is to preserve the natural quality of the crestline and the slopes

immediately below, when viewed from the valley floor. The crestline zone of protection is defined as “the area westerly of the perceived crestline and between the perceived crestline and an elevation one hundred (100) feet below” (MMC Sec. XI-10-45.06-2). An exhibit was given to the applicant demonstrating the location of prominent crestlines identified by the City. To demonstrate compliance with the crestline zone of protection, which is located within the rear half of the existing lot, the applicant installed “story poles” along the minimum setback line and took pictures from areas recognized by the City as vantage points. Specifically, designated viewpoints VP2, VP3, and VP4 were included within this analysis. As demonstrated in Attachment C and plan Sheet A0.5, although cross section #3 for VP4 would intrude into the site line, the story pole tests confirm the project will not be visible from the valley floor, and therefore, is compliant with the Crestline Zone of Protection.

3. *The project is consistent with the Milpitas General Plan.*

The project is consistent with the Milpitas General Plan, and particularly with Policy CD 7- 5, which states to limit new development in the Hillside Area to only to Very Low Density Residential, open space and park uses. The project meets this finding, as the site is a part of an approved Planned Unit Development, which subdivided lots planned for clustered housing. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor. As outlined in Table 3 below.

Table 3:
General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints as the project site is located over 100 feet west of the crestline. Project Plan sheets A0.4 and A0.5 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. The proposed Project will be situated at the flattest portion of the lot to limit disruption to the existing natural topography by limiting cut to 3,005 cubic yards and fill to 435 cubic yards for both construction phases. The total earthwork exported will be 2,570 cubic yards to accommodate the home’s footprint and meet the grade requirements to not be visible from the valley floor.
<i>CD 7-3 Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. Minimal contour grading will be required for the construction of the new residence due to its siting on the flattest areas of the lot. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set.
<i>CD 7-4 Avoid mass graded pads within hillside areas. Smaller steps or grade changes should be used over single, large, slope banks to the greatest extent feasible.</i>	Consistent. The building pad is proposed at the flattest portion of the lot and will only necessitate minimal grading to accommodate the residence. Grading has been minimized as much as feasibly possible in the Project, in that the site follows

	the site’s natural contours in an effort to preserve the natural terrain quality.
<i>CD 7-5 Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation, as the subject site is to be used as a single-family residence.

As described above, the Project is compatible and consistent with the surrounding uses and has been found to conform to the intent of the Milpitas 2040 General Plan designation. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor.

SECTION 4: *Planned Unit Development (Section XI-10-54.07(B)(6)(a-d)) – The Planning Commission makes the following standard requirements based on the evidence in the public record in support of the Planned Unit Development Amendment. PA23-0001:*

- 1. The proposed development will result in an intensity of land utilization no higher than and standards of open spaces at least as high as permitted or specified otherwise for such development in the General Plan, Zoning Ordinance and Subdivision ordinance.*

The permit amendment, along with the project, will result in an intensity no higher than and standards of open space at least as high as permitted, in that the PUD requirements mirror the Hillside combining zoning requirements, in regard to land utilization, planting, irrigation, and open space. This standard has been met.

- 2. The development will not create traffic congestion pursuant to the California Environment Quality Act (CEQA). However, if traffic congestion is created by the proposed development, the traffic impacts will be mitigated by traffic improvements proposed by the developer or by funding capital projects and by on-site provisions for traffic circulation and parking or, if it cannot be mitigated, the Planning Commission and City Council shall issue any necessary findings pursuant to CEQA.*

The project associated with the PUD permit amendment seeks to allow changes in exterior finishes from what was originally approved within PUD No. 68. This change in materials will not create traffic congestion that will significantly and negatively affect existing traffic operations. This standard has been met.

- 3. For residential development in the Valley Floor Planning Area, as defined in the Milpitas General Plan Land Use Element, the maximum dwelling unit density per gross acre shall be the upper limit of the corresponding General Plan density range within each zoning designation. In the case of the Valley Floor Planning Area residential developments proposed on land zoned "R3" (Multiple Family Residential) an overall density of up to forty (40) units per gross acre can be approved if the following criteria are found by the City Council to be met.*

The proposed the PUD permit amendment will not have any effect on residential development density as the proposed density is consistent with both the allowed and existing residential density in the surrounding neighborhood. This standard has been met.

SECTION 5: *Furthermore, in order to grant a Planned Unit Development amendment, the following findings are hereby made pursuant to Milpitas Municipal Code Section XI-10-54.07(B)(6)(d):*

1. *Development of the site under the provisions of the Planned Unit Development will result in public benefit not otherwise attainable by application of the regulations of general zoning districts.*

The amendment, along with the project, will result in a public benefit by allowing changes to the exterior that are not detrimental to the light, air, or privacy of any other structure or use currently existing or anticipated. The amendment will also allow for added public benefit by increasing and improving the variety of quality architecture within the neighborhood.

2. *The proposed Planned Unit Development is consistent with the Milpitas General Plan.*

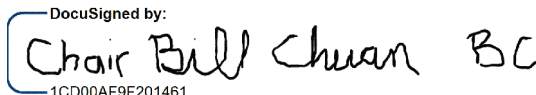
The amendment, along with the project is consistent with the Milpitas General Plan, as demonstrated and outlined in Table 3 above.

3. *The proposed development will be in harmony with the character of the surrounding neighborhood and will have no adverse effects upon the adjacent or surrounding development, such as shadows, view obstruction, or loss of privacy that are not mitigated to acceptable levels.*

The architectural design and site planning of the proposed home are aesthetically compatible with the neighboring homes. The proposed home incorporates earth tone colors and is sited in a manner as to not draw attention to it when viewing from the valley floor. All exterior materials and finishes work together as a palette of earth tone colors, creating harmony with the surroundings. The colors and materials are complementary to the neighboring residences. Additionally, the proposed home is on a 1.14-acre parcel sitting at a minimum of 25-foot set back from all property lines and at a minimum of 80 feet from the closest neighboring home, and therefore will not interfere with privacy.

SECTION 6: The Planning Commission of the City of Milpitas hereby approves and recommends the City Council approve Site Development Permit No. SD22-0013 and Planned Unit Development Amendment PA23-0001 and adopt a resolution to allow the development of a single-family residence in the hillside district, based on the above findings and subject to the Conditions of Approval in the proposed Site Development Permit No. SD22-0013 and Planned Unit Development Amendment PA23-0001 attached hereto as **Exhibit 1** incorporated herein.

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of Milpitas on October 25, 2023.

DocuSigned by:
 **Chair Bill Chuan BC** Oct-30-2023
 1CD00AF9F201461... 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 October 25, 2023, and carried by the following roll call vote:

COMMISSIONER	AYES	NOES	ABSENT	ABSTAIN
Mercedes Albana	✓			
Dipak Awasthi	✓			
Bill Chuan	✓			
Larry Ciardella	✓			
Alexander Galang	✓			
Sonia Medina-Ashby	✓			

EXHIBIT 1

**SITE DEVELOPMENT PERMIT NO. P-SD22-0013 AND
PLANNED UNIT DEVELOPMENT AMENDMENT PA23-0001
1321 TERRA VISTA CT (APN 029-07-012)**

The City of Milpitas Planning Commission and City Council approve Site Development Permit No. SD22-0013 and Planned Unit Development Amendment PA23-0001 in accordance with Section XI-10-45.09 and Section XI-10-54.07(B)(6)(a-d) of the Milpitas Municipal Code, subject to and conditioned upon all applicable State and local laws and regulations and the Conditions of Approval outlined below. This Permit is to allow the issuance of building permits for the proposed development of a 4,929-square foot, one and a half-story single-family residence (“Project”) on a vacant 1.1-acre site within Planned Unit Development No. 68 at 1321 Terra Vista Ct (APN: 029-07-012), subject to all necessary reviews, approvals, studies, and inspections for the issuance of such building permits. This Permit is also to amend Planned Unit Development No. 68 for this lot to allow the proposed changes to exterior finishes and design for a contemporary Chateau design, which will include painted stucco, stone veneer, and a standing seam metal roof.

APPROVED SUBJECT TO THE FOLLOWING CONDITIONS OF APPROVAL:

General Conditions

1. General Compliance. The applicant and owner, including all successors in interest (collectively “Permittee”) shall comply with each and every condition set forth in this Permit. Site Development Permit No. SD22-0013 and Planned Unit Development Amendment PA23-0001 (“Permit”) shall have no force or effect and no building permit shall be issued unless and until all things required by the below-enumerated precedent conditions have been performed or caused to be performed and this Resolution has been recorded by the Permittee with the Santa Clara County’s Recorder Office. **(P)**
2. Modifications to project. Any deviation from the approved site plan, floor plans, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or designee. If the Planning Director or designee determines that the deviation is significant, the Permittee shall be required to apply for review and obtain approval of the Planning Commission, in accordance with the Zoning Ordinance. **(P)**
3. Effective Date. Unless there is a timely appeal filed in accordance with the Milpitas Zoning Code, the date of approval of this Permit is the date on which the decision-making body approved this Permit. **(P)**
4. Acceptance of Permit. Should Permittee fail to file a timely appeal within twelve (12) calendar days of the date of approval of this Permit, inaction by Permittee shall be deemed to constitute each of the following:
 - a. Acceptance of this Permit by Permittee; and
 - b. Agreement by the Permittee to be bound by, comply with, and to do all things required of or by Permittee pursuant to all of the terms, obligations, and conditions of this Permit.
5. Permit Expiration. Pursuant to Section XI-10-64.06 of the Milpitas Zoning Code, this Permit shall become null and void if the activity permitted by this Permit is not commenced within two (2) years from the date of approval, or for a project submitted with a tentative map, within the time limits of the approved tentative map. Pursuant to Section XI-10-64.06(B) of the Milpitas Zoning Code, an activity permitted by this Permit shall be deemed to have commenced when the project:

- a. Completes a foundation associated with the project; or
- b. Dedicates any land or easement as required from the zoning action; or
- c. Complies with all legal requirements necessary to commence the use, or obtains an occupancy permit, whichever is sooner.

This permit shall become null and void if the work is added to, modified, or otherwise deviated from in any significant way from the approved site plan, building plan, floor plans, or other approved submittals as determined by the Planning Director or designee.

6. Time Extension. Pursuant to Section XI-10-64.07 of the Milpitas Zoning Code, unless otherwise provided by State law, Permittee shall have the right to request a one-time extension of the Permit if the request is made in writing to the Planning Division prior to the expiration date of the approval. **(P)**
7. Project Job Account. If Permittee's project job account is at any time delinquent or below the required deposit amount, City will not continue to review or process the application until Permittee's private job account is paid in full and the required deposit has been made. Additionally, prior to the issuance of any building permit or occupancy permit, as applicable, Permittee shall pay in full the project account balance and establish a remaining balance of at least twenty-five percent (25%) of the required initial deposit. **(P)**
8. Notice. Pursuant to California Government Code Section 66020, any protest filed in court relating to the imposition of fees, dedication, reservations, or other exactions to be imposed on the development project shall be filed within ninety (90) days after the date of the adoption of this Resolution. This provision serves as notice from the local agency to the Permittee that the ninety (90) day period in which the applicant may file a protest has begun under California Government Code Section 66020(d)(1). **(P)**
9. Cost and Approval. Permittee shall fully complete and satisfy each and every condition set forth in this Resolution and any other condition applicable to the project to the sole satisfaction of the City. Additionally, Permittee shall be solely responsible and liable for the cost to satisfy each and every condition. Permittee shall pay all required fees and charges to City at the rate in effect at time of building permit issuance, or, the rate in effect when the fees and charges are due and paid in full to City. There is no vesting of any fees or charges with the adoption of this Resolution. **(P)**
10. Conditions. Each and every condition set forth in this Exhibit shall apply to the project and continue to apply to the project so long as the Permittee is operating the project under the permits and approvals in this Resolution. **(P)**
11. Compliance with Laws. The construction, use, and all related activity authorized under this Permit shall comply with all applicable local, state, and federal laws, rules, regulations, guidelines, requirements, and policies. **(CA/P)**
12. Previous Approvals. Permittee shall abide and continue to comply with all previous City approvals, permits, or requirements relating to the subject property, unless explicitly superseded or revised by this Permit. **(P)**
13. Indemnification. To the fullest extent permitted by law, Permittee shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the project, including but not limited to, the approval of the discretionary permits, maps under the Subdivision Map Act, and/or the City's related

determinations or actions under the California Environmental Quality Act, and (ii) Permittee's construction, operation, use, or related activity under this Permit. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. Permittee shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Permittee shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition. **(CA)**

14. Revocation, Suspension, Modification. This Permit may be suspended, revoked, or modified in accordance with Section XI-10-63.06 of the Milpitas Zoning Code. **(P)**
15. Severability. If any term, provision, or condition of this Permit is held to be illegal or unenforceable by the Court, such term, provision, or condition shall be severed and shall be inoperative, and the remainder of this Permit shall remain operative, binding, and fully enforceable.
16. Permittee shall develop the approved project in conformance with the approved plans approved by the Planning Commission on October 25, 2023, in accordance with these Conditions of Approval. **(P)**
Any deviation from the approved site plan, elevations, materials, colors, landscape plan, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or Designee. If the Planning Director or designee determines that the deviation is significant, Permittee shall be required to apply for review and obtain approval of the Planning Commission or City Council, as applicable, in accordance with the Milpitas Zoning Code. **(P)**
17. Response to Conditions of Approval. Permittee shall provide a written response to comments upon submittal for building permit application. The responses should clearly indicate how each condition of approval has been addressed in the plans and shall note the appropriate plan sheet. **(P)**
18. Prior to the issuance of a building permit, the owner or designee shall include within the four first pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the project. **(P)**
19. Streets shall be designed to generally follow the contours and land form in order to minimize cut and fill. Exposed walls and facing roadways and retaining walls shall be no greater than six feet in height. Crib walls fencing roadways shall be no greater than 15 feet in height. **(P)**
20. Landscaping coverage and stabilization of graded slopes shall be selected and designed to be compatible with surrounding natural vegetation or to replace removed natural vegetation and should recognize climatic, soil, and ecologic characteristic of the region. Plan materials that require excessive water after becoming established should be avoided. **(P)**
21. Trees which have a six inch or greater diameter trunk size at a point three feet above grade may not be removed without obtaining prior approval from the City. The location of all such trees shall be shown on all plans submitted for approval. The Planning Commission, upon review of an "S" Zone application approval, shall have the power to authorize removal, relocation or replacement if the Permittee can show that such requirement is unreasonable as applied to the particular property. If the removal is permitted, the replacement of any trees removed pursuant to this section shall be at a five to one (5:1) ratio. **(P)**

22. The proposed home is located east of the Crestline and is subject to a maximum height of 1.5 stories or 26 feet. **(P)**
23. Within six months, or such other period established by the Planning Commission, after the commencement of grading activities, all graded areas not covered by an impervious surface shall be stabilized in such manner as shall be approved by the Community Development Manager. **(P)**
24. Where two cut-or-fill slopes intersect, the intersection shall be horizontally rounded and blended. **(P)**
25. Where any cut-or-fill slopes intersect the natural grade, the intersection of each slope shall be vertically and/or horizontally rounded and blended. **(P)**
26. Fees: Upon reviewing Exhibit B from the Subdivision Improvement Agreement, it appears that a number of fees were deferred to be paid before building permit issuance. Those fees are listed here:
 - a. Prior to the final (occupancy) of each building, a cash fee (\$1333.00/per dwelling unit) to cover the development of park and recreation areas shall be collected by the City for the granting of the PUD.
27. Prior to Building Permit Issuance, the applicant must demonstrate proof in accordance with "Special Conditions – P.U.D. No. 68 and Vesting Tentative Map "Countryside Estates," that the development at "ADDRESS OF DEVELOPMENT" will be serviced by a fire hydrant that meets the minimum water demand of 1,500 hydrant fire flow to the satisfaction of the Deputy Fire Chief, or his designee. **(P)**

Fire Department

28. The project/development shall comply with the requirements of the Fire Department and the California Fire Code, as outlined, as may be amended by the City of Milpitas. Changes to the site plan and/or internal circulation shall be reviewed and approved by the Fire Department. **(F)**
29. Electronic Documents. The fire code official may require electronic base documents for all construction documents and operational permits. The fire code official shall designate the software base format for the electronic documents. CFC Section 105.4.2.2, added by MMC Section V-300-2.11, and CFC Section 102.10
30. Fire Department Access. Sheets A-1.0C shows an acceptable Fire Dept. apparatus access. Fire apparatus access roads shall be provided for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from fire apparatus access as measured by an approved route around the exterior of the building. Fire apparatus access shall meet the following:
 - a. Fire apparatus access shall extend to within 150 feet of all portions of exterior walls of the building/structure per the California Fire Code Section 503.1.
 - b. The private road shall be designed for fire apparatus access. Fire Access Dimensions, fire apparatus access roads shall have an unobstructed width of not less than 20 feet (6096mm). CFC Section 503.2.1 Exception:
Milpitas Municipal Code XI-10-45.11
45.11-1 Privately owned and maintained access from the public road to each single-family dwelling shall be a minimum of fourteen (14) feet in width. Turning radius shall be designed to meet the Fire Department's requirements.

45.11-2 Turnout space shall be provided on driveways over one hundred fifty (150) feet in length with

a maximum spacing of one hundred fifty (150) feet if driveway is less than eighteen (18) feet wide.

45.11-3 Turnaround. All dwelling units shall provide an on-site area for vehicles to turn around if served by a driveway over one hundred fifty (150) feet in length to meet Fire Department's requirements.

45.11-4 Vertical Clearance. All privately owned and maintained roads and drives shall assure a minimum fourteen (14) foot vertical clearance.

- c. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather capabilities. Bearing capacity for the driveway and the entry drive court shall be designed to provide a minimum of 60,000 lbs. bearing capacity for the fire apparatus. CFC Section 503.2.3
 - d. When there is a dead-end condition, means for fire apparatus turn-around shall be provided as per the CA Fire Code Section 503.2.5. The Fire Department reserves the right to request site design changes as needed to meet the requirements of the CFC, and/or make the request for additional fire protection measures in conformance with the CFC Section 102.9.
 - e. The grade (maximum 10%) of the fire apparatus access road shall be within the limits established by the fire code official based on the fire department's apparatus. CFC Section 503.2.7.
 - f. Electric gates. Where provided, gates shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F 2200. CA Fire Code Section 503.5
Electric gates shall also be provided with a Milpitas Fire Department approved "Knox" electronic switch in addition to the keypad. CA Fire Code Section 102.9
31. Premises identification. New and existing buildings shall have approved address numbers. Address numbers shall be illuminated and located where they are clearly visible from the street. CFC Section 505.
32. Water supply requirements. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 400 feet (122 meters) from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site fire hydrants and mains shall be provided where required by the fire code official. CFC Section 507.5.1
- Exception: For Group R-3 and Group U occupancies, equipped throughout with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1, 903.3.1.2 or 903.3.1.3, the distance requirement shall be not more than 600 feet.
33. Sprinkler system supervision and alarms, and monitoring. It is recommended that due to the location of the home (hillside) the automatic fire sprinkler system for this home be a system that has supervision and alarm, and monitoring system in conformance to the CA Fire Code Section 903.4.

Building Department

34. Compliance with Building Code of Regulations. The Project shall comply with the requirements of the Building Safety and Housing Department and the California Code of Regulations Title 24 and the Milpitas Municipal Code as adopted by the City. Building permits shall be submitted to and approved by the Building Safety and Housing Department prior to start of construction. All California Code of Regulations Title 24 and Milpitas Municipal Code requirements applicable at the time of building permit application must be met in advance of any building permit approvals or related construction. Changes to the site plan and/or building plan require review and approval by the Building Safety and Housing Department. **(B)**

Engineering Department

PRIOR TO CONSTRUCTION PLAN SUBMITTALS

*The following conditions shall be met **prior to** any detailed construction plan check submittals (Building or Engineering, except demolition and rough grade plans), unless otherwise approved by the Director of Engineering/City Engineer. City reserves the right to reject any plan check submittal if any of the following conditions are not met. **(E)***

35. Modifications: The Site Development Plan dated September 1, 2023 is subject to change during the plan check stage based upon City's previous comments and conditions stated herein.
36. Stormwater Control Plan: Permittee shall submit City approved final Stormwater Control Plan (SWCP) that complies with the latest Municipal Regional Stormwater NPDES Permit, including Low Impact Development (LID) Section C3.c.i.(2)(b) measures for harvesting and reuse, infiltration, or evapo-transpiration, for City's review and approval by the Engineering Department.
37. Submittal Requirements: Permittee to ensure that all plan check submittals are in accordance with City's submittal check list for each permit type, including but not limited to, payment of permit fees and/or fee deposit at the time of the submittal.
38. Project Job Account/Fee Deposit: Permittee shall open a new PJ account as a deposit to cover the costs for Engineering Department's services for review and inspection of the project. The amount shall be determined based on the approved City fee schedule at the time of application submittal.

PRIOR TO OFF-SITE PLAN APPROVAL/ENCROACHMENT PERMIT ISSUANCE

*The following conditions shall be addressed as part of the off-site improvement plan review and shall be met **prior to** encroachment permit issuance, unless otherwise approved by the Director of Engineering/City Engineer. **(E)***

39. Public Improvement Design Standards: All public improvements shall be designed and constructed in accordance with all applicable public improvement design standards, including but not limited to:
- a. Milpitas Design Guidelines: (<http://www.ci.milpitas.ca.gov/milpitas/departments/engineering/design-guidelines/>);
 - b. Standard details and specifications: (<http://www.ci.milpitas.ca.gov/milpitas/departments/engineering/standard-details-and-specifications/>);
 - c. Americans with Disabilities Act (ADA) requirements, where applicable.
40. Sanitary Sewer Calculations: Permittee shall submit a completed "Sewer Needs Questionnaire" form and sanitary sewer calculations to justify lateral size design, allocation of discharge for each of the lateral, and

impact to the existing main. Permittee shall be responsible to implement any necessary improvements if there is any identified deficiency to the existing main as a result of the project.

41. Storm Drain Design: Permittee shall submit storm drain hydrology and hydraulic calculations based upon a 10-year storm event to justify the size of the storm drain lateral flowing full, without surcharging the main line pipe, and to be reviewed and approved by the Engineering Department.
42. Domestic Water and Fire Service Calculations: Permittee shall submit potable water and fire service calculations to confirm adequacy of lateral size, pressure and flow, to be reviewed and approved by the Engineering Department and Fire Department. Hydraulic modeling analysis by the City and paid by the Permittee may be required as needed. Permittee shall be responsible to implement any necessary improvements if there is any identified deficiency to the existing main as a result of the project.
43. Specific Improvements: In addition to standard public improvements required under Milpitas Municipal Code (MMC) Title XI, Chapter 1, Section 7, Permittee shall install other specific improvements listed below including incidental improvements as required by the City as part of the encroachment permit.
44. Relocation and Adjustment of Existing Public Utilities: Permittee shall relocate and/or adjust existing public utilities as needed that are in conflict with the proposed improvements.
45. Water Service Agreement: Permittee shall complete a water service agreement to obtain water service.
46. Encroachment Permit: Prior to any work in the public right-of-way and/or public easement, obtain an encroachment permit with insurance requirements for all public improvements including a traffic control plan per the latest California Manual on Uniform Traffic Control Devices (MUTCD) standards to be reviewed and approved by the Engineering Department.

PRIOR TO BUILDING PERMIT ISSUANCE

*The following conditions shall be addressed during the building plan check process and shall be met **prior to** any building permit issuance (except demolition permit and rough grade permit), unless otherwise approved by the Director of Engineering/ City Engineer. (E)*

47. Water Supply and Force Majeure: The City reserves the right to suspend the issuance of building permits in case of an emergency declaration of water supply in the case of a major catastrophic event that restricts City's assurance to provide water supply.
48. Water Efficient Landscapes: Permittee shall comply with Milpitas Municipal Code Title VIII, Chapter 5 Water Efficient Landscapes for landscape design, including but not limited to, providing separate water meters for domestic water service and irrigation service and providing applicable landscape documentation package.
49. Private utilities shall run within their recorded easements.
50. Fees: Upon reviewing Exhibit B from the Subdivision Improvement Agreement, it appears that a number of fees were deferred to be paid before building permit issuance. Those fees are listed here, as well as additional fees that may apply:

Exhibit B fees:

- a. Hillside water reimbursement fee: \$8,550
- b. Treatment Plant Fee: \$880 per dwelling

c. Cost of meter purchases: these were listed in Exhibit B, but the City no longer collects those. Instead we have the customer order the meters through our supplier and pay the supplier directly.

Other Fees

d. Sewer connection fee: \$1,908 single family parcel (separate from Treatment Plant fee)

51. Mailboxes: The Permittee shall coordinate with US Postal Services regarding placement of required mailboxes. Mailbox location shall not be on public street frontages and shall be approved by City and US Postal Services prior to building permit issuance. Mailbox locations shall be shown on the improvement plans and Permittee shall submit a letter to the City's Land Development Engineering Section from the Postmaster approving the location of the mailbox. Structures to protect mailboxes may require Building, Engineering and Planning Department review.

DURING CONSTRUCTION

*The following conditions shall be complied with at all times **during** the construction phase of the project, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

52. Dewatering: If dewatering is needed during construction, Permittee shall obtain a Short-Term Industrial Wastewater Permit from the San Jose/Santa Clara Water Pollution Control Plant for discharging the groundwater to a sanitary sewer system.
53. Prohibition of Potable Water Usage: Permittee shall use recycled water for construction purposes, including dust control and compaction. Permittee shall comply with MMC VIII-6-5.00 and 6-6.00 where potable water usage is prohibited, unless otherwise approved by the City Council.
54. Construction Staging and Employee Parking: Permittee shall place all construction related materials, equipment, and arrange construction workers parking on-site and not located in the public right-of-ways or public easements.
55. Water Shut-down Plan: Permittee shall provide a water shut-down plan at least seven days in advance of the shut-down in coordination with the Engineering Inspector and notify affected property owners/tenants when cut-in tee(s) is/are required.

PRIOR TO FIRST OCCUPANCY

*The following conditions shall be met **prior to** first building occupancy on either lot, unless otherwise approved the Director of Engineering/City Engineer.*

56. Landscape Certificate of Completion: Permittee shall submit a Certificate of Substantial Completion that complies with the Milpitas Municipal Code Water Efficient Landscapes ordinance.
57. Record Drawings: Permittee shall submit record drawings in Full size hard copy, AutoCAD, Tiff, and PDF formats for City records. Record drawings shall include all public improvements. Additionally, if the project uses recycled water, the permittee shall also submit record drawings of on-site irrigation facilities.
58. Private Job (PJ) Balance: Permittee shall pay for any remaining balance from the Private Job deposit.

(P) = Planning (B) = Building

(E) = Engineering (F) = Fire Prevention (CA) = City Attorney

NOTICE OF RIGHT TO PROTEST

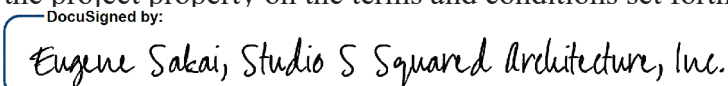
The Conditions of Project Approval set forth herein include certain fees, dedication requirements, reservation requirements, and other exactions. Pursuant to Government Code Section 66020(d)(1), these Conditions constitute written notice of a statement of the amount of such fees, and a description of the dedications, reservations, and other exactions. You are hereby further notified that the 90-day approval period in which you may protest these fees, dedications, reservations, and other exactions, pursuant to Government Code Section 66020(a), began on date of adoption of this resolution. If you fail to file a protest within this 90-day period complying with all of the requirements of Section 66020, you will be legally barred from later challenging such exactions.

AGREEMENT

Permittee/Property Owner

The undersigned agrees to each and every condition of approval and acknowledges the NOTICE OF RIGHT TO PROTEST and hereby agrees to use the project property on the terms and conditions set forth in this Permit.

Dated: Oct-30-2023

DocuSigned by:

 Eugene Sakai, Studio S Squared Architecture, Inc.
 16DB775D5C39451...
 Signature of Permittee

Certificate Of Completion

Envelope Id: B14A4F9148CD4C7988BA9FFDD374A1C9

Status: Completed

Subject: Complete with DocuSign: Reso No 22-015 for DocuSign.pdf

Source Envelope:

Document Pages: 17

Signatures: 2

Envelope Originator:

Certificate Pages: 5

Initials: 0

Liz Medina

AutoNav: Enabled

455 E Calaveras Blvd

Envelopeld Stamping: Enabled

Milpitas, CA 95035

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

emedina@milpitas.gov

IP Address: 76.21.120.13

Record Tracking

Status: Original

Holder: Liz Medina

Location: DocuSign

October 30, 2023 | 11:46

emedina@milpitas.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: City of Milpitas

Location: DocuSign

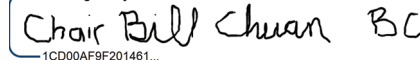
Signer Events

Chair Bill Chuan

bill_chuan@yahoo.com

Security Level: Email, Account Authentication
(None)**Signature**

DocuSigned by:

Chair Bill Chuan BC

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Timestamp

Sent: October 30, 2023 | 11:49

Viewed: October 30, 2023 | 12:07

Signed: October 30, 2023 | 12:07

Signature Adoption: Drawn on Device

Using IP Address: 67.188.2.13

Signed using mobile

Electronic Record and Signature Disclosure:

Accepted: October 30, 2023 | 12:07

ID: d3fc4ee7-c325-4e00-b802-0c49bb77775b

Eugene Sakai, Studio S Squared Architecture, Inc.

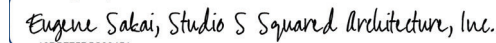
esakai@studios2arch.com

CEO

Studio S Squared Architecture, Inc.

Security Level: Email, Account Authentication
(None)

DocuSigned by:

Eugene Sakai, Studio S Squared Architecture, Inc.

16DB775D5C39451...

Sent: October 30, 2023 | 12:07

Viewed: October 30, 2023 | 13:21

Signed: October 30, 2023 | 13:23

Signature Adoption: Pre-selected Style

Using IP Address: 173.11.78.214

Electronic Record and Signature Disclosure:

Accepted: October 30, 2023 | 13:21

ID: 688d1780-999b-4a6a-9ffb-9d22fc25a95c

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp**

Liz Medina

emedina@milpitas.gov

Administrative Assistant

City of Milpitas

Security Level: Email, Account Authentication
(None)**COPIED**

Sent: October 30, 2023 | 13:23

Resent: October 30, 2023 | 13:23

Electronic Record and Signature Disclosure:

Carbon Copy Events	Status	Timestamp
Not Offered via DocuSign		
Randy Baez rbaez@milpitas.gov Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: October 30, 2023 13:23 Viewed: October 30, 2023 15:08

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	October 30, 2023 11:49
Certified Delivered	Security Checked	October 30, 2023 13:21
Signing Complete	Security Checked	October 30, 2023 13:23
Completed	Security Checked	October 30, 2023 13:23

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Carahsoft OBO City of Milpitas (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

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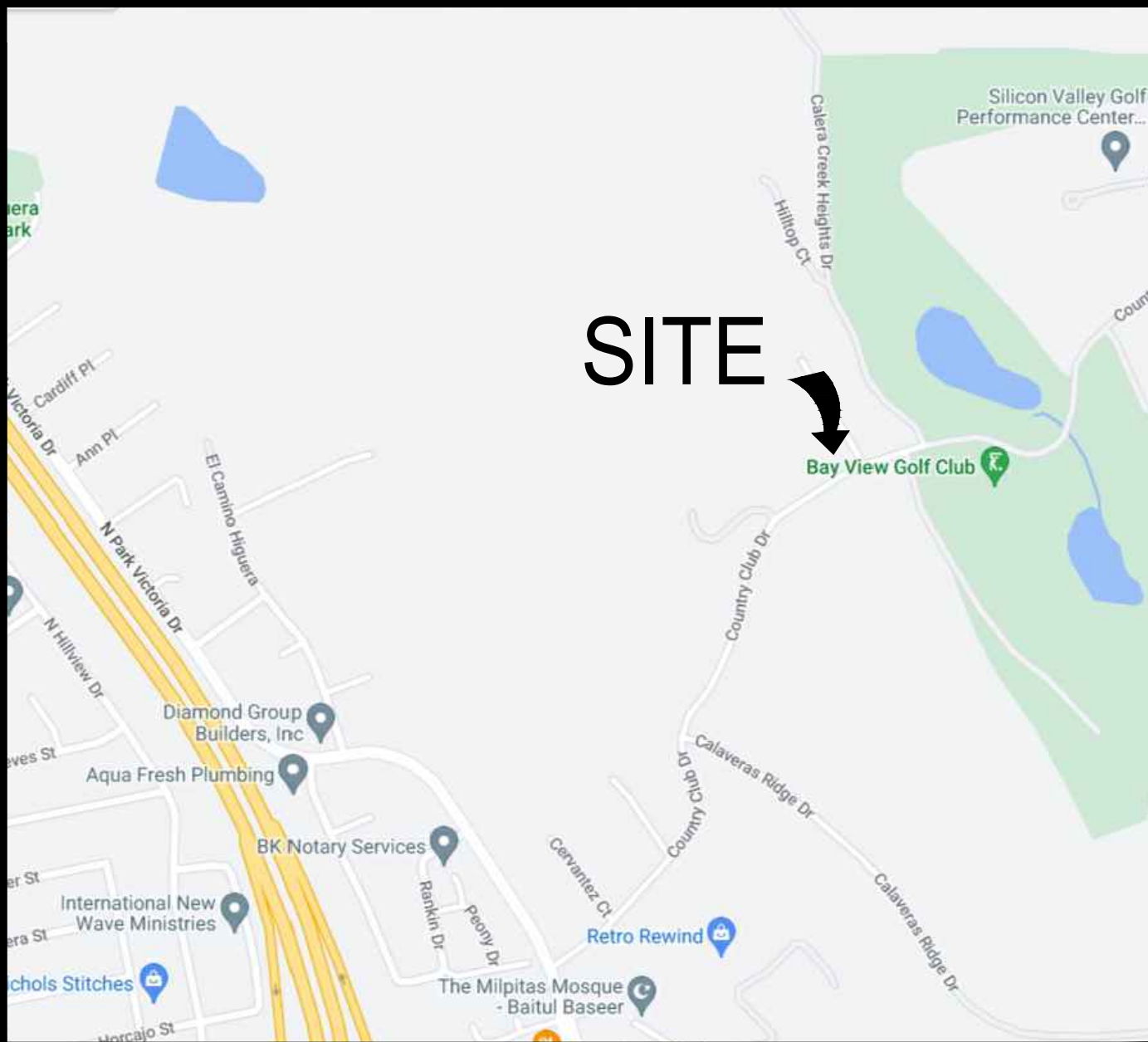
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TRAN-NGUYEN RESIDENCE

NEW SINGLE FAMILY HOUSE

1321 TERRA VISTA COURT, MILPITAS

LOCATION MAP



ASSESSOR'S PARCEL MAP



SCOPE OF WORK

BUILD NEW TWO STORY, 5 BR AND 5.5 BA SINGLE FAMILY RESIDENCE WITH 4,928.53 LIVING S.F., 804.93 S.F. GARAGE, 799.22 S.F. PORCH AREA AND 796.79 S.F. 1BR AND 1BA ADU.
TOTAL LIVING AREA INCLUDING ADU IS 5,725.32 S.F.

PROJECT SUMMARY

Assessor's Parcel No.	029-07-012
Zoning:	Single Family Residential-Hillside (R1-H)
Jurisdiction:	Milpitas
Type of Construction:	TYPE V-B, SPRINKLERED
Building Occ. Groups:	R-3/U (SINGLE FAMILY RESIDENTIAL)
Required Property Setbacks (1st / 2nd):	
Front	25'-0"
Rear	40'-0"
Right Side	40'-0"
Left Side	40'-0"
Proposed Property Setbacks (1st / 2nd):	
Front	55'-7"
Rear	127'-7 1/2"
Right Side	50'-8 1/2"
Left Side	44'-11"
Max. Allowed Building Height:	27'-0"
Proposed Building Height	26'-10 1/2"
Lot Area:	45,781.0
Total New First Floor Living Area	1,383.73
Total New Second Floor Living Area	3,544.80
Total Garage Area	804.93
Total Floor Area	4,928.53
Allowable Floor Area	6,000.00
Total New ADU Area	796.79
Grand Total	5,725.32
Lot Area:	45,781.00
Total New First Floor Living Area	1,383.73
Total Garage Area	804.93
Total Porches Counted Towards Lot Coverage	799.20
Total Proposed Lot Coverage	2,987.86
Total New ADU Area	796.79
Added Area Allowed for the vertical circulation for ADU (Not Counted Towards FAR)	166.48
Grand Total Lot Coverage	3,951.13
Total Porch Coverage	799.20
Allowable Impervious Surface Coverage	8,000.00
Provided Impervious Surface Coverage	7,339.00

PARKING SUMMARY

Number of bedroom:	6
*Including Office per Section XI-10-2.03	
Require off-street parking spaces:	6
Proposed number of parking spaces in garage:	3
Proposed number of uncovered parking spaces:	3
Total number of proposed parking spaces:	6

AUTOMATIC FIRE SPRINKLERS FOR NEW HOMES 5.1.1. AN APPROVED AUTOMATIC FIRE SPRINKLER SYSTEM (NFPA 13D MINIMUM) SHALL BE PROVIDED FOR THE HOME (LIVING SPACE, GARAGE, OUTDOOR SPACES ATTACHED TO THE HOME, ETC), CALIFORNIA FIRE CODE SECTION 903.2, AMENDED BY MILPITAS MUNICIPAL CODE **V-300-2.62**

DEFERRED SUBMITTALS

- FIRE SPRINKLERS IN ACCORDANCE WITH NFPA 13D AND STATE AND LOCAL REQUIREMENTS--NOTE THAT PER CRC 313.3.7, A SIGN OR VALVE TAG SHALL BE INSTALLED AT THE MAIN SHUTOFF VALVE TO THE WATER DISTRIBUTION SYSTEM STATING THE FOLLOWING: "WARNING, THE WATER SYSTEM FOR THIS HOME SUPPLIES FIRE SPRINKLERS THAT REQUIRE CERTAIN FLOWS AND PRESSURES TO FIGHT A FIRE. DEVICES THAT RESTRICT THE FLOW OR DECREASE THE PRESSURE OR AUTOMATICALLY SHUT OFF THE WATER TO THE FIRE SPRINKLER SYSTEM, SUCH AS WATER SOFTENERS, FILTRATION SYSTEMS AND AUTOMATIC SHUTOFF VALVES, SHALL NOT BE ADDED TO THIS SYSTEM WITHOUT A REVIEW OF THE FIRE SPRINKLER SYSTEM BY A FIRE PROTECTION SPECIALIST. DO NOT REMOVE THIS SIGN"
- STAIR GUARDRAIL SHOP DRAWINGS SIGNED AND STAMPED BY ENGINEER TO BE SUBMITTED TO BUILDING DEPARTMENT FOR REVIEW AND APPROVAL--NOTE THAT SHOP DRAWINGS TO DEMONSTRATE GUARDRAIL DESIGN IS ADEQUATE TO SUPPORT A SINGLE CONCENTRATED 200 POUND LOAD APPLIED IN ANY DIRECTION AT ANY POINT ALONG THE TOP OF THE RAIL PER CRC TABLE 301.5 AND 301.5 FOOTNOTE D
- SOLAR PHOTOVOLTAIC SYSTEM TO BE UNDER A SEPARATE PERMIT

REQ'D CONTRACTOR SUBMITTALS TO ARCHITECT

THE FOLLOWING ARE REQUIRED TO BE SUBMITTED TO THE ARCHITECT FOR APPROVAL/REVIEW:

- WINDOW/DOOR PACKAGE
- CABINET SHOP DRAWINGS AND FINISH SAMPLES
- MECHANICAL DUCTING PLAN
- STAIR AND RAIL SHOP DRAWINGS
- MISC. STEEL SHOP DRAWINGS

NOTE: SEE STRUCTURAL PLANS FOR ADDITIONAL REQUIRED SUBMITTALS FOR SHOP DRAWINGS, ETC.

REQ'D CONTRACTOR SUBMITTALS TO BUILDING DEPT. PRIOR TO PERMIT ISSUANCE

- LICENSE NUMBER
- INSURANCE AND WORKER'S COMP POLICIES
- CONSTRUCTION STAGING PLAN
- CONSTRUCTION WASTE MANAGEMENT PLAN IN ACCORDANCE WITH CALGREEN 4.408.2

APPLICABLE CODES

APPLICABLE CODES (with City of Milpitas Amendments)

- 2019 CALIFORNIA ADMINISTRATIVE CODE, CAC
- 2019 CALIFORNIA BUILDING CODE, CBC
- 2019 CALIFORNIA RESIDENTIAL BUILDING CODE, CRC
- 2019 CALIFORNIA ELECTRICAL CODE, CEC
- 2019 CALIFORNIA MECHANICAL CODE, CMC
- 2019 CALIFORNIA PLUMBING CODE, CPC
- 2019 CALIFORNIA ENERGY CODE, CEnc
- 2019 CALIFORNIA HISTORICAL CODE, CHC
- 2019 CALIFORNIA FIRE CODE, CFC
- 2019 CALIFORNIA EXISTING BUILDING CODE
- 2019 CALIFORNIA GREEN BUILDING STANDARDS
- 2019 CALIFORNIA REFERENCED STANDARDS
- SANTA CLARA COUNTY STANDARD DETAIL AND SPECIFICATION SI-7 FOR CONSTRUCTION SITE SAFETY

SHEET INDEX

ARCHITECTURAL	
A0.0	COVER SHEET
A0.2	FLOOR AREA CALCULATIONS
A0.3	MAP WITH VIEWPOINTS LOCATION
A0.4	SITE SECTIONS
A0.5	VIEW STUDIES
A1.0a	SITE PLAN
A1.0b	SITE PLAN
A1.0c	FIRE DEPARTMENT ACCESS SITE PLAN
A2.1a	BASEMENT / 1ST FLOOR PLAN
A2.1b	2ND FLOOR PLAN
A2.2	ROOF PLAN
A3.0a	EXTERIOR ELEVATIONS
A3.0b	EXTERIOR ELEVATIONS
A3.1	EXTERIOR PERSPECTIVES
A3.2	EXTERIOR PERSPECTIVES
A5.0	SECTIONS
A5.1	SECTIONS
CIVIL	
SU1	TOPOGRAPHIC SURVEY
SL-1	AVERAGE LOT SLOPE EXHIBIT
SL-2	AVERAGE LOT SLOPE EXHIBIT (25' OFFSET STUDY AREA)
C-1.0	TITLE SHEET
C-2.0	GRADING AND DRAINAGE - BASEMENT LEVEL
C-2.1	GRADING AND DRAINAGE - MAIN LEVEL
C-2.2	GRADING AND DRAINAGE - SECTION AA
C-2.3	GRADING AND DRAINAGE - SECTION BB
C-2.4	DRIVEWAY PROFILE - FRONT
C-2.5	DRIVEWAY PROFILE - SIDE
C-3.0	UTILITY PLAN
C-4.0	DETAILS
C-4.1	DETAILS
C-5.0	GRADING SPECIFICATIONS
ER-1	EROSION CONTROL PLAN
ER-2	EROSION CONTROL DETAILS
EX-1	SITE GRADING EXHIBIT
LANDSCAPE	
L1.0	LANDSCAPE PLANTING PLAN
L2.0	IRRIGATION PLAN
L6.0a-d	LANDSCAPE LIGHTING PLAN

PROJECT TEAM

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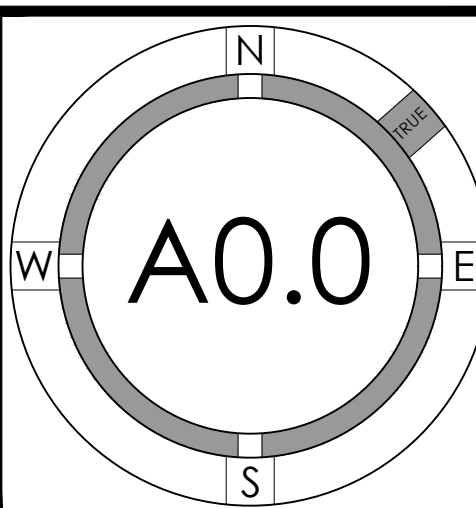
Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE

Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



PROJECT NO.	REVISION	DATE	DESCRIPTION	DRAWN BY	IC / MKA	IC / MKA	IC / MKA	IC / MKA
21-036		2022.11.30	PLANNING DEPARTMENT SUBMITTAL					
		2023.02.03	PLANNING DEPARTMENT RESUBMITTAL					
		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL					
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL					

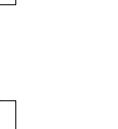
COVER SHEET

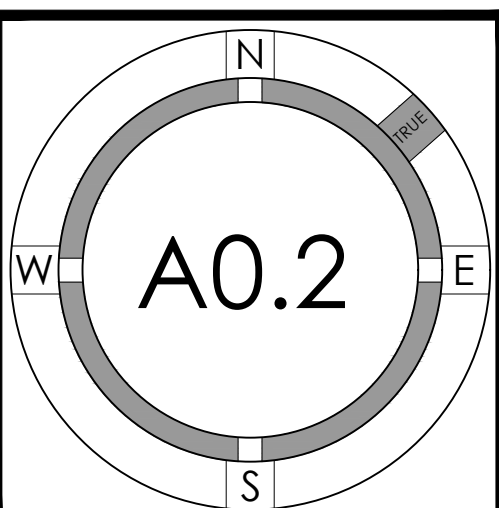


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FOR PERMIT REVIEW ONLY -- NOT FOR CONSTRUCTION



	NL# = NEW LIVING AREA
	NG# = NEW GARAGE AREA
	NA# = NEW ADU AREA
	NP# = NEW PATIO/PORCH AREA (NOT COUNTED TOWARDS FAR, COUNTS TOWARD LOT COVERAGE)
	ST# = STAIRWAY (DOES NOT COUNT AS FAR)





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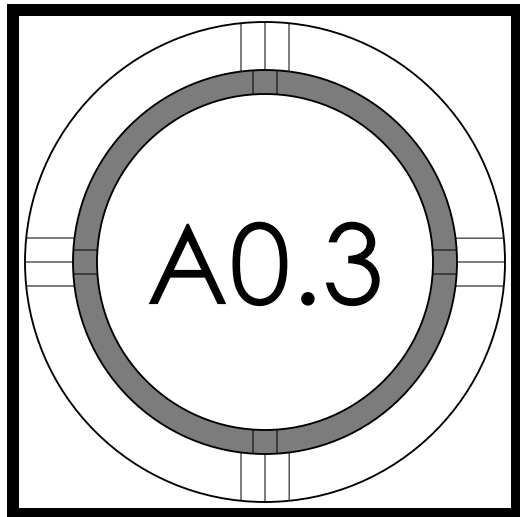
21036 TRAN-NUYEN
RESIDENCE
NEW SINGLE FAMILY RESIDENCE
1321 TERRA VISTA CT, MILPITAS, CA

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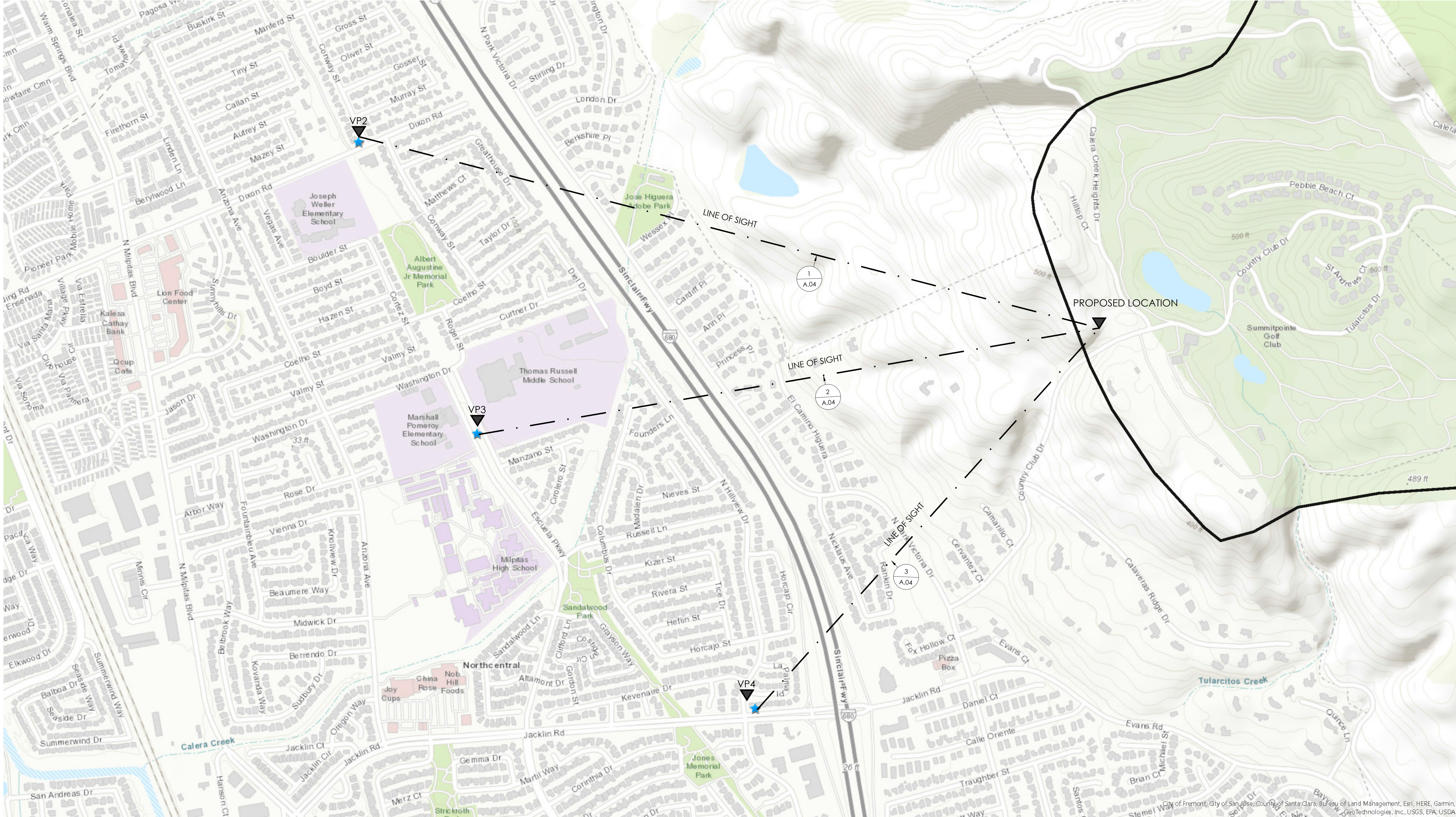


PROJECT NO.	REGION	DATE	DESCRIPTION	DRAWN BY
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		2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

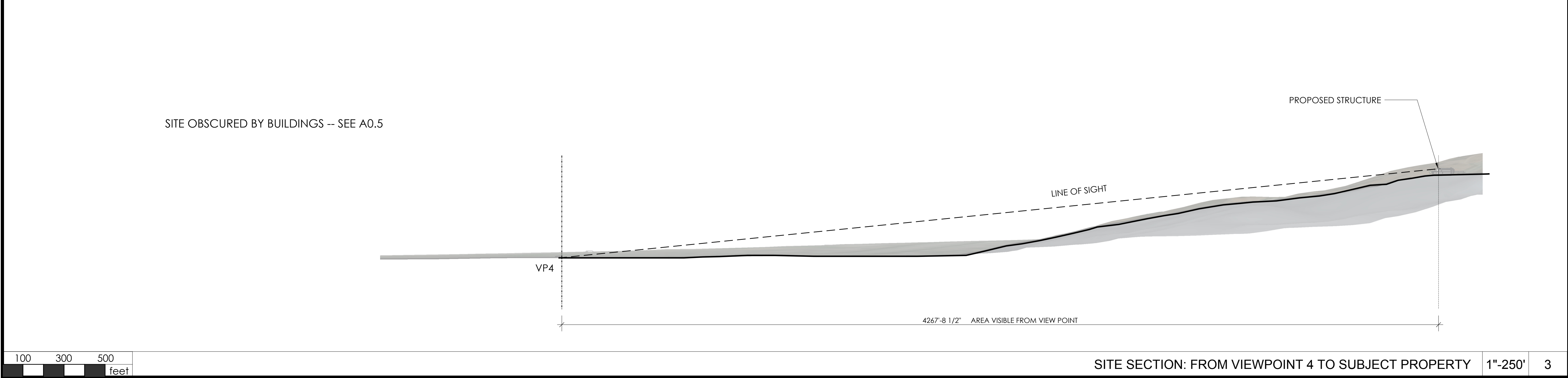
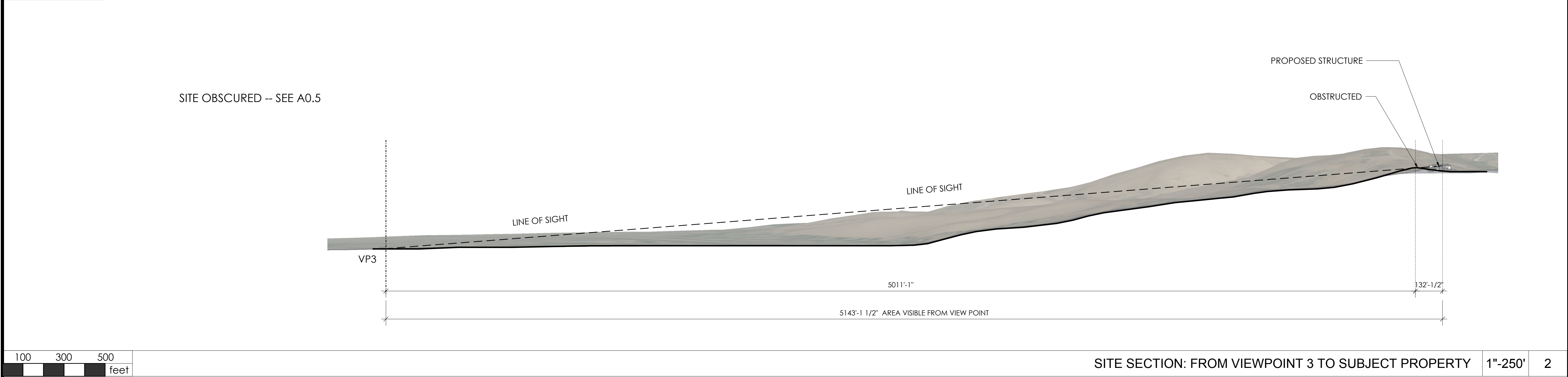
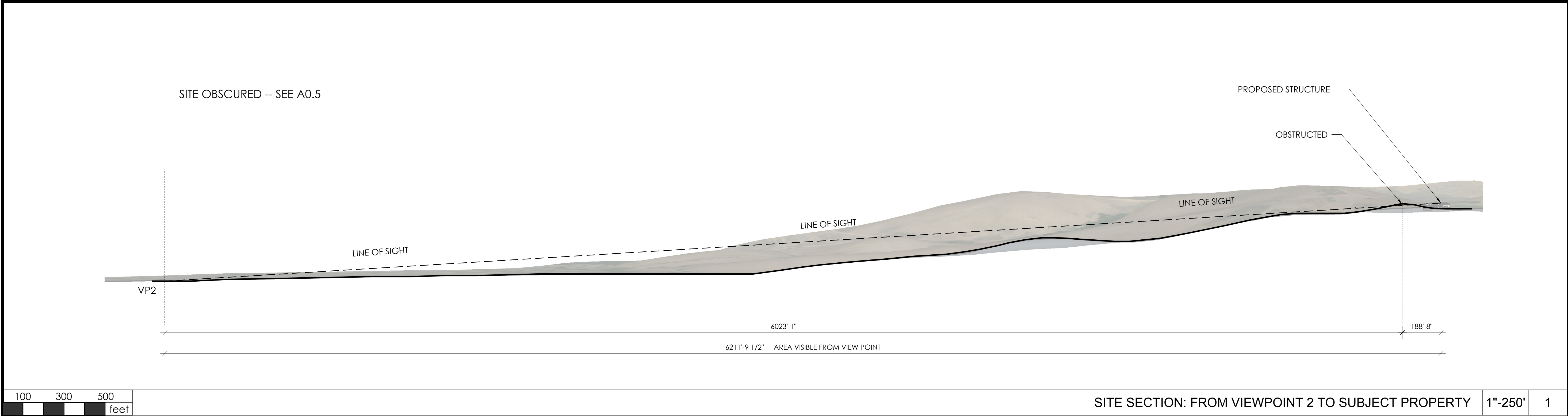
MAP
WITH
VIEWPOINTS
LOCATION



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MAP WITH VIEWPOINT LOCATION



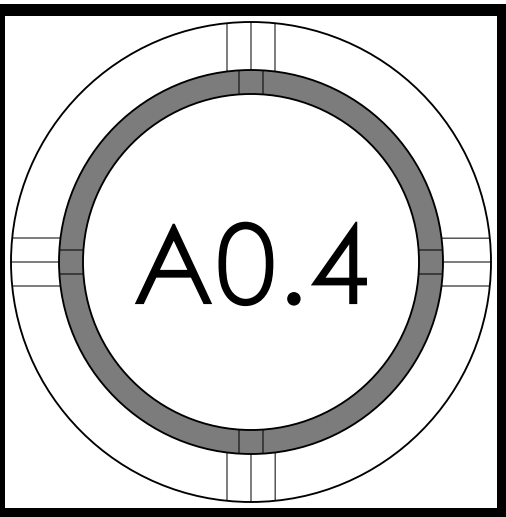
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21036 TRAN-NUYEN RESIDENCE	NEW SINGLE FAMILY RESIDENCE	
	1321 TERRA VISTA CT, MILPITAS, CA	
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19-008		2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
		2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

SITE SECTION





CRESTLINE VIEWPOINTS



STORY POLES INSTALLED AT SETBACK LINES AND CONTINUED INTO CRESTLINE ZONE OF PROTECTION.



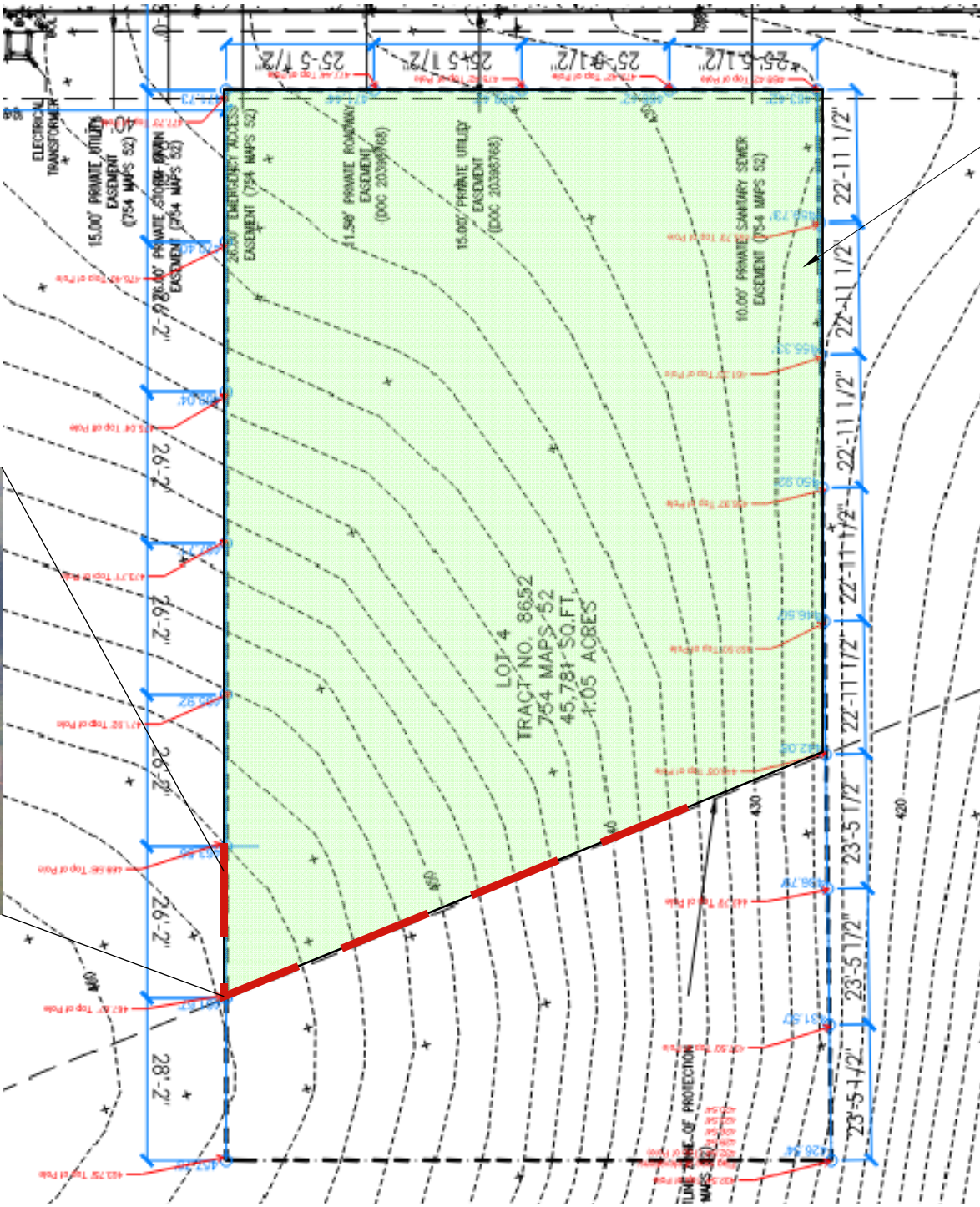
VP4 -- SITE NOT VISIBLE



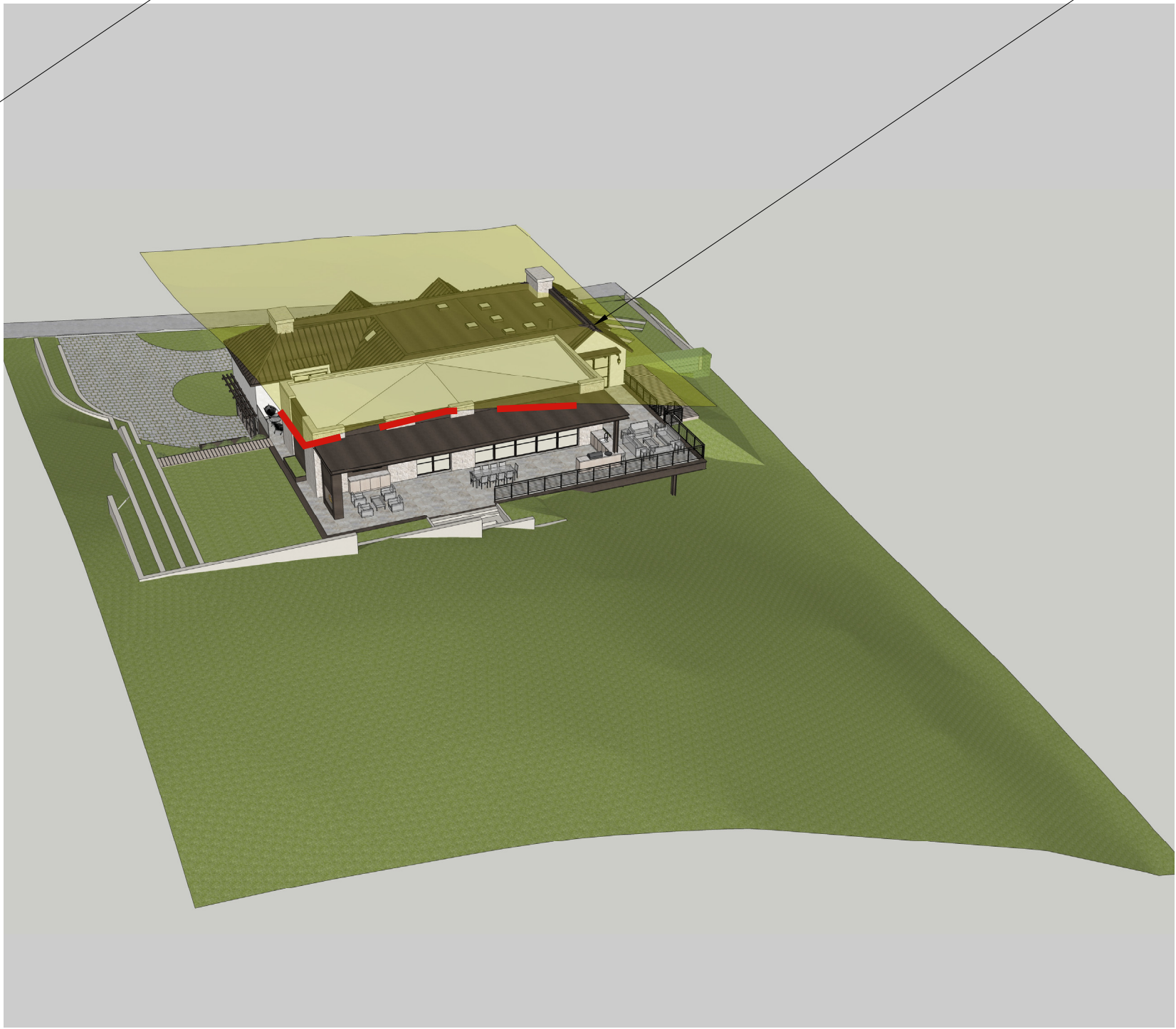
VP3 -- TOP ROW STORY POLES VISIBLE ONLY WITHIN CRESTLINE ZONE OF PROTECTION



VP2 -- SITE NOT VISIBLE



GREEN PLANE REPRESENTS AREA OF THE STORY POLES OUTSIDE OF CRESTLINE RIDGE ZONE



STORY POLES INSTALLED AT SETBACK LINES AND ALONG CRESTLINE ZONE OF PROTECTION TO DETERMINE MAX EXTENTS OF CONSTRUCTION. PROPOSED DEVELOPMENT IS SETBACK CONSIDERABLY FROM WHERE THE STORY POLES WERE INSTALLED. ONLY PORTION OF STORY POLES VISIBLE REPRESENTED BY RED DASHED LINE--HOUSE SETBACK CONSIDERABLY FROM THIS LINE IN ORDER TO NOT BE VISIBLE

MINOR PROTRUSION WELL BEYOND CRESTLINE RIDGE AND NOT VISIBLE FROM VALLEY FLOOR

SUMMARY: WE SET UP STORY POLES ALONG THE SITE SETBACKS (AND INTO THE CRESTLINE) TO GET AN IDEA FOR THE VISIBILITY AT DIFFERENT ELEVATION POINTS FROM THE 3 CLOSEST VIEWPOINTS. THE SITE WAS COMPLETELY HIDDEN FROM 2 OF THE VIEWPOINTS (VP2 AND VP4). THE TOPMOST ROW OF FLAG ROPE WAS ONLY VISIBLE FROM VP3 WITHIN THE CRESTLINE ZONE. ONLY A SMALL CORNER OF THE FLAG ROPE WERE VISIBLE FROM THIS VIEWPOINT AND THESE FLAGS WERE ALONG THE SETBACK LINES AND CRESTLINE. THIS DETERMINED THE LIMITS OF VISIBILITY AND WE SET THE HOUSE BACK CONSIDERABLE FROM THESE SETBACKS AND CRESTLINE. AS A RESULT WE CREATED A 3D PLANE TO REPRESENT THIS TOP ROW OF STORYPOLES IN THE 3D MODEL. SINCE THERE IS ONLY A SLIVER OF THE ROOFING ABOVE THE PLANE AND SETBACK CONSIDERABLY FROM BOTH THE SETBACKS AND CRESTLINE, IT WILL NOT BE VISIBLE FROM ANY OF THE PROTRUSIONS.



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Tran-Nguyen Residence

NEW SINGLE FAMILY HOUSE

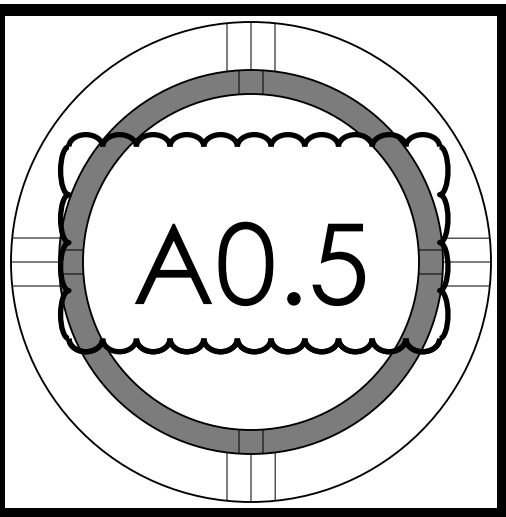
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Hue Tran Vu Nguyen



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		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

VIEW STUDIES



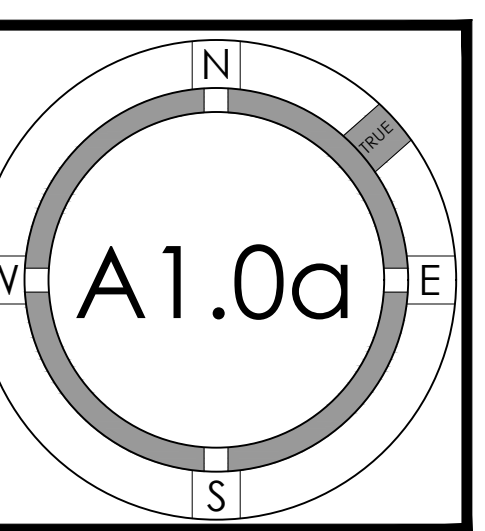


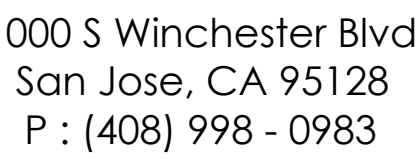
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PROPERTY LINE--SEE TOPO SURVEY FOR MORE INFO
REQUIRED YARD SETBACK/EASEMENT
TREE PROTECTION FENCING

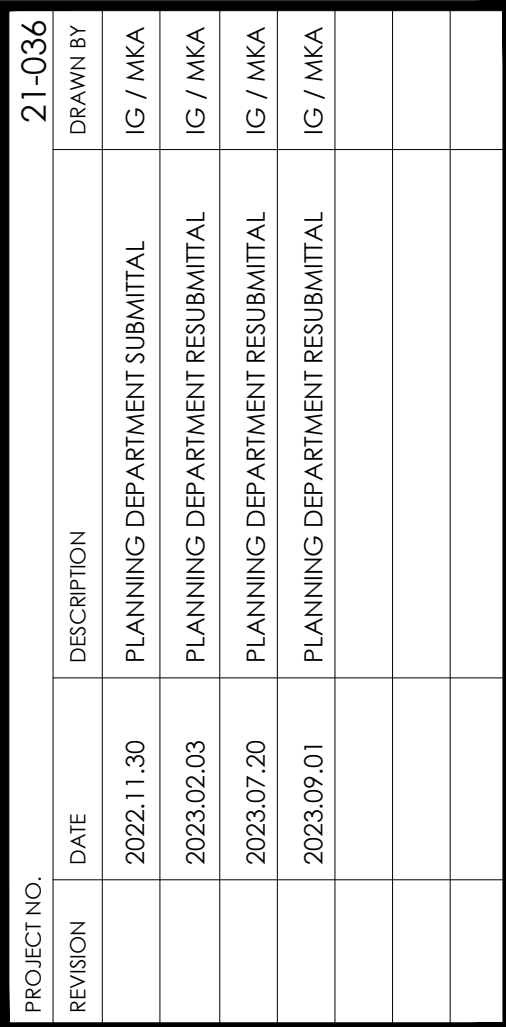
- NOTES:
1. (E) WATER SUPPLY TO BE REPLACED FROM METER IN.
 2. (E) SEWER LATERAL TO BE REPLACED FROM PROPERTY LINE IN

[illegible]

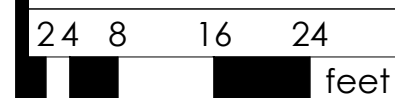


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= NUMBER TO KEY NOTE BELOW

1. EXISTING PUBLIC RIGHT-OF-WAY--ANY CONSTRUCTION WITHIN THE CITY RIGHT-OF-WAY MUST HAVE AN APPROVED "PERMIT FOR CONSTRUCTION IN THE PUBLIC STREET" PRIOR TO THE COMMENCEMENT OF THIS WORK. THE PERFORMANCE OF THIS WORK IS NOT AUTHORIZED BY THE BUILDING PERMIT ISSUANCE BUT SHOWN ON THE BUILDING PERMIT FOR INFORMATION ONLY
2. (N) WATER METER--CONTRACTOR TO COORDINATE (N) METER WITH LOCAL WATER COMPANY IF REQUIRED BY INCREASED FIXTURE LOAD
3. (N) ELECTRICAL METER LOCATION--CONTRACTOR TO COORDINATE WITH LOCAL ELECTRICAL COMPANY FOR UPGRADE (400 AMPS) TO (E) ELECTRICAL SERVICE
4. UFER GROUND CONNECTION PER CEC 250-52
5. (N) GAS METER LOCATION--INSTALL TWO 2" DIAMETER X 30" TALL STEEL PIPE BOLLARDS EMBEDDED IN 2 FT DEEP CONCRETE FOOTINGS IF GAS METER IS WITHIN 3 FEET OF DRIVEWAY
6. (N) HEATPUMP UNIT PAD(S)--PROVIDE ELECTRICAL TO THIS LOCATION AS REQUIRED, VERIFY SIZE AND QUANTITY WITH HVAC CONTRACTOR. HEATPUMP UNITS TO COMPLY WITH JURISDICTION'S NOISE ORDINANCE
7. NOT USED
8. (N) DRIVEWAY, PERMEABLE PAVING
9. (N) WALKWAY , PERMEABLE CONCRETE
10. (N) HARDSCAPE--SLOPE AWAY FROM HOUSE @ 2% MIN. SEE CIVIL AND LANDSCAPE PLANS FOR MORE INFO.
11. (N) 36" MIN. DEEP LEVEL LANDING PER CRC 311.3 W STEPS (MAX. 7.75" RISER)- PROVIDE EQUAL RISERS IF MORE THAN 1 STEP
12. (N) RETAINING WALLS--SEE CIVIL PLANS FOR MORE INFO.
13. (N) PORCH COLUMNS
14. (N) UNCOVERED PARKING SPACE
15. (N) CURB CUT PER LOCAL JURISDICTION'S STANDARD DETAIL--SEE CIVIL PLANS
16. (N) PLANTER
17. (N) SOFTSCAPE--PROVIDE DRIP IRRIGATION--SEE LANDSCAPE PLAN FOR MORE INFO.
18. NOT USED
19. (N) FIRE PIT. XL1200 ETHANOL BURNER
20. (N) OUTDOOR KITCHEN WHIT BUILT-IN GRILL LF36ATR, 36" LYNX PROFESSIONAL
21. (N) TRASH COLLECTION AREA
22. NOT USED
23. PARKING STRIPS -- PERMEABLE CONCRETE
24. (N) TREE(S)--SEE LANDSCAPE PLAN FOR MORE INFO.
25. (N) WOOD DECK.
26. (N) VEGETABLE/HERB RAISED BEDS--SEE LANDSCAPE PLAN FOR MORE INFO.
27. (N) OUTDOOR FIREPLACE -- FLEX 68DB DOUBLE SIDED BIO-FUEL FIREPLACE
28. (E) TREE(S) PREVIOUSLY APPROVED AS PART OF DEVELOPMENT TO REMAIN. TREES NOT YET PLANTED ON SITE
29. (E) FIRE HYDRANT
30. (N) 54" HIGH, OPENWORK TYPE, WOOD FENCE -- PAINTED DARK BROWN TO MATCH METAL FENCE -- SEE DETAIL 1B/A.3.2
31. (N) 42" HIGH IRON FENCE ALONG FRONT PROPERTY LINE -- SEE DETAIL 1A/A.3.2
32. (N) 42" HIGH IRON VEHICULAR GATE -- APPROPRIATE KNOX PRODUCT WILL BE PROVIDED AND INSTALLED.
33. (N) 42" HIGH METAL PEDESTRIAN GATE
34. (N) 42" HIGH FENCE MASONRY COLUMN
35. (N) BUILT-IN MAILBOX

PROPOSED TREES (refer to Landscape Plan)						
Plant Legend						
Form	Size	Latin Name	Common Name	Comments	Native Usage	
						
Tree	Shrub	Vine	Groundcover	Palmetto	Fern	
1	24" tree	Arbutus Menziesii	Spotted Redwood		low	
2	24" tree	Paulownia	Paulownia		low	
3	24" tree	Leucodermis, 'Lutescens'	Leucodermis White Dogwood	Var/hybrid, not native	low	
4	24" tree	Leucodermis, 'Tuxedo'	Pink Spotted Dogwood		low	
5	24" tree	Leucodermis, 'Crimson'	Red Spotted Dogwood		low	
6	36" tree	Quercus	Oak	Var native	low	
7	48" tree	Quercus	Oak	Var native	low	
8	48" tree	Quercus	Oak	Var native	low	
9	48" tree	Quercus	Oak	Var native	low	
10	48" tree	Quercus	Oak	Var native	low	
11	48" tree	Quercus	Oak	Var native	low	
12	48" tree	Quercus	Oak	Var native	low	
13	48" tree	Quercus	Oak	Var native	low	
14	48" tree	Quercus	Oak	Var native	low	
15	48" tree	Quercus	Oak	Var native	low	
16	48" tree	Quercus	Oak	Var native	low	
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SITE PLAN KEYNOTES

PROPERTY LINE--SEE TOPO SURVEY FOR MORE INFO

REQUIRED YARD SETBACK/EASEMENT

TREE PROTECTION FENCING

- | | |
|---|-------------------------------------|
|  | NEW BUILDING AREA |
|  | NEW BUILDING AREA -- ADU |
|  | NEW GARAGE AREA |
|  | NEW HARDSCAPE |
|  | NEW HARDSCAPE -- PERMEABLE CONCRETE |

SPOT ELEVATION, SEE CIVIL DRAWINGS
FOR MORE INFO

NOTES:

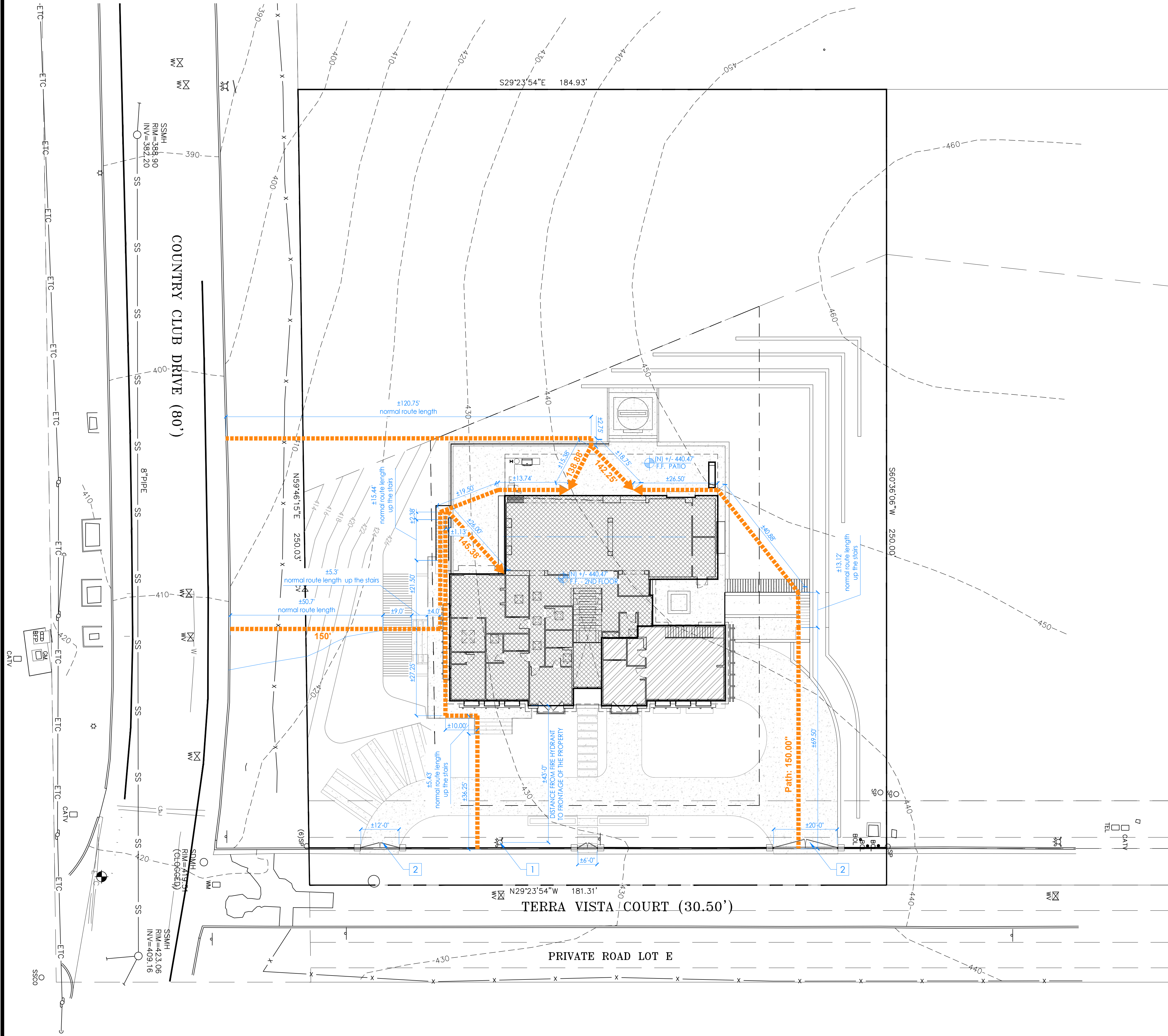
1. (E) WATER SUPPLY TO BE REPLACED FROM METER IN.
2. (E) SEWER LATERAL TO BE REPLACED FROM PROPERTY LINE IN.

SITE PLAN

1/16"

1

SITE PLAN LEGEND



- # = NUMBER TO KEY NOTE BELOW
- (E) FIRE HYDRANT
 - (N) 42" HIGH METAL VEHICULAR GATE -- APPROPRIATE KNOX PRODUCT WILL BE PROVIDED AND INSTALLED.

--- PROPERTY LINE--SEE TOPO SURVEY FOR MORE INFO
----- ROUTE OF FIRE HOSE

NEW BUILDING AREA
 NEW BUILDING AREA -- ADU
 NEW HARDSCAPE

SPOT ELEVATION, SEE CIVIL DRAWINGS FOR MORE INFO



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Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE

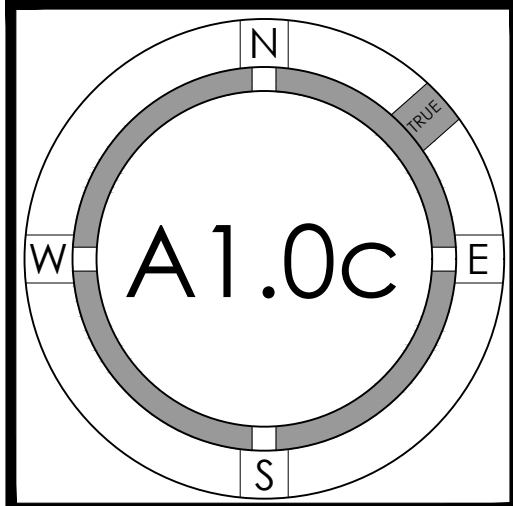
Milpitas, 1321 Terra Vista Court

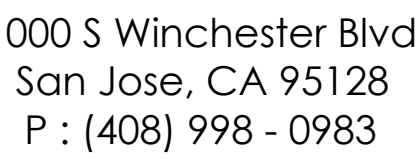
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21-036		2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
		2023.02.03	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

FIRE DEPARTMENT
ACCESS
SITE PLAN





Tran-Nguyen Residence

NEW SINGLE FAMILY HOUSE

NEW SINGLE FAMILY HOUSE

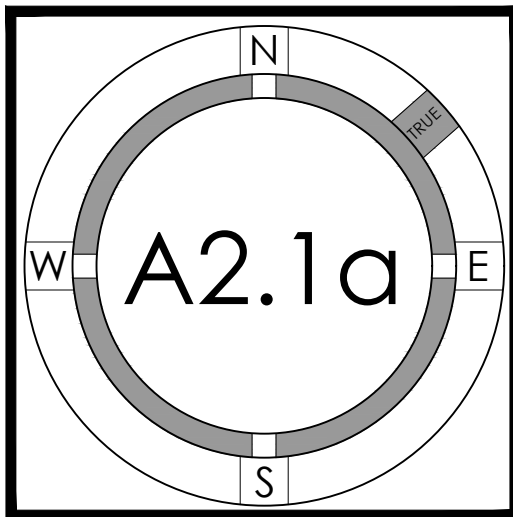
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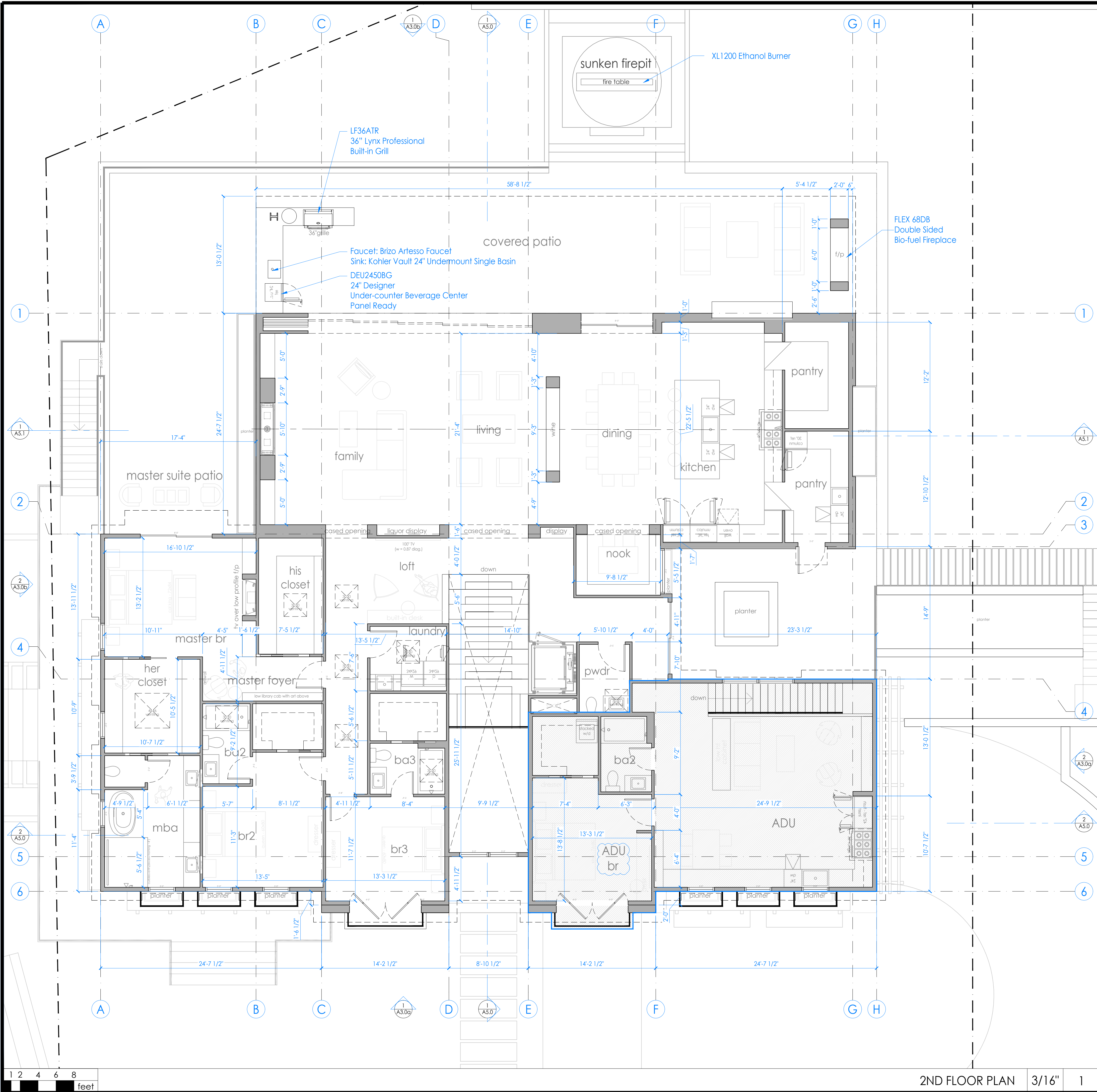


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1ST
FLOOR PLAN
/ BASEMENT



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2ND FLOOR PLAN 3/16" 1

FLOOR PLAN KEYNOTES

- (N) WALL: EXTERIOR: 2x6 STUDS @16" O.C.; INTERIOR 2x4 STUDS @16" O.C.-SEE ELEVATIONS AND STRUCTURAL DRAWINGS FOR EXTERIOR WALL MATERIAL ASSEMBLIES. OVER EXTERIOR WALLS SHEATHING PER CRC 703.2--INSTALL PER MANUF. INSTRUCTIONS. PROVIDE 5/8" TYPE 'X' GYPSUM BOARD EACH SIDE @ INTERIOR PARTITIONS. PROVIDE CEMENT BOARD OR TILE BACKER BOARD AT SHOWER/TUB LOCATIONS. ALL WALLS TO RECEIVE (N) PAINT FINISH. ALL CEILINGS AT TUB/SHOWERS TO BE M.R. BOARD
- (E) WALL TO REMAIN: REPAIR DAMAGE CAUSED BY REMOVING FINISHES AS NOTED ON A2.0. ALL WALLS TO RECEIVE (N) PAINT FINISH.

FLOOR PLAN LEGEND



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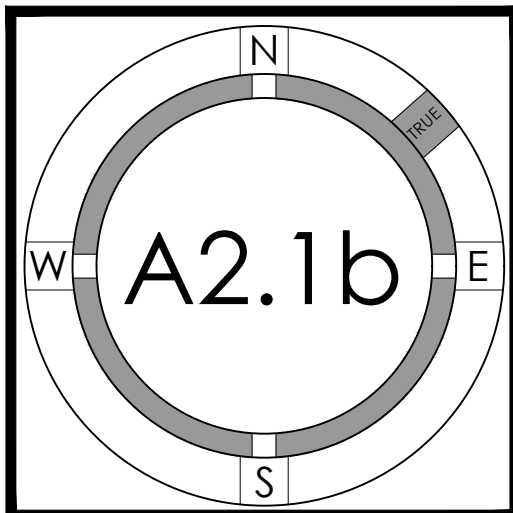
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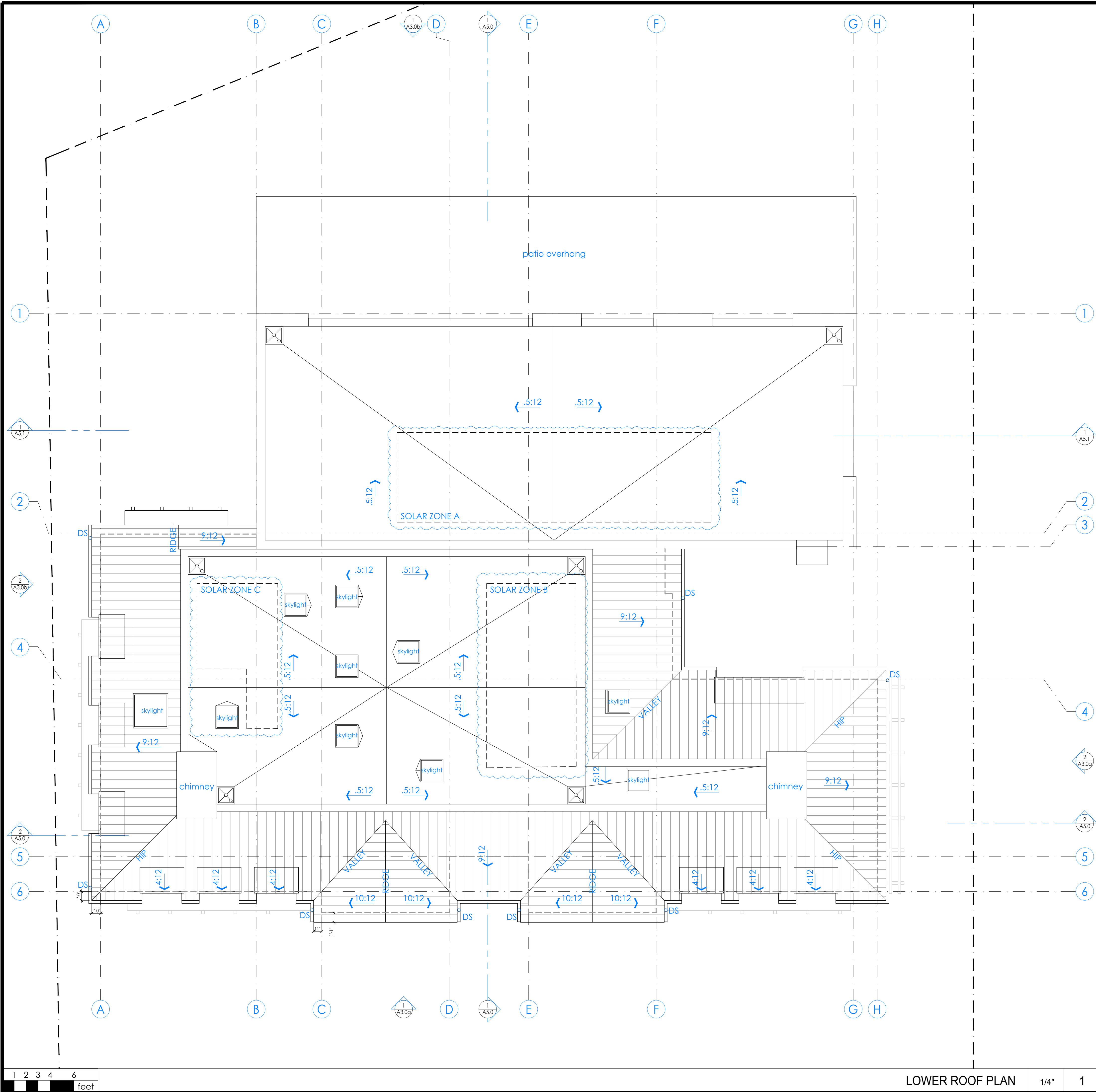


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2ND

FLOOR PLAN





1. INSTALL ALL NEW ROOFING MATERIALS--SEE LEGEND BELOW FOR MATERIALS--CONFIRM COLOR SELECTION W/ OWNER PRIOR TO PLACING ORDER
 2. PAINT ALL ROOF PENETRATIONS TO MATCH ROOFING COLOR.
 3. [RUN PLUMBING/HVAC VENTS TO FALSE CHIMNEY PROVIDED. NO ROOF PENETRATIONS THROUGH ROOF THAT ARE VISIBLE FROM THE STREET WILL BE ACCEPTED.] PLUMBING VENTS TO BE MIN. 10' AWAY FROM, OR AT LEAST 3' ABOVE ANY OPERABLE WINDOW OR SKYLIGHT PER CPC 906.2.
 4. ROUTE PLUMBING VENTS WITHIN ATTIC SPACE SO THAT ROOF PENETRATIONS ARE BEHIND MAIN ROOF RIDGE AND ARE NOT VISIBLE FROM THE STREET
 5. FUTURE SOLAR PANELS PER CEC 110.10 (MINIMUM 250 S.F. ON A SOUTH SIDE ORIENTATION). KEEP AREA CLEAR OF ROOFING EYEBROW, MECHANICAL AND PLUMBING VENTS.
 6. SEE ROOF PLAN FOR SLOPE.
 7. PROVIDE (N) GSM ROOF JACKS, TYP. CAULK ALL EXPOSED NAIL HEADS WITH SILICONE SEALANT.
 8. PROVIDE (N) GUTTERS AND DOWNSPOUTS AT LOCATIONS SHOWN--GUTTERS TO SLOPE 1:240 FRONT-TOBACK, BUT TO BE LEVEL SIDE TO SIDE
 9. INSTALL KICKOUT FLASHING PER 8/A8.0 WHEREVER GUTTERS TERMINATE AT A WALL
 10. ALL PLATE HEIGHTS PER SECTIONS AND RCP. SEE STRUCTURAL DRAWINGS FOR ADDITIONAL INFORMATION.
 11. CONNECT ALL DOWNSPOUTS TO FLEXIBLE PLASTIC DRAINPIPE AND RUN TO A LOCATION SPECIFIED BY CIVIL PLANS
- NOTE:
1. SEE 2/A0.1a FOR PLUMBING GENERAL NOTES
 2. SEE 3/A0.1a FOR MECHANICAL GENERAL NOTES
 3. SEE 4/A0.1a FOR ELECTRICAL GENERAL NOTES
 4. SEE 5/A0.1a FOR PLAN AND INTERIOR GENERAL NOTES

ROOF GENERAL NOTES

ATTIC VENTILATION CALCULATIONS AND NOTES

STANDING SEAM METAL ROOF, MIN CLASS A--MANUF: AEP SPAN; STYLE: DESIGN SPAN - DURA TECH ; COVERAGE: 16'; GAUGE: 22; COLOR: COOL ZINC MIDNIGHT BRONZE--VERIFY FINAL SELECTION WITH OWNER PRIOR TO PLACING ORDER. INSTALL PER MANUF. WARRANTY INSTRUCTIONS AND [UES EVALUATION REPORT #0309]

SINGLE PLY ROOFING, MIN CLASS "A"--MANUF: GAF OR EQUAL; STYLE: FULLY ADHERED EVERGUARD EXTREME TPO ROOFING MEMBRANE; THICKNESS: 60 MILLIMETER MIN--INSTALL O/ 1/2" HIGH DENSITY POLYISO BOARD O/ SLOPING PLYWOOD SHEATHING TO ENSURE MIN. 3/8:12 SLOPE. INSTALL RIVER-WASHED ROUND STONE BALLAST o/ 6-OZ MIN. POLYMAT FILTER FABRIC o/ ROOFING MEMBRANE AT LOW ROOFS THAT ARE VISIBLE FROM 2ND FLOOR WINDOWS--INSTALL PER MANUF. 20-YEAR WARRANTY INSTRUCTIONS.

ROOFTOP PATIO TO BE TILE o/ BISON DECK SUPPORTS (bisonip.com) o/ 40+ PSI DENSITY CLOSED CELL EXTRUDED POLYSTYRENE INSULATION (MIN. 1.5 INCHES THICK) o/ ROOFING MEMBRANE SLOPED MIN. 3/8:12--INSTALL ALL COMPONENTS PER MANUFACTURER'S WARRANTY INSTRUCTIONS. THE CONTRACTOR ASSUMES THE RESPONSIBILITY FOR AND MUST TAKE INTO CONSIDERATION THE STRUCTURAL CAPABILITY AND ADEQUACY OF THE STRUCTURE TO CARRY THE DEAD AND LIVE LOAD WEIGHT(S) INVOLVED, AND THAT THE DENSITY OF ANY INSULATION IS SATISFACTORY TO RESIST CRUSHING AND DAMAGING THE WATERPROOFING MEMBRANE.

DENOTES FLAT ROOF DRAIN CONNECTED TO HARDPIPED 2" RAIN WATER LEADER AND 2" ROOF OVERFLOW. OVERFLOW TO BE CONNECTED TO ESCUTCHEON--SEE DETAILS [XXX/XXXX]--ENSURE ROOFING OVERLAPS ROOF DRAIN PER BOTH DRAIN AND ROOF MANUF. DIRECTIONS {avoid roof drainage in wall cavities where possible}

DENOTES GUTTER DRAIN (3" DIA.) AND DOWNSPOUT (2" X 3") 26 GA ALUMINUM - PAINTED TO MATCH TRIM COLOR-- VERIFY SPEC. W/ OWNER. INSTALL PER MFR. INSTRUCTIONS

DENOTES DIRECTION OF SLOPE FROM HIGH TO LOW--ROOF SLOPE APPROX., REFER TO ELEVATIONS FOR MAX HT AND VERTICAL CONTROL

----- LINE OF BLDG. BELOW



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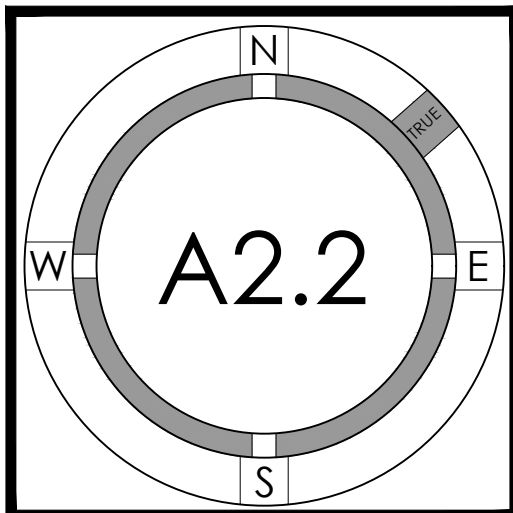
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		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

ROOF PLAN





SOUTH-WEST ELEVATION (FRONT) 3/16" 1



SOUTH-EAST ELEVATION (LEFT) 3/16" 2

= NUMBER OF KEYNOTE BELOW

- 1 STANDING SEAM METAL ROOFING--SEE ROOF PLAN FOR MORE INFO
- 2 PATIO OVERHANG--SEE ROOF PLAN FOR MORE INFO
- 3 SKYLIGHT--SEE WINDOW SCHEDULE FOR MORE INFO
- 4 PAINTED STEEL TROWELED IGNITION RESISTANT CEMENT PLASTER SYSTEM (SMOOTH FINISH) - 7/8" PLASTER OY METAL LATH O/ 2 LAYERS GRADE D' OR BETTER BUILDING PAPER, 3 COAT SYSTEM WITH 26 ga. WEEP SCREED AT WALL BASE AT LEAST 4" ABOVE GRADE OR 2" ABOVE HARDSCAPE--SEE DETAILS [XX/XX]--DO NOT USE "DOUBLE-ROLL" INSTALLATION FOR BUILDING PAPER
- 5 WOOD FRAMED "FALSE" CHIMNEY WITH 10" TALL PRECAST STONE CORNICE CAP-- www.chimneyking.com--SEE ROOF PLAN FOR LOCATION--INTENT OF CHIMNEY IS TO SCREEN MULTIPLE PLUMBING/HVAC ROOF PENETRATIONS FROM VIEW
- 6 ADHERED LIGHTWEIGHT STONE VENEER (<15 LBS/SF)--MANUF.: KONATURAL STONE; STYLE: BUFF -- REAL STONE ; COLOR: POWDER GRAY; INSTALLATION STYLE: DRYSTACK; WAINSCOT SILL OVER STEEL "L" ANGLE; CHISELED EDGE; SILL COLOR: GRAY--https://konaturalstone.com/signature-collection/buff-- USE POLYMER-MODIFIED SETTING MORTAR --INSTALL PER MANUF. INSTRUCTIONS. ICC-ES EVALUATION REPORT ESR-1215, AND MVMA INSTALLATION GUIDE FOR COMPLIANCE WITH ASTM C1780. CONTACT TERESA VASQUEZ AT BORAL STONE GROUP (415-418-9730, Teresa.Vasquez@Boral.com) FOR FIELD REVIEW OF LATH INSTALLATION PRIOR TO INSTALLING SCRATCH COAT. SEAL VENEER WITH SILANE OR SILOXANE BASED MASONRY TREATMENT SUCH AS CRAFTSHIELD PER MANUF. INSTRUCTIONS.
- 7 PREFINISHED METAL PANELS -- https://puretreeform.com/portfolio-item/federal-oil-rubbed --OR EQUAL TO MATCH WINDOW FINISH
- 8 PAINT GRADE REDWOOD TRELLIS--SEE ROOF PLAN FOR MORE INFO
- 9 STAIN GRADE WOOD GARAGE DOOR --SEE DOOR SCHEDULE FOR MORE INFO
- 10 WINDOW/DOOR OPENING WITH SIMULATED DIVIDED LITES; GRIDS ON THE INTERIOR AND EXTERIOR OF THE GLASS AND A SPACER BAR BETWEEN THE PANES OF GLASS--SEE WINDOW AND DOOR SCHEDULES FOR MORE INFO--DOORS AND WINDOWS TO HAVE 3" [PAINT GRADE WOOD/STAIN GRADE WOOD/PAINTED FIBER CEMENT/PVC] TRIM TYPICAL, U.N.O.
- 11 FIELD PAINTED STEEL COLUMN--S.S.D. FOR MORE INFO
- 12 EXTERIOR LIGHT, INSTALL PER MANUF. INSTRUCTIONS--MANUF.: HINKLEY LIGHTING ; STYLE: ROOK 1 LIGHT, 5.75 INCH OUTDOOR WALL LIGHT ; DARK SKY RATED; COLOR: BRONZE ; https://www.hinkley.com/
- 13 STUCCO LOW WALL
- 14 OUTDOOR KITCHEN--OWNER TO PROVIDE SPECS
- 15 DECORATIVE IRON RAIL
- 16 GLASS GUARD RAIL
- 17 VERISTONE TRIM 8" HIGH
- 18 PLANTER
- 19 ROOF TERRACE PLANTERS
- 20 OUTDOOR FIREPLACE

- NOTES:
1. SEE 2/A0.1a FOR PLUMBING GENERAL NOTES
 2. SEE 3/A0.1a FOR MECHANICAL GENERAL NOTES
 3. SEE 3/A0.1a FOR ELECTRICAL GENERAL NOTES
 4. SEE 4/A0.1a FOR PLAN AND INTERIOR GENERAL NOTES
 5. EXTERIOR HARDSCAPE AND EXTERIOR STAIRS NOT SHOWN FOR CLARITY--SEE A0.3a FOR 3D MODEL VIEWS

KEYNOTES - -

ELEVATION GRID LINE KEY
A 1ST FLOOR TOP OF STRUCTURE = +/- 429.97'
B GRADE FOR DETERMINING HEIGHT = +/- 430.13'
C 1ST FLOOR CEILING HEIGHT (U.N.O.) = +/- 438.97'
D 2ND FLOOR TOP OF STRUCTURE (U.N.O.) = +/- 440.22'
E 2ND FLOOR CEILING HEIGHT (U.N.O.) = +/- 449.22'
F PROPOSED BUILDING HEIGHT = +/- 457.0'
G MAX BUILDING HEIGHT ALLOWED = 27'-0" +/- 457.13'

ELEVATION GRID LINE KEY - -



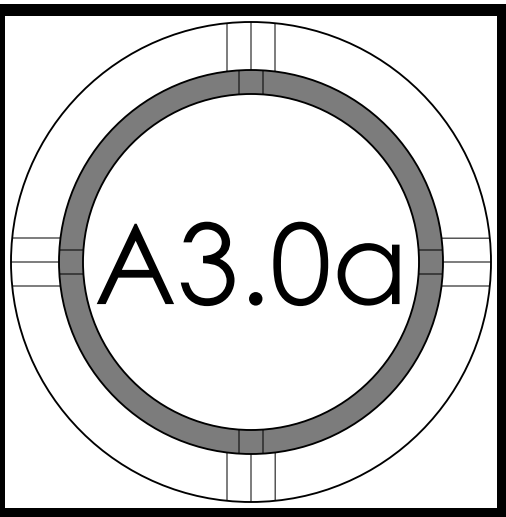
1000 S. Winchester Blvd
San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE
Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



MATCH CAD TITLE BLOCK				PROJECT NO.
REGION	DATE	DESCRIPTION	DRAWN BY	
	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA	
	2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	

EXTERIOR
ELEVATIONS





NORTH-EAST ELEVATION (FRONT) 3/16" 1



NORTH-WEST ELEVATION (LEFT) 3/16" 2

= NUMBER OF KEYNOTE BELOW

1. STANDING SEAM METAL ROOFING--SEE ROOF PLAN FOR MORE INFO
2. PATIO OVERHANG--SEE ROOF PLAN FOR MORE INFO
3. SKYLIGHT--SEE WINDOW SCHEDULE FOR MORE INFO
4. PAINTED STEEL TROWELED IGNITION RESISTANT CEMENT PLASTER SYSTEM (SMOOTH FINISH) - 7/8" PLASTER OVER METAL LATH O/ 2 LAYERS GRADE D' OR BETTER BUILDING PAPER, 3 COAT SYSTEM WITH 26 ga. WEEP SCREED AT WALL BASE AT LEAST 4" ABOVE GRADE OR 2" ABOVE HARDCAPE--SEE DETAILS [XX/XX]--DO NOT USE "DOUBLE-ROLL" INSTALLATION FOR BUILDING PAPER
5. WOOD FRAMED "FALSE" CHIMNEY WITH 10" TALL PRECAST STONE CORNICE CAP-- www.chimneyking.com--SEE ROOF PLAN FOR LOCATION--INTENT OF CHIMNEY IS TO SCREEN MULTIPLE PLUMBING/HVAC ROOF PENETRATIONS FROM VIEW
6. ADHERED LIGHTWEIGHT STONE VENEER (<15 LBS/SF)--MANUF.: KONATURAL STONE; STYLE: BUFF-- REAL STONE ; COLOR: POWDER GRAY; INSTALLATION STYLE: DRYSTACK; WAINSCOT SILL OVER STEEL "L" ANGLE; CHISELED EDGE; SILL COLOR: GRAY--https://konaturalstone.com/signature-collection/buff-- USE POLYMER-MODIFIED SETTING MORTAR --INSTALL PER MANUF. INSTRUCTIONS. ICC-ES EVALUATION REPORT ESR-1215, AND MVMA INSTALLATION GUIDE FOR COMPLIANCE WITH ASTM C1780. CONTACT TERESA VASQUEZ AT BORAL STONE GROUP (415-418-9730, Teresa.Vasquez@Boral.com) FOR FIELD REVIEW OF LATH INSTALLATION PRIOR TO INSTALLING SCRATCH COAT. SEAL VENEER WITH SILANE OR SILOXANE BASED MASONRY TREATMENT SUCH AS CRAFTSHIELD PER MANUF. INSTRUCTIONS.
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17. VERISTONE TRIM 8" HIGH
18. PLANTER
19. ROOF TERRACE PLANTERS
20. OUTDOOR FIREPLACE

- NOTES:
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 2. SEE 3/A0.1a FOR MECHANICAL GENERAL NOTES
 3. SEE 3/A0.1a FOR ELECTRICAL GENERAL NOTES
 4. SEE 4/A0.1a FOR PLAN AND INTERIOR GENERAL NOTES
 5. EXTERIOR HARDCAPE AND EXTERIOR STAIRS NOT SHOWN FOR CLARITY--SEE A0.3a FOR 3D MODEL VIEWS

KEYNOTES - -

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B GRADE FOR DETERMINING HEIGHT = +/- 430.13'
C 1ST FLOOR CEILING HEIGHT [U.N.O.] = +/- 438.97'
D 2ND FLOOR TOP OF STRUCTURE [U.N.O.] = +/- 440.22'
E 2ND FLOOR CEILING HEIGHT [U.N.O.] = +/- 449.22'
F PROPOSED BUILDING HEIGHT = +/- 457.0'
G MAX BUILDING HEIGHT ALLOWED = 27'-0" +/- 457.13'

ELEVATION GRID LINE KEY - -



1000 S. Winchester Blvd
San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence

NEW SINGLE FAMILY HOUSE

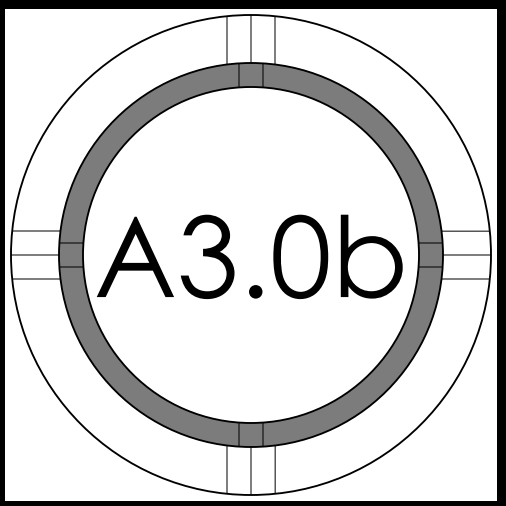
Milpitas, 1321 Terra Vista Court

Hue Tran Vu Nguyen



PROJECT NO.		MATCH/CAD TITLE BLOCK	
REGION	DATE	DESCRIPTION	DRAWN BY
	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
	2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

EXTERIOR
ELEVATIONS





PERSPECTIVE EXTERIOR RIGHT HIGH - 4



PERSPECTIVE EXTERIOR FRONT - 1



PERSPECTIVE EXTERIOR LEFT HIGH - 5



PERSPECTIVE EXTERIOR FRONT LEFT - 2



PERSPECTIVE EXTERIOR FRONT HIGH - 6



PERSPECTIVE EXTERIOR FRONT RIGHT - 3



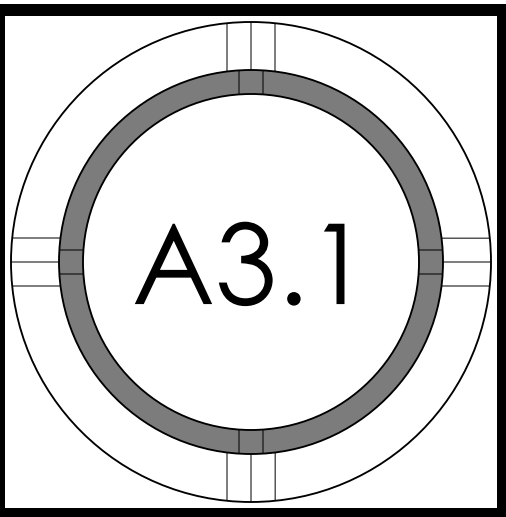
1000 S. Winchester Blvd
San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE
Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



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		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

EXTERIOR
PERSPECTIVES

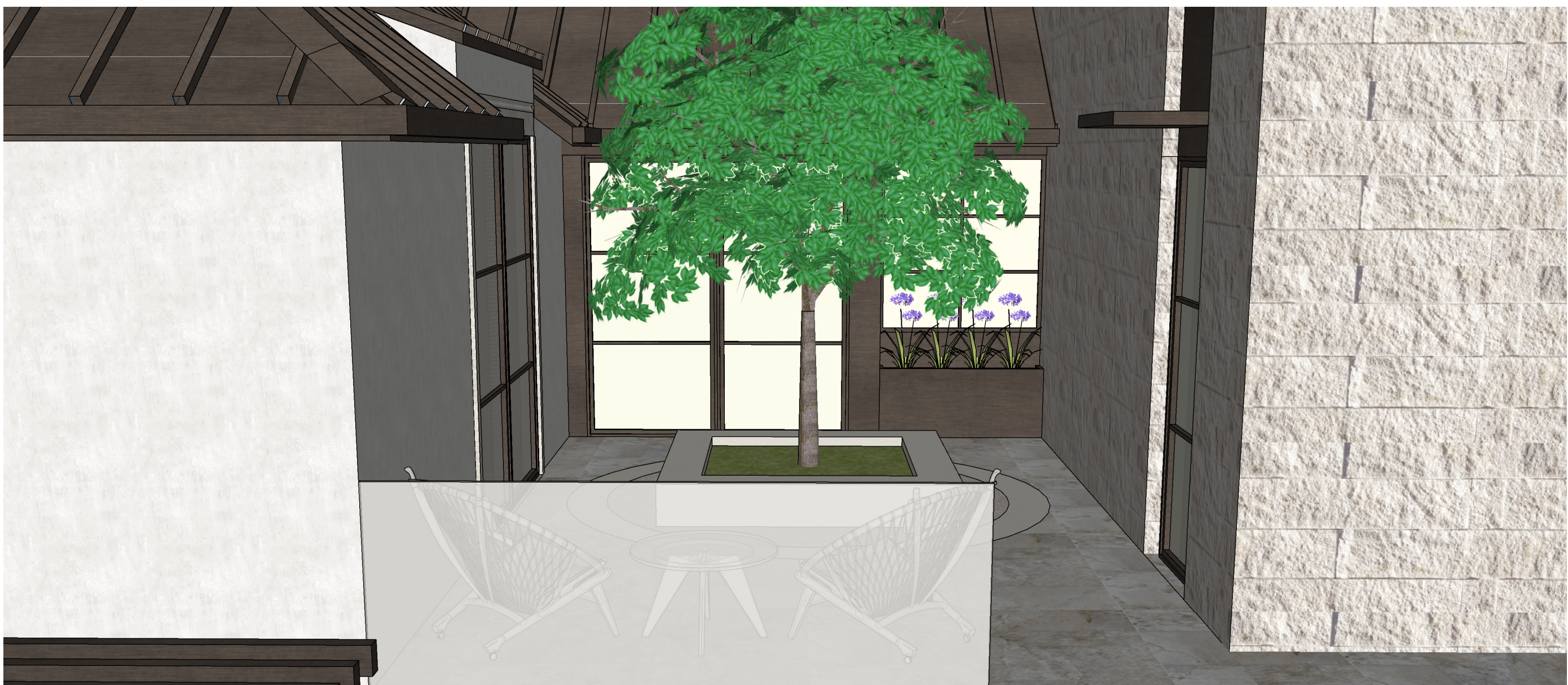




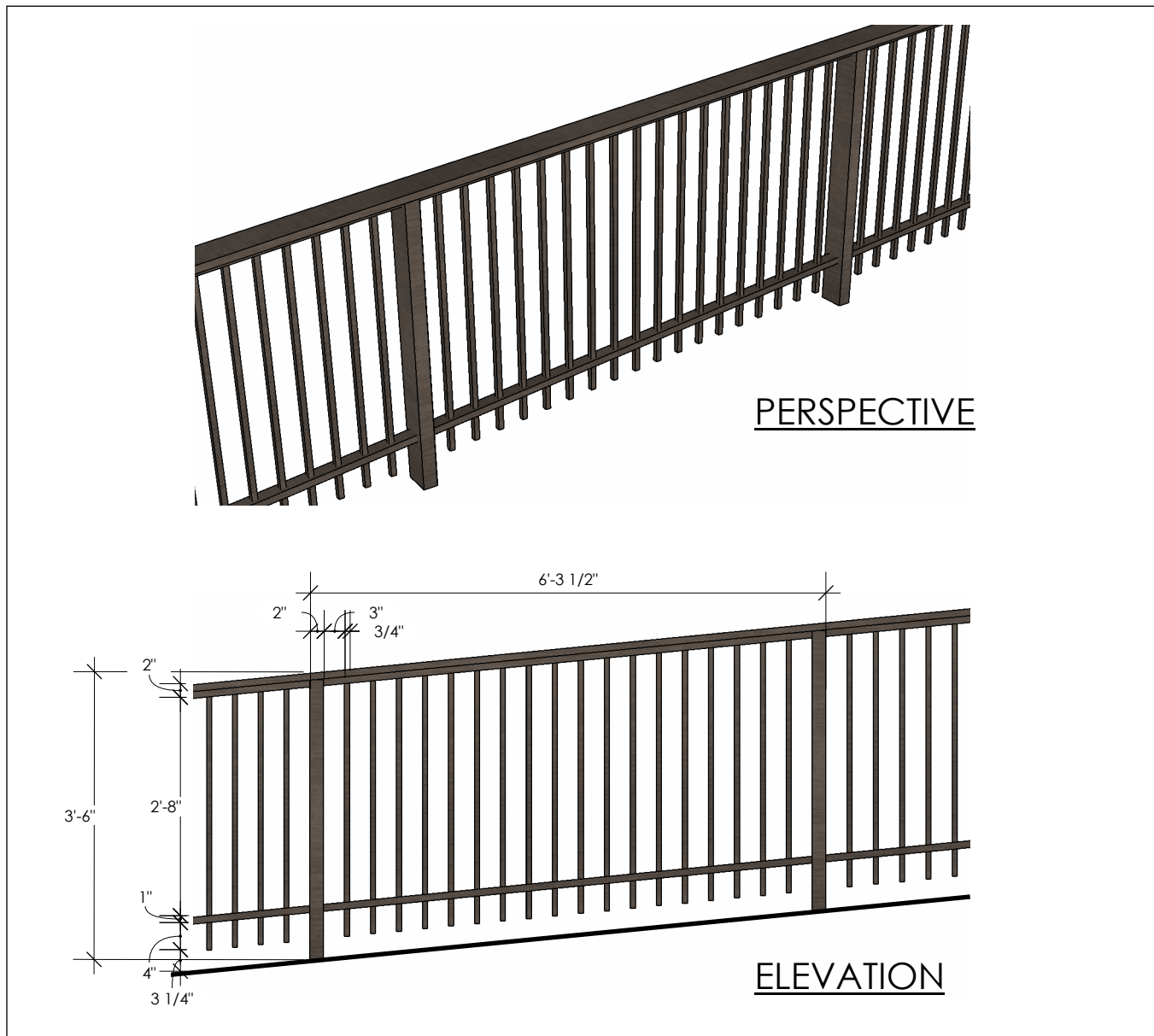
PERSPECTIVE EXTERIOR REAR PATIO HEIGHT - 4



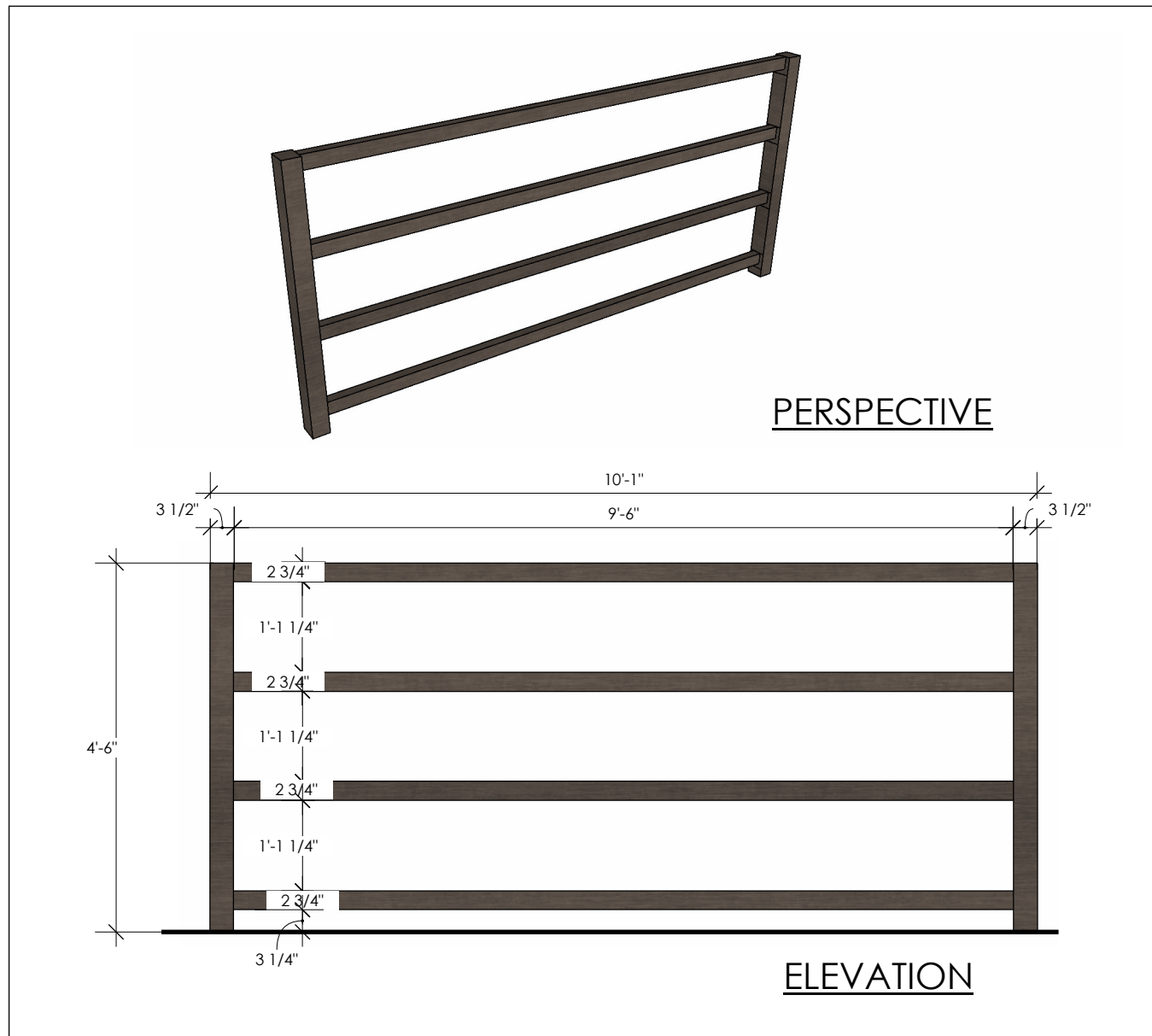
PERSPECTIVE EXTERIOR POOL - 5



PERSPECTIVE EXTERIOR RIGHT - 6



A | IRON FENCE -- ALONG FRONT PROPERTY LINE



B | WOOD FENCE -- ALONG SIDE AND REAR PROPERTY LINES

EXTERIOR FENCES - 1



PERSPECTIVE EXTERIOR FRONT ENTRY - 2



PERSPECTIVE EXTERIOR REAR PATIO - 3



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San Jose, CA 95128
P : (408) 998 - 0983

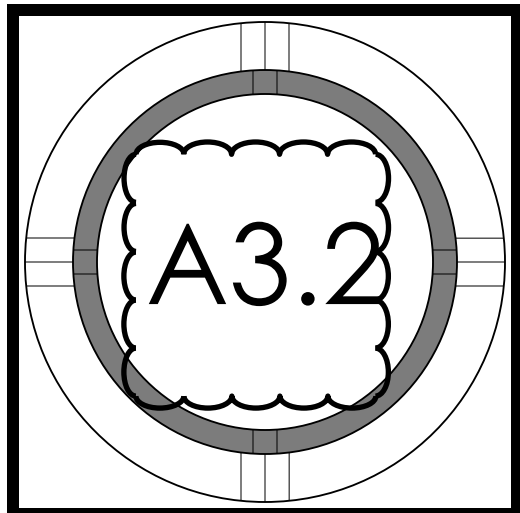
FOR PERMIT APPROVAL ONLY -- NOT FOR CONSTRUCTION

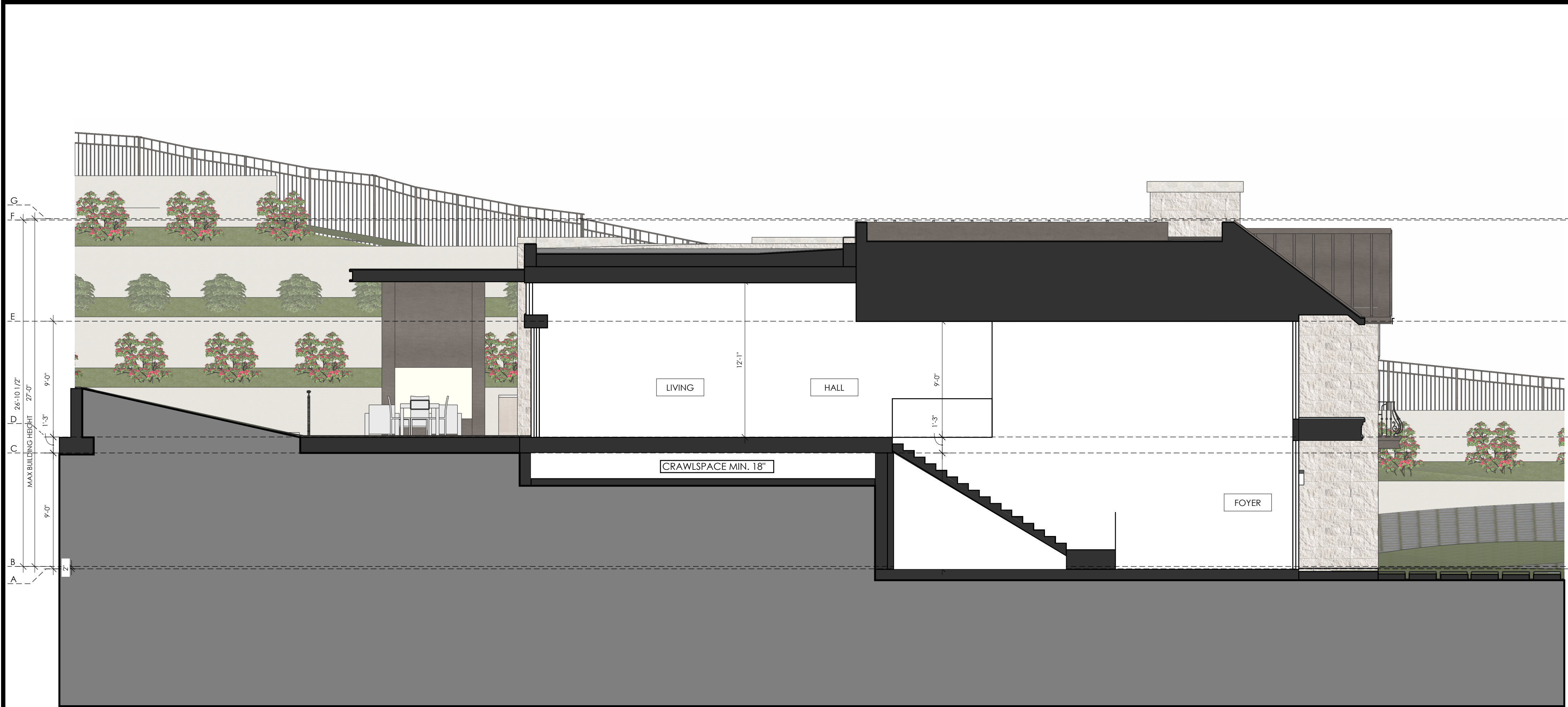
Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE
Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



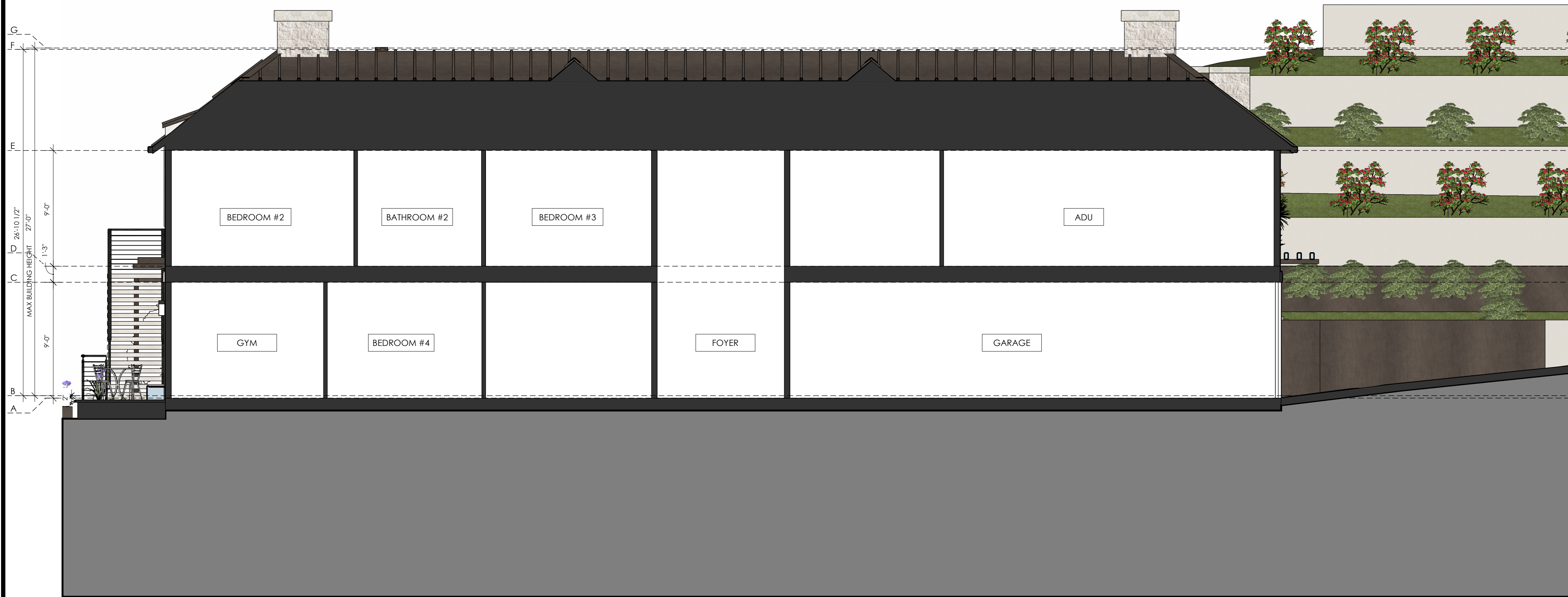
PROJECT NO.		REVISION		DATE	DESCRIPTION	DRAWN BY	
						IG / MKA	
				2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA	
				2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	
				2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	
				2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA	

EXTERIOR
PERSPECTIVES





SECTION 1 1/4" 1



SECTION 2 1/4" 2

= NUMBER OF KEYNOTE BELOW

- NOTES:
- SEE 2/A0.1a FOR PLUMBING GENERAL NOTES
 - SEE 3/A0.1a FOR MECHANICAL GENERAL NOTES
 - SEE 3/A0.1a FOR ELECTRICAL GENERAL NOTES
 - SEE 4/A0.1a FOR PLAN AND INTERIOR GENERAL NOTES
 - SEE BID INSTRUCTIONS FOR INSULATION VALUES. INSULATION TO BE NOT LESS THAN AS INDICATED IN T24 REPORT

KEYNOTES		
	-	-
SEE EXTERIOR ELEVATIONS FOR ELEVATION GRID LINE KEY		
ELEVATION GRID LINE KEY		
	-	-



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San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence

NEW SINGLE FAMILY HOUSE

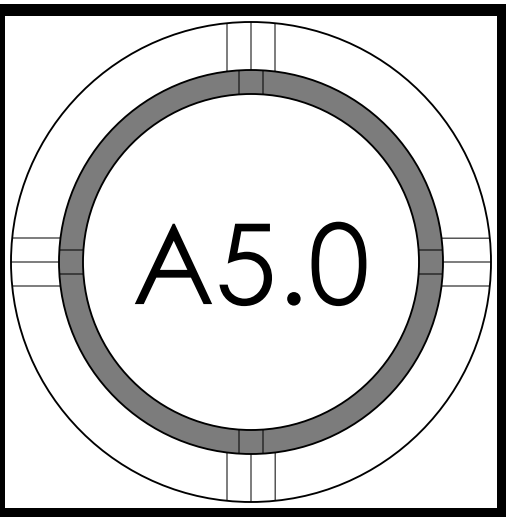
Milpitas, 1321 Terra Vista Court

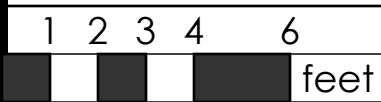
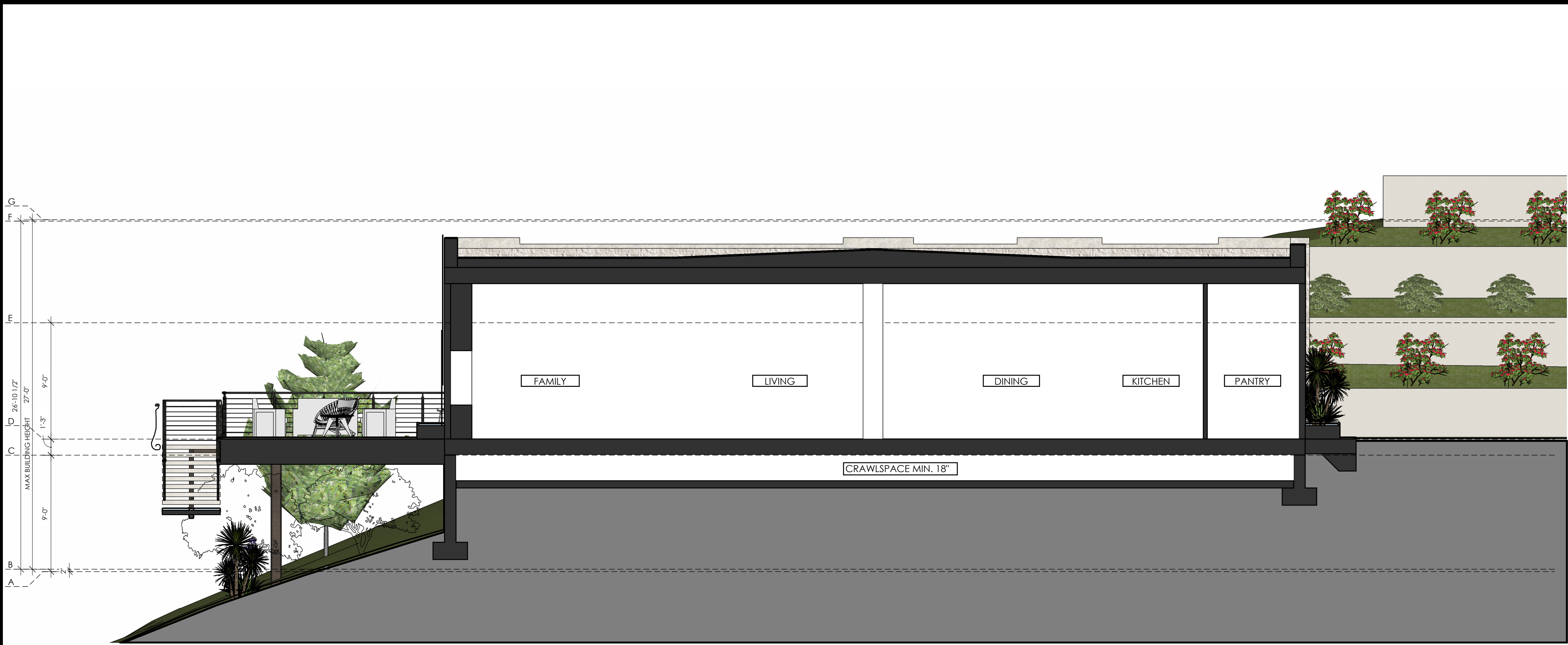
Hue Tran Vu Nguyen



PROJECT NO.		MATCH/CAD TITLE BLOCK	
REVISION	DATE	DESCRIPTION	DRAWN BY
	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
	2023.04.28	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

SECTIONS





SECTION 3 3/16" 1

= NUMBER OF KEYNOTE BELOW

- NOTES:
- 1. SEE 2/A0.1a FOR PLUMBING GENERAL NOTES
 - 2. SEE 3/A0.1a FOR MECHANICAL GENERAL NOTES
 - 3. SEE 3/A0.1a FOR ELECTRICAL GENERAL NOTES
 - 4. SEE 4/A0.1a FOR PLAN AND INTERIOR GENERAL NOTES
 - 5. SEE BID INSTRUCTIONS FOR INSULATION VALUES. INSULATION TO BE NOT LESS THAN AS INDICATED IN T24 REPORT

KEYNOTES	-	-
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SEE EXTERIOR ELEVATIONS FOR ELEVATION GRID LINE KEY

ELEVATION GRID LINE KEY	-	-
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San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence

NEW SINGLE FAMILY HOUSE

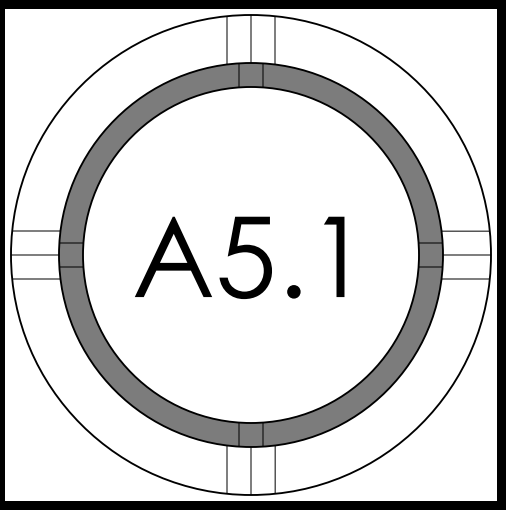
Milpitas, 1321 Terra Vista Court

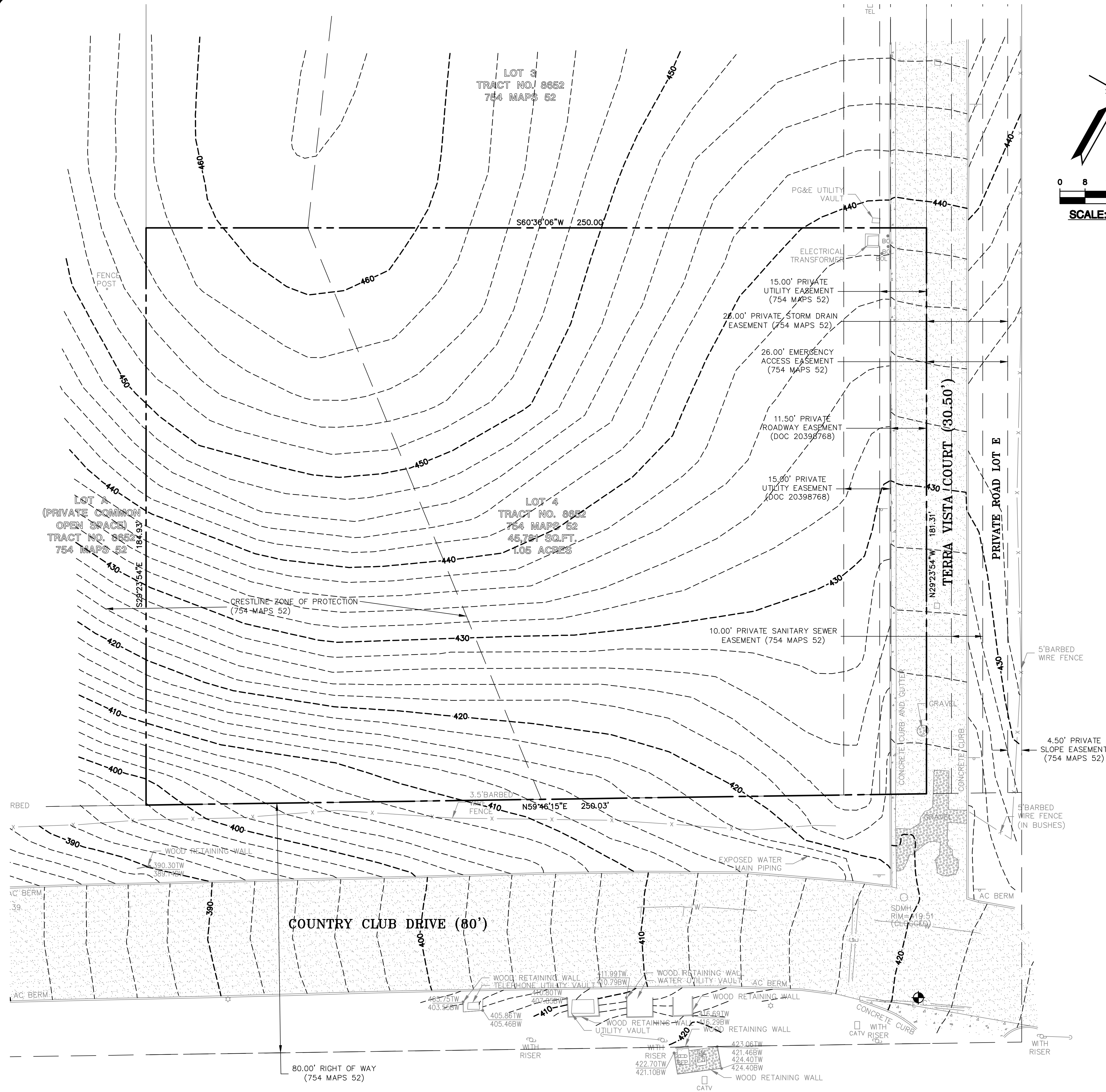
Hue Tran Vu Nguyen



MATCH/CAD TITLE BLOCK			
PROJECT NO.	REVISION	DATE	DESCRIPTION
		2022.11.30	PLANNING DEPARTMENT SUBMITTAL
		2023.04.28	PLANNING DEPARTMENT RESUBMITTAL
		2023.07.20	PLANNING DEPARTMENT RESUBMITTAL
		2023.09.01	PLANNING DEPARTMENT RESUBMITTAL

SECTIONS



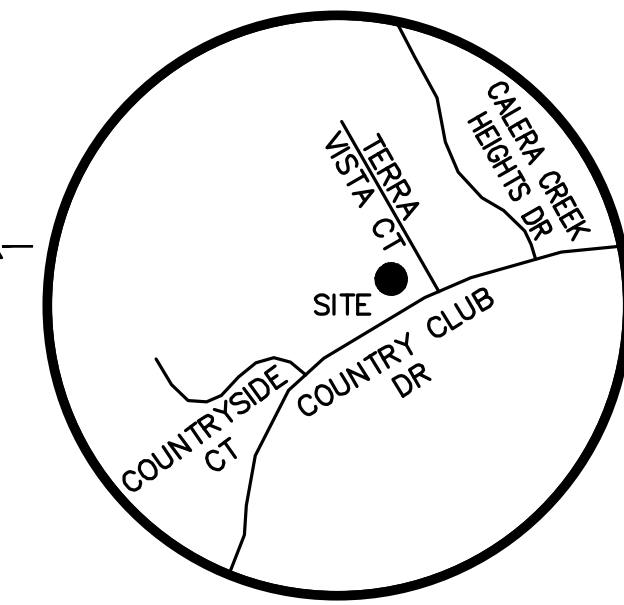


BENCHMARK

CITY OF MILPITAS BENCHMARK
CITY CC PUMP
BRASS DISK IN MONUMENT WELL,
0.2 MILE EAST OF INTERSECTION,
NORTH PARK VICTORIA DRIVE AND
COUNTRY CLUB DRIVE, 50+ NORTH
OF PUMPING STATION.
ELEVATION = 223.56'
(NAVD 88 DATUM)

SITE BENCHMARK

SURVEY CONTROL POINT
MAG AND SHINER SET IN ASPHALT
ELEVATION = 420.90'
(NAVD 88 DATUM)



VICINITY MAP

NO SCALE

EASEMENT NOTE

EASEMENTS ARE SHOWN PER THE
PRELIMINARY TITLE REPORT ISSUED BY OLD
REPUBLIC TITLE COMPANY, ORDER NO.
0616018760-SL, DATED AS OF APRIL 5, 2021
ENCROACHMENT EASEMENTS, MAINTENANCE
EASEMENTS, DRAINAGE EASEMENTS, COMMON
UTILITY METER EASEMENTS EXIST PER DOC
24512387. SAID EASEMENTS ARE NOT
PLOTTABLE OF RECORD.

EXHIBIT NOTE

THIS EXHIBIT IS INTENDED ONLY AS AN AID TO DETERMINE
THE AVERAGE LOT SLOPE OF THE SUBJECT PROPERTY.
SITE SURVEY INFORMATION, INCLUDING BUT NOT LIMITED
TO, UTILITIES, FENCES AND SPECIFIC SPOT GRADES MAY
BE REMOVED FOR CLARITY.
REFER TO THE SITE SURVEY BY LEA & BRAZE, INC., FOR
COMPLETE SITE SURVEY INFORMATION

CITY OF MILPITAS



CALCULATIONS BY LEA & BRAZE ENGINEERING

(510) 887-4086

CALCULATION OF AVERAGE SLOPE

PROPERTY OWNER(S)			
PROPERTY ADDRESS			
1321 Terra Vista Court			
CALCULATED BY		DATE	
R. West		February 16, 2022	
REFERENCE MAP:		JOB#	
Survey by Lea & Braze Engineering		2211757	

1. CALCULATION OF AVERAGE SLOPE

A. NET AREA (An)* 45781.12 SF B. CONTOUR INTERVAL (I) 2.0 FT.
C. DRAWING SCALE 1" = 16'
D. CONTOUR LENGTH WITHIN NET AREA OF LOT (An)

CONTOUR	LENGTH (FEET)	CONTOUR	LENGTH (INCHES)	CONTOUR	LENGTH (INCHES)	CONTOUR	LENGTH (INCHES)
396	0.0	432	17.5				
398	0.1	434	18.0				
400	0.9	436	18.1				
402	1.7	438	18.7				
404	2.5	440	16.3				
406	3.4	442	15.2				
408	4.6	444	14.3				
410	6.5	446	13.5				
412	7.9	448	12.8				
414	8.9	450	12.1				
416	10.0	452	11.3				
418	11.2	454	10.7				
420	12.4	456	10.0				
422	15.1	458	8.3				
424	17.5	460	4.9				
426	18.1	462	0.0				
428	17.7	464					
430	17.2	466					
TOTAL		357.4					

CONVERT INCHES TO FEET (MULTIPLY BY MAP SCALE) = (L) =

5718.4 FT.

E. AVERAGE SLOPE WITHIN NET AREA OF LOT

$$S = \frac{100}{45781.12 \text{ SF}} \left(\frac{2 \text{ FT}}{5718.4} \right) = 25.0\%$$



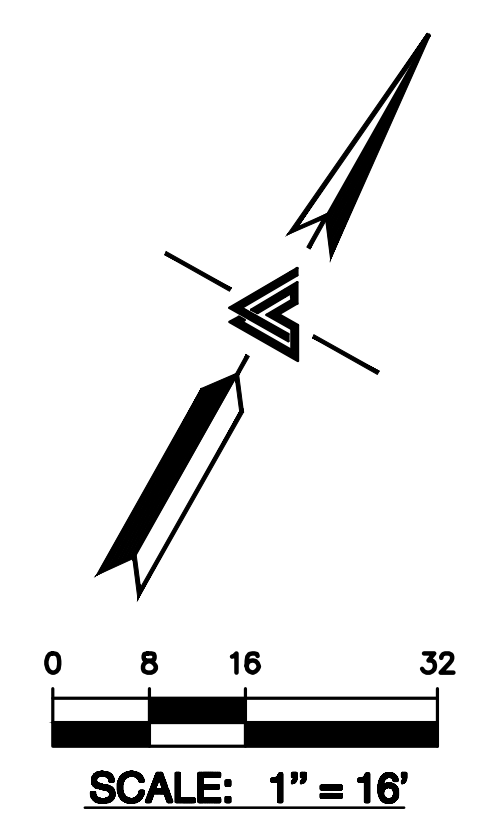
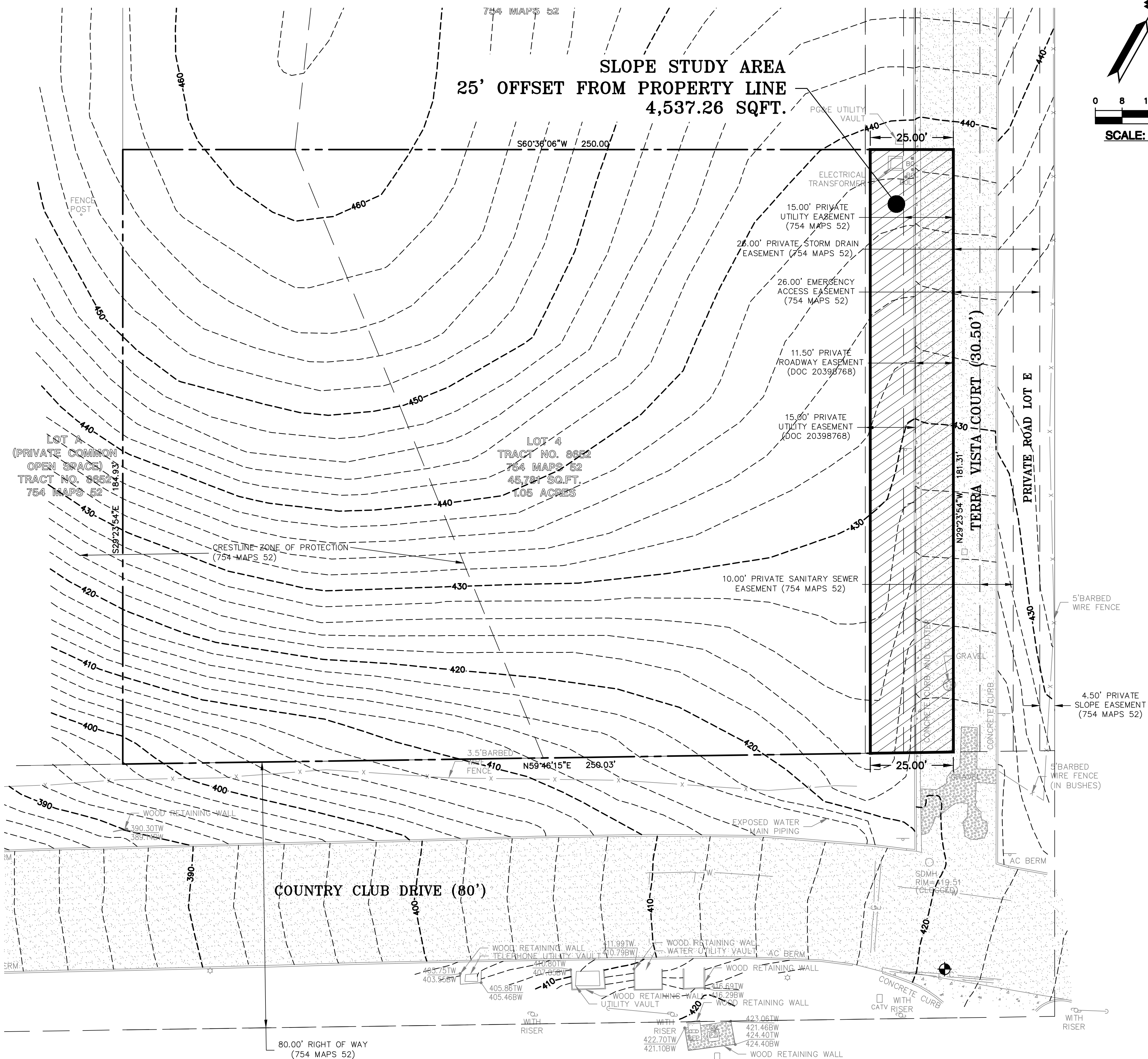
1321 TERRA VISTA COURT
MILPITAS
CALIFORNIA

AVERAGE LOT SLOPE
EXHIBIT

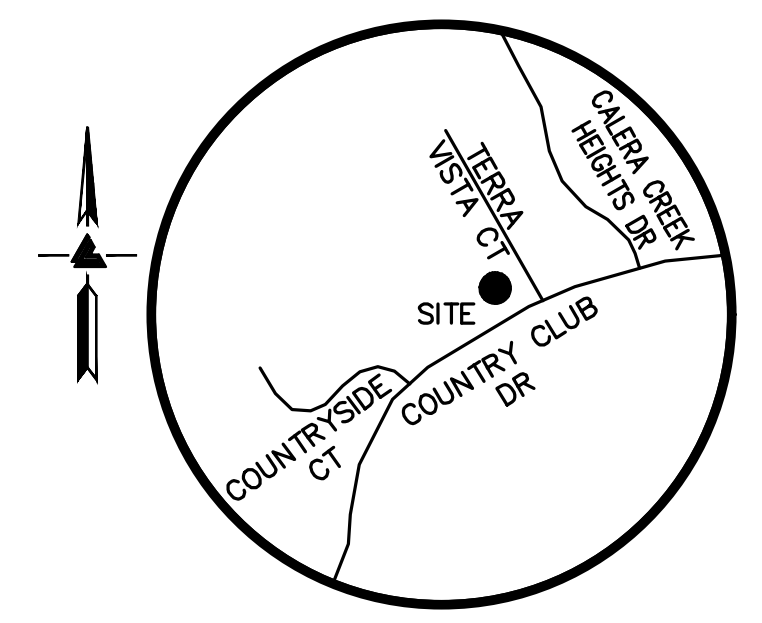
REVISIONS	BY
JOB NO: 2211757	
DATE: 11-3-21	
SCALE: 1"=16'	
BNDY BY: DN	
FIELD BY: BC	
DRAWN BY: ZB	
SHEET NO:	

SL-1

1 OF 1 SHEETS



BENCHMARK
CITY OF MILPITAS BENCHMARK
CITY CC PUMP
BRASS DISK IN MONUMENT WELL,
0.2 MILE EAST OF INTERSECTION,
NORTH PARK VICTORIA DRIVE AND
COUNTRY CLUB DRIVE, 50+ NORTH
OF PUMPING STATION.
ELEVATION = 223.56'
(NAVD 88 DATUM)



SITE BENCHMARK
SURVEY CONTROL POINT
MAG AND SHINER SET IN ASPHALT
ELEVATION = 420.90'
(NAVD 88 DATUM)

VICINITY MAP
NO SCALE

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EASEMENTS, DRAINAGE EASEMENTS, COMMON
UTILITY METER EASEMENTS EXIST PER DOC
24512387. SAID EASEMENTS ARE NOT
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CITY OF MILPITAS
LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS
CALCULATIONS BY LEA & BRAZE ENGINEERING
(510) 887-4086

STUDY AREA - CALCULATION OF AVERAGE SLOPE
STUDY AREA IS AREA WITHIN 25' OFFSET FROM THE EAST (ROADWAY) PROPERTY LINE

PROPERTY OWNER(S)			
PROPERTY ADDRESS		1321 Terra Vista Court	
CALCULATED BY		R. West	DATE March 4, 2022
REFERENCE MAP:		Survey by Lea & Braze Engineering	JOB# 2211757

1. CALCULATION OF AVERAGE SLOPE
A. NET AREA (An)* 4537.26 SF
B. CONTOUR INTERVAL (I) 2.0 FT.
C. DRAWING SCALE 1" = 16'
D. CONTOUR LENGTH WITHIN NET AREA OF LOT (An)

CONTOUR	LENGTH (FEET)	CONTOUR	LENGTH (INCHES)	CONTOUR	LENGTH (INCHES)	CONTOUR	LENGTH (INCHES)
420	0.0	456					
422	1.8	458					
424	3.2	460					
426	3.6	462					
428	3.4	464					
430	2.7	466					
432	2.4	468					
434	1.7	470					
436	1.6	472					
438	1.7	474					
440	0.0	476					
442		478					
444		480					
446		482					
448		484					
450		486					
452		488					
454		490					
TOTAL		22.1					

CONVERT INCHES TO FEET (MULTIPLY BY MAP SCALE) = (L) =
E. AVERAGE SLOPE WITHIN NET AREA OF LOT
S = 100 (2 FT) 353.6 = 15.6%
4537.26 SF



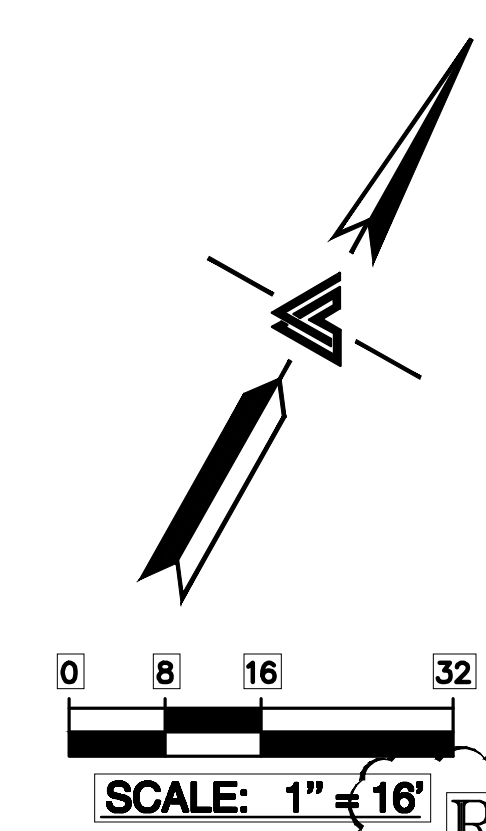
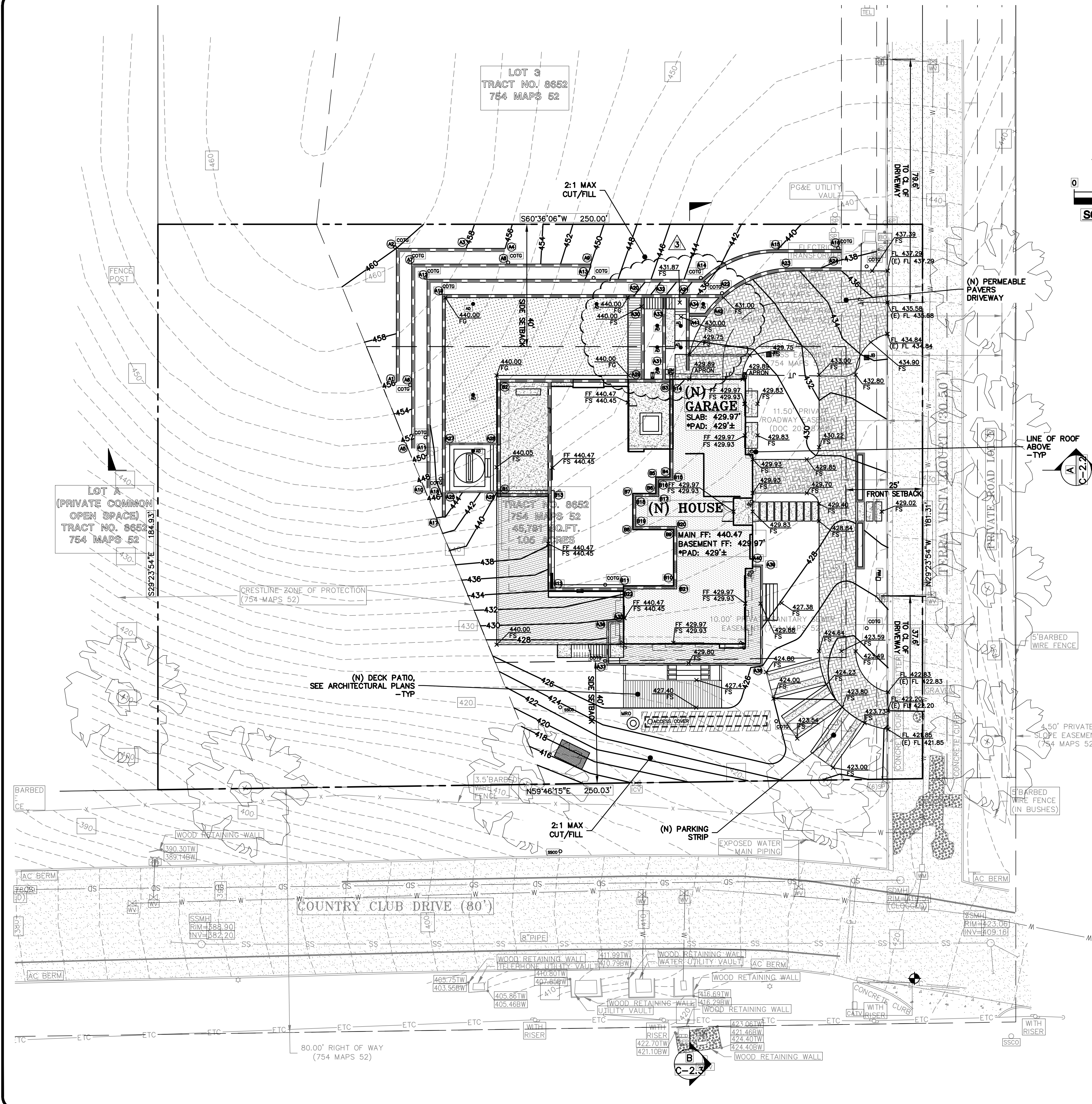
LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 1000 SOUTH PLYMOUTH AVENUE, SUITE 100, MILPITAS, CA 95035
(510) 887-4086
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1321 TERRA VISTA COURT
MILPITAS
CALIFORNIA
SANTA CLARA COUNTY
APN: 029-07-012

AVERAGE SLOPE
EXHIBIT
(25' OFFSET STUDY AREA)

REVISIONS		BY
JOB NO:	2211757	
DATE:	11-3-21	
SCALE:	1"=16'	
BNDY BY:	DN	
FIELD BY:	BC	
DRAWN BY:	ZB	
SHEET NO:		

SL-2
1 OF 1 SHEETS



FLATWORK KEYNOTES 1 TO X

FINISHED GRADES AT BUILDING PERIMETER SHALL BE SLOPED AT A MINIMUM OF 5% FOR THE FIRST 10' AWAY FROM THE BUILDING PER CBC 1804.4 OR TO AN APPROVED DRAINAGE SWALE OR STRUCTURE. GRADES SHALL CONTINUE TO SLOPE TOWARDS POSITIVE DRAINAGE AND A POSITIVE OUTFALL. MAINTAIN 8" CLEARANCE BETWEEN FINISH EARTHEN GRADE AND BOTTOM OF MUD SILL AT ALL TIMES PER CBC 2304.12.1.2 UNLESS STRUCTURAL DETAILING SHOWS LESS. REFER TO STRUCTURAL PLANS FOR FOUNDATION DESIGN AND DETAILS.

SLOPE GARAGE SLAB 1% MINIMUM (1/8" PER FOOT) FROM BACK TO FRONT TO ALLOW FOR ADEQUATE DRAINAGE. MAINTAIN 1/2" TO 1" LIP BETWEEN GARAGE SLAB AND DRIVEWAY. SEE PLANS FOR SPECIFIC DROP

PROVIDE 2% SLOPE ACROSS FLAT WORK AND/OR PAVING PER CBC 1804.4. SLOPE TOWARDS POSITIVE DRAINAGE AS SHOWN ON PLAN.

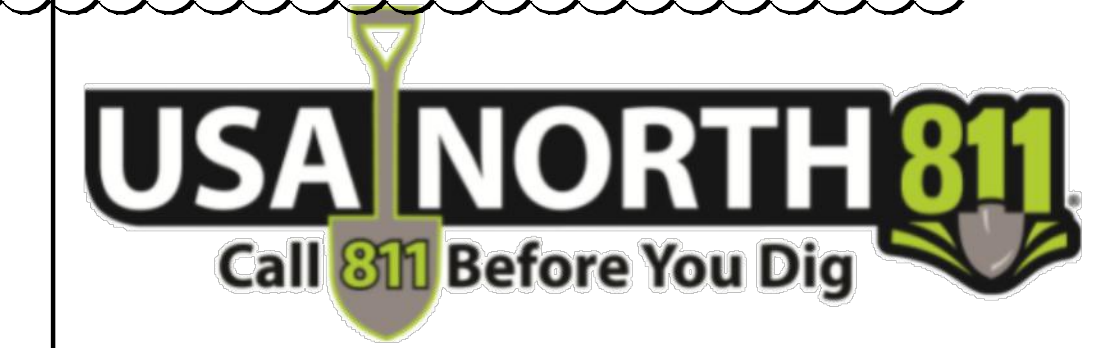
INSTALL (N) PERMEABLE CONCRETE PAVER DRIVEWAY. SEE DETAIL X ON SHEET C-X.

(N) CONCRETE PATIOS/WALKWAYS. SEE DETAIL X ON SHEET C-X.

RETAINING WALL CHART

EXTERIOR WALL DESIGNATION	BW/FG/FS	TW/FG/FS	EFFECTIVE HEIGHT
A1	456.00	456.00	0.0
A2	456.00	460.00	4.0
A3	456.00	458.00	2.0
A4	456.00	456.00	0.0
A5	451.00	451.00	0.0
A6	451.00	455.00	4.0
A7	451.00	455.00	4.0
A8	451.00	455.00	4.0
A9	450.00	450.00	0.0
A10	447.00	447.00	0.0
A11	446.50	450.00	3.5
A12	446.00	450.00	4.0
A13	446.00	449.00	3.0
A14	438.00	443.00	5.0
A15	438.00	440.00	2.0
A16	438.00	438.00	0.0
A17	444.00	444.00	0.0
A18	440.00	446.00	6.0
A19	440.00	445.00	5.0
A20	440.00	445.00	5.0
A21	430.00	436.00	6.0
A22	431.50	437.00	5.5
A23	434.25	437.00	2.8
A24	436.20	437.00	0.8
A25	440.00	446.00	6.0
A26	437.50	440.00	2.5
A27	437.50	440.00	2.5
A28	437.50	440.00	2.5
A29	437.50	440.00	2.5
A30	437.50	437.67	0.2
A31	430.00	436.00	6.0
A32	430.00	435.30	5.3
A33	430.00	436.00	6.0
A34	433.00	436.00	3.0
A35	429.97	430.00	0.0
A36	429.97	430.00	0.0
A37	427.00	429.80	2.8
A38	426.00	429.80	3.8
A39	429.00	429.80	0.8
A40	429.00	429.88	0.9
A41	430.00	433.00	3.0
A42	430.50	433.00	2.5

INTERIOR WALL DESIGNATION	BW/FS/FG	TW/FS/FG	EFFECTIVE HEIGHT
B1	438.00	439.47	1.5
B2	438.00	439.47	1.5
B3	438.00	439.47	1.5
B4	438.00	439.47	1.5
B5	438.00	439.47	1.5
B6	438.00	439.47	1.5
B7	438.00	439.47	1.5
B8	436.00	439.47	3.5
B9	435.00	439.47	4.5
B10	434.00	439.47	5.5
B11	434.00	439.47	5.5
B12	434.00	439.47	5.5
B13	434.00	439.47	5.5
B14	429.97	439.47	9.5
B15	429.97	439.47	9.5
B16	429.97	439.47	9.5
B17	429.97	439.47	9.5
B18	429.97	439.47	9.5
B19	429.97	439.47	9.5
B20	429.97	439.47	9.5
B21	429.97	439.47	9.5
B22	429.97	439.47	9.5



NOTE:
FOR CONSTRUCTION STAKING SCHEDULING OR QUOTATIONS PLEASE CONTACT ALEX ABAYA AT LEA & BRAZE ENGINEERING (510)887-4086 EXT 116. aabaya@leabrazeng.com

BUILDING PAD NOTE:
ADJUST PAD LEVEL AS REQUIRED. REFER TO STRUCTURAL PLANS FOR SLAB SECTION OR CRAWL SPACE DEPTH TO ESTABLISH PAD LEVEL.

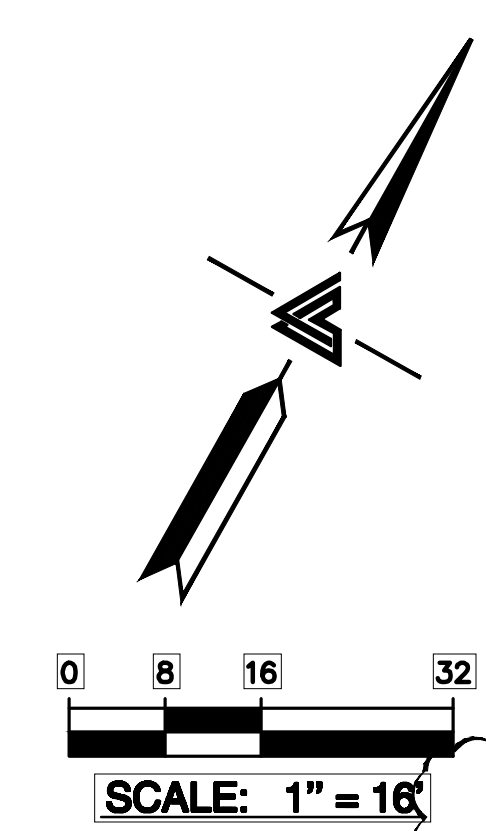
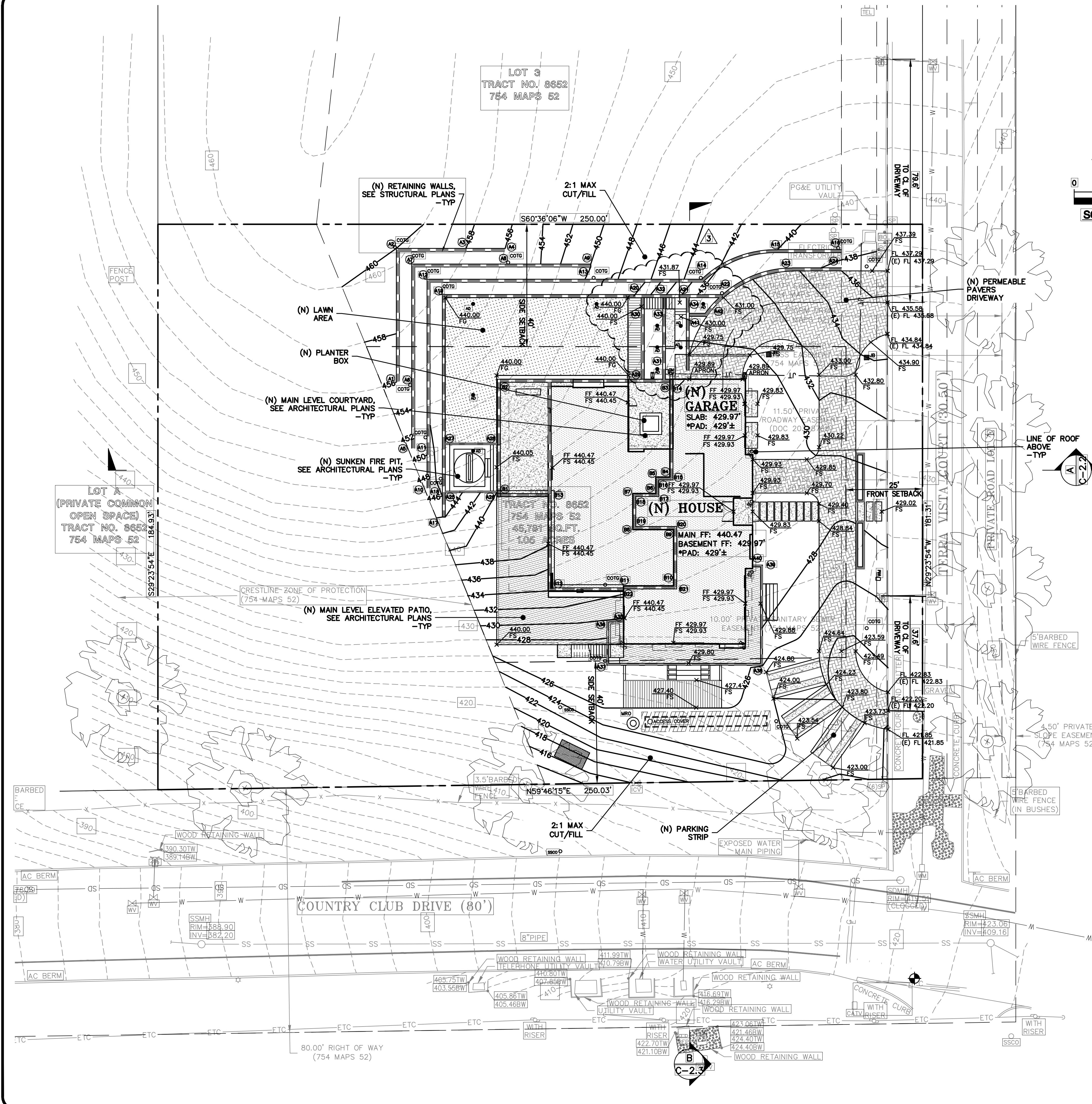


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SAN JOSE
(510) 887-4086
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TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
APN: 029-07-012

GRADING AND DRAINAGE - BASEMENT LEVEL

PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO: 2221852	
DATE: 12-02-22	
SCALE: AS NOTED	
DESIGN BY: TT	
CHECKED BY: DY	
SHEET NO:	
C-2.0	
02 OF 13 SHEETS	



FLATWORK KEYNOTES 1 TO X

FINISHED GRADES AT BUILDING PERIMETER SHALL BE SLOPED AT A MINIMUM OF 5% FOR THE FIRST 10' AWAY FROM THE BUILDING PER CBC 1804.4 OR TO AN APPROVED DRAINAGE SWALE OR STRUCTURE. GRADES SHALL CONTINUE TO SLOPE TOWARDS POSITIVE DRAINAGE AND A POSITIVE OUTFALL. MAINTAIN 8" CLEARANCE BETWEEN FINISH EARTHEN GRADE AND BOTTOM OF MUD SILL AT ALL TIMES PER CBC 2304.12.1.2 UNLESS STRUCTURAL DETAILING SHOWS LESS. REFER TO STRUCTURAL PLANS FOR FOUNDATION DESIGN AND DETAILS.

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PROVIDE 2% SLOPE ACROSS FLAT WORK AND/OR PAVING PER CBC 1804.4. SLOPE TOWARDS POSITIVE DRAINAGE AS SHOWN ON PLAN.

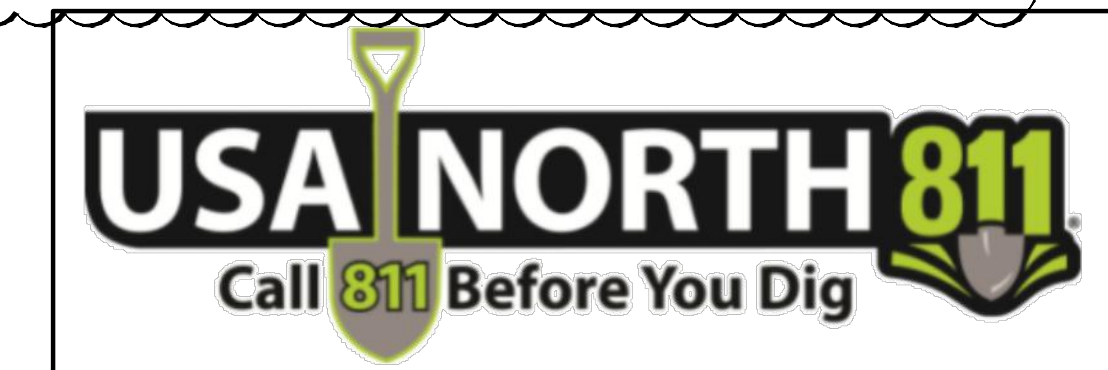
INSTALL (N) PERMEABLE CONCRETE PAVER DRIVEWAY. SEE DETAIL X ON SHEET C-X.

(N) CONCRETE PATIOS/WALKWAYS. SEE DETAIL X ON SHEET C-X.

RETAINING WALL CHART

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A1	456.00	456.00	0.0
A2	456.00	460.00	4.0
A3	456.00	458.00	2.0
A4	456.00	456.00	0.0
A5	451.00	451.00	0.0
A6	451.00	455.00	4.0
A7	451.00	455.00	4.0
A8	451.00	455.00	4.0
A9	450.00	450.00	0.0
A10	447.00	447.00	0.0
A11	446.50	450.00	3.5
A12	446.00	450.00	4.0
A13	446.00	449.00	3.0
A14	438.00	443.00	5.0
A15	438.00	440.00	2.0
A16	438.00	438.00	0.0
A17	444.00	444.00	0.0
A18	440.00	446.00	6.0
A19	440.00	445.00	5.0
A20	440.00	445.00	5.0
A21	430.00	436.00	6.0
A22	431.50	437.00	5.5
A23	434.25	437.00	2.8
A24	436.20	437.00	0.8
A25	440.00	446.00	6.0
A26	437.50	440.00	2.5
A27	437.50	440.00	2.5
A28	437.50	440.00	2.5
A29	437.50	440.00	2.5
A30	437.50	437.67	0.2
A31	430.00	436.00	6.0
A32	430.00	435.30	5.3
A33	430.00	436.00	6.0
A34	433.00	436.00	3.0
A35	429.97	430.00	0.0
A36	429.97	430.00	0.0
A37	427.00	429.80	2.8
A38	426.00	429.80	3.8
A39	429.00	429.80	0.8
A40	429.00	429.88	0.9
A41	430.00	433.00	3.0
A42	430.50	433.00	2.5

INTERIOR WALL DESIGNATION	BW/FS/FG	TW/FS/FG	EFFECTIVE HEIGHT
B1	438.00	439.47	1.5
B2	438.00	439.47	1.5
B3	438.00	439.47	1.5
B4	438.00	439.47	1.5
B5	438.00	439.47	1.5
B6	438.00	439.47	1.5
B7	438.00	439.47	1.5
B8	436.00	439.47	3.5
B9	435.00	439.47	4.5
B10	434.00	439.47	5.5
B11	434.00	439.47	5.5
B12	434.00	439.47	5.5
B13	434.00	439.47	5.5
B14	429.97	439.47	9.5
B15	429.97	439.47	9.5
B16	429.97	439.47	9.5
B17	429.97	439.47	9.5
B18	429.97	439.47	9.5
B19	429.97	439.47	9.5
B20	429.97	439.47	9.5
B21	429.97	439.47	9.5
B22	429.97	439.47	9.5



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BUILDING PAD NOTE:
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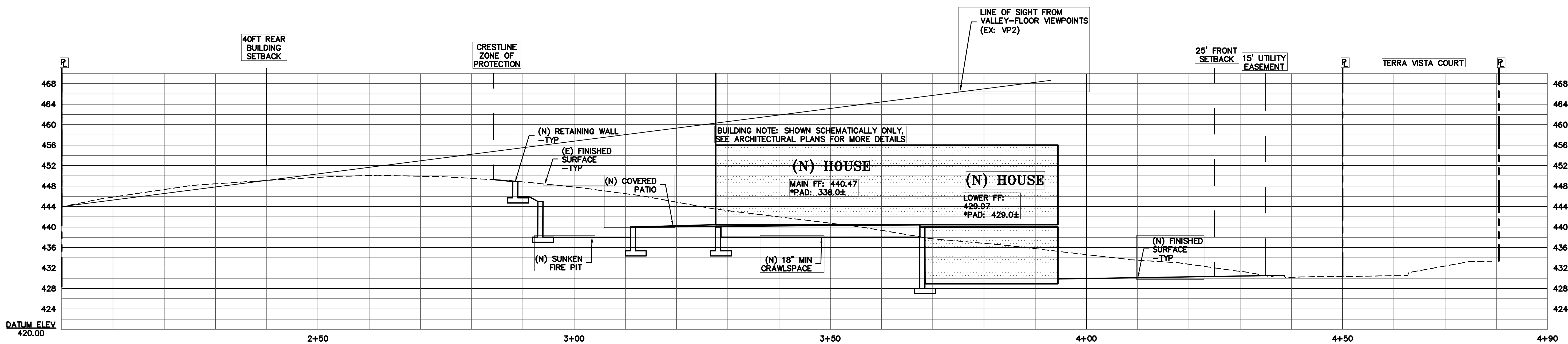
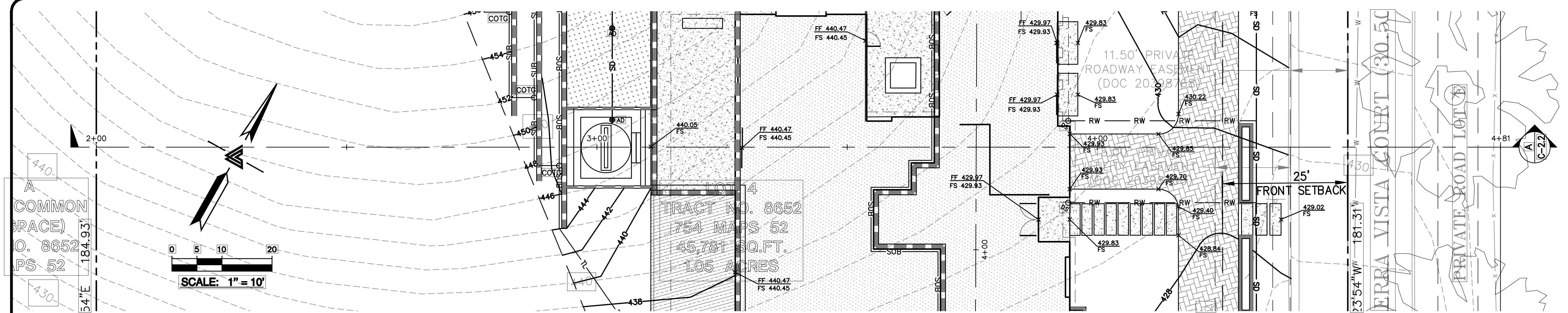


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SAN JOSE: (510) 887-4086
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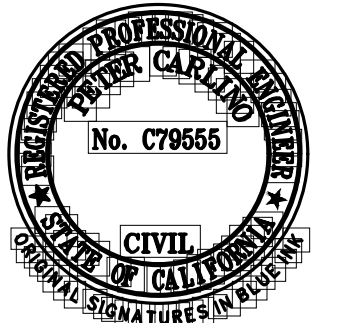
TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

GRADING AND DRAINAGE - MAIN LEVEL

PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	
C-2.1	
03 OF 13 SHEETS	



SECTION A-A PROFILE
SCALE: 1" = 10' HORIZ & VERT

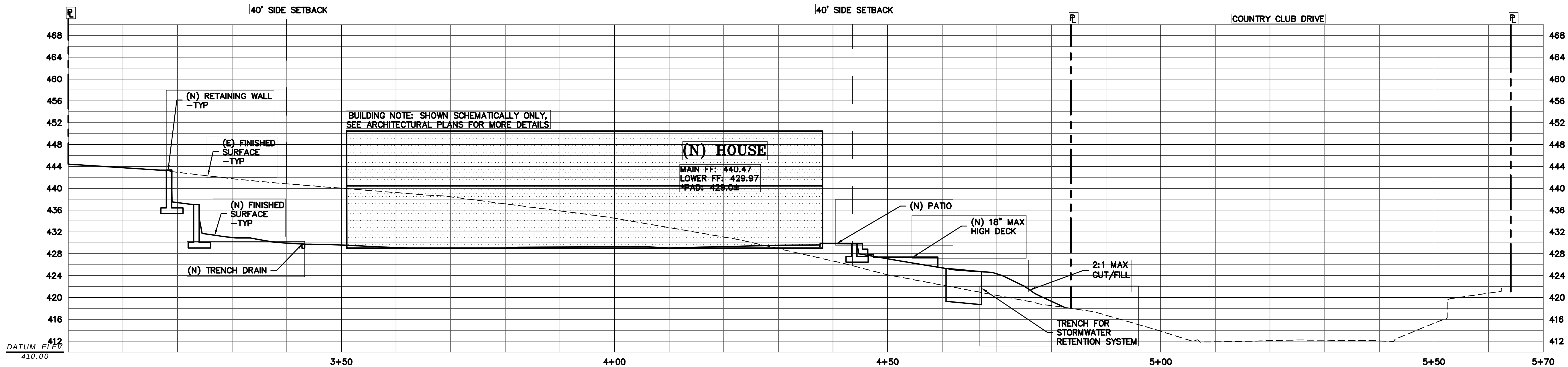
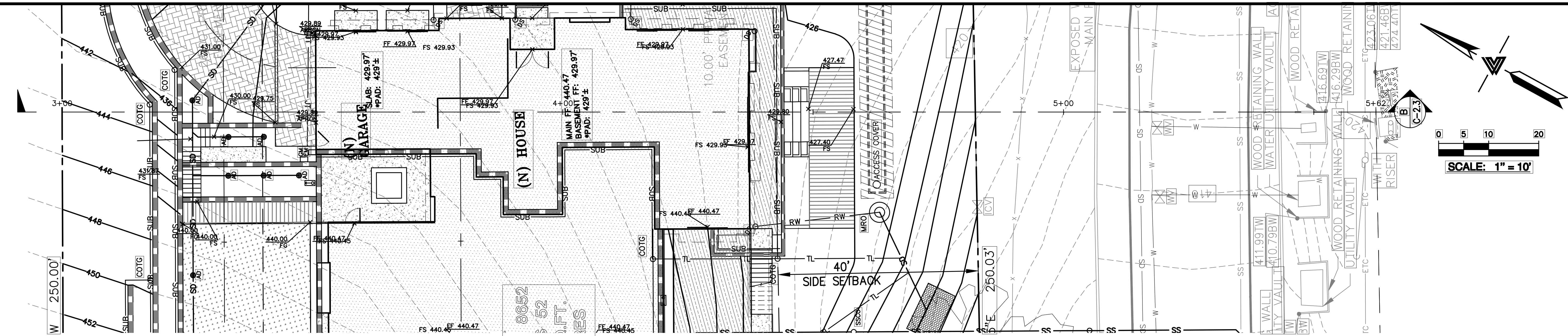


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MAIN OFFICE: 18000 RIVINGTON AVE., SUITE 100, SAN JOSE, CA 95131
SAN JOSE OFFICE: 1000 CALIFORNIA AVE., SUITE 100, SAN JOSE, CA 95128
(510) 887-4086
WWW.LEABRAZE.COM

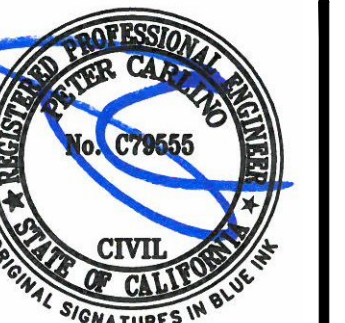
TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

GRADING AND
DRAINAGE-
MAIN LEVEL

PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	
C-2.2	
04 OF 13 SHEETS	



SECTION B-B PROFILE
SCALE: 1" = 10' HORIZ & VERT

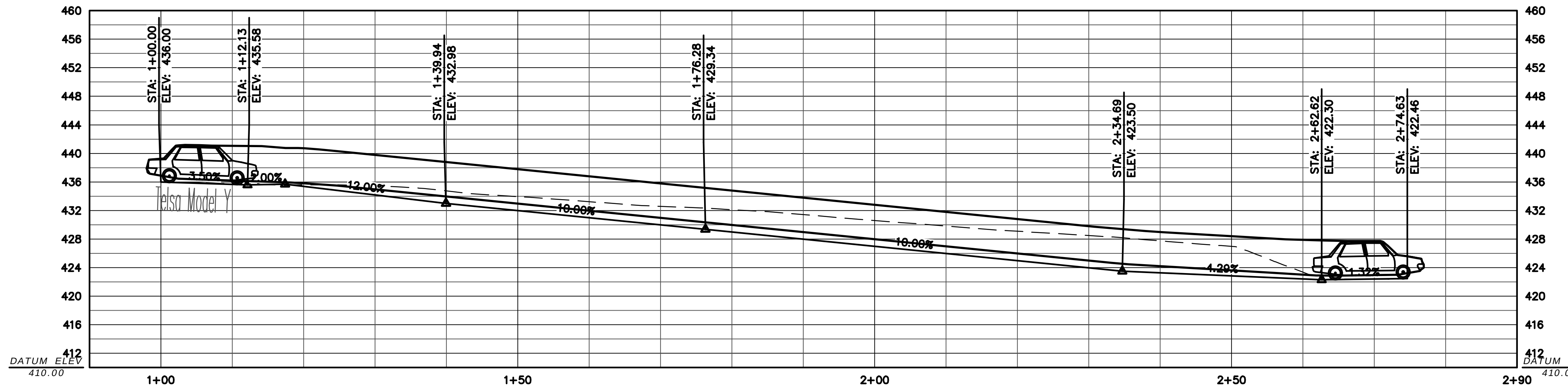
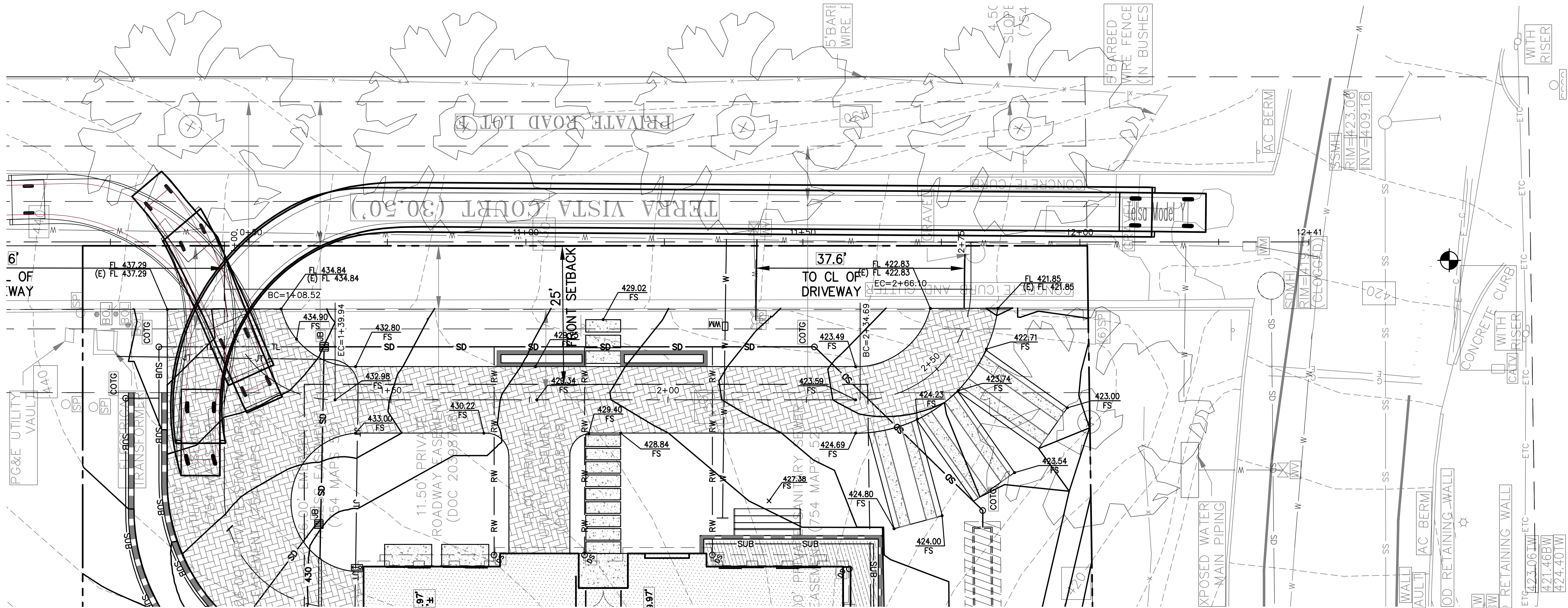


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SAN JOSE, CA 95131
(415) 887-4066
WWW.LEABRAZE.COM

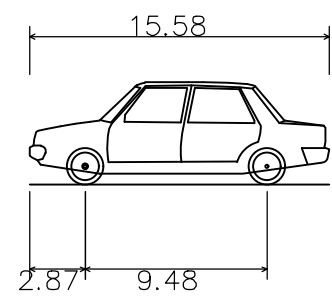
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MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

GRADING AND
DRAINAGE-
MAIN LEVEL

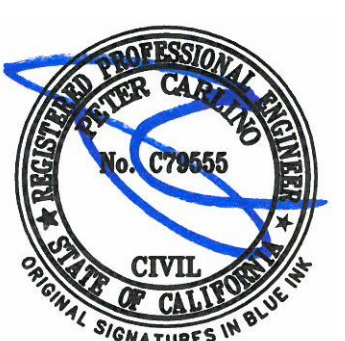
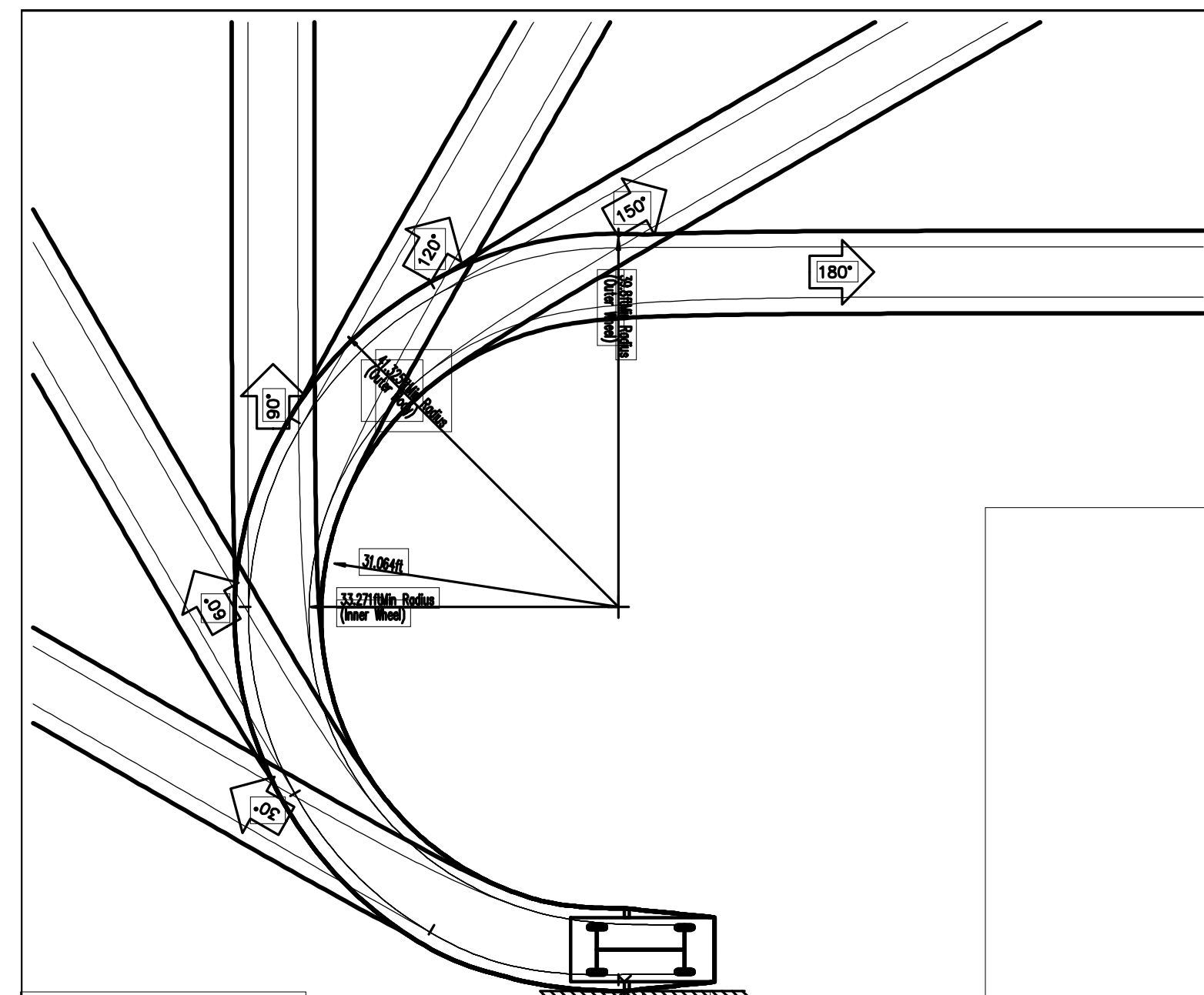
PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	
C-2.3	
05 OF 13 SHEETS	



FRONT DWY PROFILE
SCALE: 1" = 10' HORIZ & VERT



Telsa Model Y
Overall Length 15.580ft
Overall Width 2.870ft
Overall Body Height 9.480ft
Min Body Ground Clearance 0.546ft
Max Track Width 5.400ft
Lock-to-lock time 4.00s
Curb to Curb Turning Radius 39.800ft

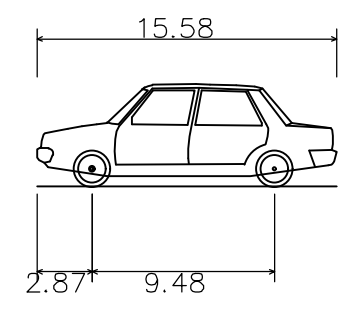
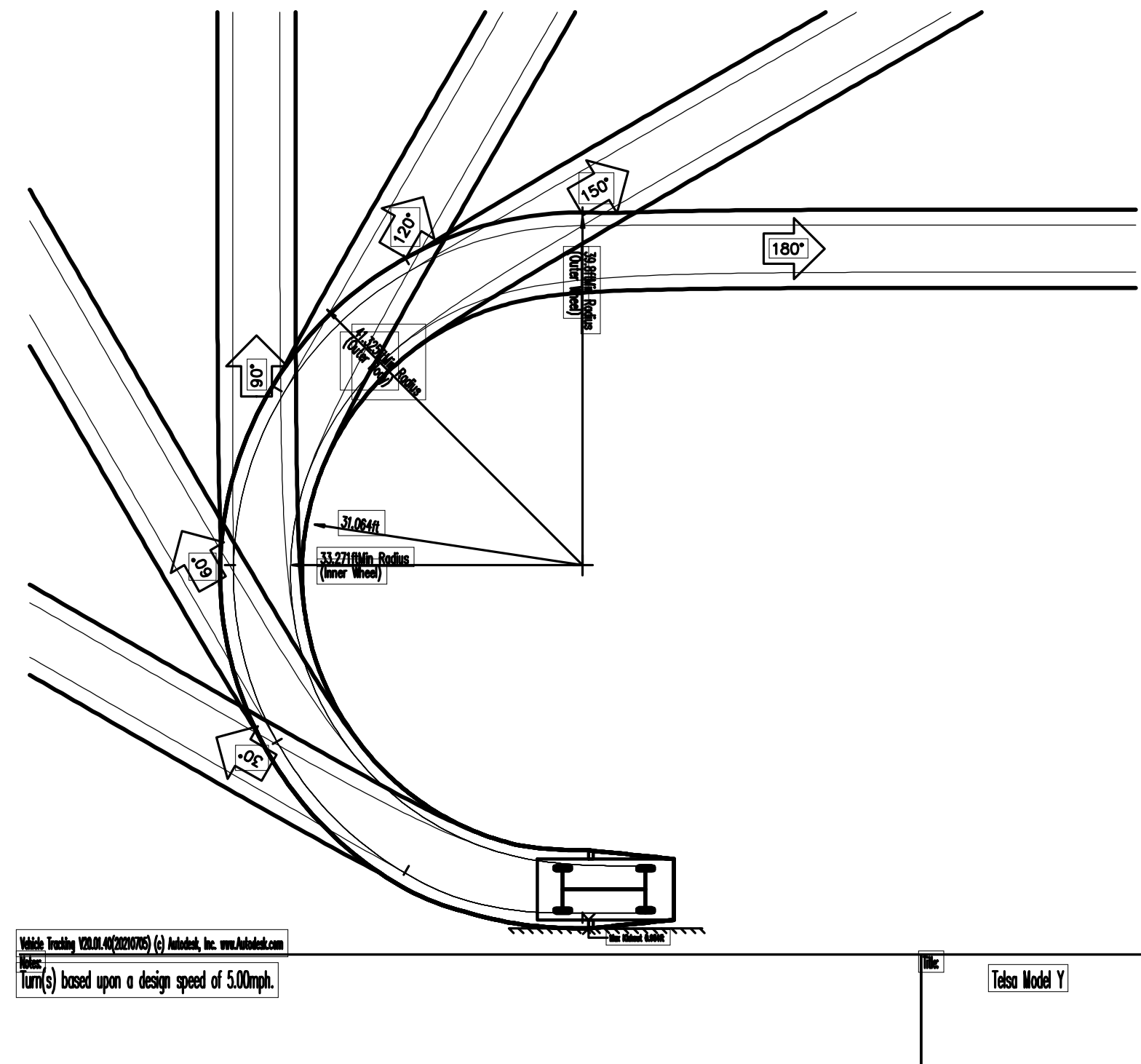
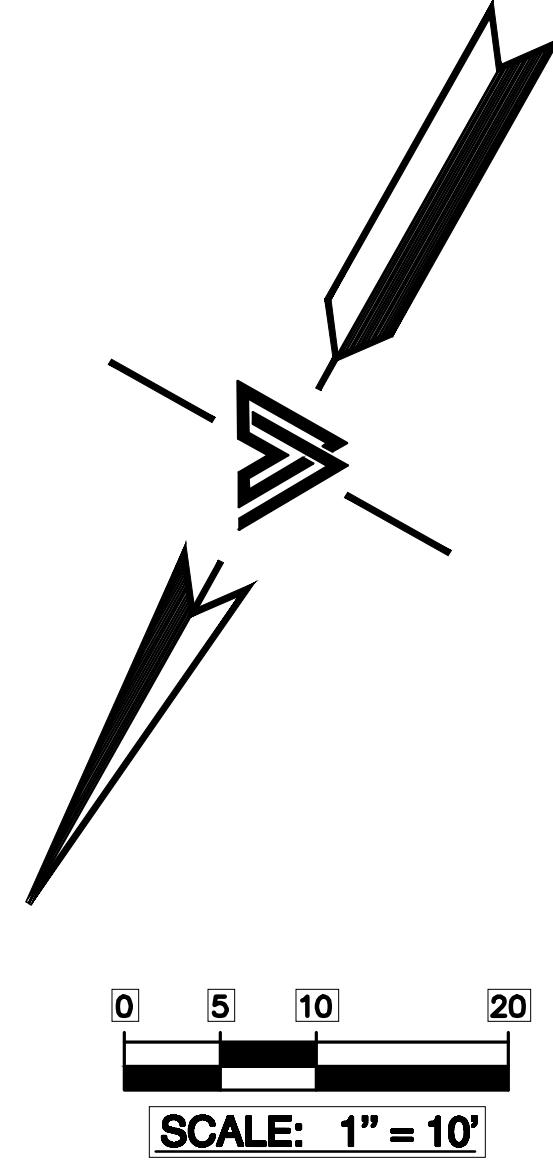


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HAYWARD, CALIFORNIA 94545
(510) 887-4086
WWW.LEABRAZE.COM

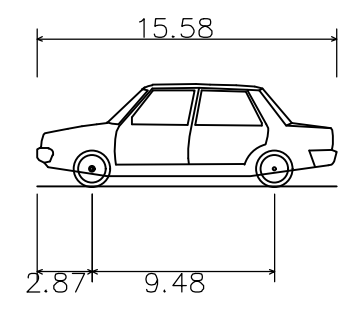
TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

DRIVEWAY PROFILE - FRONT

PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO: 2221852	
DATE: 12-02-22	
SCALE: AS NOTED	
DESIGN BY: TT	
CHECKED BY: DY	
SHEET NO:	
C-2.4	
06 OF 13 SHEETS	



Telsa Model Y	
Overall Length	15.580ft
Overall Width	6.980ft
Overall Body Height	5.326ft
Min Body Ground Clearance	0.546ft
Max Track Width	5.400ft
Lock-to-lock time	4.00s
Curb to Curb Turning Radius	39.800ft



Telsa Model Y	
Overall Length	15.580ft
Overall Width	6.980ft
Overall Body Height	5.326ft
Min Body Ground Clearance	0.546ft
Max Track Width	5.400ft
Lock-to-lock time	4.00s
Curb to Curb Turning Radius	39.800ft



LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS

MAIN OFFICE:
2495 INDUSTRIAL PKWY WEST
HAYWARD, CALIFORNIA 94545
(510) 857-4086

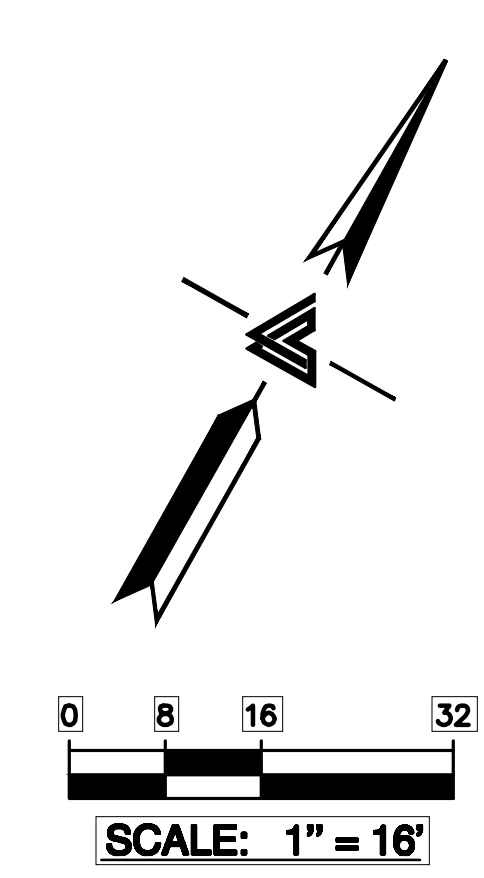
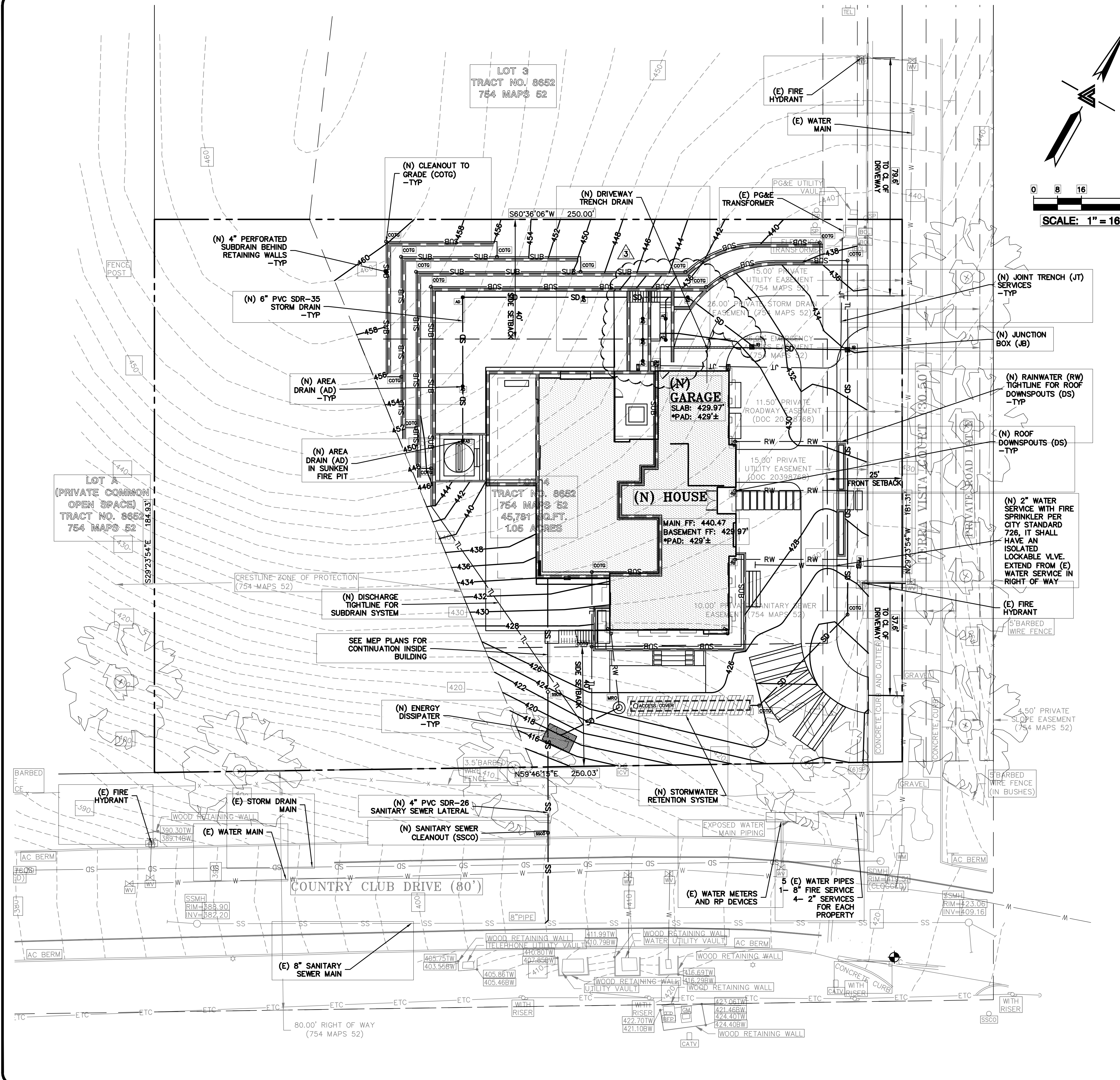
REGIONAL OFFICES:
ROSEVILLE
DUBLIN
SAN JOSE

WWW.LEABRAZE.COM

TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
[APN: 029-07-012]
[SANTA CLARA COUNTY]

DRIVEWAY PROFILE—
SIDE

1	PC #3 RESPONSES 09-26-2023	MR	
2	PC #2 RESPONSES 07-13-23	TT/PC	
1	PC #1 RESPONSES 05-12-23	BT	
REVISIONS		TY	
JOB NO: 2221852			
DATE: 12-02-22			
SCALE: AS NOTED			
DESIGN BY: TT			
CHECKED BY: DY			
SHEET NO:			
C-2.5 07 OF 13 SHEETS			



STORM DRAIN KEYNOTES 10 TO X

INSTALL (N) ON-SITE STORM DRAIN SYSTEM. USE MINIMUM 6" PVC (SDR 35) OR HDPE (ADS N-12 W/ SMOOTH INTERIOR WALLS). MAINTAIN 24" MINIMUM COVER AND SLOPED AT 1% MINIMUM AT ALL TIMES UNLESS OTHERWISE NOTED. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS AND WYE CONNECTIONS.

INSTALL (N) SUBDRAIN. USE PERFORATED 4" PVC (SDR-35) WITH HOLES DOWN AND SLOPED AT 1% MINIMUM SURROUND WITH 3/4" DRAIN ROCK WRAPPED IN FILTER FABRIC (MIRAFI 140N). MIRADRAIN OR OTHER LEA & BRAZE PREAPPROVED DRAINAGE SYSTEM MAY ALSO BE USED. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS AND WYE CONNECTIONS. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION AND AT 100' MAXIMUM INTERVALS. SUBDRAIN SHALL REMAIN A DEDICATED SEPARATE SYSTEM UNTIL IT CONNECTS TO STORM DRAIN SYSTEM OR OUTFALL AS SHOWN. SEE DETAIL X ON SHEET C-X.

CONSTRUCT (N) EARTHEN SWALE SLOPED AT 1% MINIMUM TOWARDS POSITIVE OUTFALL. SEE DETAIL X ON SHEET C-X.

CONNECT RAIN WATER DOWNSPOUTS TO 4" PVC (SDR-35) TIGHTLINE. SLOPED AT 1% MINIMUM. DIRECT TO NEAREST STORM DRAIN LINE AS SHOWN ON PLANS. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS. TIGHTLINE MAY BE PLACED IN COMMON TRENCH WITH SUBDRAIN LINES, HOWEVER, DO NOT CONNECT TO SUBDRAIN LINES. SEE DETAIL X ON SHEET C-X.

DIRECT DOWNSPOUTS TO 24" LONG PRECAST CONCRETE SPLASHBLOCKS OR OTHER HARD SURFACE. DIRECT AWAY FROM ANY STRUCTURE AND TOWARDS POSITIVE DRAINAGE. SEE DETAIL X ON SHEET C-X.

INSTALL (N) "CHRISTY F08" AREA DRAINS. CONNECT TO ON-SITE STORM DRAIN SYSTEM. SEE DETAIL X ON C-X.

UTILITIES KEYNOTES 31 TO X

INSTALL (N) SANITARY SEWER LATERALS. USE 4" PVC (SDR-26) SLOPED AT 2% MINIMUM. CONNECT TO (E) SEWER MAIN AS SHOWN. PROVIDE CLEANOUT TO GRADE AT BUILDING AND BEHIND PROPERTY LINE AND AT MAJOR CHANGES IN DIRECTION AS SHOWN. REUSE (E) LATERAL IF POSSIBLE. CONNECT PER DISTRICT STANDARDS.

(N) SEWER LATERAL, SEPTIC TANK, AND LEACH FIELD (BY SEPARATE DESIGN). LATERAL SHALL BE 4" PVC (SDR-26 OR BETTER) SLOPED AT 2%.

CONNECT (N) WATER SERVICE PER WATER DISTRICT STANDARDS. UPGRADE (E) WATER METER PER WATER DISTRICT STANDARDS AS APPLICABLE. INSTALL (N) 2" MINIMUM SERVICE LINE TO (N) RESIDENCE OR AS DIRECTED BY FIRE SPRINKLER DESIGNER.

INSTALL (N) JOINT TRENCH FOR SERVICES INCLUDING GAS, CATV, COMM, TELEPHONE & ELECTRIC FROM NEAREST POINT OF CONNECTION. DESIGN BY OTHERS.

NOTE:
FOR CONSTRUCTION STAKING
SCHEDULING OR QUOTATIONS
PLEASE CONTACT ALEX ABAYA
AT LEA & BRAZE ENGINEERING
(510)887-4086 EXT 116.
aabaya@leabraz.com

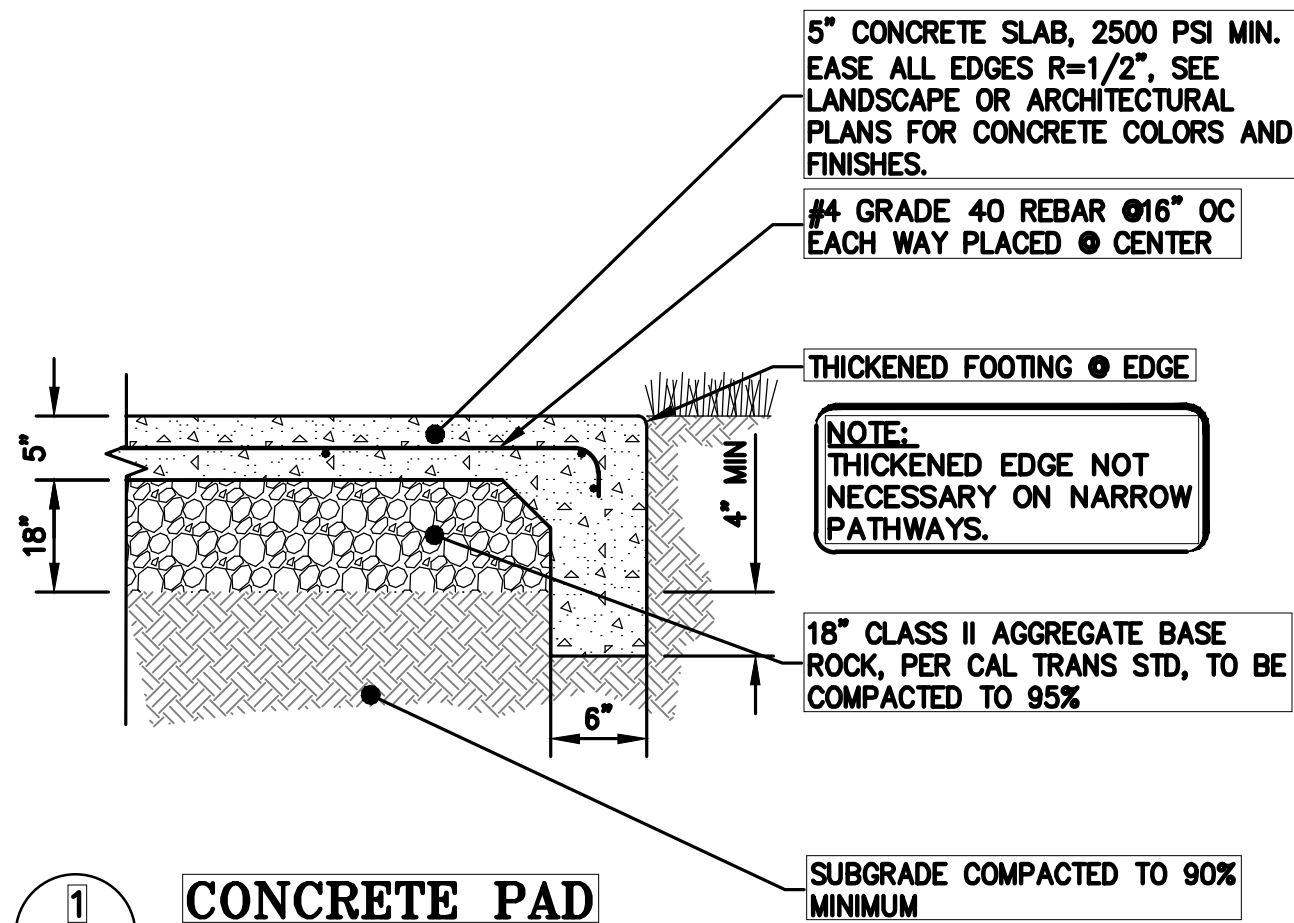
BUILDING PAD NOTE:
ADJUST PAD LEVEL AS
REQUIRED. REFER TO
STRUCTURAL PLANS
FOR SLAB SECTION OR
CRAWL SPACE DEPTH
TO ESTABLISH PAD
LEVEL.

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REGIONAL OFFICES:
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(510) 887-4086
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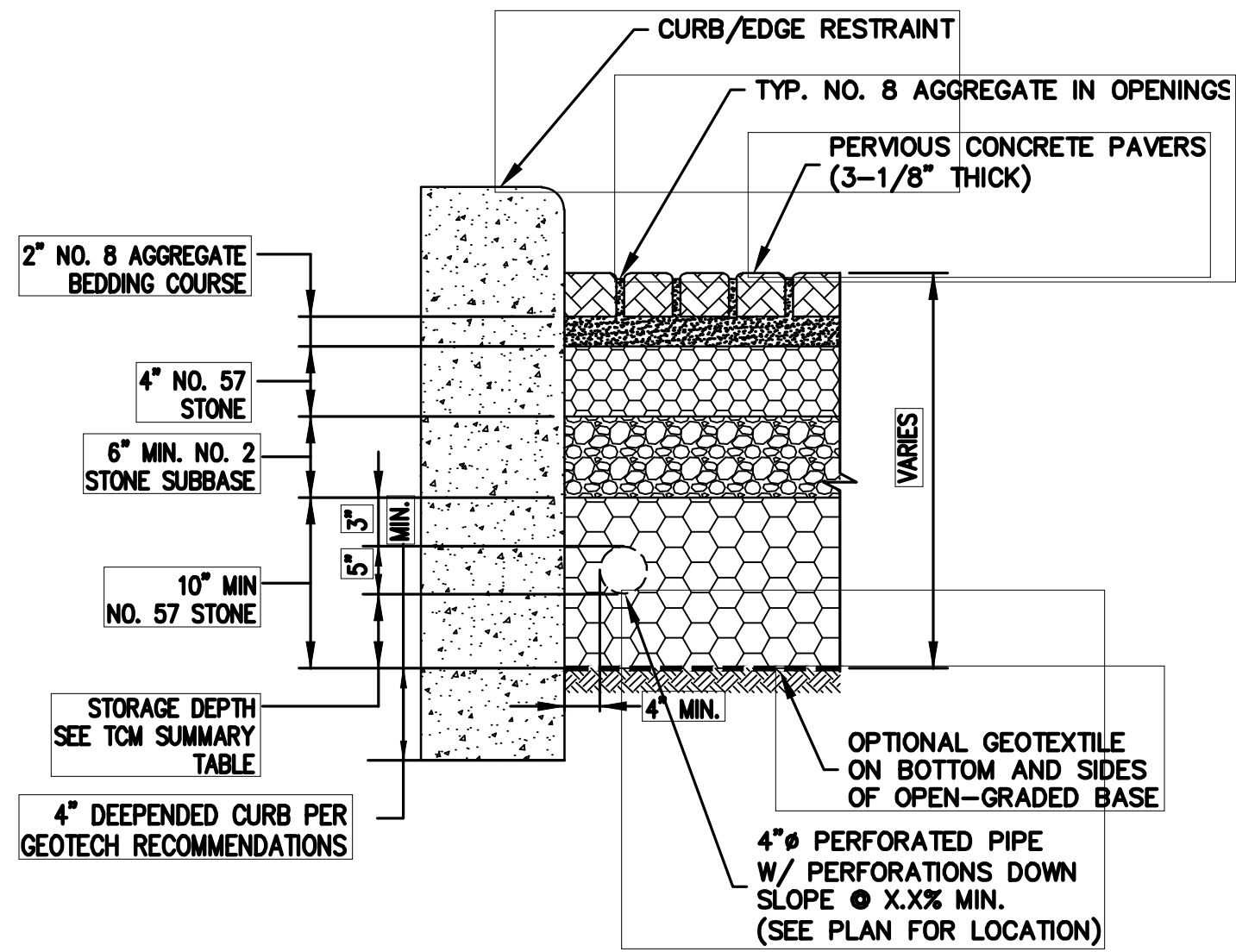
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1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

UTILITY PLAN

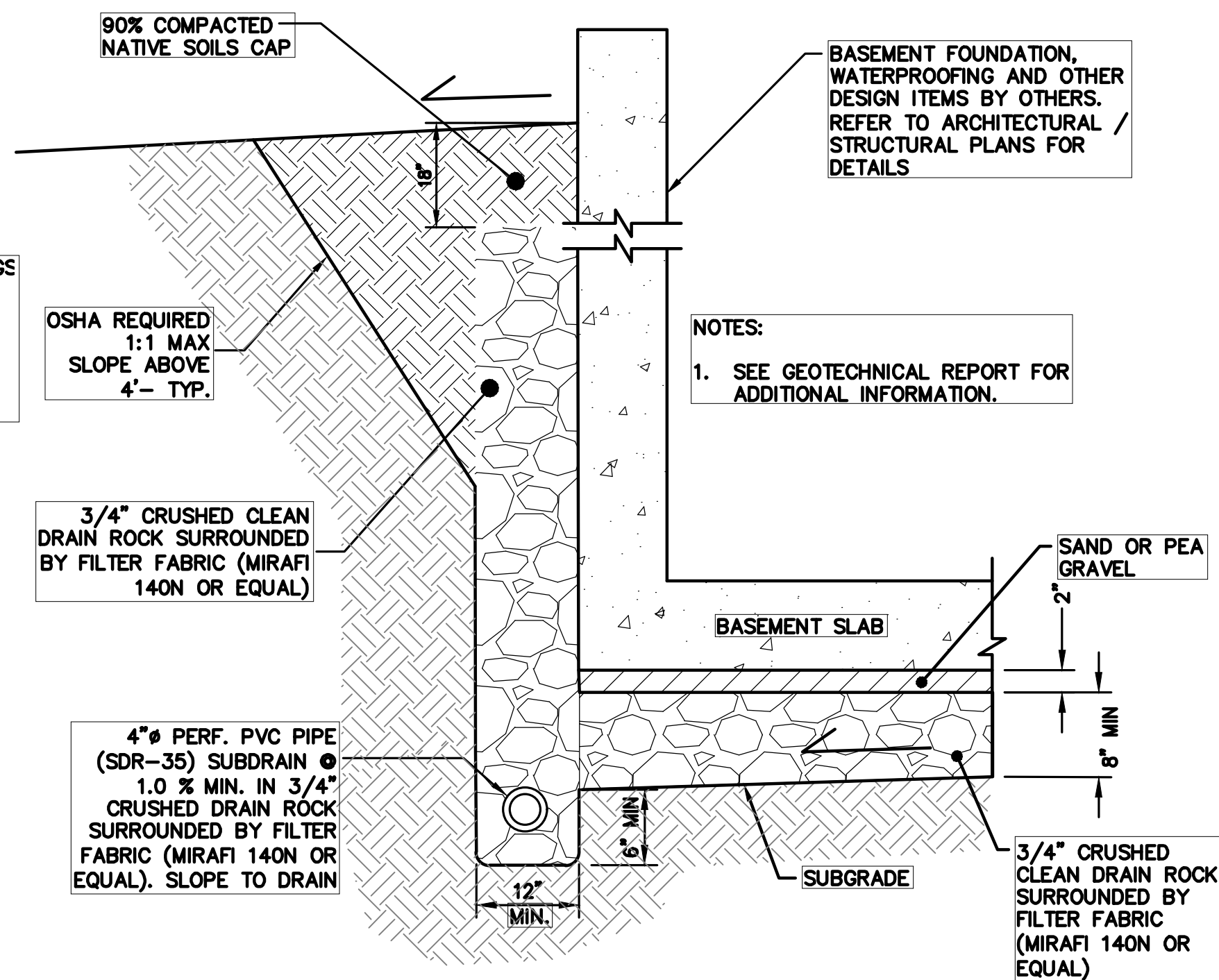
PC #3 RESPONSES	MR
PC #2 RESPONSES	TT/PC
PC #1 RESPONSES	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	AS NOTED
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	
C-3.0	
08 OF 13 SHEETS	



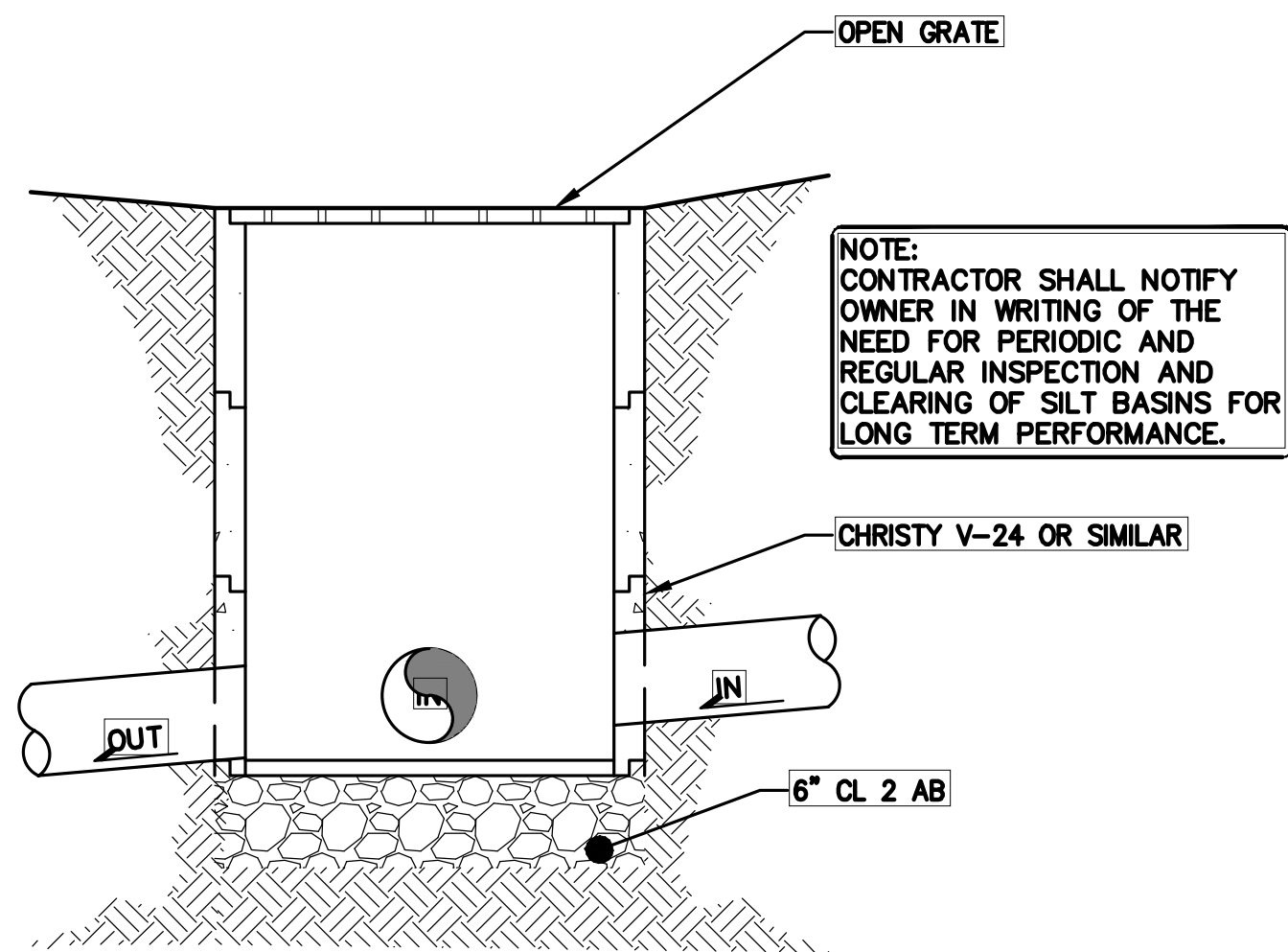
1 CONCRETE PAD
C-4.0 NTS



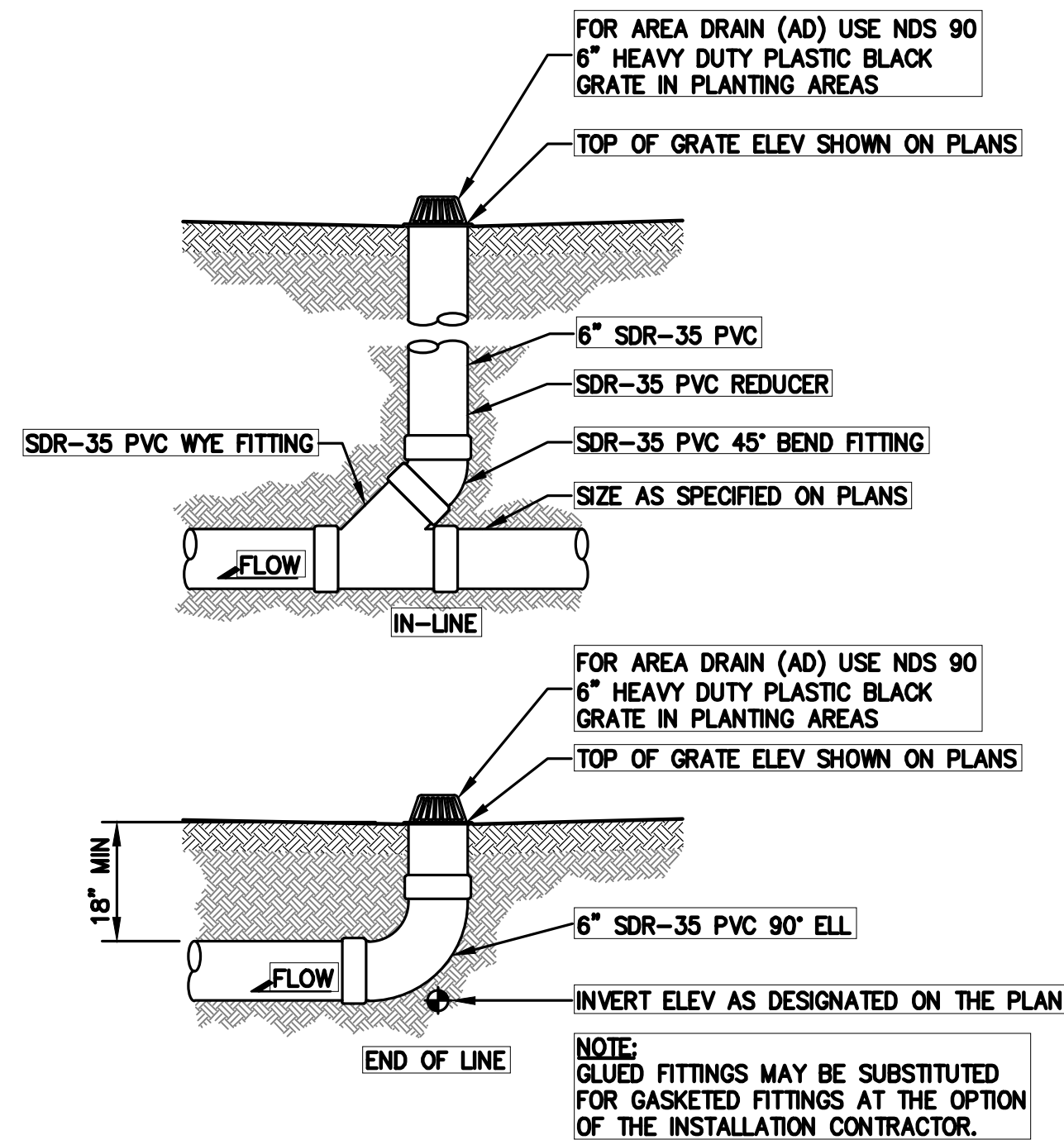
2 SELF-RETAINING PERVIOUS PAVERS
C-4.0 NTS



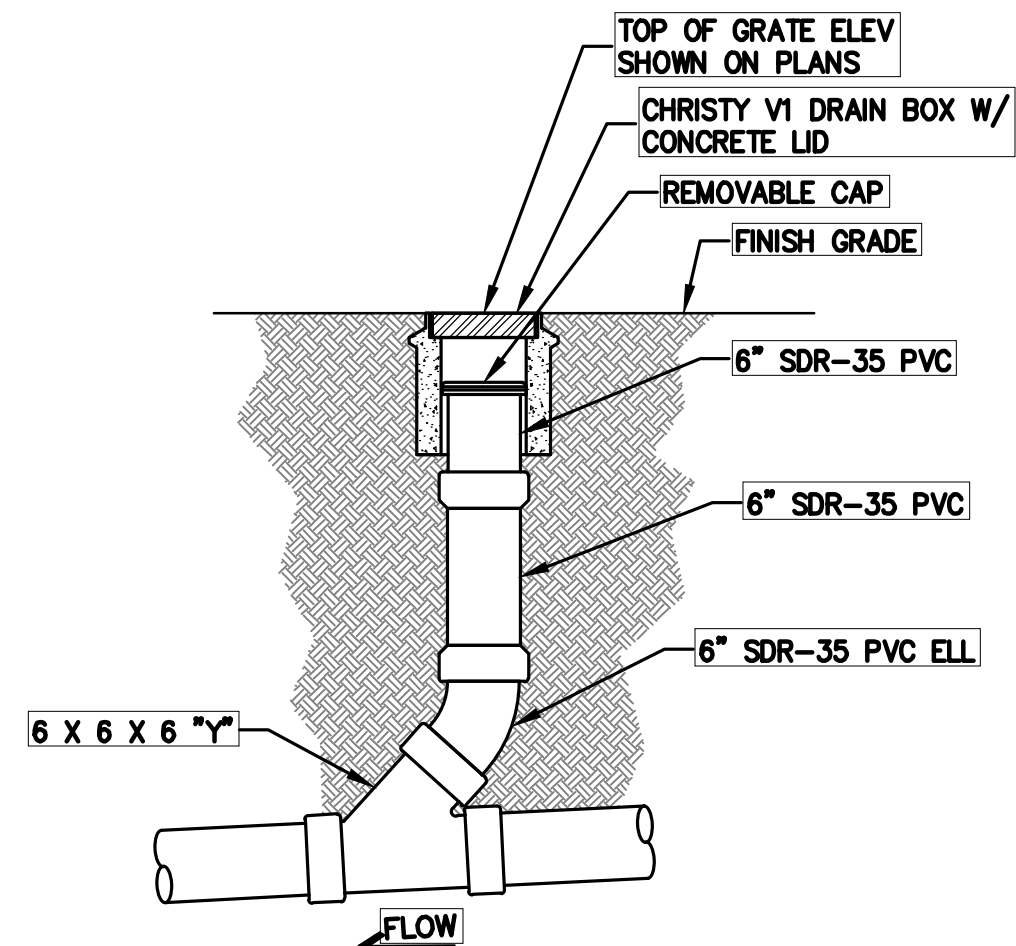
3 RETAINING WALL SUBDRAIN
C-4.0 NTS



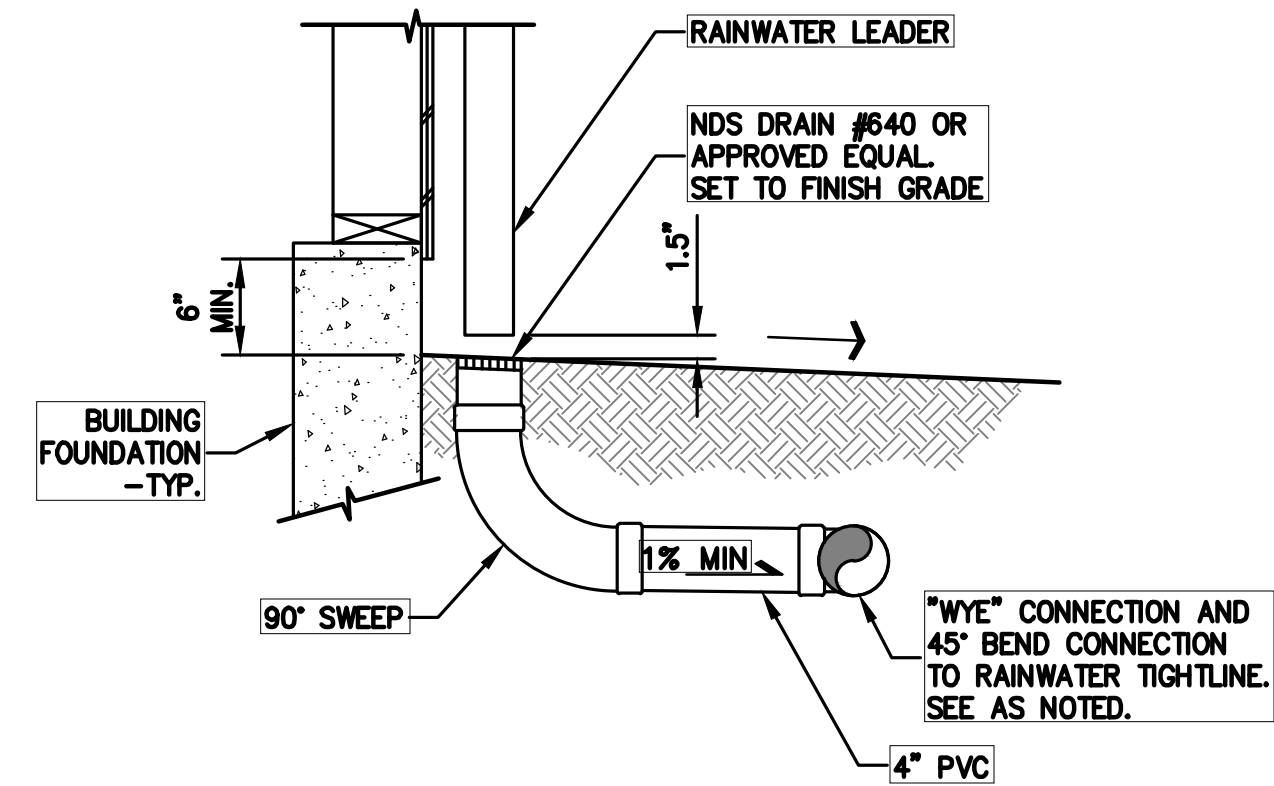
4 JUNCTION BOX (JB) W/ CONCRETE BOTTOM
C-4.0 NTS



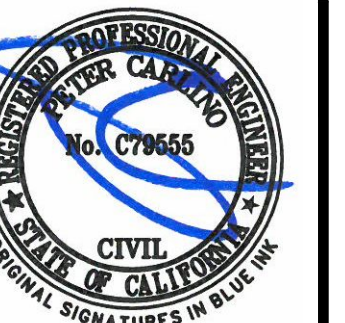
5 AREA DRAIN-LANDSCAPE
C-4.0 NTS



6 CLEANOUT TO GRADE (COTG)
C-4.0 NTS



7 RAIN WATER LEADER TO TIGHTLINE CONNECTION
C-4.0 NTS



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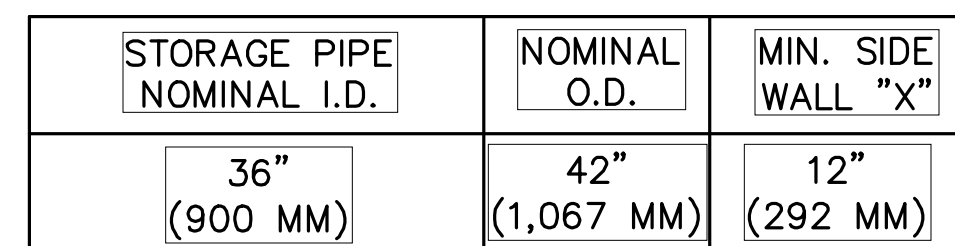
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1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

DETAILS

NO.	REVISIONS	BY
1	PC #1 RESPONSES 05-12-23	TT
2	PC #2 RESPONSES 07-13-23	TT/PC
3	PC #3 RESPONSES 09-26-2023	MR

JOB NO: 2221852
DATE: 12-02-22
SCALE: NTS
DESIGN BY: TT
CHECKED BY: DY
SHEET NO:

C-4.0
09 OF 13 SHEETS



TYP.
P.P.S.

ET (MRO)
ET C-5.1

GRADE

18" MIN.

12" MIN.

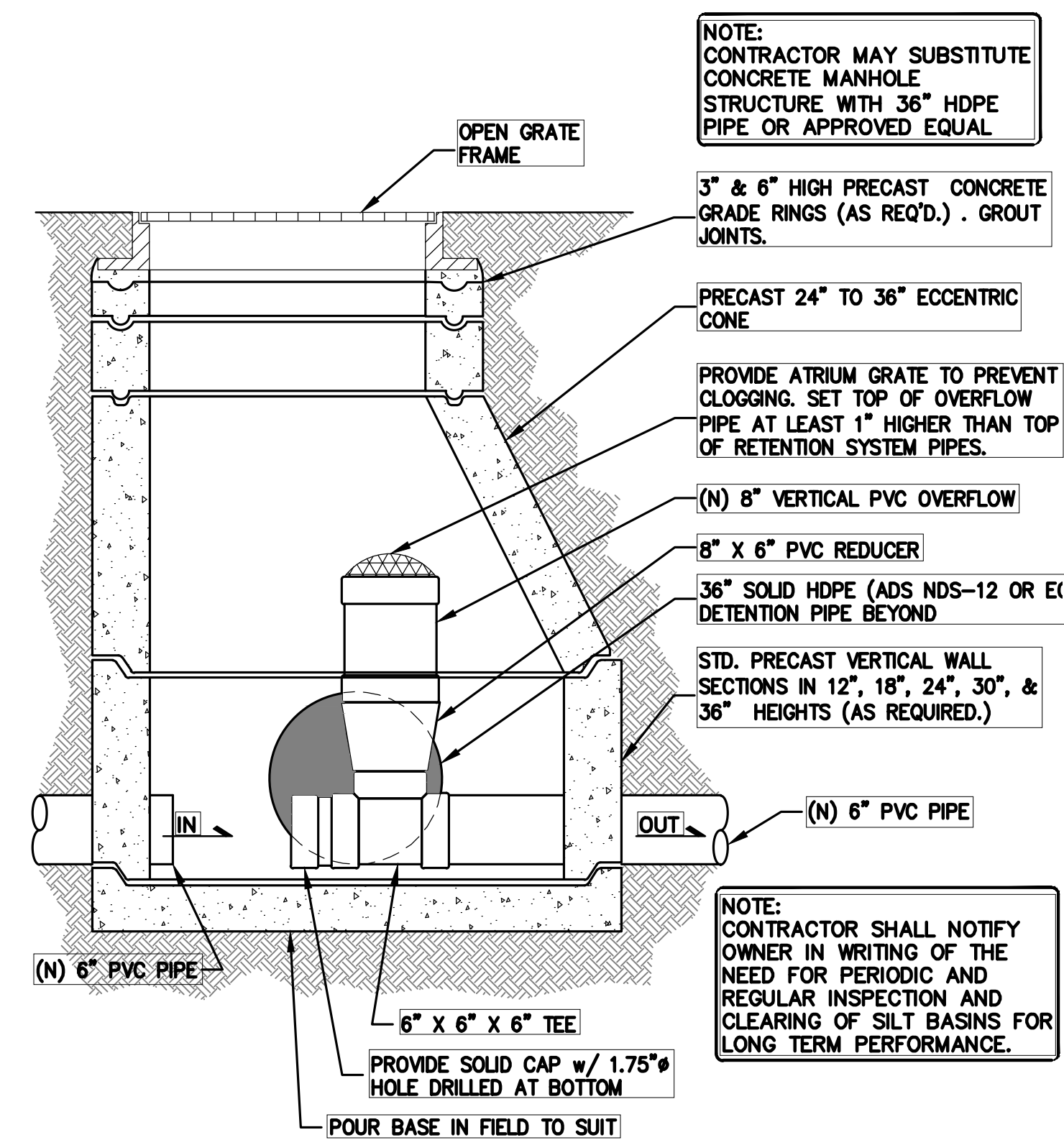
6" MIN.

5.50' MIN.

BACKFILL WITH SOIL TO GRADE.
COMPACT FILL PER THE SPECIFICATIONS
CONTAINED IN THE SOILS REPORT.

SAND OR SUITABLE CLASS II MATERIAL.
THE SPRING LINE OF THE PIPE.
COMPACT PER THE SPECIFICATIONS
CONTAINED IN THE SOILS REPORT.

SECTION A-A



1. ALL REFERENCES TO CLASS I OR II MATERIAL ARE PER ASTM D2321 "STANDARD PRACTICE FOR UNDERGROUND INSTALLATION OF THERMOPLASTIC PIPE FOR SEWERS AND OTHER GRAVITY FLOW APPLICATIONS", LATEST EDITION.
2. ALL RETENTION AND DETENTION SYSTEMS SHALL BE INSTALLED IN ACCORDANCE WITH ASTM D2321, LATEST EDITION AND THE MANUFACTURER'S PUBLISHED INSTALLATION GUIDELINES.
3. MEASURES SHOULD BE TAKEN TO PREVENT THE MIGRATION OF NATIVE FINES INTO THE BACKFILL MATERIAL, WHEN REQUIRED. SEE ASTM D2321.
4. FILTER FABRIC: A GEOTEXTILE FABRIC MAY BE USED AS SPECIFIED BY THE ENGINEER TO PREVENT THE MIGRATION OF FINES FROM THE NATIVE SOIL INTO THE SELECT BACKFILL MATERIAL.
5. FOUNDATION: WHERE THE TRENCH BOTTOM IS UNSTABLE, THE CONTRACTOR SHALL EXCAVATE TO A DEPTH REQUIRED BY THE ENGINEER AND REPLACE WITH SUITABLE MATERIAL AS SPECIFIED BY THE ENGINEER. AS AN ALTERNATIVE AND AT THE DISCRETION OF THE DESIGN ENGINEER, THE TRENCH BOTTOM MAY BE STABILIZED USING A GEOTEXTILE MATERIAL.

6. **BEDDING:** SUITABLE MATERIAL SHALL BE CLASS II*. THE CONTRACTOR SHALL PROVIDE DOCUMENTATION FOR MATERIAL SPECIFICATION TO ENGINEER. UNLESS OTHERWISE NOTED BY THE ENGINEER, MINIMUM BEDDING THICKNESS SHALL BE 4" (100mm) FOR 4"-24" (100mm-600mm); 6" (150mm) FOR 30"-60" (750mm-900mm).

7. **INITIAL BACKFILL:** SUITABLE MATERIAL SHALL BE CLASS II* IN THE PIPE ZONE EXTENDING NOT LESS THAN 6" ABOVE CROWN OF PIPE. THE CONTRACTOR SHALL PROVIDE DOCUMENTATION FOR MATERIAL SPECIFICATION TO ENGINEER. MATERIAL SHALL BE INSTALLED AS REQUIRED IN ASTM D2321, LATEST EDITION.

8. **MINIMUM COVER:** MINIMUM COVER OVER ALL RETENTION/DETENTION SYSTEMS IN NON-TRAFFIC APPLICATIONS (GRASS OR LANDSCAPE AREAS) IS 18" FROM TOP OF PIPE TO GROUND SURFACE. ADDITIONAL COVER MAY BE REQUIRED TO PREVENT FLOATATION. FOR TRAFFIC APPLICATIONS, MINIMUM COVER IS 18" UP TO 36" DIAMETER PIPE AND 24" OF COVER FOR 42" - 60" DIAMETER PIPE, MEASURED FROM TOP OF PIPE TO BOTTOM OF FLEXIBLE PAVEMENT OR TO TOP OF RIGID PAVEMENT.

* CLASS I BACKFILL REQUIRED AROUND 60" DIAMETER FITTINGS.

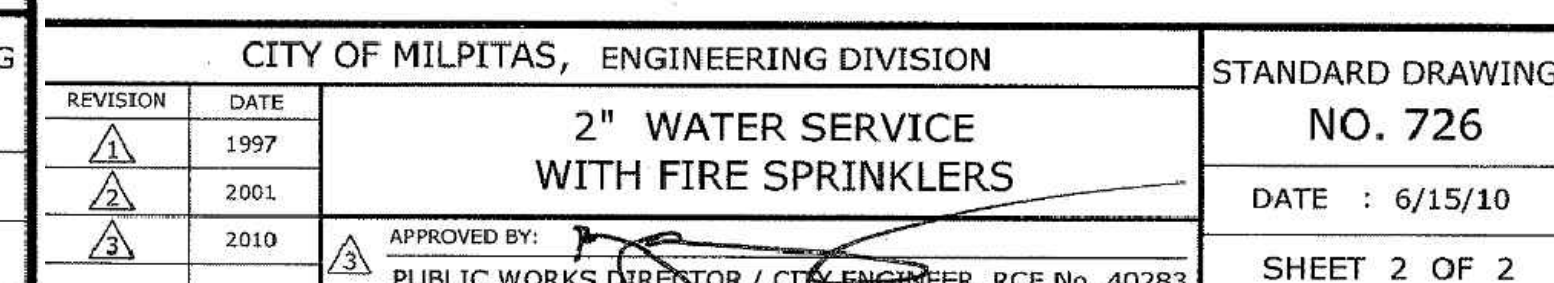
METERED RELEASE OUTLET



- (A) Service Saddle shall be Mueller BR2B or approved equal.
- (B) Curb stop, coupling, three part union, meter outlet fitting and meter box shall be per approved equal list. Corporation stop shall be Insulated Mueller H-14276 or approved equal.
- (C) Service pipe shall conform to A.S.T.M. Class K, soft annealed, seamless copper tubing.
- (D) Angle meter stop, Mueller 14276 or approved equal.
- (E) Meter boxes shall be Christy B36 BOX and B36 lid, or approved equal with the word "Water" imprinted on the lid and Christy B9 Meter box with B9D lid (or approved equal) for the sprinkler connection.
- (F) Brass grounding clamp, coated with 3M electrical compound, with brass bolts and brass set screw.

1. Customer service end shall be 2" flange with insulating gasket, Calpicco Type F Option 1 or approved equal.
2. Water meter with Automatic Remote Read Transmitter Register shall be furnished and installed by the City at the expense of the customer.
3. Meter box shall be set as detailed at the time the service is installed unless other wise specified by the City Engineer.
4. Where a separated sidewalk occurs , meter box shall be installed 6" from back of curb.
5. Where more than one domestic water meter is required; each meter shall be identified with permanent durable markings to indicate which address, building, tenant space that each meter serves (i.e. brass tag stamped with address).
6. Meter box side openings shall be gouted.
7. Where meter box is located in driveways, box shall be furnished with steel traffic cover. (Christy B36-61G or approved equal)
8. Install reduced pressure principle backflow preventer as shown on City Standard Drawing No. 734 when any of the following conditions exist.

- When serving more than two (2) dwelling units.
- To separate potable water supply from irrigation system.
- When Recycled water connection serves the site.
- When Recycled water irrigation system has permanent plumbing connection to chemical feed.
- When any potable water service has permanent plumbing connection to pumps, injectors and tanks.



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 DUBLIN
 SAN JOSE

MAIN OFFICE:
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 HAYWARD, CALIFORNIA 94545
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1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
APN: 029-07-012
SANTA CLARA COUNTY

DETAILS

PC #3 RESPONSES 09-26-2023		PC #2 RESPONSES 07-13-23	
PC #1 RESPONSES 05-12-23			
REVIEWS		BY	
JOB NO:		2221852	
DATE:		12-02-22	
SCALE:		NTS	
DESIGN BY:		TT	
CHECKED BY:		DY	
SHEET NO:			

C-4.1

PURPOSE:

THE PURPOSE OF THIS PLAN IS TO STABILIZE THE SITE TO PREVENT EROSION OF GRADED AREAS AND TO PREVENT SEDIMENTATION FROM LEAVING THE CONSTRUCTION AREA AND AFFECTING NEIGHBORING SITES, NATURAL AREAS, PUBLIC FACILITIES OR ANY OTHER AREA THAT MIGHT BE AFFECTED BY SEDIMENTATION. ALL MEASURES SHOWN ON THIS PLAN SHOULD BE CONSIDERED THE MINIMUM REQUIREMENTS NECESSARY. SHOULD FIELD CONDITIONS DICTATE ADDITIONAL MEASURES, SUCH MEASURES SHALL BE PER CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL AND THE CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION. LEA & BRAZE ENGINEERING SHOULD BE NOTIFIED IMMEDIATELY SHOULD CONDITIONS CHANGE.

EROSION CONTROL NOTES:

- IT SHALL BE THE OWNER'S/CONTRACTOR'S RESPONSIBILITY TO MAINTAIN CONTROL OF THE ENTIRE CONSTRUCTION OPERATION AND TO KEEP THE ENTIRE SITE IN COMPLIANCE WITH THIS EROSION CONTROL PLAN.
- THE INTENTION OF THIS PLAN IS FOR INTERIM EROSION AND SEDIMENT CONTROL ONLY. ALL EROSION CONTROL MEASURES SHALL CONFORM TO CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL, THE CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION, AND THE LOCAL GOVERNING AGENCY FOR THIS PROJECT.
- OWNER/CONTRACTOR SHALL BE RESPONSIBLE FOR MONITORING EROSION AND SEDIMENT CONTROL MEASURES PRIOR TO, DURING, AND AFTER STORM EVENTS. PERSON IN CHARGE OF MAINTAINING EROSION CONTROL MEASURES SHOULD WATCH LOCAL WEATHER REPORTS AND ACT APPROPRIATELY TO MAKE SURE ALL NECESSARY MEASURES ARE IN PLACE.
- SANITARY FACILITIES SHALL BE MAINTAINED ON THE SITE AT ALL TIMES.
- DURING THE RAINY SEASON, ALL PAVED AREAS SHALL BE KEPT CLEAR OF EARTH MATERIAL AND DEBRIS. THE SITE SHALL BE MAINTAINED SO AS TO MINIMIZE SEDIMENT-LOADED RUNOFF TO ANY STORM DRAINAGE SYSTEM, INCLUDING EXISTING DRAINAGE SWALES AND WATERCOURSES.
- CONSTRUCTION OPERATIONS SHALL BE CARRIED OUT IN SUCH A MANNER THAT EROSION AND WATER POLLUTION WILL BE MINIMIZED. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS CONCERNING POLLUTION SHALL BE MAINTAINED AT ALL TIMES.
- CONTRACTOR SHALL PROVIDE DUST CONTROL AS REQUIRED BY THE APPROPRIATE FEDERAL, STATE AND LOCAL AGENCY REQUIREMENTS.
- ALL MATERIALS NECESSARY FOR THE APPROVED EROSION CONTROL MEASURES SHALL BE IN PLACE BY OCTOBER 15TH.
- EROSION CONTROL SYSTEMS SHALL BE INSTALLED AND MAINTAINED THROUGHOUT THE RAINY SEASON, OR FROM OCTOBER 15TH THROUGH APRIL 15TH, WHICHEVER IS LONGER.
- IN THE EVENT OF RAIN, ALL GRADING WORK IS TO CEASE IMMEDIATELY AND THE SITE IS TO BE SEALED IN ACCORDANCE WITH THE APPROVAL EROSION CONTROL MEASURES AND APPROVED EROSION CONTROL PLAN.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR CHECKING AND REPAIRING EROSION CONTROL SYSTEMS AFTER EACH STORM.
- ADDITIONAL EROSION CONTROL MEASURES MAY BE REQUIRED BY LOCAL JURISDICTION'S ENGINEERING DEPARTMENT OR BUILDING OFFICIALS.
- MEASURES SHALL BE TAKEN TO COLLECT OR CLEAN ANY ACCUMULATION OR DEPOSIT OF DIRT, MUD, SAND, ROCKS, GRAVEL OR DEBRIS ON THE SURFACE OF ANY STREET, ALLEY OR PUBLIC PLACE OR IN ANY PUBLIC STORM DRAIN SYSTEMS. THE REMOVAL OF AFORESAID SHALL BE DONE BY STREET SWEEPING OR HAND SWEEPING. WATER SHALL NOT BE USED TO WASH SEDIMENTS INTO PUBLIC OR PRIVATE DRAINAGE FACILITIES.
- EROSION CONTROL MEASURES SHALL BE ON-SITE FROM OCTOBER 15TH THRU APRIL 15TH.
- ALL EROSION CONTROL MEASURES SHALL BE INSTALLED AND MAINTAINED THROUGHOUT THE RAINY SEASON OR FROM OCTOBER 15TH THRU APRIL 15TH, WHICHEVER IS GREATER.
- PLANS SHALL BE DESIGNED TO MEET C3 REQUIREMENTS OF THE MUNICIPAL STORMWATER REGIONAL PERMIT("MRP") NPDES PERMIT CAS 612008.
- THE CONTRACTOR TO NPDES (NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM) BEST MANAGEMENT PRACTICES (BMP) FOR SEDIMENTATION PREVENTION AND EROSION CONTROL TO PREVENT DELETERIOUS MATERIALS OR POLLUTANTS FROM ENTERING THE TOWN OR COUNTY STORM DRAIN SYSTEMS.
- THE CONTRACTOR MUST INSTALL ALL EROSION AND SEDIMENT CONTROL MEASURES PRIOR TO THE INCEPTION OF ANY WORK ONSITE AND MAINTAIN THE MEASURES UNTIL THE COMPLETION OF ALL LANDSCAPING.
- THE CONTRACTOR SHALL MAINTAIN ADJACENT STREETS IN A NEAT, CLEAN DUST FREE AND SANITARY CONDITION AT ALL TIMES AND TO THE SATISFACTION OF THE TOWN INSPECTOR. THE ADJACENT STREET SHALL AT ALL TIMES BE KEPT CLEAN OF DEBRIS, WITH DUST AND OTHER NUISANCE BEING CONTROLLED AT ALL TIMES. THE CONTRACTOR BE RESPONSIBLE FOR ANY CLEAN UP ON ADJACENT STREETS AFFECTED BY THE BY THEIR CONSTRUCTION, METHOD OF STREET CLEANING SHALL BE BY DRY SWEEPING OF ALL PAVED AREAS. NO STOCKPILING OF BUILDING MATERIALS WITHIN THE TOWN RIGHT-OF-WAY.
- SEDIMENTS AND OTHER MATERIALS SHALL NOT BE TRACKED FROM THE SITE BY VEHICLE TRAFFIC. THE CONTRACTOR SHALL INSTALL A STABILIZED CONSTRUCTION ENTRANCE PRIOR TO THE INSPECTION OF ANY WORK ONSITE AND MAINTAIN IT FOR THE DURATION OF THE CONSTRUCTION PROCESS SO AS TO NOT INHIBIT SEDIMENTS FROM BEING DEPOSITED INTO THE PUBLIC RIGHT-OF-WAY UNTIL THE COMPLETION OF ALL LANDSCAPING.
- THE CONTRACTOR SHALL PROTECT DOWN SLOPE DRAINAGE COURSES, STREAMS AND STORM DRAINS WITH ROCK FILLED SAND BAGS, TEMPORARY SWALES, SILT FENCES, AND EARTH PERMS IN CONJUNCTION OF ALL LANDSCAPING.
- STOCKPILED MATERIALS SHALL BE COVERED WITH VISQUEEN OR A TARPULIN UNTIL THE MATERIAL IS REMOVED FROM THE SITE. ANY REMAINING BARE SOIL THAT EXISTS AFTER THE STOCKPILE HAS BEEN REMOVED SHALL BE COVERED UNTIL A NATURAL GROUND COVER IS ESTABLISHED OR IT IS SEEDED OR PLANTED TO PROVIDE GROUND COVER PRIOR TO THE FALL RAINY SEASON.
- EXCESS OR WASTE CONCRETE MUST NOT BE WASHED INTO THE PUBLIC RIGHT-OF-WAY OR ANY OTHER DRAINAGE SYSTEM. PROVISIONS SHALL BE MADE TO RETAIN CONCRETE WASTES ON SITE UNTIL THEY CAN BE DISPOSED OF AS SOLID WASTE.
- TRASH AND CONSTRUCTION RELATED SOLID WASTES MUST BE DEPOSITED INTO A COVERED RECEPTACLE TO PREVENT CONTAMINATION AND DISPERSAL BY WIND

EROSION CONTROL NOTES CONTINUED:

- FUELS, OILS, SOLVENTS AND OTHER TOXIC MATERIALS MUST BE STORED IN ACCORDANCE WITH THEIR LISTING AND ARE NOT TO CONTAMINATE THE SOIL AND SURFACE WATERS. ALL APPROVED STORAGE CONTAINERS ARE TO BE PROTECTED FROM THE WEATHER. SPILLS MUST BE CLEANED UP IMMEDIATELY AND DISPOSED OF IN A PROPER MANNER. SPILLS MUST NOT BE WASHED INTO THE DRAINAGE SYSTEM,
- DUST CONTROL SHALL BE DONE BY WATERING AND AS OFTEN AS REQUIRED BY THE TOWN INSPECTOR.
- SILT FENCE(S) AND/OR FIBER ROLL(S) SHALL BE INSTALLED PRIOR TO SEPTEMBER 15TH AND SHALL REMAIN IN PLACE UNTIL THE LANDSCAPING GROUND COVER IS INSTALLED. CONTRACTOR SHALL CONTINUOUSLY MONITOR THESE MEASURES, FOLLOWING AND DURING ALL RAIN EVENTS, TO PUBLIC OWNED FACILITIES.

EROSION CONTROL MEASURES:

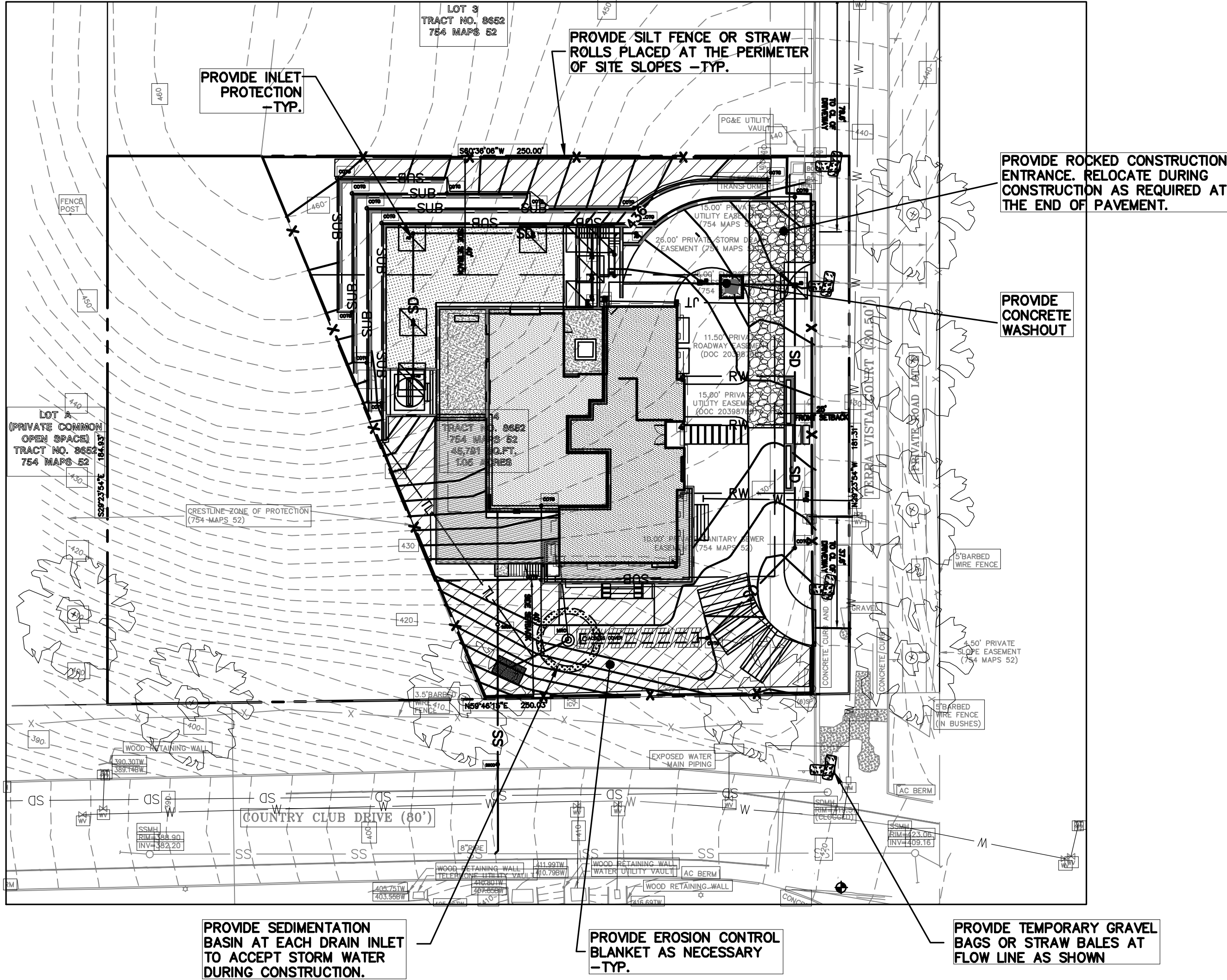
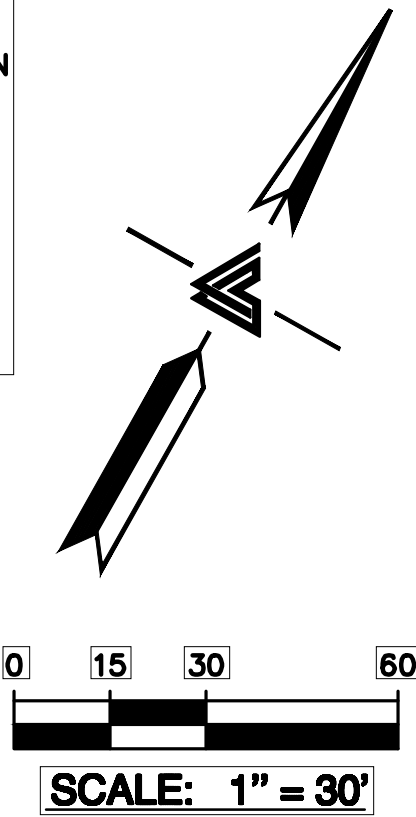
- THE FACILITIES SHOWN ON THIS PLAN ARE DESIGNED TO CONTROL EROSION AND SEDIMENT DURING THE RAINY SEASON, OCTOBER 15TH TO APRIL 15. EROSION CONTROL FACILITIES SHALL BE IN PLACE PRIOR TO OCTOBER 15TH OF ANY YEAR. GRADING OPERATIONS DURING THE RAINY SEASON WHICH LEAVE DENUDED SLOPES SHALL BE PROTECTED WITH EROSION CONTROL MEASURES IMMEDIATELY FOLLOWING GRADING ON THE SLOPES.
- SITE CONDITIONS AT TIME OF PLACEMENT OF EROSION CONTROL MEASURES WILL VARY. APPROPRIATE ACTION INCLUDING TEMPORARY SWALES, INLETS, HYDROSEEDING, STRAW BALES, ROCK SACKS, ETC. SHALL BE TAKEN TO PREVENT EROSION AND SEDIMENTATION FROM LEAVING SITE. EROSION CONTROL MEASURES SHALL BE ADJUSTED AS THE CONDITIONS CHANGE AND THE NEED OF CONSTRUCTION SHIFT.
- CONSTRUCTION ENTRANCES SHALL BE INSTALLED PRIOR TO COMMENCEMENT OF GRADING. ALL CONSTRUCTION TRAFFIC ENTERING ONTO THE PAVED ROADS MUST CROSS THE STABILIZED CONSTRUCTION ENTRANCES. CONTRACTOR SHALL MAINTAIN STABILIZED ENTRANCE AT EACH VEHICLE ACCESS POINT TO EXISTING PAVED STREETS. ANY MUD OR DEBRIS TRACKED ONTO PUBLIC STREETS SHALL BE REMOVED DAILY AND AS REQUIRED BY THE GOVERNING AGENCY.
- ALL EXPOSED SLOPES THAT ARE NOT VEGETATED SHALL BE HYDROSEEDDED. IF HYDROSEEDING IS NOT USED OR IS NOT EFFECTIVE BY OCTOBER 15, THEN OTHER IMMEDIATE METHODS SHALL BE IMPLEMENTED, SUCH AS EROSION CONTROL BLANKETS, OR A THREE-STEP APPLICATION OF 1) SEED, MULCH, FERTILIZER 2) BLOWN STRAW 3) TACKIFIER AND MULCH. HYDROSEEDING SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 20" EROSION CONTROL AND HIGHWAY PLANTING" OF THE STANDARD SPECIFICATION OF THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION, AS LAST REVISED. REFER TO THE EROSION CONTROL SECTION OF THE GRADING SPECIFICATIONS THAT ARE A PART OF THIS PLAN SET FOR FURTHER INFORMATION.
- INLET PROTECTION SHALL BE INSTALLED AT OPEN INLETS TO PREVENT SEDIMENT FROM ENTERING THE STORM DRAIN SYSTEM. INLETS NOT USED IN CONJUNCTION WITH EROSION CONTROL ARE TO BE BLOCKED TO PREVENT ENTRY OF SEDIMENT. MINIMUM INLET PROTECTION SHALL CONSIST OF A ROCK SACKS OR AS SHOWN ON THIS PLAN
- THIS EROSION AND SEDIMENT CONTROL PLAN MAY NOT COVER ALL THE SITUATIONS THAT MAY ARISE DURING CONSTRUCTION DUE TO UNANTICIPATED FIELD CONDITIONS. VARIATIONS AND ADDITIONS MAY BE MADE TO THIS PLAN IN THE FIELD. A REPRESENTATIVE OF LEA & BRAZE ENGINEERING SHALL PERFORM A FIELD REVIEW AND MAKE RECOMMENDATIONS AS NEEDED. CONTRACTOR IS RESPONSIBLE TO NOTIFY LEA & BRAZE ENGINEERING AND THE GOVERNING AGENCY OF ANY CHANGES.
- THE EROSION CONTROL MEASURES SHALL CONFORM TO THE LOCAL JURISDICTION'S STANDARDS AND THE APPROVAL OF THE LOCAL JURISDICTION'S ENGINEERING DEPARTMENT.
- STRAW ROLLS SHALL BE PLACED AT THE TOE OF SLOPES AND ALONG THE DOWN SLOPE PERIMETER OF THE PROJECT. THEY SHALL BE PLACED AT 25 FOOT INTERVALS ON GRADED SLOPES. PLACEMENT SHALL RUN WITH THE CONTOURS AND ROLLS SHALL BE TIGHTLY END BUTTED. CONTRACTOR SHALL REFER TO MANUFACTURES SPECIFICATIONS FOR PLACEMENT AND INSTALLATION INSTRUCTIONS.

REFERENCES:

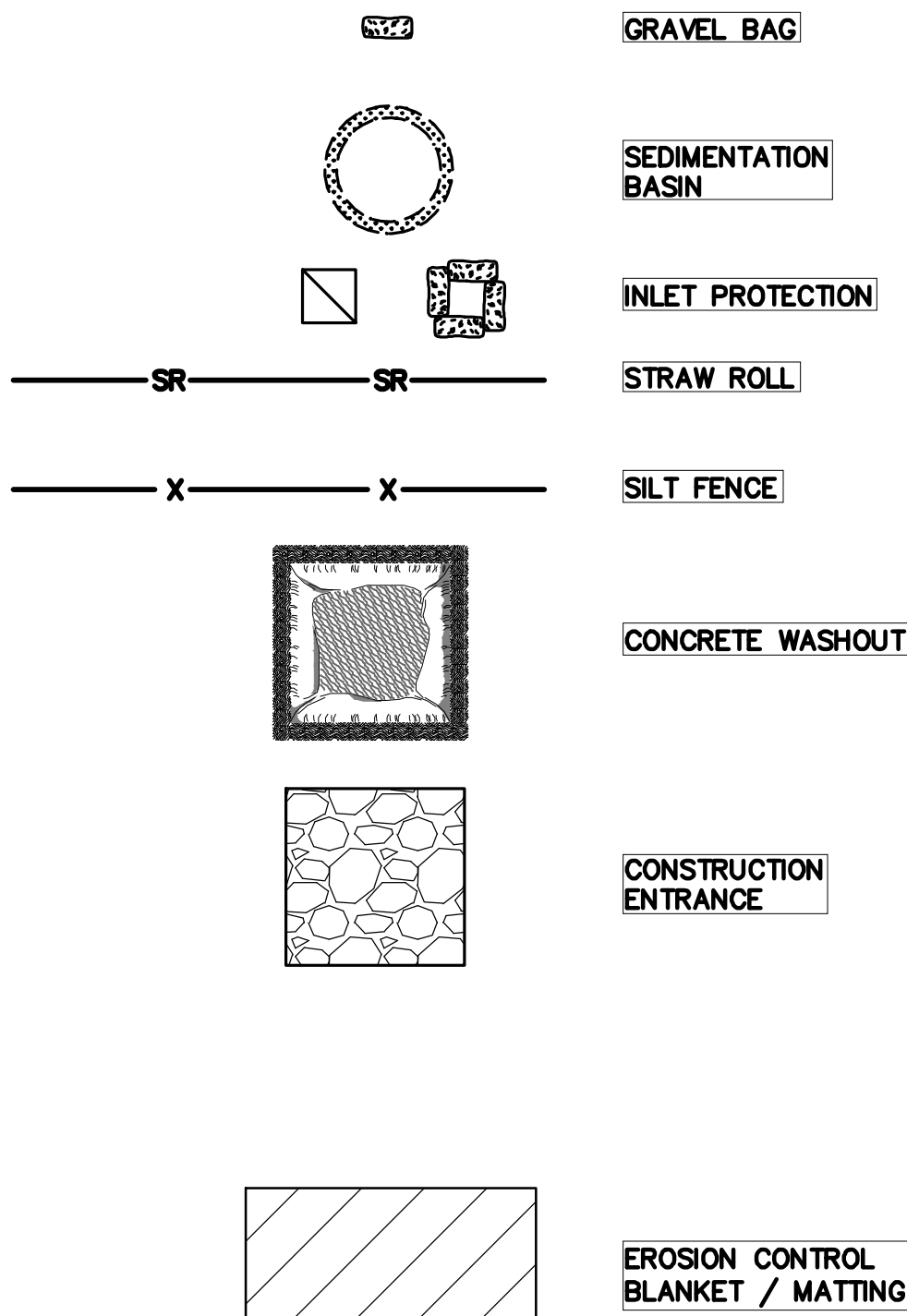
- CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL
- CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION

PERIODIC MAINTENANCE:

- MAINTENANCE IS TO BE PERFORMED AS FOLLOWS:
 - DAMAGES CAUSED BY SOIL EROSION OR CONSTRUCTION SHALL BE REPAIRED AT THE END OF EACH WORKING DAY.
 - SWALES SHALL BE INSPECTED PERIODICALLY AND MAINTAINED AS NEEDED.
 - SEDIMENT TRAPS, BERMS, AND SWALES ARE TO BE INSPECTED AFTER EACH STORM AND REPAIRS MADE AS NEEDED.
 - SEDIMENT SHALL BE REMOVED AND SEDIMENT TRAP RESTORED TO ITS ORIGINAL DIMENSIONS WHEN SEDIMENT HAS ACCUMULATED TO A DEPTH OF 1" FOOT.
 - SEDIMENT REMOVED FROM TRAP SHALL BE DEPOSITED IN A SUITABLE AREA AND IN SUCH A MANNER THAT IT WILL NOT ERODE.
 - RILLS AND GULLIES MUST BE REPAIRED.
- GRAVEL BAG INLET PROTECTION SHALL BE CLEANED OUT WHENEVER SEDIMENT DEPTH IS ONE HALF THE HEIGHT OF ONE GRAVEL BAG.
- STRAW ROLLS SHALL BE PERIODICALLY CHECKED TO ASSURE PROPER FUNCTION AND CLEANED OUT WHENEVER THE SEDIMENT DEPTH REACHED HALF THE HEIGHT OF THE ROLL.
- SILT FENCE SHALL BE PERIODICALLY CHECKED TO ASSURE PROPER FUNCTION AND CLEANED OUT WHENEVER THE SEDIMENT DEPTH REACHES ONE FOOT IN HEIGHT.
- CONSTRUCTION ENTRANCE SHALL BE REGRAVELED AS NECESSARY FOLLOWING SILT/SOIL BUILDUP.
- ANY OTHER EROSION CONTROL MEASURES SHOULD BE CHECKED AT REGULAR INTERVALS TO ASSURE PROPER FUNCTION



EROSION CONTROL LEGEND



NOTE:
SEAL ALL OTHER INLETS NOT INTENDED TO ACCEPT STORM WATER AND DIRECT FLOWS TEMPORARILY TO FUNCTIONAL SEDIMENTATION BASIN INLETS. -TYP

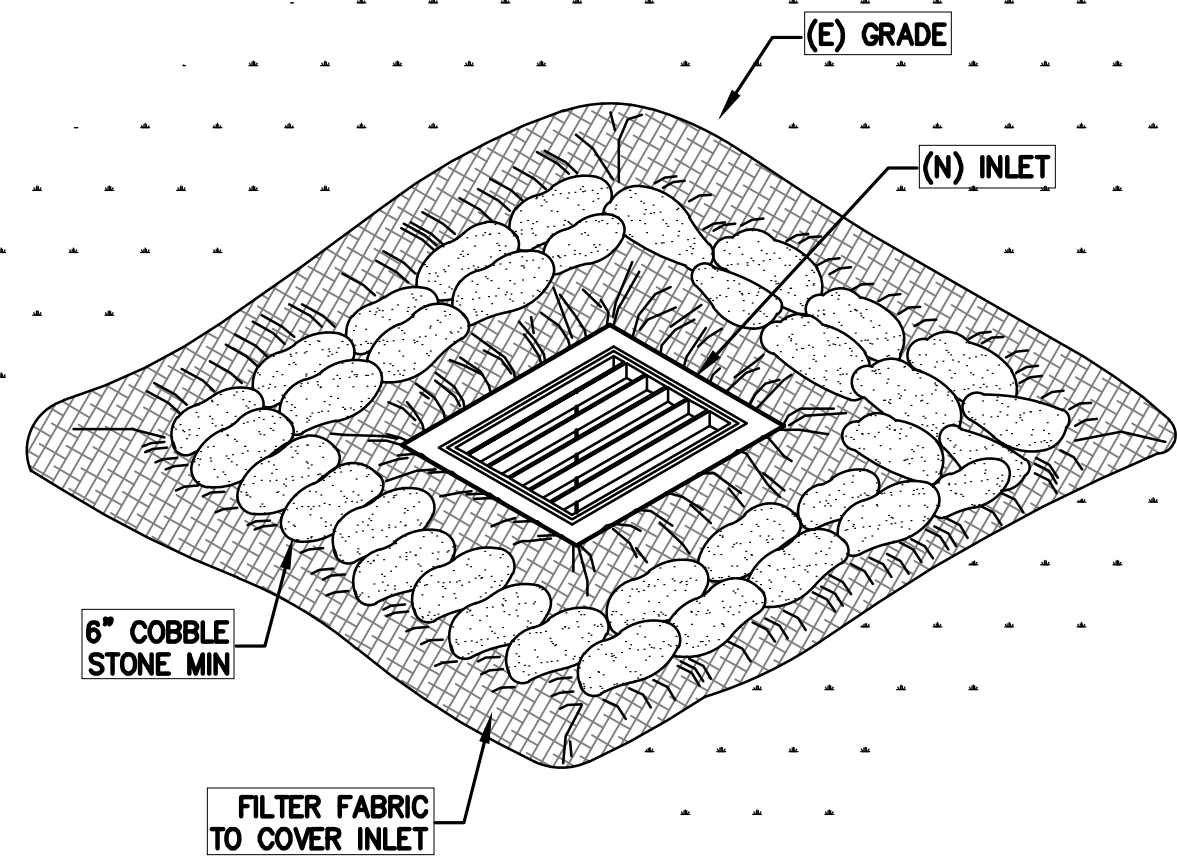


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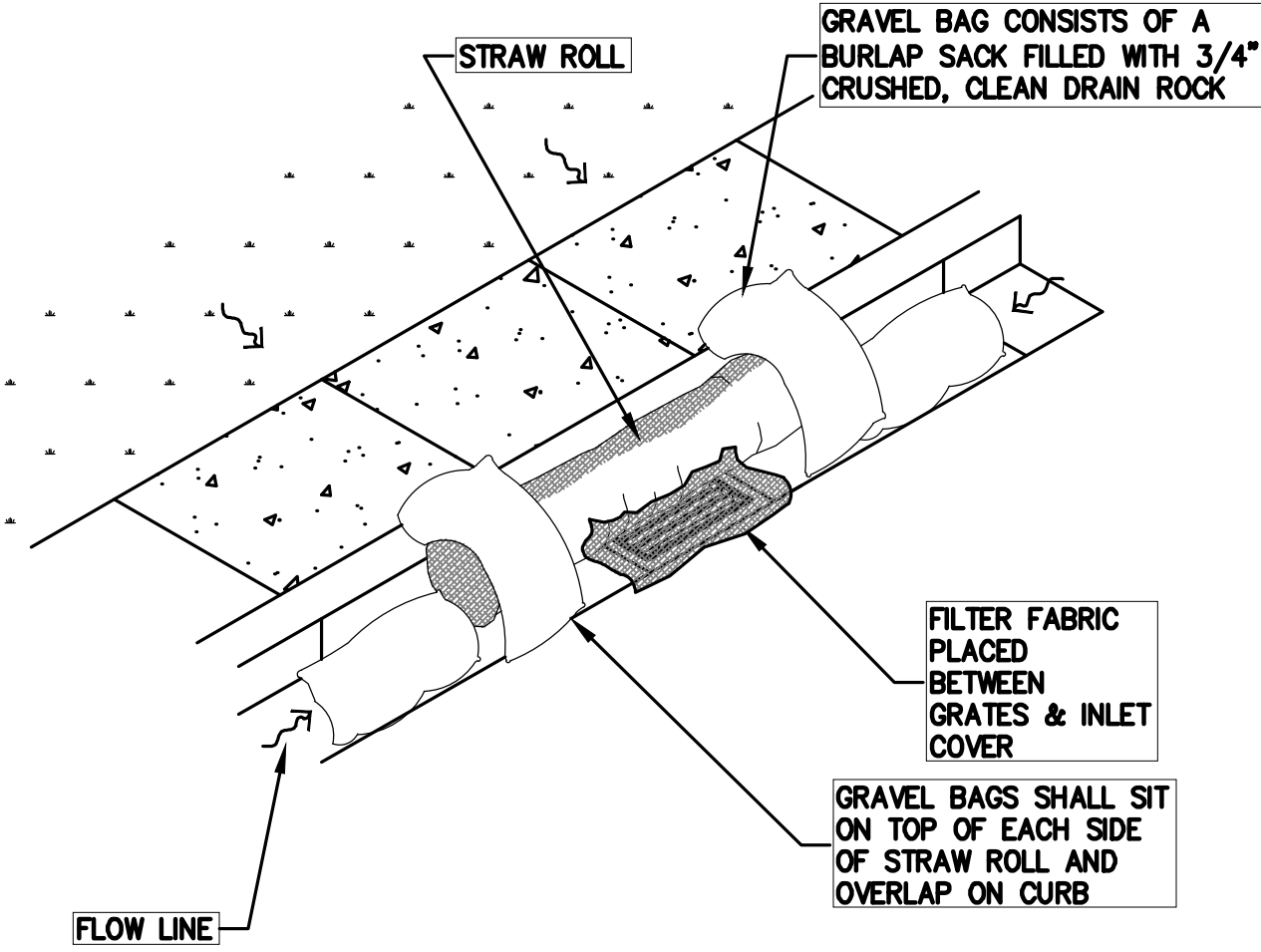
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EROSION CONTROL
PLAN

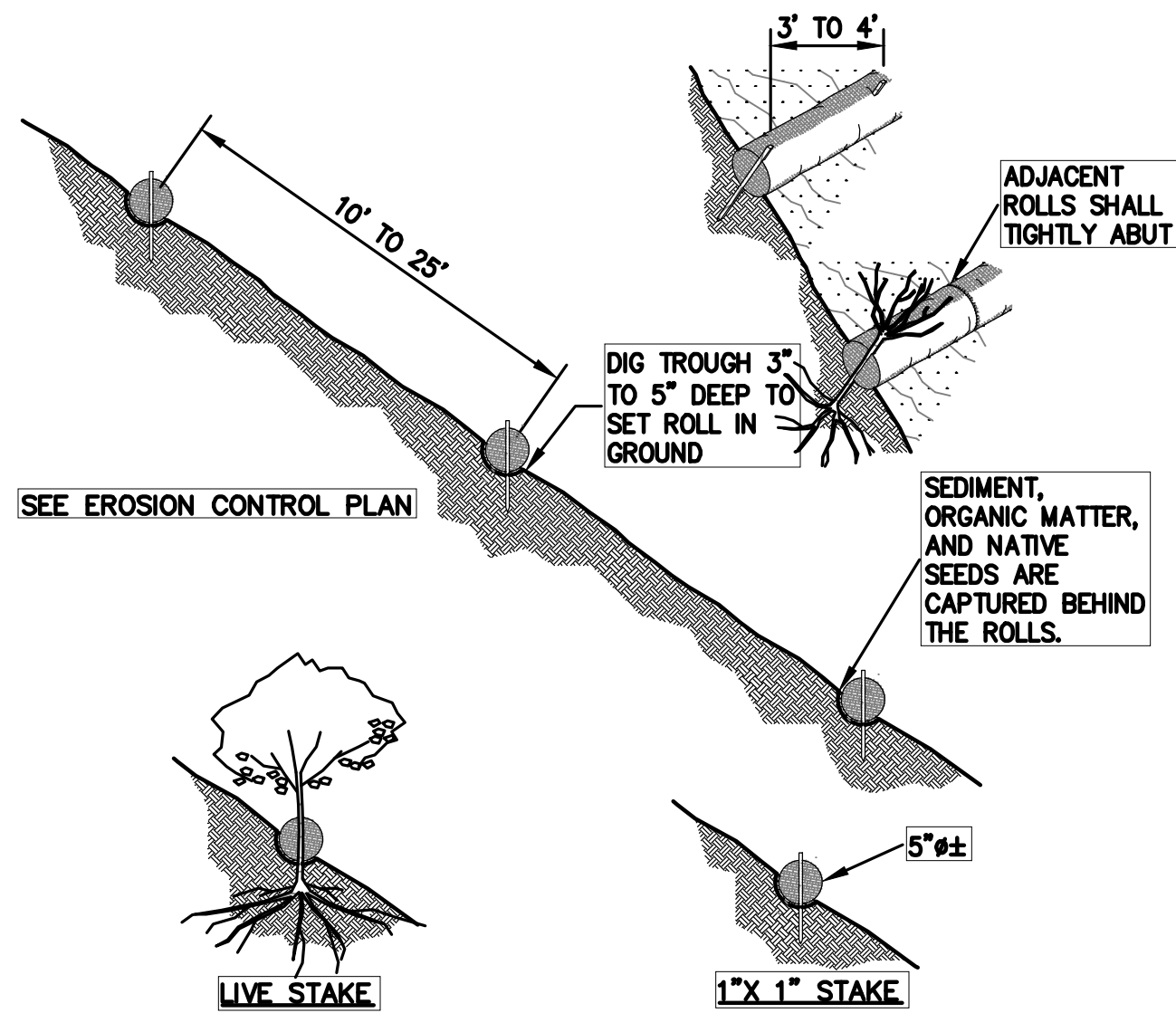
PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	AS NOTED
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	



1 INLET PROTECTION
ER-2 NTS

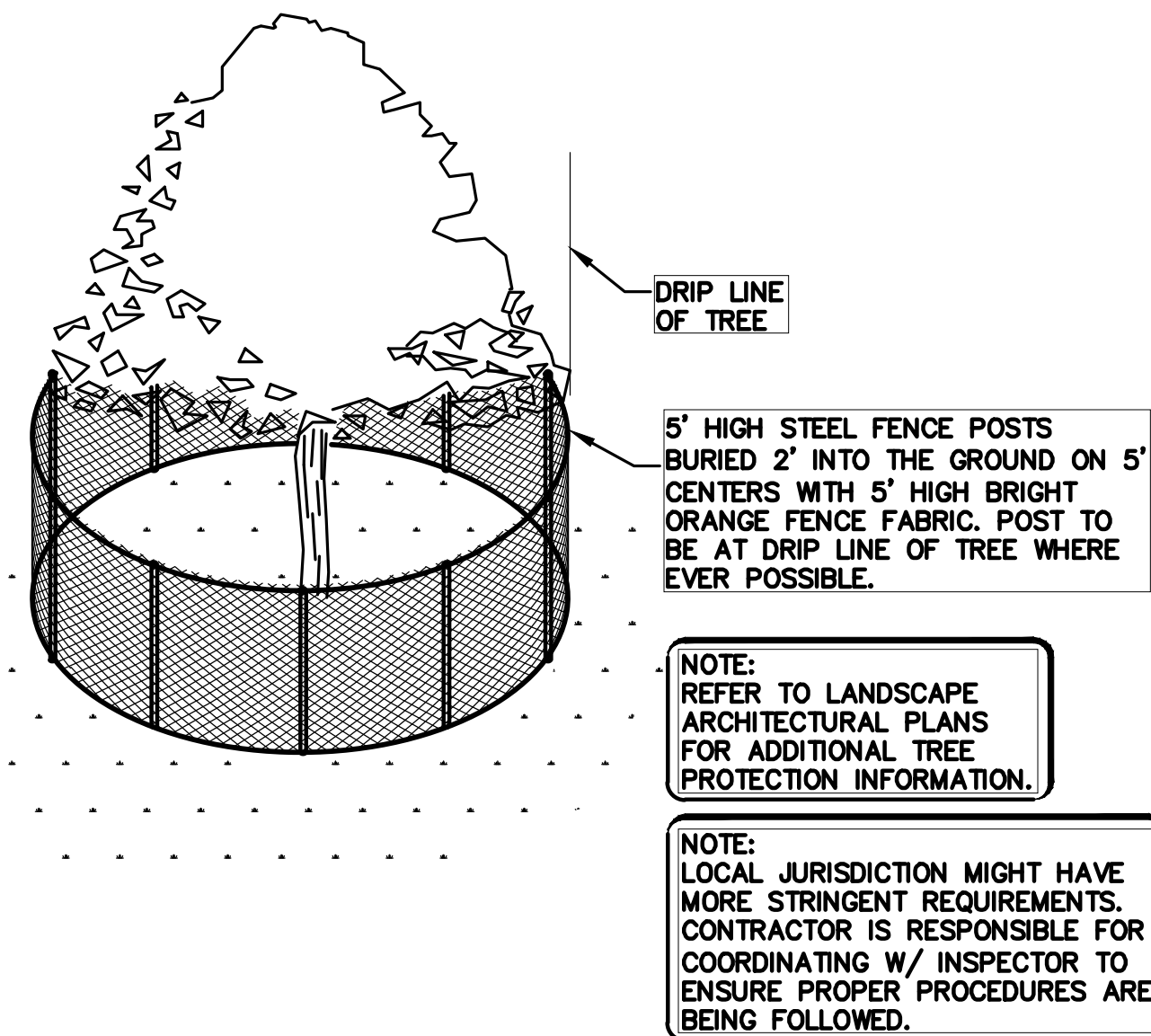


2 STREET INLET PROTECTION
ER-2 NTS

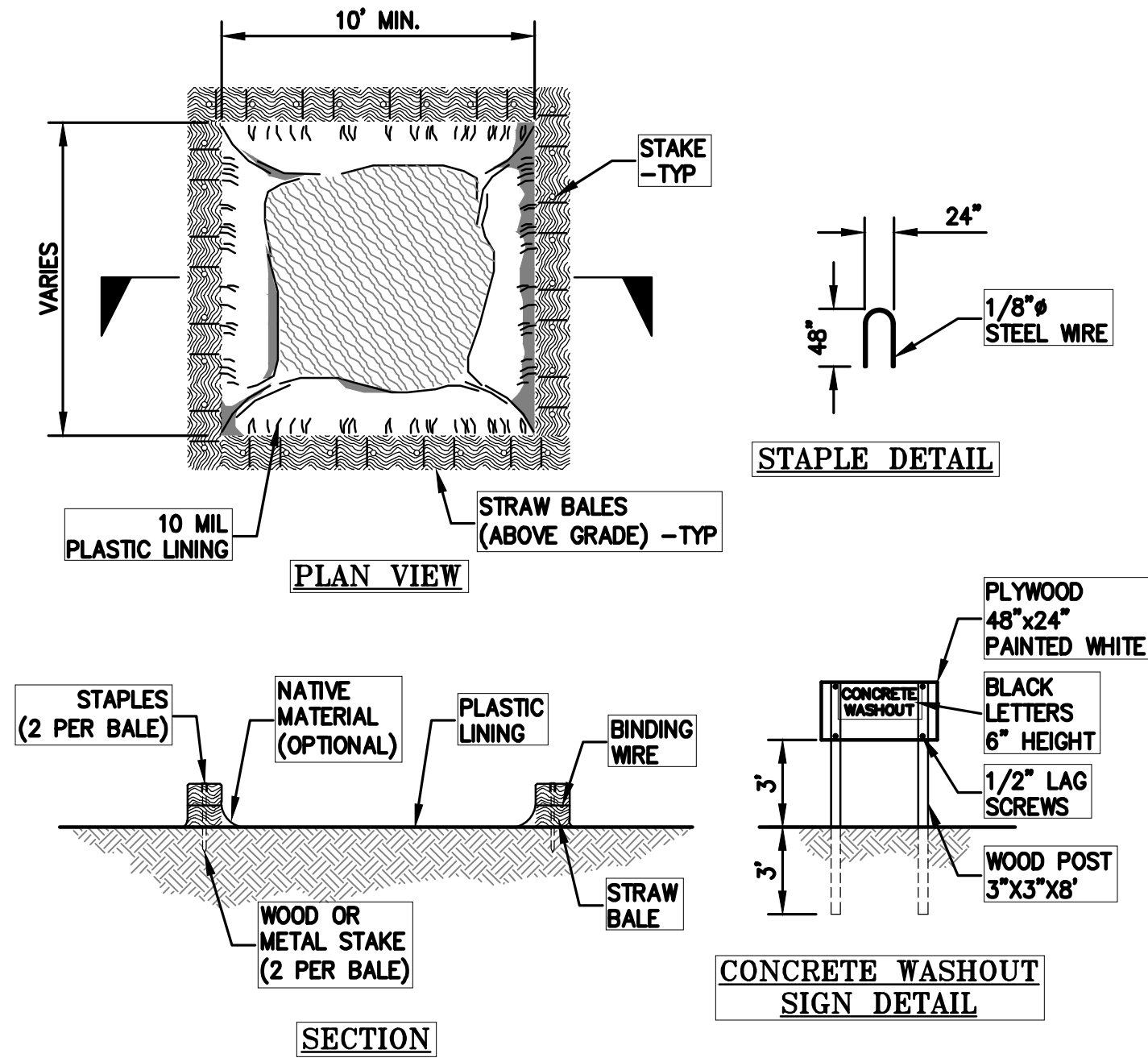


- NOTE:
1. STRAW ROLL INSTALLATION REQUIRES THE PLACEMENT AND SECURE STAKING OF THE ROLL IN A TRENCH, 3" TO 5" DEEP, DUG ON CONTOUR. RUNOFF MUST NOT BE ALLOWED TO RUN UNDER OR AROUND ROLL.
 2. CONTRACTOR IS RESPONSIBLE FOR REGULAR MAINTENANCE AND INSPECTION. THE SILT SHALL BE CLEANED OUT WHEN IT REACHES HALF THE HEIGHT OF THE ROLL.

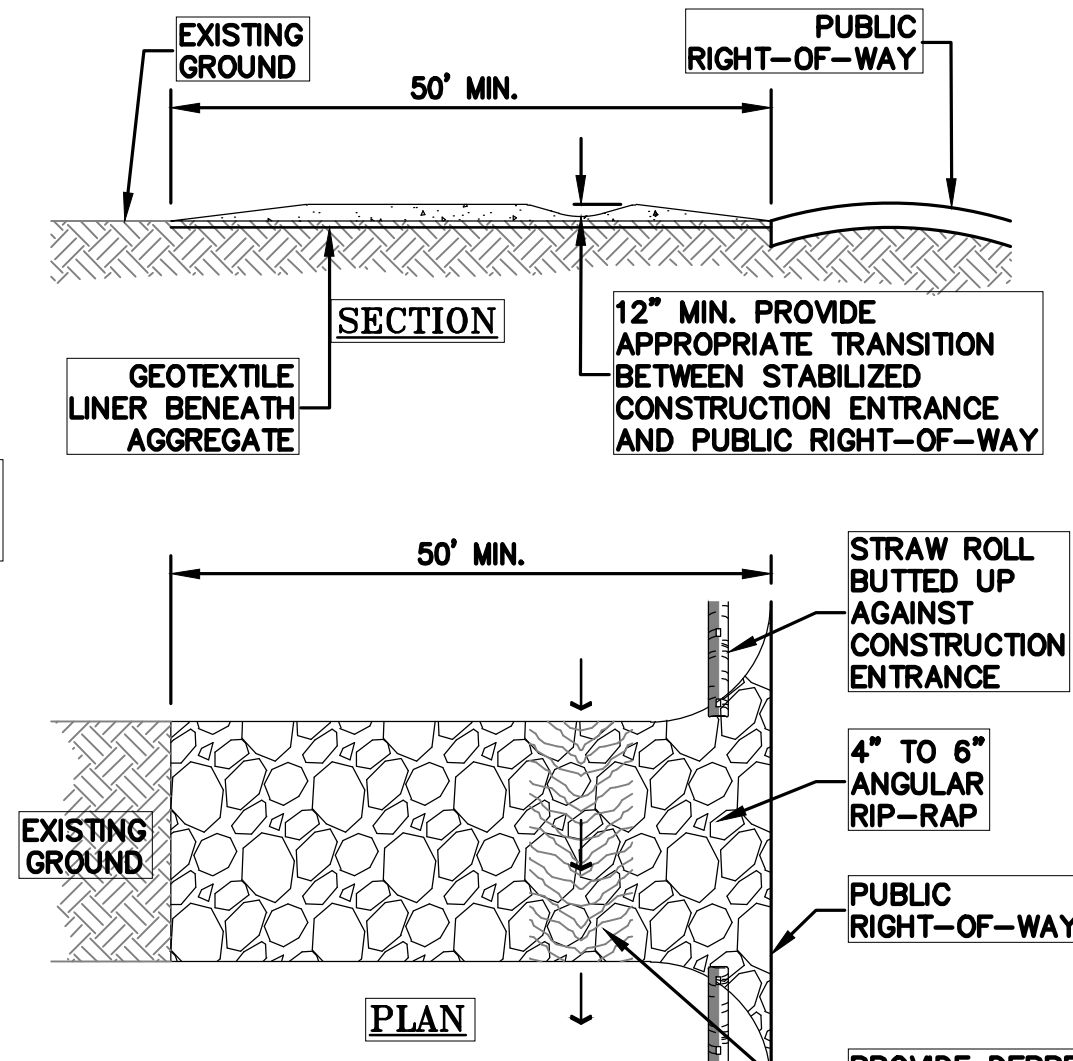
5 STRAW ROLLS
ER-2 NTS



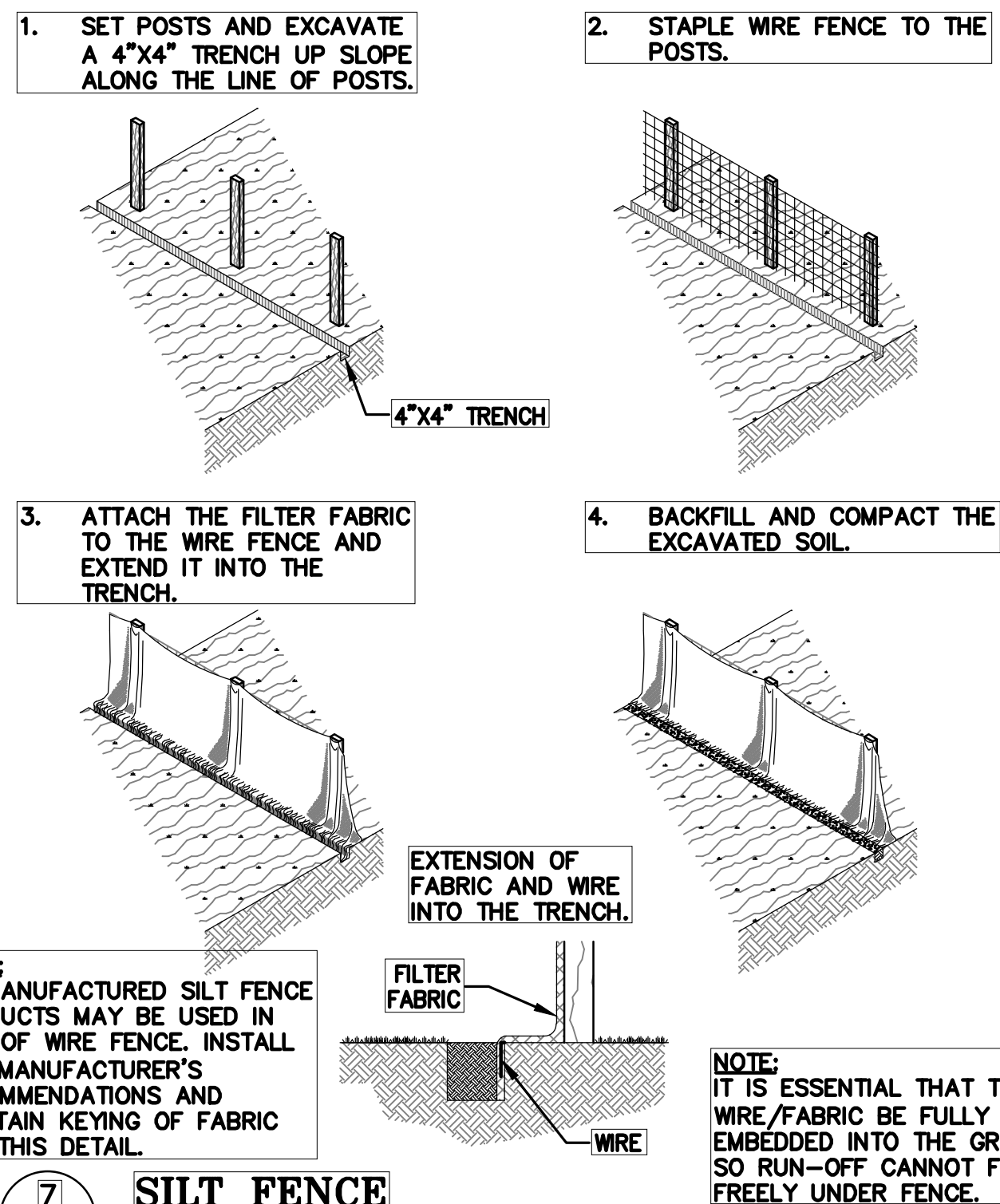
6 EXISTING TREE PROTECTION DETAIL
ER-2 NTS



3 CONCRETE WASHOUT
ER-2 NTS



4 CONSTRUCTION ENTRANCE
ER-2 NTS



7 SILT FENCE
ER-2 NTS

NOTES:

STABILIZED CONSTRUCTION SITE ACCESS SHALL BE CONSTRUCTED OF 3" TO 4" WASHED, FRACTURED STONE AGGREGATE.

MATERIAL SHALL BE PLACED TO A MINIMUM THICKNESS OF 12". LENGTH OF ENTRANCE SHALL BE A MINIMUM OF 50'.

WIDTH SHALL BE A MIN. OF 15' OR GREATER IF NECESSARY TO COVER ALL VEHICULAR INGRESS AND EGRESS. PROVIDE AMPLE TURNING RADI.

THE ENTRANCE SHALL BE KEPT IN GOOD CONDITION BY OCCASIONAL TOP DRESSING WITH MATERIAL AS SPECIFIED IN ABOVE NOTE.

ACCESSES SHALL BE INSPECTED WEEKLY DURING PERIODS OF HEAVY USAGE, MONTHLY DURING NORMAL USAGE, AND AFTER EACH RAINFALL, WITH MAINTENANCE PROVIDED AS NECESSARY.

PERIODIC TOP DRESSING SHALL BE DONE AS NEEDED.

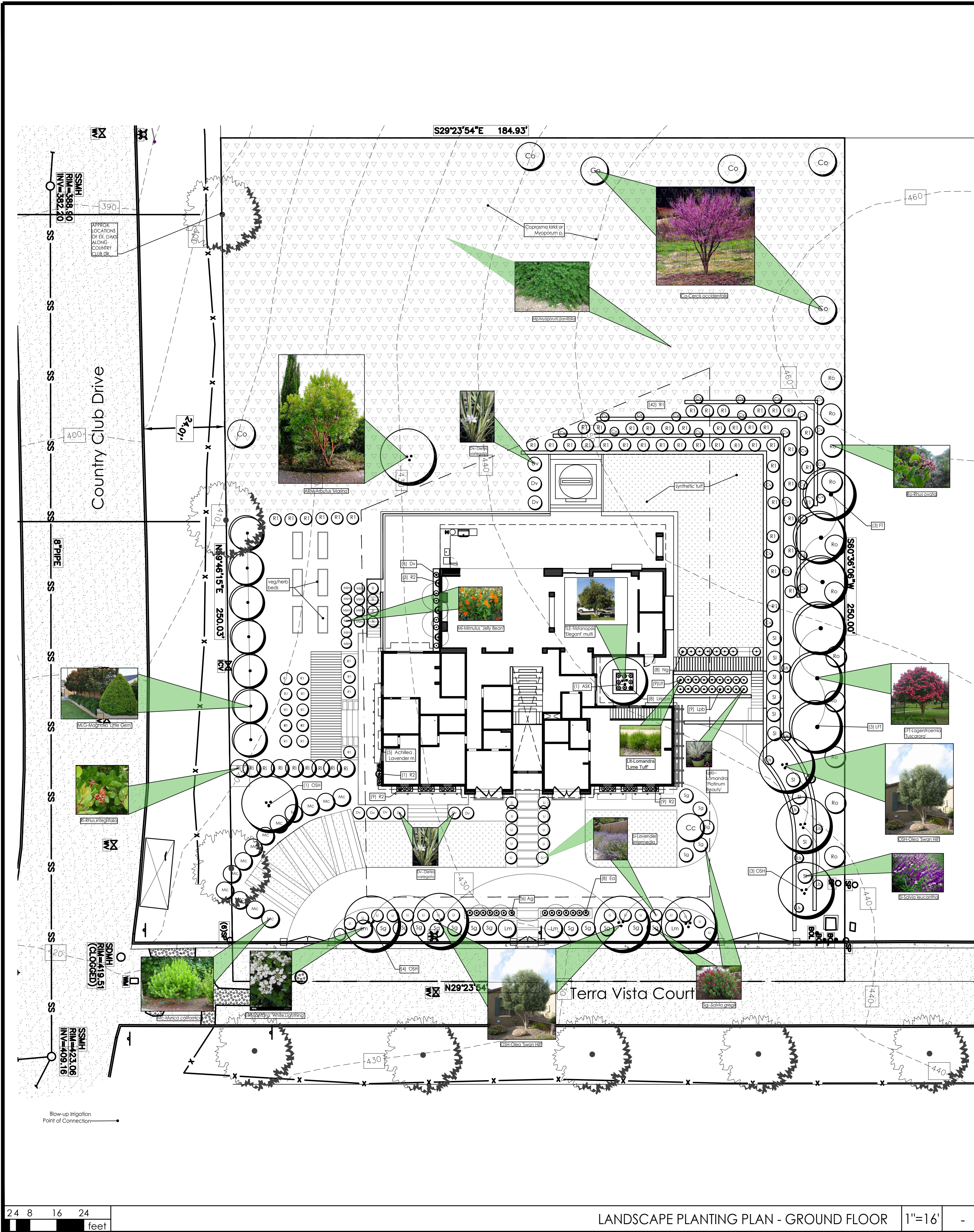


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CIVIL ENGINEERS & LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 10000 RANNEY RD., SUITE 100, SAN JOSE, CA 95135
SAN JOSE, CA 95135
(415) 887-4086
WWW.LEABRAZE.COM

TRAN - NGUYEN RESIDENCE
1321 TERRA VISTA COURT
MILPITAS, CALIFORNIA 95035
SANTA CLARA COUNTY
APN: 029-07-012

EROSION CONTROL
DETAILS

PC #3 RESPONSES 09-28-2023	MR
PC #2 RESPONSES 07-13-23	TT/PC
PC #1 RESPONSES 05-12-23	TT
REVISIONS	BY
JOB NO:	2221852
DATE:	12-02-22
SCALE:	AS NOTED
DESIGN BY:	TT
CHECKED BY:	DY
SHEET NO:	
ER-2	
13 OF 13 SHEETS	



Plant Legend

Sym.	Qty.	Size	Botanical Name	Common Name	Comments	Water Usage
Trees						
ARM	24"	box	Arbutus 'Marina'	Hybrid Madrone	Dbl. stake	Low
FT	5 gal		Fruit trees	Fruit trees	Verify fruit tree species w/ owner	Mod
LFM	24"	box	Lagerstroemia f. 'Muskogee'	Lavender Hybrid Crape Myrtle		Low
LFT	24"	box	Lagerstroemia f. 'Tuscarora'	Rose Hybrid Crape Myrtle		Low
MLG	24"	box	Magnolia g. 'Little Gem'	Little Gem Magnolia	Dbl. stake	Mod
OSH	36"	box	Olea e. 'Swan Hill' - fruitless	Swan Hill Olive - fruitless multi	Multi trunk form. Dbl. stake	Low
TLE	36"	box	Tristanopsis laurina 'Elegant'	Elegant Water Gum	8' min. planted ht. Dbl. stake	Mod
Shrubs & Perennials						
As	5 gal		Asparagus 'Meyer'	Meyer's Asparagus		Mod
At	5 gal		Agapanthus 'Tinkerbell'	Tinkerbell Lily of the Nile		Mod
Cdl	5 gal		Cordylina 'Design a Line'	Design a Line Cordylina		Low
Cv	5 gal		Convolvulus sabatius	Dwarf Morning Glory		Low
Dv	5 gal		Dietes variegata	Variegated Fomight Lily		Low
Lit	5 gal		Lomandra 'Lime Tuff'	Lime Tuff Mat Rush		Low
Lis	5 gal		Lantana m. 'Lavender Swirl'	Lavender Swirl Lantana		Low
Lpb	5 gal		Lomandra 'Platinum Beauty'	Platinum Beauty Mat Rush		Low
Lvl	5 gal		Lantana m. 'White Lightning'	White Lightning Lantana		Low
Mc	5 gal		Myrica californica	California Myrtle		Low
Mjb	5 gal		Mimulus 'Jelly Bean series'	Orange or Yellow Monkey Flower		Low
Ng	5 gal		Nandina d. 'Gulf Stream'	Gulf Stream Heavenly Bamboo		Low
Pg	5 gal		Punica granatum 'nana'	Dwarf Pomegranate		Low
R1	5 gal		Rosa	Shrub Rose	*Owner's ex. shrub roses	Mod
R2	5 gal		Rosa	Climbing Rose	*Owner's ex. climbing roses	Mod
Rc	5 gal		Rhamnus c. 'Mound San Bruno'	Mound San Bruno Coffeeberry		Low
Ri	5 gal		Rhus integrifolia	Lemonberry		Low
Ro	5 gal		Rhus ovata	Sugar Bush		Low
Ru	5 gal		Raphiolepis u. 'Minor'	Dwarf Yeddo Hawthorn		Low
Sg	5 gal		Salvia greggi	Autumn Sage		Low
Sl	5 gal		Salvia leucantha 'Santa Barbara'	Santa Barbara Mexican Sage		Low
Groundcovers 1'-2' high						
Mp	1 gal		Myoporum parvifolium	No Common Name (N.C.N.)	5' o.c. triangular spacing. 4' from edges.	Low
Th	1 gal		Thymus serpyllum 'Creeping Pink'	Creeping Pink Thyme		Low
SynTurf			'Evernatural Prem.' Synthetic Turf	Synthetic Turf	by Watersavers.com	NA
Succulents						
Ag	5 gal		Agave 'Blue Glow'	Blue Glow Agave		Low
Ea	1 gal		Echeveria agavoides	No common name		Low

*Owner's roses to be planted by contractor. Verify with Owner.



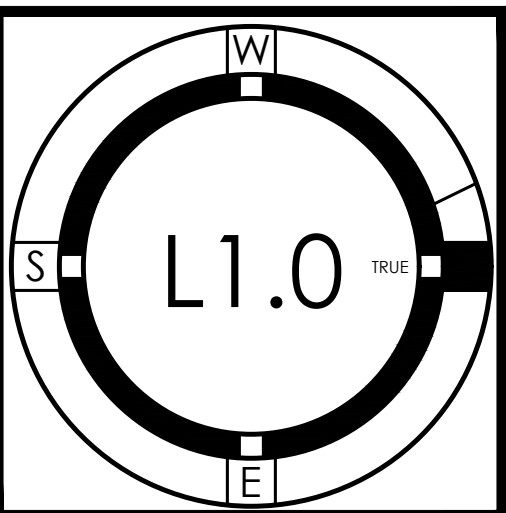
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San Jose, CA 95128
P : (408) 998 - 0983

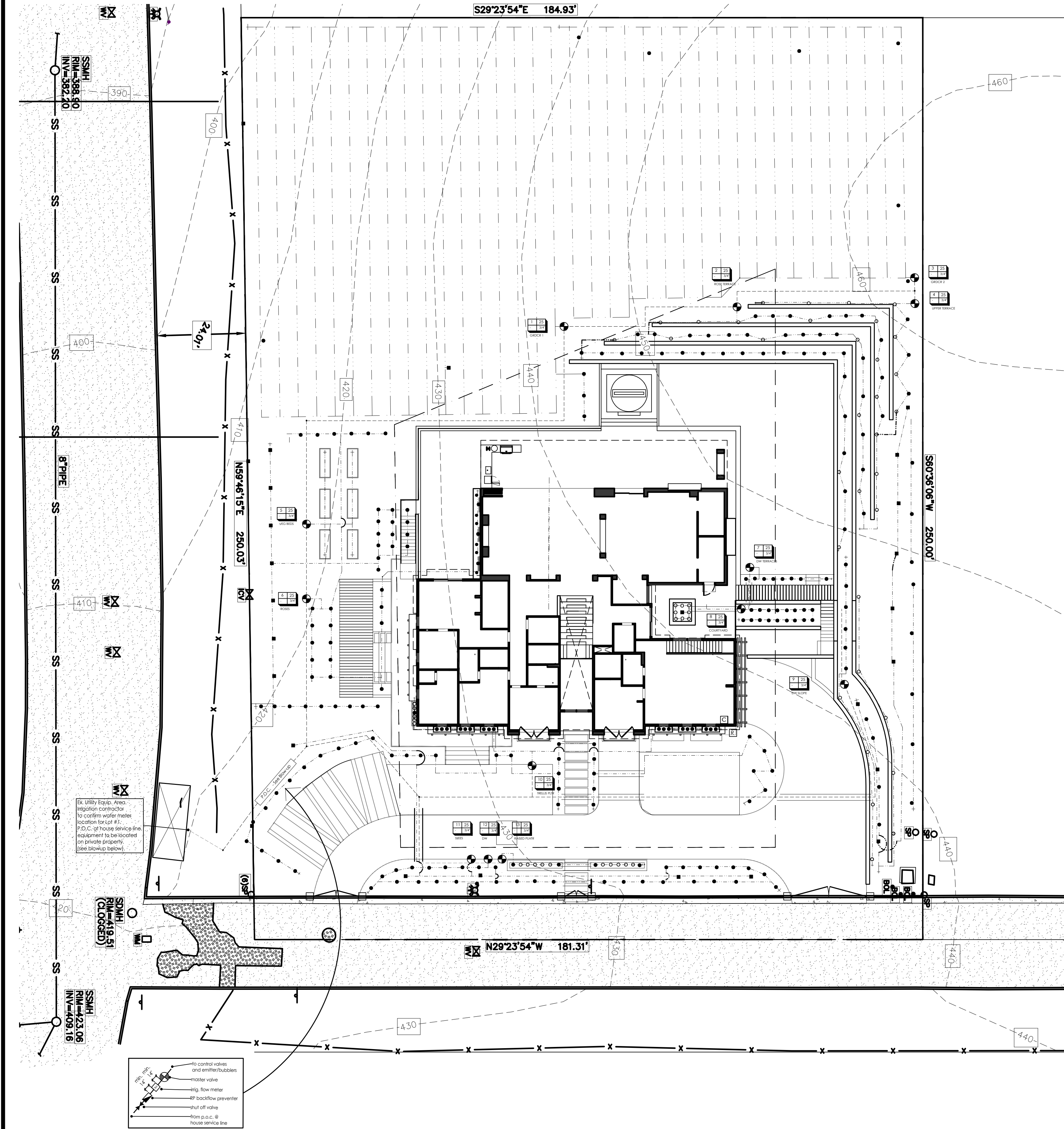
TRAN-NGUYEN RESIDENCE
NEW SINGLE FAMILY RESIDENCE
1321 TERRA VISTA CT.
MILPITAS, CA
VU NGUYEN



PROJECT NO.	21036
REVISION	
DATE	2022.10.12
DATE	2022.11.22
DATE	2023.05.10
DATE	2023.09.28

LANDSCAPE PLANTING PLAN





24 8 16 24
feet

IRRIGATION PLAN - GROUND FLOOR

1"=16'

-

IRRIGATION LEGEND

KEY	MANUF.	MODEL NO.	DESCRIPTION
RAINBIRD	XBCV		PRESSURE COMPENSATING EMITTER WITH CHECK VALVE. SEE EMITTER SCHEDULE.
RAINBIRD	XCZ-075-PRF SERIES		3/4" CONTROL ZONE KIT FOR DRIP IRRIGATION. LOW FLOW ELECTRIC VALVE W/ PRESS. REG AND FILTER. INSTALL BELOW GRADE IN A VALVE BOX.
RAINBIRD	HV SERIES		1" MASTER SHUT OFF VALVE AT POINT OF CONNECTION. INSTALL BELOW GRADE IN A VALVE BOX.
			1" BRASS SHUT OFF VALVE - SAME SIZE AS MAINLINE. INSTALL BELOW GRADE IN A VALVE BOX.
HUNTER	PHC-6		PRO-HC WIFI - 6 STATION OUTDOOR HYDRAMATIC CONTROLLER. SEE NOTE #11.
HUNTER	WR-CLIK		WIRELESS RAIN CLIK.
FEBICO	B25Y		1" REDUCED PRESSURE BACKFLOW PREVENTER. INSTALL AS PER LOCAL PLUMBING CODES ABOVE GRADE.
HUNTER	HC-100-FLOW		FLOW METER. INSTALL BELOW GRADE IN VALVE/METER BOX.
			3/4" HOSE BIB ON HOUSE WALL OR IN VEGETABLE GARDEN.
			AUTOMATIC FLUSH VALVE AT ENDS OF DRIP IRRIGATION PE TUBING.

1 GAL. PLANT LOCATION. SEE EMITTER SCHEDULE.
5 GAL. PLANT LOCATION. SEE EMITTER SCHEDULE.
15 GAL. OR 24" BOX TREE LOCATION. SEE EMITTER SCHEDULE.

1/2" OR 3/4" PE DRIP TUBING W/ COMPRESSION FITTINGS - SEE DRIP NOTES. INSTALL FLUSH VALVE AT END. DO NOT TRENCH UNDER EXISTING TREE CANOPIES. IF NOT POSSIBLE, INSTALL ON TOP OF SOIL UNDER MULCH.

1/2" EMITTER TUBING W/ COMPRESSION FITTINGS - 18" EMITTER SPACING AND 18" 24" ROW SPACING. 1 GALLON PER HR. EMITTER. RAINBIRD XBCV DRIPLINE WITH CHECK VALVE. SEE DRIP NOTES. INSTALL AUTOMATIC FLUSH VALVE AT END. DO NOT TRENCH UNDER EXISTING TREE CANOPIES. INSTALL ON TOP OF SOIL UNDER MULCH.

NON PRESSURE LINE - CLASS 200 PVC - 3/4" UNLESS OTHERWISE LABELED

PRESSURE LINE - SCH. 40 PVC

ALL PIPING 24" UNDER PAVING:
PRESSURE LINE, NONPRESSURE LINE, CONTROL WIRE SLEEVE, OR EXTRA LINE FOR FUTURE USE - MIN 2" OR LARGER AS NOTED.
CLASS 315 PVC, TWICE THE SIZE OF THE PIPE INSIDE.
INSTALL A 2" SCH. 40 PVC GREY ELECTRICAL CONDUIT AT ALL PRESSURE LINE PAVING CROSSINGS.

EMITTER SCHEDULE:

PLANT SIZE	NO. OF EMITTERS	EMITTER SIZE	PLANT DESCRIPTION	EMITTER LOCATION
1 GAL.	1	1 GPH	SMALL SHRUBS	AT PLANT
5 GAL.	2	1 GPH	MEDIUM SHRUBS	6" 12"
15 GAL.	2	2 GPH	TREES	1' FROM TREE
24" BOX	3	2 GPH	TREES	2' APART

VALVE NO. 2 25 PSI
GPM 1.0 3/4" VALVE SIZE
VEG BEDS ZONE I.D.



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TRAN-NGUYEN RESIDENCE
NEW SINGLE FAMILY RESIDENCE

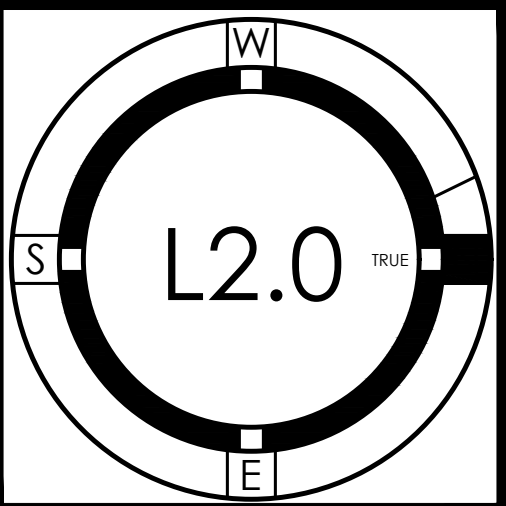
1321 TERRA VISTA CT.
MILPITAS, CA

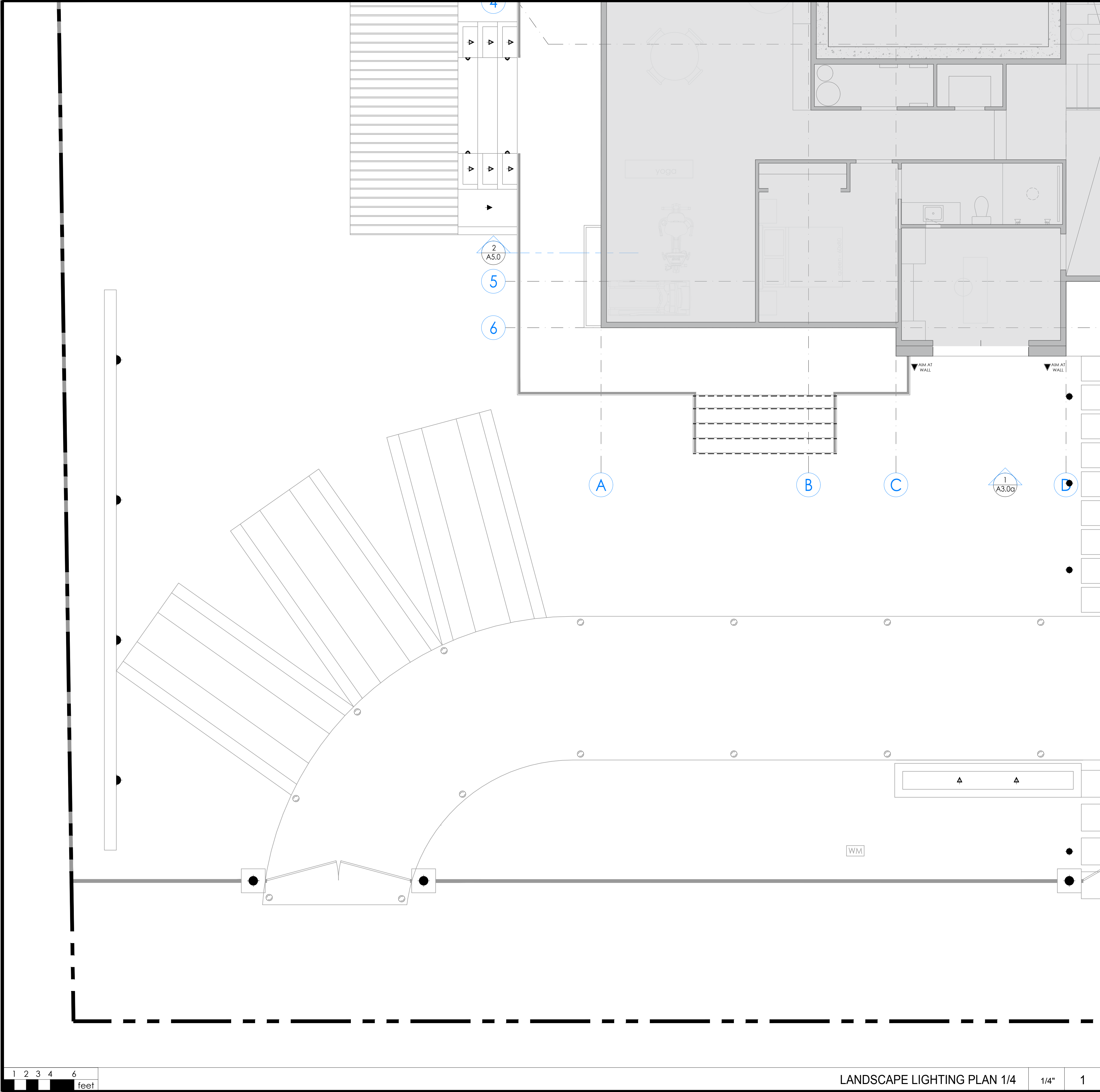
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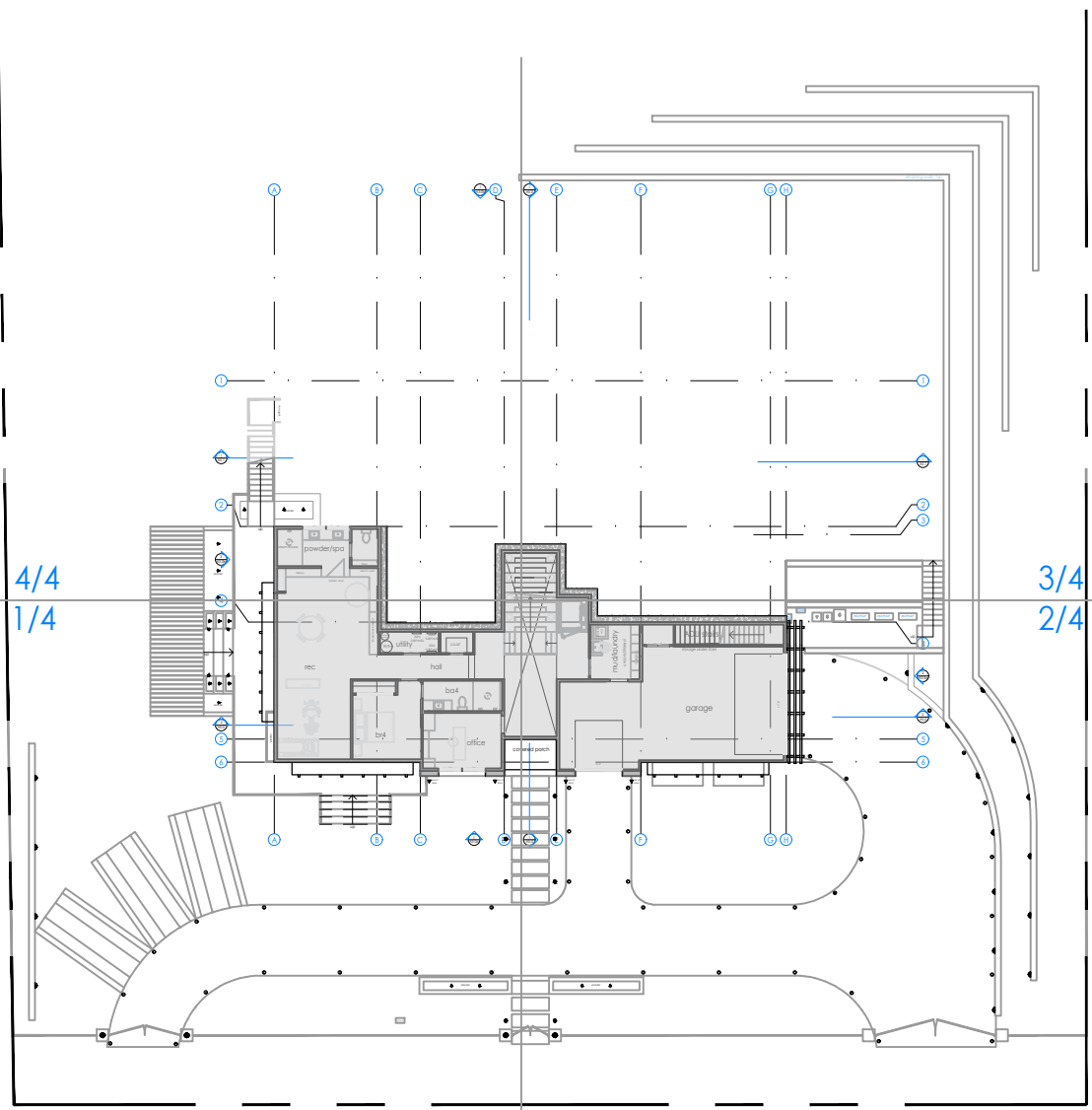
PROJECT NO.	21036	DRAWN BY	GI /	GI /	GI /	GI /		
REVISION	DATE	DESCRIPTION	2022.10.12	2022.11.22	2023.05.10	2023.09.28		

IRRIGATION PLAN





LANDSCAPE LIGHTING PLAN 1/4 1/4" 1



LANDSCAPE LIGHTING SCHEDULE			
SYM/PICTURE			
DESCRIPTIONS	POST LIGHT / Bromley 2361 OZ-LL		
COLOR/FILTER	A/BER		
FINISH	OIL RYBBED BRONZE		
PRODUCT'S LINK	https://www.hinkley.com/2361oz-ll.html		
SYM/PICTURE			
DESCRIPTIONS	INGRADE LIGHT / FXLUMINAIRE FC-3LED-CW-BZ		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/in-grade-and-well-lights-hardscapes/designer/fc		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #1 / FXLUMINAIRE DS-NL-18R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #2 / FXLUMINAIRE DS-NL-12R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #1 / FXLUMINAIRE MW-LED20W-BS		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #2 / FXLUMINAIRE CG-NL-BS		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE		N/A	
DESCRIPTIONS	LED STRIP LIGHT		
COLOR/FILTER	A/BER		
FINISH	-		
PRODUCT'S LINK	NO DATA		
SYM/PICTURE			
DESCRIPTIONS	WALL LIGHT / FXLUMINAIRE HS-ZD-FW		
COLOR/FILTER	A/BER		
FINISH	FLAT WHITE		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE			
DESCRIPTIONS	WALL WASH UPLIGHT / FXLUMINAIRE WS-LED35W-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/standard/ws		
SYM/PICTURE			
DESCRIPTIONS	UPLIGHT / FXLUMINAIRE FR-ZD-AB		
COLOR/FILTER	A/BER		
FINISH	ANTIQUE BRONZE		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/designer/fr		

KEYNOTES AND LEGENDS



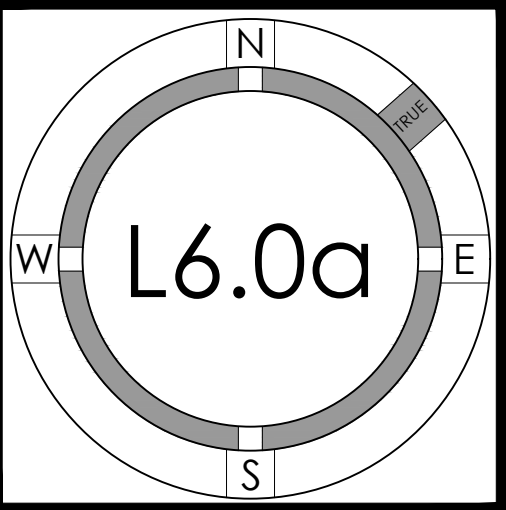
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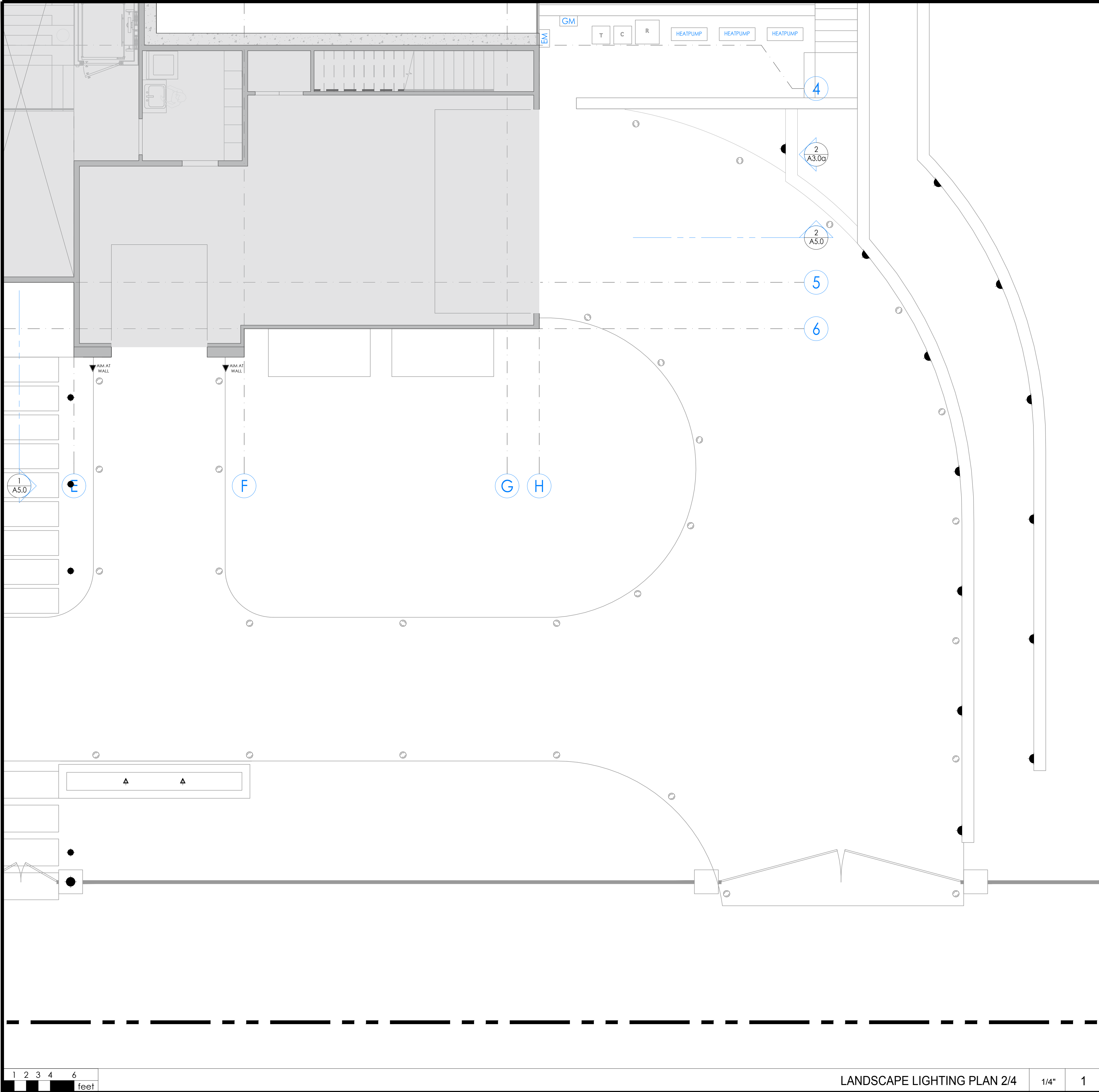
Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE
Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



PROJECT NO.	DATE	DESCRIPTION	DRAWN BY
21-036	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IC / MKA
	2023.02.03	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA

LIGHTING PLAN 1/4

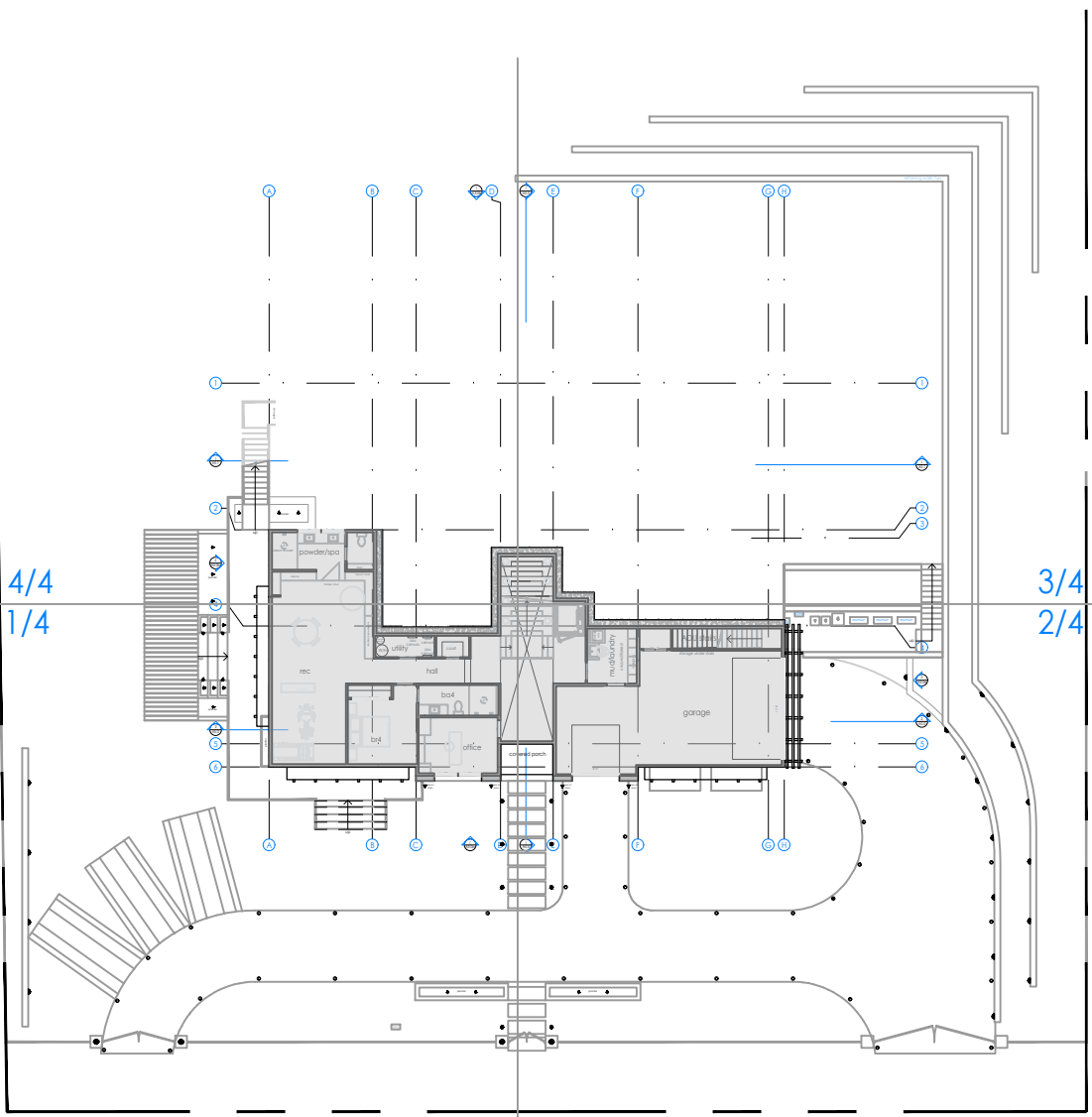




LANDSCAPE LIGHTING PLAN 2/4

1/4"

1



LANDSCAPE LIGHTING SCHEDULE			
SYM/PICTURE			
DESCRIPTIONS	POST LIGHT / Bromley 2361 OZ-LL		
COLOR/FILTER	A/BER		
FINISH	OIL RYBBER BRONZE		
PRODUCT'S LINK	https://www.hinkley.com/2361oz-ll.html		
SYM/PICTURE			
DESCRIPTIONS	INGRADE LIGHT / FXLUMNAIRE FC-3LED-CW-BZ		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/in-grade-and-well-lights-hardscapes/designer/fc		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #1 / FXLUMNAIRE DS-NL-18R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #2 / FXLUMNAIRE DS-NL-12R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #1 / FXLUMNAIRE M-W-LED20W-BZ		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #2 / FXLUMNAIRE CG-NL-BZ		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/		
SYM/PICTURE		N/A	
DESCRIPTIONS	LED STRIP LIGHT		
COLOR/FILTER	A/BER		
FINISH	-		
PRODUCT'S LINK	NO DATA		
SYM/PICTURE			
DESCRIPTIONS	WALL LIGHT / FXLUMNAIRE HS-ZD-FW		
COLOR/FILTER	A/BER		
FINISH	FLAT WHITE		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/		
SYM/PICTURE			
DESCRIPTIONS	WALL WASH UPLIGHT / FXLUMNAIRE WS-LED35W-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/standard/ws		
SYM/PICTURE			
DESCRIPTIONS	UPLIGHT / FXLUMNAIRE FR-ZD-AB		
COLOR/FILTER	A/BER		
FINISH	ANTIQUE BRONZE		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/designer/fr		

KEYNOTES AND LEGENDS

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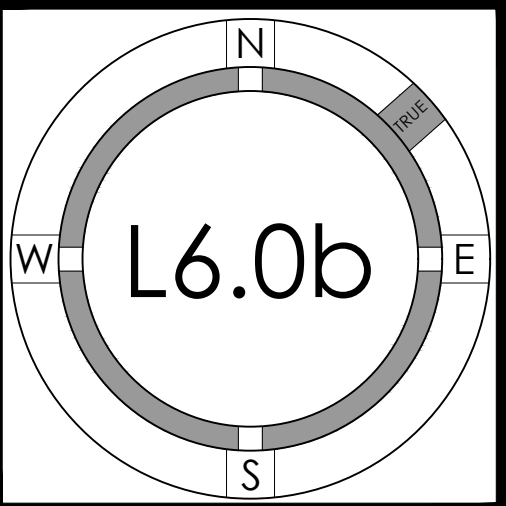
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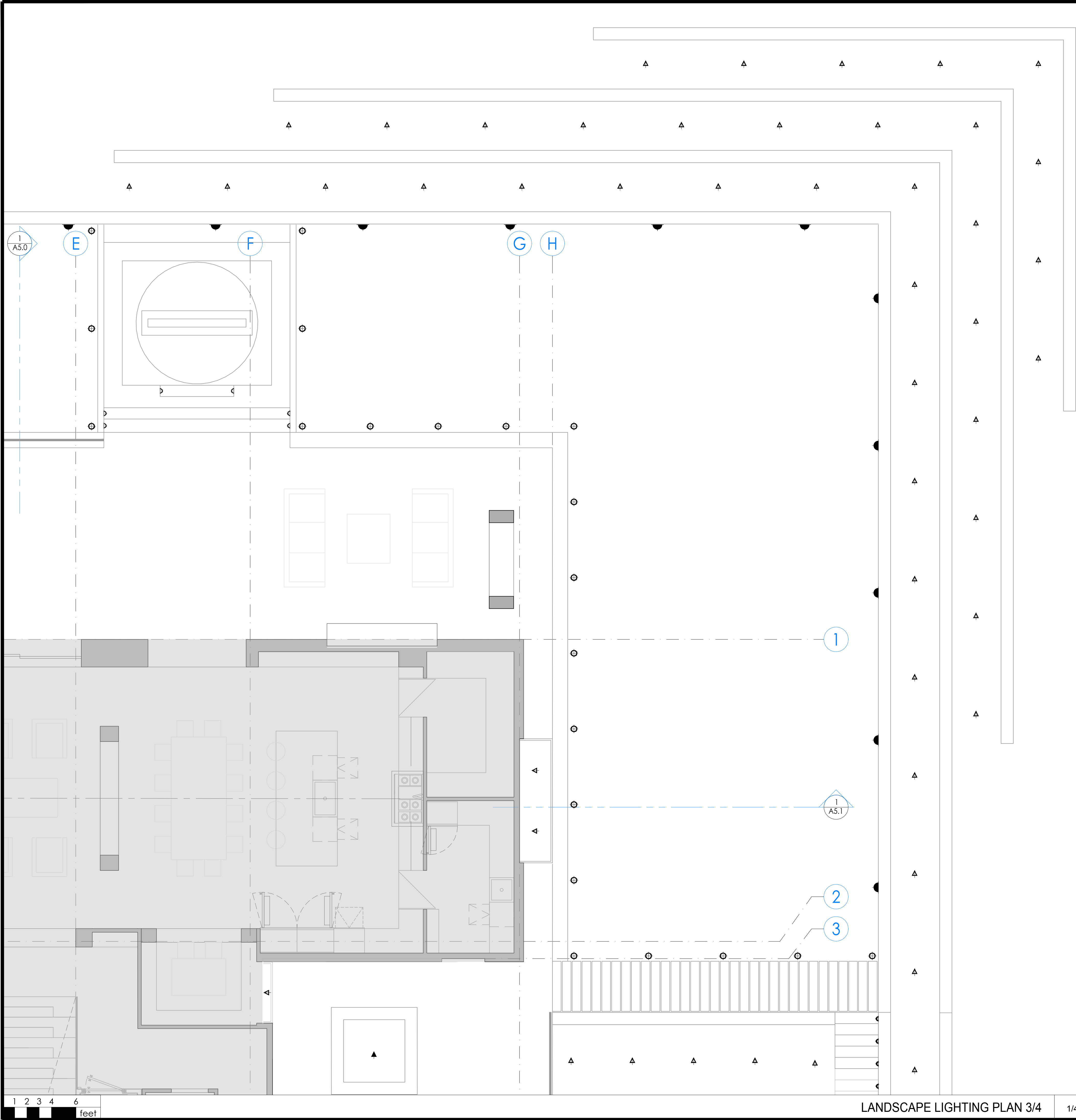
Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE
Milpitas, 1321 Terra Vista Court
Hue Tran Vu Nguyen



PROJECT NO.	DATE	DESCRIPTION	DRAWN BY
21-036	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IC / MKA
	2023.02.03	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IC / MKA

LIGHTING PLAN 2/4

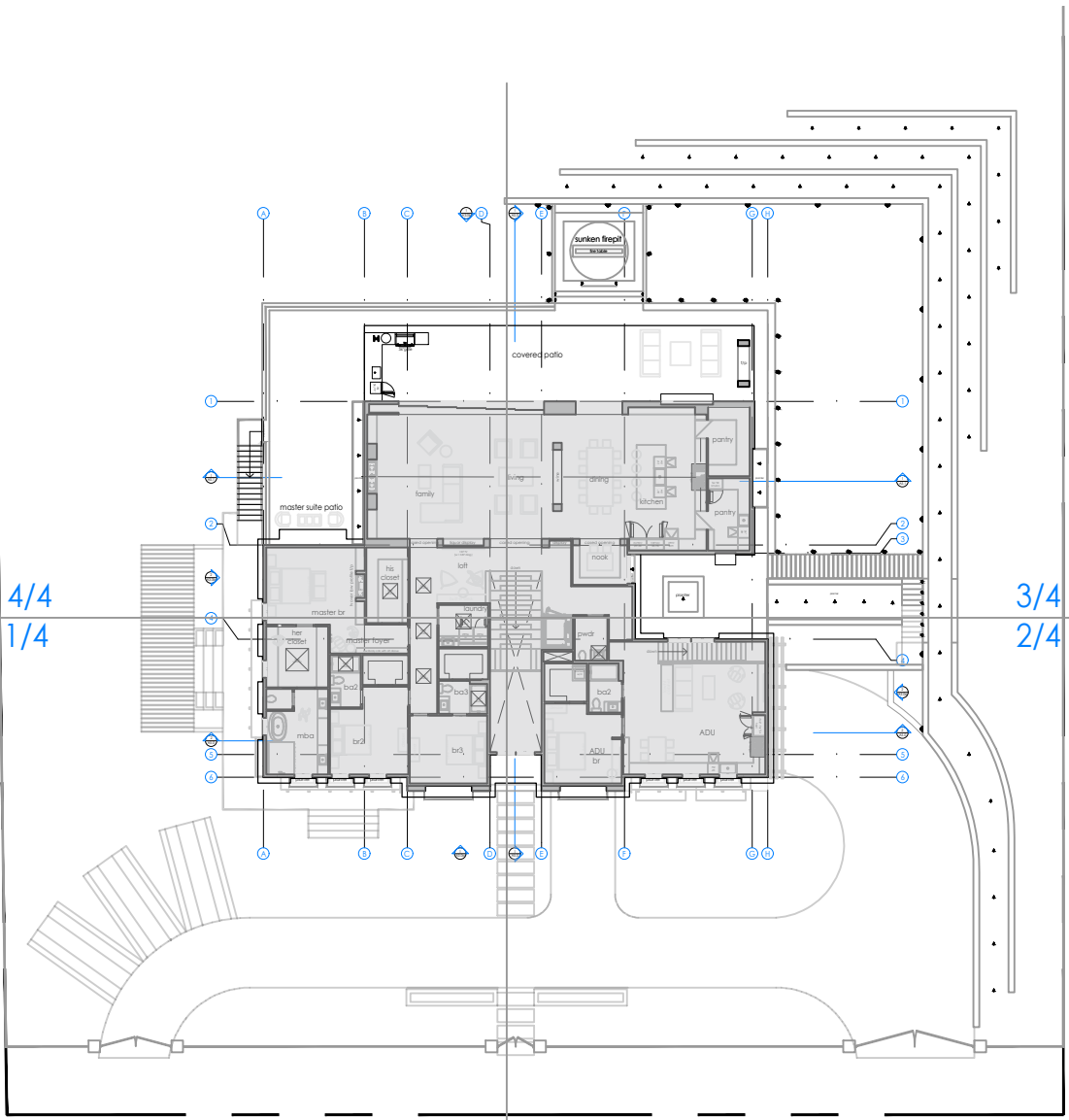


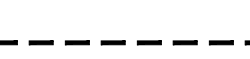
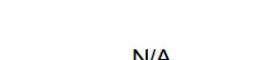


LANDSCAPE LIGHTING PLAN 3/4

1/4"

1



LANDSCAPE LIGHTING SCHEDULE	
SYM/PICTURE	 
DESCRIPTIONS	POST LIGHT / Bromley 2361 OZ-LL
COLOR/FILTER	AMBER
FINISH	OIL RYBBED BRONZE
PRODUCT'S LINK	https://www.hinkley.com/2361oz-ll.html
SYM/PICTURE	 
DESCRIPTIONS	INGRADE LIGHT / FXLUMNAIRE FC-3LED-CW-BZ
COLOR/FILTER	AMBER
FINISH	NATURAL BRASS
PRODUCT'S LINK	https://www.fx.com/product/in-grade-and-well-lights-hardscapes/designer/fc
SYM/PICTURE	 
DESCRIPTIONS	PATH LIGHT #1 / FXLUMNAIRE DS-NL-18R-BZ
COLOR/FILTER	AMBER
FINISH	BRONZE METALLIC
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds
SYM/PICTURE	 
DESCRIPTIONS	PATH LIGHT #2 / FXLUMNAIRE DS-NL-12R-BZ
COLOR/FILTER	AMBER
FINISH	BRONZE METALLIC
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds
SYM/PICTURE	 
DESCRIPTIONS	STEP LIGHT #1 / FXLUMNAIRE MW-LED20W-BS
COLOR/FILTER	AMBER
FINISH	NATURAL BRASS
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/
SYM/PICTURE	 
DESCRIPTIONS	STEP LIGHT #2 / FXLUMNAIRE CG-NL-BS
COLOR/FILTER	AMBER
FINISH	NATURAL BRASS
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/
SYM/PICTURE	 
DESCRIPTIONS	LED STRIP LIGHT
COLOR/FILTER	AMBER
FINISH	-
PRODUCT'S LINK	NO DATA
SYM/PICTURE	 
DESCRIPTIONS	WALL LIGHT / FXLUMNAIRE HS-ZD-FW
COLOR/FILTER	AMBER
FINISH	FLAT WHITE
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights/
SYM/PICTURE	 
DESCRIPTIONS	WALL WASH UPLIGHT / FXLUMNAIRE WS-LED35W-BZ
COLOR/FILTER	AMBER
FINISH	BRONZE METALLIC
PRODUCT'S LINK	https://www.fx.com/product/up-lights/standard/ws
SYM/PICTURE	 
DESCRIPTIONS	UPLIGHT / FXLUMNAIRE FR-ZD-AB
COLOR/FILTER	AMBER
FINISH	ANTIQUE BRONZE
PRODUCT'S LINK	https://www.fx.com/product/up-lights/designer/fr

KEYNOTES AND LEGENDS

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FOR PERMIT REVIEW ONLY--NOT FOR CONSTRUCTION

Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE

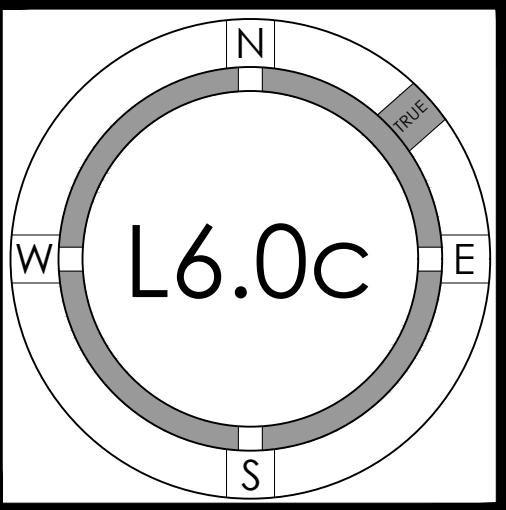
Milpitas, 1321 Terra Vista Court

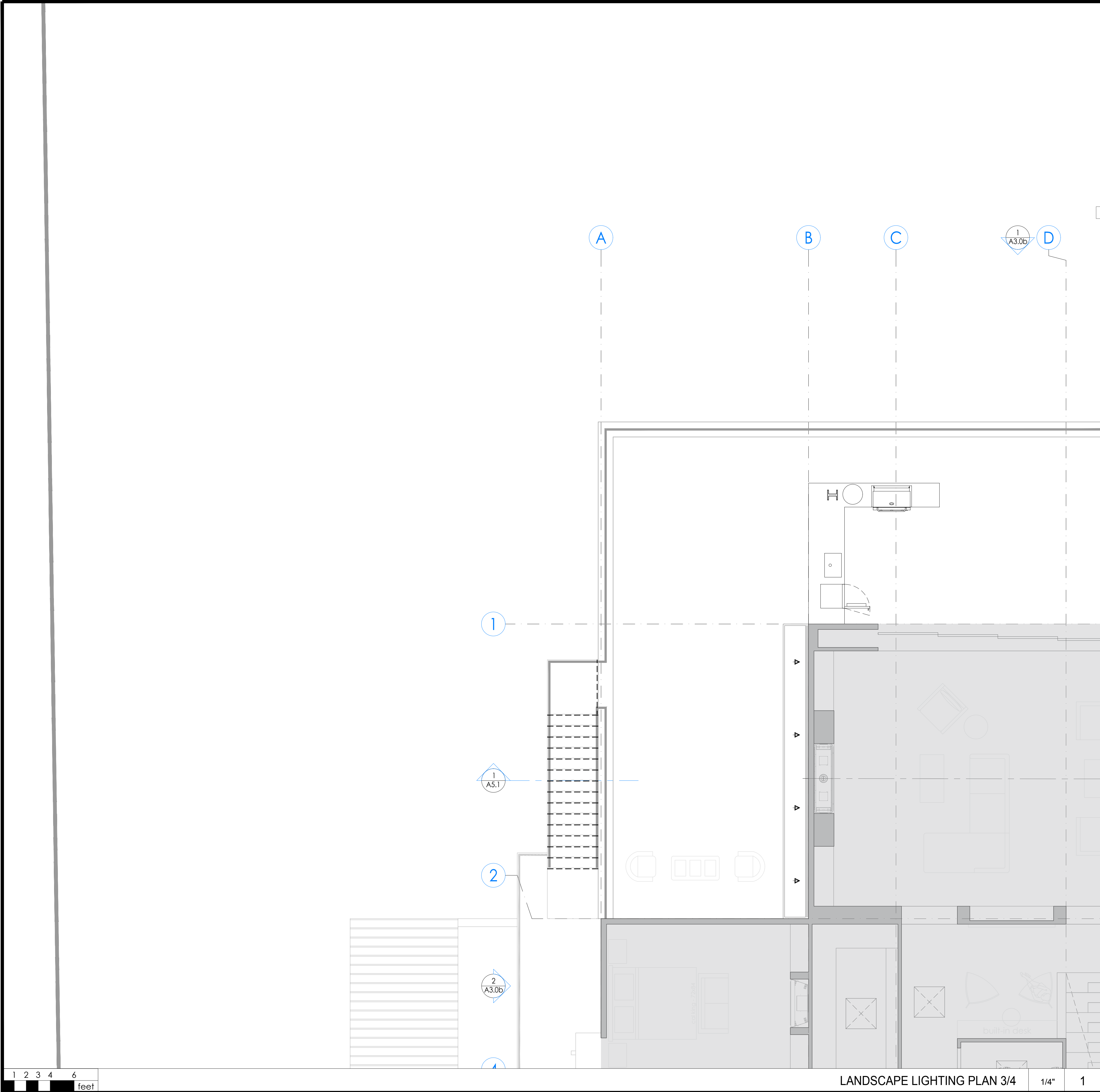
Hue Tran Vu Nguyen



PROJECT NO.	DATE	DESCRIPTION	DRAWN BY
21-036	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
	2023.02.03	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

LIGHTING PLAN 3/4

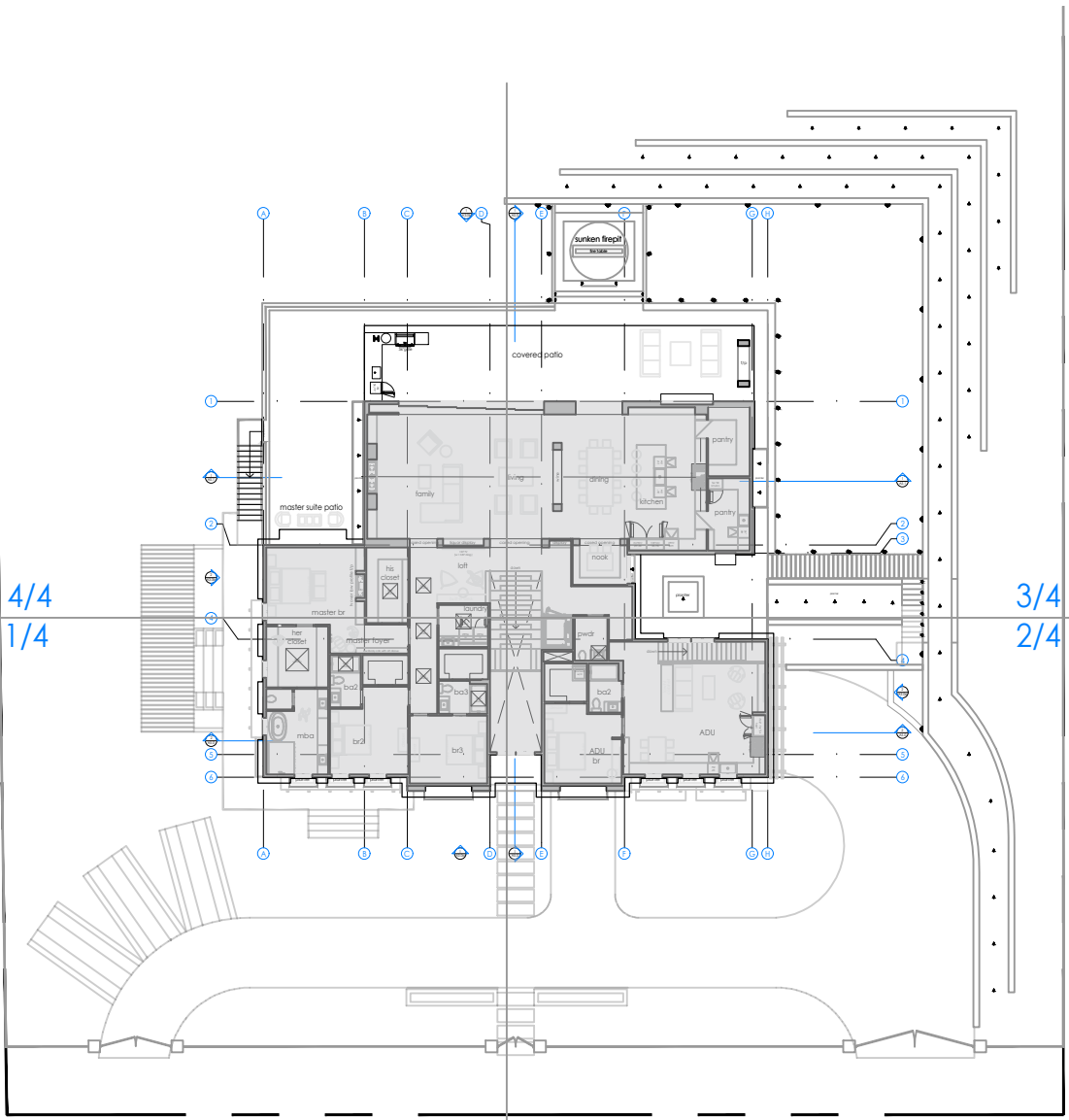




LANDSCAPE LIGHTING PLAN 3/4

1/4"

1



LANDSCAPE LIGHTING SCHEDULE			
SYM/PICTURE			
DESCRIPTIONS	POST LIGHT / Bromley 2361 OZ-LL		
COLOR/FILTER	A/BER		
FINISH	OIL RYBBED BRONZE		
PRODUCT'S LINK	https://www.hinkley.com/2361oz-ll.html		
SYM/PICTURE			
DESCRIPTIONS	INGRADE LIGHT / FXLUMNAIRE FC-3LED-CW-BZ		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/in-grade-and-well-lights-hardscapes/designer/fc		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #1 / FXLUMNAIRE DS-NL-18R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	PATH LIGHT #2 / FXLUMNAIRE DS-NL-12R-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/path-and-area-lights/standard/ds		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #1 / FXLUMNAIRE M-W-LED20W-BS		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE			
DESCRIPTIONS	STEP LIGHT #2 / FXLUMNAIRE CG-NL-BS		
COLOR/FILTER	A/BER		
FINISH	NATURAL BRASS		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE		N/A	
DESCRIPTIONS	LED STRIP LIGHT		
COLOR/FILTER	A/BER		
FINISH	-		
PRODUCT'S LINK	NO DATA		
SYM/PICTURE			
DESCRIPTIONS	WALL LIGHT / FXLUMNAIRE HS-ZD-FW		
COLOR/FILTER	A/BER		
FINISH	FLAT WHITE		
PRODUCT'S LINK	https://www.fx.com/product/wall-and-step-lights-		
SYM/PICTURE			
DESCRIPTIONS	WALL WASH UPLIGHT / FXLUMNAIRE WS-LED35W-BZ		
COLOR/FILTER	A/BER		
FINISH	BRONZE METALLIC		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/standard/ws		
SYM/PICTURE			
DESCRIPTIONS	UPLIGHT / FXLUMNAIRE FR-ZD-AB		
COLOR/FILTER	A/BER		
FINISH	ANTIQUE BRONZE		
PRODUCT'S LINK	https://www.fx.com/product/up-lights/designer/fr		

KEYNOTES AND LEGENDS



1000 S Winchester Blvd
San Jose, CA 95128
P : (408) 998 - 0983

Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE

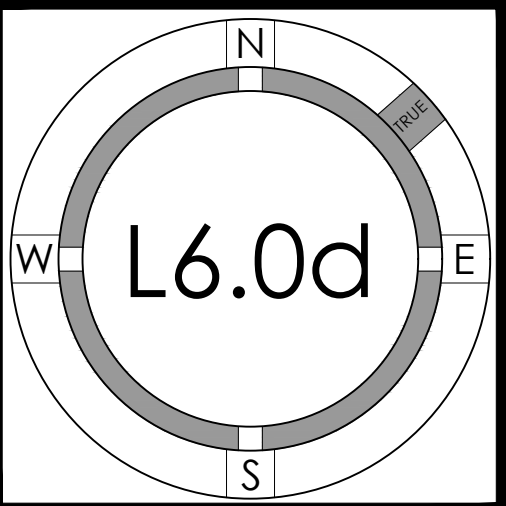
Milpitas, 1321 Terra Vista Court

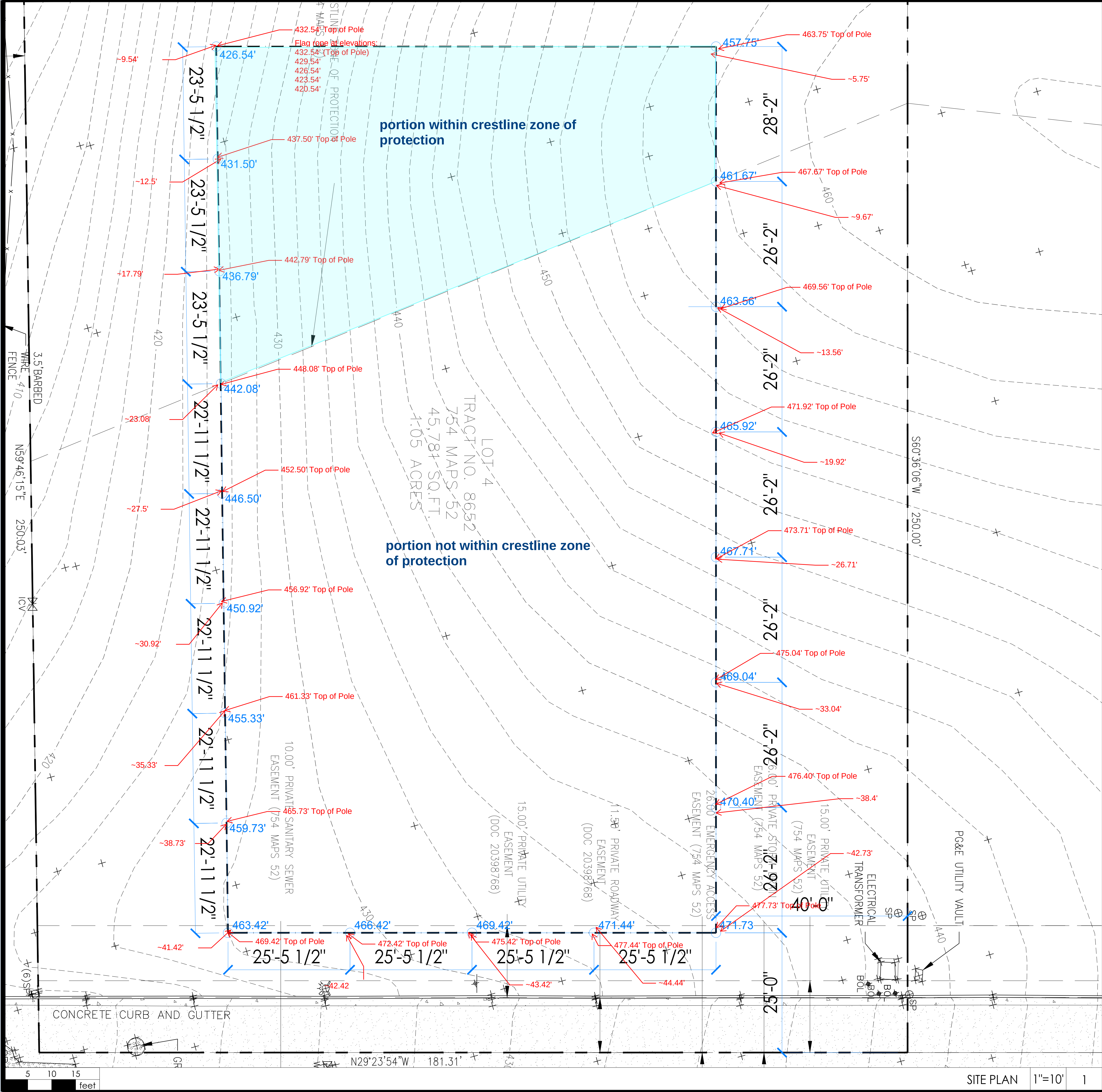
Hue Tran Vu Nguyen



PROJECT NO.	DATE	DESCRIPTION	DRAWN BY
21-036	2022.11.30	PLANNING DEPARTMENT SUBMITTAL	IG / MKA
	2023.02.03	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.07.20	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA
	2023.09.01	PLANNING DEPARTMENT RESUBMITTAL	IG / MKA

LIGHTING
PLAN
4/4





Flag rope to start at top of pole elevations called out in red. Additional flag rope rows to continue at 3' intervals down for a total of 5 rows of flag rope. Blue elevation markers represent middle row of flag rope.

Elevations of each flag rope called out for story pole one as a reference. All other story poles to follow same pattern as spelled out above.



1000 S Winchester Blvd
San Jose, CA 95128
P : (408) 998 - 0983

FOR PERMIT REVIEW ONLY - NOT FOR CONSTRUCTION

Tran-Nguyen Residence
NEW SINGLE FAMILY HOUSE

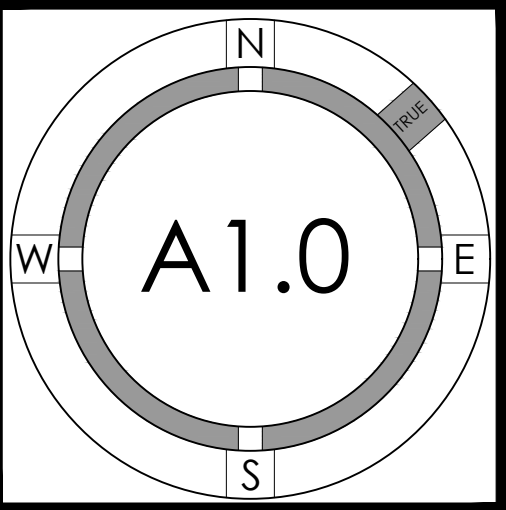
Milpitas, 1321 Terra Vista Court

Hue Tran Vu Nguyen



PROJECT NO.	REVISION	DATE	DESCRIPTION	DRAWN BY
21-036				

SITE PLAN
&
DEMO SITE PLAN





CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Approving a Site Development Permit to Develop a New Two-story Single-Family Residence with an Attached Accessory Dwelling Unit, an In-Ground Swimming Pool, and Associated Site Improvements on a Vacant 1.3-Acre Lot Located in the R1-H Single-Family Residential Zoning District with a Hillside Combining District at 490 Vista Ridge Drive (Staff Contact: Jay Lee, Planning Director, 408-586-3077)
Category:	Consent Calendar-Community Development
Meeting Date:	12/5/2023
Recommendation:	Consider the exemption in accordance with CEQA and adopt a resolution approving Site Development Permit SD23-0003 to allow development of a new single-family residence with an attached ADU, an in-ground swimming pool, and associated site improvements at 490 Vista Ridge Drive, subject to the attached Conditions of Approval.

BACKGROUND:

On February 14, 2023, Todd Aranaz of Fougerson Architecture submitted a Site Development Permit application to develop a new 5,838-square foot, two-story single-family residence with a 1,552-square foot attached garage on a vacant 1.3-acre lot (Lot 21 of the Spring Valley Heights subdivision) located at 490 Vista Ridge Drive. The proposed project includes an attached 1,138-square foot accessory dwelling unit (ADU), in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements. The zoning designation for this property is Single-Family Residential (R1) with a Hillside (H) Combining District. Per Milpitas Municipal Code (MMC) Section XI-10-45.09-2, no building permit shall be issued for the construction or expansion of a single-family structure in the Hillside (H) Combining District until such structure has received a site and architectural review approval by the Planning Commission (PC) and City Council (CC). On November 8, 2023, the Planning Commission held a duly noticed public hearing on this item and voted unanimously (7-0) to recommend that the City Council approve the project. A copy of Planning Commission Resolution No. 23-019 is attached to this report.

ANALYSIS:

Planning staff recommends that the City Council review and approve a resolution to allow the development of a single-family residence with an attached three-car garage, attached ADU, in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements on a vacant lot located at 490 Vista Ridge Drive. The project site is located on the southeastern edge of the City of Milpitas, adjacent to properties with the same single-family hillside zoning designation. Unincorporated Santa Clara County properties are located further to the north and east.

The proposed residence is designed to be compatible with the other homes in the area by incorporating strong lines and a mix of high-quality metal or wood and earth tone materials that reflect with the rural character of the neighborhood. Articulating the architectural forms and blending with various finishes creates an attractive, modern exterior facade. The overall color scheme of the residence will have shades of beige and gray. The exterior materials include cladding with a beige brick veneer rain screen system, gray cedar wood siding accents, and "Gunmetal" gray trim and gray aluminum windows with high-efficiency insulated safety glass. The roof material will also match the gray window color with standing seam metal materials. The majority of these materials will be locally sourced and be sustainable through the use of FSC-Certified wood, recycled denim insulation throughout, recycled aggregate and fly ash in the building foundation. Additionally, the beige brick veneer is a 'ventilated' cladding that allows the building to stay dry and receive air flow. The new residence will also be clad with 1-hour fire resistant Densglass, sheathing under the non-combustible brick veneer and metal roofing to provide additional fire resistance to wildfires. All exterior materials and finishes work together as a

palette of earth tone colors creating harmony with the surroundings. The colors and materials proposed are complementary to the character of the rural, neighboring residences.

In accordance with MMC Section XI-10-45.09-7, and as outlined in the attached Planning Commission staff report and resolution, the City Council shall consider the following guidelines in its review of the proposed project:

- (a) Avoid unreasonable interference with views and privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of the residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.
- (b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.
- (c) Minimize Perception of Excessive Bulk. The design of the proposed main and/or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.
- (d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.
- (e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.

The project, including the home, attached garage, and attached ADU, features a creative design, with a minimal building footprint and substantial setbacks from neighboring property lines to alleviate unreasonable interference with views and privacy. The majority of land around the residence and associated driveway will be preserved as natural landscape similar to nearby properties and designated open space lots in the immediate area.

The perception of excessive bulk has been minimized by the incorporation of varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front, rear, and side facing elevations with the terraced floor levels to remove the perception of bulk within the two-story residence. This stepped down design of the floors into the hillside will provide the illusion that the new residence is one-story as viewed from Vista Ridge Drive. The proposed maximum height of the residence at 26-feet and 4-inches is within the 27-foot height limit, and all required building setbacks will exceed the minimum standards to help mitigate potential impairment of light and air. In addition, the structure's foundation follows the natural slope of the hillside to ensure minimal grading, consisting of 805 cubic yards (cy) of cut and 310 cy of fill. The majority of the excavation will occur outside of the building footprint for the in-ground pool, driveway, and septic system (530 cy), and approximately 495 cy of soil will be exported offsite. Furthermore, the Architectural Review Committee of the Spring Valley Heights Homeowners Association provided a tentative approval for the proposed project design on December 6, 2022. As noted earlier in the report, the Planning Commission recommended Council approval of the project based on the required findings for approval.

POLICY ALTERNATIVE(S):

Alternative 1: Direct staff to draft a resolution to deny the project for review at a subsequent meeting.

Pros: The existing hillside lot is not developed and remains as open space, or a new or revised project could be proposed.

Cons: The applicant would need to either withdraw the application or resubmit revised plans for development of a new residence at this location.

Reason for Not Recommending: The proposed project meets the required findings for approval and is consistent with the City's goals of supporting the development of new high-quality housing in all areas of the City, including appropriate hillside locations. Both staff and the Planning Commission are recommending approval of the proposed project.

FISCAL IMPACT:

If the proposed project is approved, the applicant will apply for building permits and pay associated fees. The new single-family home will increase the property value and tax revenues but will also increase the demand for

City services, including public safety and utilities. The project is located within an existing residential subdivision with existing services nearby.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The project is exempt from further environmental review under CEQA pursuant to Section 15303(a) for New Construction or Conversion of Small Structures including one single-family residence or a second dwelling unit in a residential zone. The project proposes the new construction of a single-family residence with an attached garage and attached ADU within a residentially zoned area on a legally established parcel, and it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. As a separate and independent basis, the project is exempt from further CEQA review pursuant to Section 15183 of the CEQA Guidelines for projects consistent with a community plan, general plan or zoning. The project is consistent with the General Plan and the applicable zoning, and there are no significant environmental impacts peculiar to the project or its site.

RECOMMENDATION:

Consider the exemption in accordance with CEQA and adopt a resolution approving Site Development Permit SD23-0003 to allow development of a new single-family residence with an attached ADU, an in-ground swimming pool, and associated site improvements at 490 Vista Ridge Drive, subject to the attached Conditions of Approval.

Attachments:

- (a) City Council Resolution No.
- (b) Planning Commission Staff Report dated November 8, 2023
- (c) Planning Commission Resolution No. 23-019
- (d) Project Plans

RESOLUTION NO. XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING SITE DEVELOPMENT PERMIT NO. SD23-0003 TO CONSTRUCT A NEW HILLSIDE HOME WITH AN ATTACHED ACCESSORY DWELLING UNIT, IN-GROUND POOL, DEER FENCING UP TO 5.5- FEET IN HEIGHT, LANDSCAPING, AND ASSOCIATED SITE IMPROVEMENTS ON A VACANT 1.3-ACRE SITE IN THE R1-H SINGLE-FAMILY RESIDENTIAL ZONING DISTRICT WITH AN H HILLSIDE COMBINING DISTRICT LOCATED AT 490 VISTA RIDGE DRIVE AND MAKING CEQA FINDINGS OF EXEMPTION

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, on September 28, 1982, the County of Santa Clara Board of Supervisors approved the final map for Tract 6744 to create the 26-lot subdivision known as the Spring Valley Heights neighborhood; and

WHEREAS, on January 21, 1983, the City of Milpitas annexed Tract 6744 from the County of Santa Clara; and

WHEREAS, on February 14, 2023, Todd Aranaz of Fougerson Architecture (“Applicant” or “Permittee”) submitted an application for a development proposal to allow development of a 5,838-square foot, single-family residence up to 26 feet, four inches (two stories) in height, with a 1,552-square foot attached garage, 1,138-square foot attached Accessory Dwelling Unit, in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements on a vacant 1.3-acre site (Lot 21 of the Spring Valley Heights subdivision) at 490 Vista Ridge Drive (APN: 042-30-022) (the “Project”). The Project site is zoned Single Family Residential - Hillside; and

WHEREAS, the Planning Division completed an environmental assessment for the Project in accordance with the California Environmental Quality Act (CEQA), which assessment determined that the Project is exempt from environmental review under CEQA in accordance with CEQA Guidelines Section 15303 (New Construction and Conversion of Small Structures) and, as a separate and independent basis, CEQA Guidelines Section 15183 (Projects Consistent with a Community Plan, General Plan or Zoning); and

WHEREAS, on November 8, 2023, the City of Milpitas Planning Commission held a duly noticed public hearing on the subject application, at which time all those in attendance were given the opportunity to speak on the Project, and the Planning Commission unanimously (7-0) recommended approval of the Project to the City Council subject to Conditions of Approval per Planning Commission Resolution No. 23-019; and

WHEREAS, on December 5, 2023, the City of Milpitas City Council held a duly noticed public hearing on the subject application, at which time all those in attendance were given the opportunity to speak on the Project; and

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

SECTION 1: Recitals

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 incorporated herein by reference.

SECTION 2: California Environmental Quality Act (CEQA) Findings

The Project is exempt from environmental review under CEQA pursuant to CEQA Guidelines Section 15303(a) (New Construction or Conversion of Small Structures). The Project involves development of one single-family residence with an attached garage, attached ADU, and associated accessory structures and site improvements within a residentially zoned area on a legally established parcel, and it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. As a separate and independent basis, the project is exempt from further environmental review under CEQA pursuant to CEQA Guidelines Section 15183 (Projects consistent with a Community

Plan, General Plan or Zoning). The Project is consistent with the General Plan and the R1-H Single-family Residential Zoning District with an H Hillside Combining District, and there are no significant environmental impacts peculiar to the Project or its site.

SECTION 3: Site Development Permit Findings (Section XI-10-57.03(F)(1))

The City Council makes the following findings based on the evidence in the public record in support of Site Development Permit No. SD23-0003:

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

As described within the staff report, the development's architectural design and site planning is aesthetically compatible with the neighboring properties, and the on-site grading plan minimizes changes to the natural topography. The proposed single-family residence incorporates earth tone colors and materials that complement both the site and existing neighborhood. Furthermore, the design of the proposed Project will complement adjacent and surrounding development as the new two-story residence features a terraced design into the existing topography of the downsloping lot, appearing as a one-story residence from Vista Ridge Drive and will be built within its size limitations per the Hillside Zoning Ordinance.

- 2. The Project is consistent with the Milpitas Zoning Ordinance.*

Table 1 demonstrates the Project's consistency with the applicable development standards of the R1-H Zoning District per Section XI-10-45 - "H" Hillside Combining District of the Milpitas Zoning Ordinance, including setbacks, height requirements, maximum impervious surface coverage, and parking. The Milpitas Planning Commission at the November 8, 2023, public hearing approved the Project's fence exceptions per MMC XI-10-54.10(D)(4)(a) and the grading plan per MMC XI-10-45.18(b).

Table 1:
Summary of Development Standards

Standards	Hillside Requirements	Proposed	Complies
Front Yard Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	44 ft. 5 in. (Avg. slope of lot is 21%)	Yes
Side Yard Setback	40 ft. minimum	> 40 ft. ¹	Yes
Rear Yard Setback	40 ft. minimum	98 ft. 8 in.	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	5,838 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,596 sq. ft.	Yes
Building Height (maximum)	27 ft. east of crestline	26 ft. 4 in.	Yes
Parking	Main Residence - Three spaces required	Six spaces (three inside garage & three outside)	Yes

¹ Because of the odd-shaped nature of the lot with a curvilinear lot line on three sides as showing in Maps 1 and 2 of the Planning Commission staff report, there is not a traditional side yard for the Project as designed. Nevertheless, all proposed structures are more than 40 feet from any lot line, which meets the minimum 40 foot setback requirement of the Hillside Ordinance on lots with an average slope greater than 16% as shown on Sheet 1.00, Site Plan of the Project plans.

Standards	Hillside Requirements	Proposed	Complies
Fence Height and Materials	Height: 54 inches (4.5 ft.) Material: Wood (all fence post and supporting framework)	Height: 4.5-ft along front, and up to 5.5-ft. at side/rear yards Material: Wood posts with metal supporting framework	Yes, with Planning Commission approval of a fence exception per MMC XI-10-54.10(D)(4)(a)
Grading	Grading plans greater than 500 cubic yards (cy), but less than 1,500 cy requires Planning Commission approval	Cut: 805 cy Fill: 310 cy Export: 495 cy	Yes, with Planning Commission approval per MMC XI-10-45.18(b)

Due to the subject property's location, the Project is also required to comply with the development standards in the City's Hillside Combining District. Per Section XI-10-45.09-7 of the Zoning Ordinance, the Planning Commission and City Council shall consider the following guidelines in their review of proposed new development. Staff has determined the home to be consistent with the Hillside Architectural Guidelines as demonstrated below. See Table 2 for consistency.

Table 2:
Hillside Zoning Ordinance Compliance

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home in consideration to its maximum allowable size outlined in Table 1, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 4-inches, and substantially setback from adjacent residences to the south, east, and west, which minimizes interference with views and privacy. Project plan sheets A1.03a and A1.04 shows the proximity of the subject lot in relationship to adjacent lots and residential structures. Additionally, the subject property is located on a corner lot and adjacent residences are also setback from the street and have privacy landscaping surrounding the lots. New proposed landscaping and deer fencing up to 5.5-feet in height for the Project if the Planning Commission approves the fence height exception per MMC XI-10-54.10(D)(4)(a) will also provide additional privacy screening.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The Project site is currently vacant and undeveloped with no trees. As currently proposed, the design of the house is designed to follow the natural downsloping contour of the lot and proposes the new two-story residence with both floors and supporting structures to step down into the hillside. As a result, the approximate amount of excavation is minimized to 805 cubic yards, 530 cubic yards of which will occur

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
	outside of the building footprint area for the driveway, in-ground pool, and septic system. Approximately 310 cubic yards of this excavated soil will be repurposed for the areas outside the building footprint only, and the remainder of the soil will be exported.
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front, rear, and side facing elevations with the terraced floor levels to remove the perception of bulk within the two-story residence. This stepped down design of the floors into the hillside will provide the illusion that the new residence is one-story as viewed from Vista Ridge Drive, further reducing the perception of excessive bulk.
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed the maximum height limit for homes east of the crestline, has two floor levels that will step down into the downsloping lot, and exceeds all minimum setbacks as required by the Hillside development standards. The proposed home has a combination of flat and minimally pitched roof systems that will include solar panels. With regards to adjacent properties, the lots to the east, north, and west are all on lower elevations than the subject lot, and the residence to the south is on a higher elevation as demonstrated on Project plan sheets A1.03a and A1.04. All neighboring residences are also setback substantially from the proposed new residence. As such, the proposed Project will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. As designed, the proposed location of the new residence will have both floors and associated accessory structures step down into the downsloping lot around the middle portion of the lot, which minimized grade and complies with the Hillside grading criteria. This design minimized grading to 805 cubic yards, the majority of which will be needed for the primary driveway, in-ground pool, and development of the septic system.

3. *The Project is consistent with the Milpitas General Plan.*

As demonstrated in Table 3 below, the Project is consistent with the existing General Plan policies of the Milpitas 2040 General Plan:

Table 3:
General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints as the Project site is located over a half mile east of the crestline and the new residence will be shielded by an existing hill when viewed from the valley floor. Project plan sheets A1.01, A1.02, and A1.03 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. When designing the new residence, the applicant considered the challenges of the existing site constraints of the lot with the City's Hillside regulations in order to minimize significant grading to the lot. The new residence and accessory structures are designed to terrace down the existing slope of the lot, rather than creating a new mass graded flat pad site. As viewed from Vista Ridge Drive and demonstrated with renderings on Project plan sheet A3.01, the new residence will visually appear as one story, with the second floor serving primary front entry for the main residence and attached ADU. This proposed design considering the steep downhill nature of the existing topography will limit the excavation to 805 cubic yards and fill to 310 cubic yards, with 495 cubic yards to be exported offsite. A majority of the total excavation (503 cubic yards) will be for areas outside of the building footprint, including the primary driveway, in-ground pool, and construction of the septic system. As such, the proposed Project is consistent with Policy CD 7-2, as the new two-story residence and accessory structures are designed to step-down and flow with the existing downsloping topography of the lot, and does not require mass alteration of the existing landform.
<i>CD 7-3 Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. The proposed new residence is designed to protect the natural character of the steep sloped lot by having two terraced floors to blend with the natural topography. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set. Grading of the driveway follows the natural contours of the existing lot.
<i>CD 7-4 Avoid mass graded pads within hillside areas. Smaller steps or grade changes should be</i>	Consistent. The subject lot contains steep slopes and the Project does not propose mass graded flat

<i>used over single, large, slope banks to the greatest extent feasible.</i>	pads to accommodate the new residence. The applicant chose to design the new two-story residence with both floors stepping down the existing natural topography of the lot. Grading has been substantially minimized in the Project as a result, in that the siting follows the site's natural contours to preserve the natural terrain quality.
CD 7-5 <i>Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation for the subject site to be used as a single-family residence. Prior to construction of the residence, all proposed Project construction and operational details will be reviewed thoroughly by applicable Departments during the building permit review process. The building permit application will be reviewed with the latest adopted State and local building and development codes, which will include standard requirements such as Construction Best Management Practices (BMPs) and an erosion and sediment control plan to control runoff onto adjacent properties.
CD 7-6 <i>Require hillside development to incorporate architecture, scale, massing, building form, building color, roof materials, and landscaping to reflect the natural hillside setting.</i>	Consistent. The proposed Project's building design and earth tone materials and colors will blend into the rural environment and includes a terraced design into the hillside by appearing as a one-story residence when viewed from Vista Ridge Drive, thereby reducing the massing and scale of the new two-story residence. The exterior facade will include materials such as gray cedar wood siding, beige brick veneer gladding, gray aluminum windows with gray trim, with a matching gray metal standing seam roof. As demonstrated by Colors/Materials Sheets A9.03, 9.03a, and A9.03b of the Project plans, the 3D renderings show the new residence with its earth-toned proposed colors and materials that brings together the natural hillside topography of the lot. Additionally, the proposed landscaping materials are consistent with the Hillside Landscaping Ordinance.

As described above, the Project is compatible and consistent with the surrounding uses and has been found to conform to the intent of the Milpitas 2040 General Plan designation. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor.

SECTION 4: City Council Approval

Based on the foregoing, the City Council hereby approves Site Development Permit No. SD23-0003 to allow the development of a new 5,838-square foot, single-family residence up to 26 feet, four inches (two stories) in height, with a 1,552-square foot attached garage, 1,138-square foot attached ADU, in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements on a vacant 1.3-acre hillside lot in the R1-H Single-family Residential Zoning District with an H Hillside Combining District located at 490 Vista Ridge Drive, based

on the above findings and subject to the Conditions of Approval attached hereto as **Exhibit 1** and incorporated herein.

PASSED AND ADOPTED this ____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Michael Mutalipassi, City Attorney

**SITE DEVELOPMENT PERMIT NO. P-SD23-0003
490 VISTA RIDGE DRIVE (APN 042-30-022)**

The City of Milpitas Planning Commission and City Council approve Site Development Permit No. SD23-0003 in accordance with Section XI-10-45.09 and XI-10-57.03 of the Milpitas Municipal Code, subject to and conditioned upon all applicable State and local laws and regulations and the Conditions of Approval outlined below. This Site Development Permit entitlement is to allow the issuance of building permits for the proposed development of a 5,838-square foot, single-story residence, up to two stories in height, with a 1,552-square foot attached garage ("Project") on a vacant 1.3-acre hillside lot located within the R1-H Single-family Residential Hillside Zoning District at 490 Vista Ridge Dr (APN: 042-30-022), subject to all necessary reviews, approvals, studies, and inspections for the issuance of such building permits.

APPROVED SUBJECT TO THE FOLLOWING CONDITIONS OF APPROVAL:

General Conditions

1. General Compliance. The applicant, including all successors in interest (collectively "Permittee") shall comply with each and every condition set forth in this Permit. Site Development Permit No. SD23-0003 ("Permit") shall have no force or effect and no building permit shall be issued unless and until all things required by the below-enumerated precedent conditions have been performed or caused to be performed and this Resolution has been recorded by the Permittee with the Santa Clara County's Recorder Office and a copy shall be provided to the Planning Department. **(P)**
2. Modifications to Project. Any deviation from the approved site plan, floor plans, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or designee. If the Planning Director or designee determines that the deviation is significant, the Permittee shall be required to apply for review and obtain approval of the Planning Commission, in accordance with the Zoning Ordinance. **(P)**
3. Effective Date. Unless there is a timely appeal filed in accordance with the Milpitas Zoning Code, the date of approval of this Permit is the date on which the decision-making body approved this Permit. **(P)**
4. Acceptance of Permit. Should Permittee fail to file a timely appeal within twelve (12) calendar days of the date of approval of this Permit, inaction by Permittee shall be deemed to constitute each of the following:
 - a. Acceptance of this Permit by Permittee; and
 - b. Agreement by the Permittee to be bound by, comply with, and to do all things required of or by Permittee pursuant to all of the terms, obligations, and conditions of this Permit.
5. Permit Expiration. Pursuant to Section XI-10-64.06 of the Milpitas Zoning Code, this Permit shall become null and void if the activity permitted by this Permit is not commenced within two (2) years from the date of approval, or for a project submitted with a tentative map, within the time limits of the approved tentative map. Pursuant to Section XI-10-64.06(B) of the Milpitas Zoning Code, an activity permitted by this Permit shall be deemed to have commenced when the Project:
 - a. Completes a foundation associated with the Project; or
 - b. Dedicates any land or easement as required from the zoning action; or
 - c. Complies with all legal requirements necessary to commence the use, or obtains an occupancy permit, whichever is sooner.

This permit shall become null and void if the work is added to, modified, or otherwise deviated from in any significant way from the approved site plan, building plan, floor plans, or other approved submittals as determined by the Planning Director or designee.

6. Time Extension. Pursuant to Section XI-10-64.07 of the Milpitas Zoning Code, unless otherwise provided by State law, Permittee shall have the right to request a one-time extension of the Permit if the request is made in writing to the Planning Division prior to the expiration date of the approval. **(P)**

7. Project Job Account. If Permittee's project job account is at any time delinquent or below the required deposit amount, City will not continue to review or process the application until Permittee's private job account is paid in full and the required deposit has been made. Additionally, prior to the issuance of any building permit or occupancy permit, as applicable, Permittee shall pay in full the project account balance and establish a remaining balance of at least twenty-five percent (25%) of the required initial deposit. **(ALL)**
8. Notice. Pursuant to California Government Code Section 66020, any protest filed in court relating to the imposition of fees, dedication, reservations, or other exactions to be imposed on the development project shall be filed within ninety (90) days after the date of the adoption of this Resolution. This provision serves as notice from the local agency to the Permittee that the ninety (90) day period in which the applicant may file a protest has begun under California Government Code Section 66020(d)(1). **(P)**
9. Cost and Approval. Permittee shall fully complete and satisfy each and every condition set forth in this Resolution and any other condition applicable to the Project to the sole satisfaction of the City. Additionally, Permittee shall be solely responsible and liable for the cost to satisfy each and every condition. Permittee shall pay all required fees and charges to City at the rate in effect at time of building permit issuance, or, the rate in effect when the fees and charges are due and paid in full to City. There is no vesting of any fees or charges with the adoption of this Resolution. **(P)**
10. Conditions. Each and every condition set forth in this Exhibit shall apply to the Project and continue to apply to the Project so long as the Permittee is operating the Project under the permits and approvals in this Resolution. **(P)**
11. Compliance with Laws. The construction, use, and all related activity authorized under this Permit shall comply with all applicable local, state, and federal laws, rules, regulations, guidelines, requirements, and policies. **(CA/P)**
12. Previous Approvals. Permittee shall abide by and continue to comply with all previous City approvals, permits, or requirements relating to the subject property, unless explicitly superseded or revised by this Permit. **(ALL)**
13. Indemnification. To the fullest extent permitted by law, Permittee shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the Project, including but not limited to, the approval of the discretionary permits, maps under the Subdivision Map Act, and/or the City's related determinations or actions under the California Environmental Quality Act, and (ii) Permittee's construction, operation, use, or related activity under this Permit. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. Permittee shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Permittee shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition. **(CA)**
14. Revocation, Suspension, Modification. This Permit may be suspended, revoked, or modified in accordance with Section XI-10-63.06 of the Milpitas Zoning Code. **(P)**
15. Severability. If any term, provision, or condition of this Permit is held to be illegal or unenforceable by the Court, such term, provision, or condition shall be severed and shall be inoperative, and the remainder of this Permit shall remain operative, binding, and fully enforceable. **(ALL)**
16. Conditions of Approval. As part of the issuance of building permits, the Permittee shall include within the first four pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the project. **(P)**
17. Development in Conformance with Approved Plans: Permittee shall develop the approved Project in conformance with the plans dated September 28, 2023 and approved by the City Council on the date of the signed City Council Resolution, in accordance with these Conditions of Approval. Any deviation from the approved site plan, elevations, materials, colors, landscape plan or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or Designee. If the Planning Director or designee determines that the deviation is

significant, the owner or designee shall be required to apply for review and obtain approval of the Planning Commission or City Council, as applicable, in accordance with the Milpitas Zoning Code. **(P)**

18. Response to Conditions of Approval. Permittee shall provide a written response to comments upon submittal for building permit application. The responses should clearly indicate how each condition of approval has been addressed in the plans and shall note the appropriate plan sheet. **(P)**
19. Prior to the issuance of a building permit, the owner or designee shall include within the four first pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the Project. **(P)**
20. Streets shall be designed to generally follow the contours and landform in order to minimize cut and fill. Exposed walls facing roadways and retaining walls shall be no greater than six feet in height. Crib walls facing roadways shall be no greater than 15 feet in height. **(P)**
21. Landscaping coverage and stabilization of graded slopes shall be selected and designed to be compatible with surrounding natural vegetation or to replace removed natural vegetation and should recognize climate, soil, and ecological characteristic of the region. Plant materials that require excessive water after becoming established should be avoided. **(P)**
22. Within six months, or such other period established by the Planning Commission, after the commencement of grading activities, all graded areas not covered by an impervious surface shall be stabilized in such manner as shall be approved by the Planning Director. **(P)**
23. The proposed home is located east of the Crestline and is subject to a maximum height of 2 stories or 27 feet. **(P)**
24. Trees which have a six inch or greater diameter trunk size at a point three feet above grade may not be removed without obtaining prior approval from the City. The location of all such trees shall be shown on all plans submitted for approval. The Planning Commission, upon review of an "S" Zone application approval, shall have the power to authorize removal, relocation or replacement if the Permittee can show that such requirement is unreasonable as applied to the particular property. If the removal is permitted, the replacement of any trees removed pursuant to this section shall be at a five to one (5:1) ratio. **(P)**
25. Where two cut-or-fill slopes intersect, the intersection shall be horizontally rounded and blended. **(P)**
26. Where any cut-or-fill slopes intersect the natural grade, the intersection of each slope shall be vertically and/or horizontally rounded and blended. **(P)**

FIRE DEPARTMENT CONDITIONS

The plans approved by the Planning Department process are not building plans and have not been reviewed nor approved for conformance to the California Building Code (CBC), California Fire Code (CFC) and the Milpitas Municipal Code (MMC). Do not consider this set of plans as final building plans approved by the Fire Department. Building plans must be submitted for review and approval before construction is to commence. The following notes are a general list of the applicable code requirements (2022) and are provided to assist with the building permit process. Please note that these are not all inclusive. All applicable Building, Fire and Municipal Code requirements must be met in advance of any building permit approvals or related construction.

27. Electronic documents. The fire code official may require electronic base documents for all construction documents and operational permits. The fire code official shall designate the software base format for the electronic documents. CFC Section 106.2.1, added by MMC Section V-300-2.28, and CFC Section 106.1.1
28. Automatic Fire Sprinkler Requirements. An automatic sprinkler system shall be provided throughout the new dwellings (main and guest), inclusive of basements and garages. Milpitas Municipal Code Section V-300-2.69, CFC Section 903.2.8
29. Fire Department access. Sheets A-1.0 shows an acceptable Fire Dept. apparatus access. Fire apparatus access roads shall be provided for every building hereafter constructed when any portion of an exterior wall of the first story is

located more than 150 feet from fire apparatus access as measured by an approved route around the exterior of the building. Fire apparatus access shall meet the following:

- a. Fire apparatus access shall extend to within 150 feet of all portions of exterior walls of the building/structure per the California Fire Code Section 503.1.
- b. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather capabilities. Bearing capacity for the driveway and the entry drive court shall be designed to provide a minimum of 75,000 lbs bearing capacity for the fire apparatus. CFC Section 503.2.3, D102.1
- c. The grade (maximum 10%) of the fire apparatus access road shall be within the limits established by the fire code official based on the fire department's apparatus. CFC Section 503.2.7
- d. Electric gates. Where provided, gates shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F 2200. CA Fire Code Section 503.5

Electric gates shall also be provided with a Milpitas Fire Department approved "Knox" electronic switch in addition to the keypad. CA Fire Code Section 506

30. Premises identification. New and existing buildings shall have approved address numbers. Address numbers shall be illuminated and located where they are clearly visible from the street. CFC Section 505
31. Fire Flow. Fire flow requirements for buildings or portions of buildings and facilities shall be determined by an approved method or *Appendix B*.
 - a. Fire flow data based on the 8,528 square foot type VB building total area provided, a minimum requirement of 1,250gpm. Table B105.1(1) and B105.1(2) for hydrant. Available fire flow shall be taken into consideration when designing the fire sprinkler system.
32. Water supply requirements. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 400 feet (122 m) from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site fire hydrants and mains shall be provided where required by the fire code official. CFC Section 507.5.1

Exception:

For Group R-3 and Group U occupancies, equipped throughout with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1, 903.3.1.2 or 903.3.1.3, the distance requirement shall be not more than 600 feet

33. Sprinkler system supervision and alarms, and monitoring. It is recommended that due to the location of the home (hillside) the automatic fire sprinkler system for this home be a system that has supervision and alarm, and monitoring system in conformance to the CA Fire Code Section 903.4.
34. R Occupancy - Smoke Alarm. Single- and multiple-station smoke alarms. Listed single- and multiple-station smoke alarms complying with UL 217 shall be installed in accordance with Sections 907.2.11.1 through 907.2.11.7 and NFPA 72.

Exception: For Group R occupancies. A fire alarm system with smoke detectors located in accordance with this section may be installed in lieu of smoke alarms. Upon actuation of the detector, only those notification appliances in the dwelling unit or guest room where the detector is actuated shall activate. [Ref.: CFC 907.2.10]

ENGINEERING DEPARTMENT CONDITIONS

PRIOR TO CONSTRUCTION PLAN SUBMITTALS

*The following conditions shall be met **prior to** any detailed construction plan check submittals (Building or Engineering, except demolition and rough grade plans), unless otherwise approved by the Director of Engineering/City Engineer. City reserves the right to reject any plan check submittal if any of the following conditions are not met. (E)*

35. **Modifications:** The Site Development Plan dated 9/28/2023 is subject to change during the plan check stage based upon City's previous comments and conditions stated herein.
36. **Stormwater Control Plan:** Permittee shall submit City approved final Stormwater Control Plan (SWCP) that complies with the latest Municipal Regional Stormwater NPDES Permit, including Low Impact Development (LID) Section C3.c.i.(2)(b) measures for harvesting and reuse, infiltration, or evapo-transpiration, for City's review and approval by the Engineering Department.
37. **Project Job Account/Fee Deposit:** Permittee shall open a new PJ account as a deposit to cover the costs for Engineering Department's services for review and inspection of the project. The amount shall be determined based on the approved City fee schedule at the time of application submittal.

PRIOR TO FINAL MAP APPROVAL/RECORDATION

*The following conditions shall be addressed during the final map plan check process and shall be met **prior to** any final approval/recordation (except demolition permit and rough grade permit), unless otherwise approved by the Director of Engineering/City Engineer. (E)*

38. **Utility Company Approval:** Permittee shall obtain approval letters from utility companies (PG&E, AT&T, Comcast) for abandonment of existing and dedication of new public service utilities easements.

PRIOR TO OFF-SITE PLAN APPROVAL/ENCROACHMENT PERMIT ISSUANCE

*The following conditions shall be addressed as part of the off-site improvement plan review and shall be met **prior to** encroachment permit issuance, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

39. **Public Improvement Design Standards:** All public improvements shall be designed and constructed in accordance with all applicable public improvement design standards, including but not limited to:
 - a. Milpitas Design Guidelines: (<https://www.milpitas.gov/317/Land-Development-Procedures-Guidelines>);
 - b. Standard details and specifications: (<https://www.milpitas.gov/317/Land-Development-Procedures-Guidelines>);
 - c. Americans with Disabilities Act (ADA) requirements, where applicable.
40. **Domestic Water and Fire Service Calculations:** Permittee shall submit potable water and fire service calculations to confirm adequacy of lateral size, pressure and flow, to be reviewed and approved by the Engineering Department and Fire Department. Hydraulic modeling analysis by the City and paid by the Permittee may be required as needed. Permittee shall be responsible to implement any necessary improvements if there is any identified deficiency to the existing main as a result of the project.
41. **Water Service Agreement:** Permittee shall complete a water service agreement to obtain water service.

PRIOR TO BUILDING PERMIT ISSUANCE

*The following conditions shall be addressed during the building plan check process and shall be met **prior to** any building permit issuance (except demolition permit and rough grade permit), unless otherwise approved by the Director of Engineering/City Engineer. (E)*

42. **Water Supply and Force Majeure:** The City reserves the right to suspend the issuance of building permits in case of an emergency declaration of water supply in the case of a major catastrophic event that restricts City's assurance to provide water supply.

43. Water Efficient Landscapes: Permittee shall comply with Milpitas Municipal Code Title VIII, Chapter 5 Water Efficient Landscapes for landscape design, including but not limited to, providing separate water meters for domestic water service and irrigation service and providing applicable landscape documentation package.
44. Mailboxes: The Permittee shall coordinate with US Postal Services regarding placement of required mailboxes. Mailbox location shall not be on public street frontages and shall be approved by City and US Postal Services prior to building permit issuance. Mailbox locations shall be shown on the improvement plans and Permittee shall submit a letter to the City's Land Development Engineering Section from the Post Master approving the location of the mailbox. Structures to protect mailboxes may require Building, Engineering and Planning Department review.

DURING CONSTRUCTION

*The following conditions shall be complied with at all times **during** the construction phase of the project, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

45. Dewatering: If dewatering is needed during construction, Permittee shall obtain a Short-Term Industrial Wastewater Permit from the San Jose/Santa Clara Water Pollution Control Plant for discharging the groundwater to a sanitary sewer system.
46. Prohibition of Potable Water Usage: Permittee shall use recycled water for construction purposes, including dust control and compaction. Permittee shall comply with MMC VIII-6-5.00 and 6-6.00 where potable water usage is prohibited, unless otherwise approved by the City Council.
47. Construction Staging and Employee Parking: Permittee shall place all construction related materials, equipment, and arrange construction workers parking on-site and not located in the public right-of-ways or public easements.

PRIOR TO FIRST OCCUPANCY

*The following conditions shall be met **prior to** first building occupancy on either lot, unless otherwise approved by the Director of Engineering/City Engineer.*

48. Landscape Certificate of Completion: Permittee shall submit a Certificate of **Substantial** Completion that complies with the Milpitas Municipal Code Water Efficient Landscapes ordinance.
49. Record Drawings: Permittee shall submit record drawings in Full size hard copy, AutoCAD, Tiff, and PDF formats for City records. Record drawings shall include all public improvements. Additionally, if the project uses recycled water, the permittee shall also submit record drawings of on-site irrigation facilities.
50. Private Job (PJ) Balance: Permittee shall pay for any remaining balance from the Private Job deposit.

BUILDING DEPARTMENT CONDITIONS

51. Compliance with California Code of Regulations. The Project shall comply with the requirements of the Building Safety and Housing Department and the California Code of Regulations Title 24 and the Milpitas Municipal Code as adopted by the City. Building permits shall be submitted to and approved by the Building Safety and Housing Department prior to start of construction. All California Code of Regulations Title 24 and Milpitas Municipal Code requirements applicable at the time of building permit application must be met in advance of any building permit approvals or related construction. Changes to the site plan and/or building plan require review and approval by the Building Safety and Housing Department.

LEGEND

(P) = Planning Department
(B) = Building Department
(E) = Engineering Department
(F) = Fire Department
(CA) = City Attorney's Office
ALL = All Reviewing Department

NOTICE OF RIGHT TO PROTEST

The Conditions of Project Approval set forth herein include certain fees, dedication requirements, reservation requirements, and other exactions. Pursuant to Government Code Section 66020(d)(1), these Conditions constitute written notice of a statement of the amount of such fees, and a description of the dedications, reservations, and other exactions. You are hereby further notified that the 90-day approval period in which you may protest these fees, dedications, reservations, and other exactions, pursuant to Government Code Section 66020(a), began on date of adoption of this resolution. If you fail to file a protest within this 90-day period complying with all of the requirements of Section 66020, you will be legally barred from later challenging such exactions.

AGREEMENT

Permittee/Property Owner

The undersigned agrees to each and every condition of approval and acknowledges the NOTICE OF RIGHT TO PROTEST and hereby agrees to use the project property on the terms and conditions set forth in this Permit.

Dated: _____

Signature of Permittee



MILPITAS PLANNING COMMISSION STAFF REPORT

November 8, 2023

APPLICATION: **NEW HILLSIDE RESIDENCE – 490 VISTA RIDGE DRIVE – P-SD23-0003:** A Site Development Permit to develop a 5,838-square foot, single-family residence, up to two stories in height, with a 1,552-square foot attached garage on a vacant 1.3-acre hillside lot located in the R1-H Single-family Residential Hillside Zoning District at 490 Vista Ridge Dr. The project includes an attached accessory dwelling unit (ADU), in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements.

RECOMMENDATION: **Staff recommends that the Planning Commission adopt Resolution No. 23-019, approving and recommending approval of Site Development Permit SD23-0003 to the City Council, subject to the attached Conditions of Approval.**

LOCATION:

Address/APN:

490 Vista Ridge Dr. (APN 042-30-022)

Area of City:

North of Vista Ridge Drive, West of Vista Spring Court

PEOPLE:

Project Applicant:

Todd Aranaz, Fougerson Architecture

Property Owner(s):

Sonny Vu and Christy Le

Project Planner:

Kristina Phung, Associate Planner

LAND USE:

General Plan Designation:

Hillside Low-Density (HLD)

Zoning District:

Single Family Residential-Hillside (R1-H)

Site Area:

1.3 acres

ENVIRONMENTAL:

Categorically exempt from environmental review under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15303(a) (New Construction or Conversion of Small Structures) and Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning).

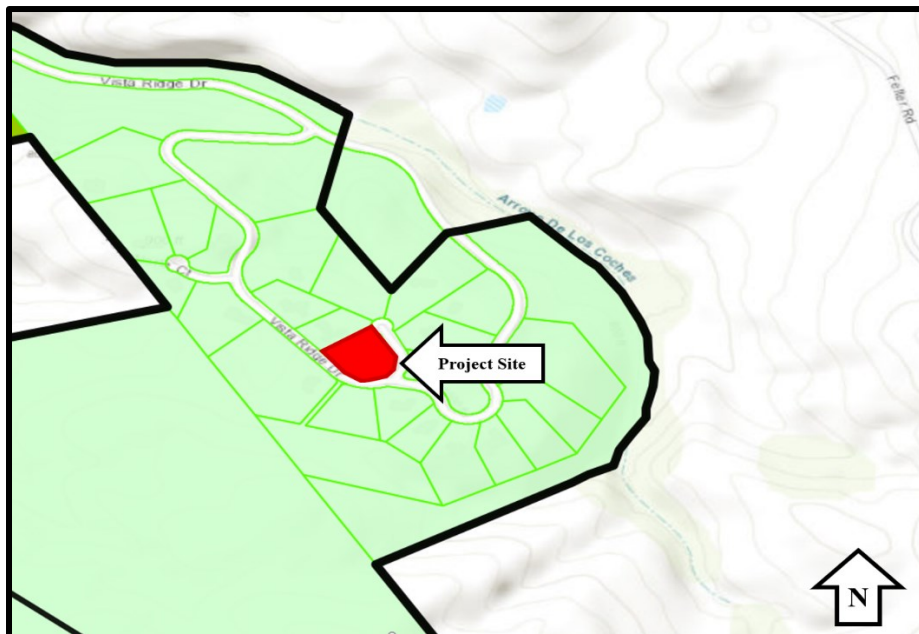
EXECUTIVE SUMMARY

The applicant is requesting a Site Development Permit to construct a 5,838-square foot, two-story single-family residence with a 1,552-square foot attached garage on a 1.3-acre vacant hillside lot (the “Project”). The proposed Project includes an attached 1,138-square foot ADU, in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements. Map 1 demonstrates the location of the vacant lot, and Map 2 demonstrates the subject site and neighboring zoning designation.

Map 1 - Project Location



Map 2 - Zoning Map



BACKGROUND

History

On October 13, 1982, “Tract No. 6744” was filed for recordation in the Office of the Recorder of the County of Santa Clara, State of California. Tract Map No. 6744 created 26 lots, known as the Spring Valley Heights subdivision, with Lots 1-25 ranging in size from approximately 1.0-acre to 5.0-acres. Lot 26 was designated as “Common Area” and contains approximately 45.6 acres.

Subsequently, Tract Map 6744 was amended twice. On February 27, 1986, a lot line adjustment altered the boundaries of lots 1, 4, 5, 16, and 26. On April 8, 1988, Tract Map 6744 was further amended to include the following:

- the elimination of all building envelopes previously recorded on lots 1-25,
- modifications to easements on lots 7, 18, and 20, and
- requiring a geologic considerations analysis for all future developed lots.

Lot 21 is now known as 490 Vista Ridge Drive. The lot has remained vacant since the subdivision was approved in 1982. One other lot remains vacant and undeveloped in this Hillside subdivision.

The Application

The following is a summary of the applicant’s request:

- *Site Development Permit:* To allow the development of a 5,838-square foot, two-story single-family residence with a 1,552-square foot attached garage on a 1.3-acre vacant lot within the hillside. The proposal also includes a 1,138-square foot attached ADU, in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements.

Process

In addition to satisfying the substantive and procedural requirements typically applicable to a Site Development Permit, the application must be considered by both the Planning Commission and the City Council due to the Project’s location within the Hillside Combining District (“H”) (Milpitas Municipal Code Section XI-10-45.09) for conformance with the Hillside Site and Architectural Guidelines.

PROJECT DESCRIPTION

Overview

The applicant is requesting a Site Development Permit to construct a two-story, single-family residence with four bedrooms and four and a half bathrooms. The proposed Project also includes an attached ADU¹ on the second floor, totaling approximately 1,138-square feet (sq. ft.). In total, the new residence will have 5,838-sq. ft. of habitable space.

¹ The proposed ADU meets the minimum requirements per State law and Milpitas Municipal Code (MMC) Section XI-10-13.08, Accessory Dwelling Units. Therefore, the ADU must be approved ministerially and is not subject to any discretionary review.

The first floor, totaling approximately 2,720 sq. ft. will include the following: laundry room, mechanical room, four bedrooms, four bathrooms, storage areas, and an attached three-car garage with bike storage and electric vehicle charging capabilities. One additional onsite uncovered parking stall will be located on the primary driveway. A proposed secondary “Hollywood” driveway along the front portion of the lot will provide two additional onsite uncovered parking stalls. In total, six onsite parking stalls are proposed.

The second floor will contain the attached ADU, kitchen, living room, dining room, two offices, one half-bathroom, and a hallway connecting to an attached circular structure to be used as a library with a mezzanine level. The second floor will also connect to a rear deck and stairs providing access to the backyard. An interior staircase and elevator will provide access between both floors. Other proposed accessory structures include a deck and in-ground pool in the rear yard, and an open patio in front of the residence. A permeable pathway will be provided connecting these outdoor areas.

Fence Height and Material Exception Request per MMC XI-10-54.10(D)(4)(a)

Per MMC XI-10-54.10(D), fences and walls within the Hillside District that do not require additional City review must meet all of the following requirements:

- Height: Limited to 54-inches (4.5-feet)
- Design: Must be an openwork design, comprised of materials which results in a minimum of 75% visual transparency within every square foot area, posts excluded. Chain link fences and cyclone type fences are not considered an approved material in the area
- Materials: All fence post and supporting framework material to be wood

However, applicants can obtain an exception to the aforementioned requirements as outlined per MMC XI-10-54.10(D)(4)(a), which allows the Planning Commission to approve fences beyond the 4.5-foot height limit at the side and rear yards, or fences of a different material or design with a Site Development Permit in the Hillside District.

As part of this Site Development Permit (P-SD22-0003) application, the applicant is requesting that the Planning Commission consider a fence exception for the Project regarding the proposed height and materials. The proposed design of the fence includes deer fencing up to a maximum of 5.5-feet in height at the side and rear yards, with materials including wooden posts with steel hogwire paneling material, which will be a minimum of 75% transparency within every square foot area, posts excluded. The height exception request includes fencing up to a maximum of 5.5-feet instead of 4.5-feet in height at the side and rear yards, and the materials exception includes using a metal panel material instead of wood. All other Hillside District fencing requirements are met.

The applicant is requesting the exceptions for the fence height requirements per MMC XI-10-54.10(D)(4)(a) for additional privacy screening and protection from wildlife, and to the materials as the use of steel hogwire is a stronger and more durable material compared to wood. See Sheet L0.22 of Attachment B for fence details.

Location and Context

The Project site is in the eastern portion of the hillside area of the City on an undeveloped 1.3-acre parcel along Vista Ridge Drive and Vista Spring Court. The subject property and all neighboring properties are zoned Single-Family Residential-Hillside. Unincorporated Santa Clara County properties are located further from the Project site to the north and east. The following table provides a summary of the Zoning and Land Uses surrounding the site:

Table 1:
Surrounding Zoning and Land Uses

	General Plan	Zoning	Existing Use
Subject Site	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Vacant
North	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Single-family home
South	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Single-family home (under construction)
East	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Single-family home
West	Hillside Low Density (HLD)	Single-Family Residential-Hillside (R1-H)	Single-family home

Site & Architectural Design

The Project design was influenced by incorporating modern sustainability concepts with the goal of being a “Net Zero” energy home, the property owners’ interest in astrology, and in consideration of the existing natural slope constraints of the lot, described further under the Grading and Landscaping subsection below. The unique architectural design adds to the neighborhood’s diversity of housing stock and received preliminary approval by the Spring Valley Heights Architectural Review Committee in December 2022.

The new residence will be located on an odd-shaped, downsloping lot and incorporates a crescent-shaped design with two floors and outdoor amenities including an in-ground pool that are terraced down into the hillside towards the middle portion of the lot. The terraced design provides the illusion of a one-story house along Vista Ridge Drive. The layout of the residence, together with the natural sloped topography of the lot, maximizes privacy for the homeowners and minimizes views into adjacent properties.

Energy efficient and passive design techniques incorporated into the architecture of the new residence include but are not limited to the following:

- Solar roof panels (photovoltaic system) with battery storage capable of supporting the home’s electricity needs independently. Hot water will also be supplied with a supplemental solar hot water system
- Large windows with high efficiency insulated safety glass
- Hydronically heated floors

- EV car chargers in garage
- All-electric with no propane or natural gas appliances
- Locally sourced building materials

The home incorporates a mixture of high-quality metal or wood and earth tone materials. Articulating the architectural forms and blending with various finishes creates an attractive, modern exterior facade. Large windows are provided throughout the residence to frame views and provide opportunities for extensive natural lighting.

The overall color scheme of the residence will have shades of beige and gray. The exterior materials include cladding with a beige brick veneer rain screen system, gray cedar wood siding accents, and “Gunmetal” gray trim and gray aluminum windows with high-efficiency insulated safety glass. The roof material will also match the gray window color with standing seam metal materials. The majority of these materials will be locally sourced and be sustainable through the use of FSC-Certified wood, recycled denim insulation throughout, recycled aggregate and fly ash in the building foundation. Additionally, the beige brick veneer is a ‘ventilated’ cladding that allows the building to stay dry and receive air flow. The new residence will also be clad with 1-hour fire resistant Densglass, sheathing under the non-combustible brick veneer and metal roofing to provide additional fire resistance to wildfires. All exterior materials and finishes work together as a palette of earth tone colors creating harmony with the surroundings. The colors and materials proposed are complementary to the character of the rural, neighboring residences. A visual rendering with all materials and colors is demonstrated in the Colors/Materials Sheets A9.03, 9.03a, and A9.03b in Attachment B (Project Plans).

Grading and Landscaping

The existing lot has an average slope of 21 percent. Due to the steep slopes and vehicular access requirements, the applicant has requested that the site be graded in order to make the site feasible for residential development. In order to limit the amount of grading, the applicant designed the two-story residence to have two terraced floors stepping down into the existing downhill topography. The Project is anticipated to result in approximately 805 cubic yards of excavation, the majority of which (530 cubic yards) will occur outside the building footprint for the driveway, in-ground pool, and septic system. Approximately 310 cubic yards of fill will be reused for the area outside the building footprint, and 495 cubic yards will be exported offsite. Attachment B (Project Plans) demonstrates the preliminary grading plan on Sheet C-2.0 and is consistent with the grading requirements within the Hillside Ordinance.

A hammerhead driveway approximately 68-feet long and over 27-feet wide will be built following the existing downhill sloped terrain leading to the attached three-car garage. The applicant worked closely with the Milpitas Fire Department to find alternatives for adequate firetruck access for the new residence, as the slope of the primary driveway would be too steep for firetrucks. Through collaborative meetings with City staff, the applicant was able to identify four alternative locations the firetrucks could park around the perimeter of the odd-shaped lot as it is surrounded on three sides by Vista Ridge Drive and Vista Spring Court to use as staging areas, and will incorporate fire access gates and permeable pathways to the new residence. The Fire Department reviewed the proposed fire access site plan on Sheet A1.00a of the Project plans (Attachment B) and provided

preliminary approval with conditions of approval, which have been incorporated into the proposed Project's resolution (Attachment A).

The existing lot does not contain any trees and is covered only with low lying grass and a few shrubs. The Project will incorporate landscaping improvements throughout the site with a contemporary California aesthetic, utilizing drought tolerant and low-water use plants from the Hillside Landscaping Ordinance and a California native erosion control seed mix to further stabilize the hillside lot, in conformance with the grading/landscaping requirements within the Hillside Ordinance. The proposed landscaping plans included as the L sheets of the Project plans (Attachment B) will introduce 39 new trees, 26 cacti, 213 shrubs, and a mix of perennials and native grasses. The proposed landscaping improvements and deer fencing up to 5.5-feet in height will also provide additional privacy screening for the new residence.

PROJECT ANALYSIS

General Plan and Zoning Conformance

Milpitas General Plan 2040

The General Plan land use designation of the Project site is Hillside Low Density (HLD). Topography within this designation is characterized by gentle to steep slopes, grassy terrain with some chaparral trees, wildlife, and geologically unstable areas. The HLD designation was created to ensure safe, appropriate development that preserves the natural hillside ambiance. All development in the hillside area is low-density, in scale with other single-family residences, and rural in nature. As designed, the Project is in conformance with the policies and standards in the City's General Plan, as demonstrated in the following table:

Table 2:
General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints as the Project site is located over a half mile east of the crestline and the new residence will be shielded by an existing hill when viewed from the valley floor. Project plan sheets A1.01, A1.02, and A1.03 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. When designing the new residence, the applicant considered the challenges of the existing site constraints of the lot with the City's Hillside regulations in order to minimize significant grading to the lot. The new residence and accessory structures are designed to terrace down the existing slope of the lot, rather than creating a new mass graded flat pad site. As

Policy	Conformance
	viewed from Vista Ridge Drive and demonstrated with renderings on Project plan sheet A3.01 (Attachment B), the new residence will visually appear as one story, with the second floor serving primary front entry for the main residence and attached ADU. This proposed design considering the steep downhill nature of the existing topography will limit the excavation to 805 cubic yards and fill to 310 cubic yards, with 495 cubic yards to be exported offsite. A majority of the total excavation (503 cubic yards) will be for areas outside of the building footprint, including the primary driveway, in-ground pool, and construction of the septic system. As such, the proposed Project is consistent with Policy CD 7-2, as the new two-story residence and accessory structures are designed to step-down and flow with the existing downsloping topography of the lot, and does not require mass alteration of the existing landform.
CD 7-3 <i>Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. The proposed new residence is designed to protect the natural character of the steep sloped lot by having two terraced floors to blend with the natural topography. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set. Grading of the driveway follows the natural contours of the existing lot.
CD 7-4 <i>Avoid mass graded pads within hillside areas. Smaller steps or grade changes should be used over single, large, slope banks to the greatest extent feasible.</i>	Consistent. The subject lot contains steep slopes and the Project does not propose mass graded flat pads to accommodate the new residence. The applicant chose to design the new two-story residence with both floors stepping down the existing natural topography of the lot. Grading has been substantially minimized in the Project as a result, in that the siting follows the site's natural contours to preserve the natural terrain quality.
CD 7-5 <i>Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation for the subject site to be used as a single-family residence. Prior to construction of the residence, all proposed Project construction and operational details will be reviewed thoroughly by applicable Departments during the building permit review process. The building permit application will be

Policy	Conformance
	reviewed with the latest adopted State and local building and development codes, which will include standard requirements such as Construction Best Management Practices (BMPs) and an erosion and sediment control plan to control runoff onto adjacent properties.
CD 7-6 <i>Require hillside development to incorporate architecture, scale, massing, building form, building color, roof materials, and landscaping to reflect the natural hillside setting.</i>	Consistent. The proposed Project’s building design and earth tone materials and colors will blend into the rural environment and includes a terraced design into the hillside by appearing as a one-story residence when viewed from Vista Ridge Drive, thereby reducing the massing and scale of the new two-story residence. The exterior facade will include materials such as gray cedar wood siding, beige brick veneer gladding, gray aluminum windows with gray trim, with a matching gray metal standing seam roof. As demonstrated by Colors/Materials Sheets A9.03, 9.03a, and A9.03b in Attachment B (Project Plans), the 3D renderings show the new residence with its earth-toned proposed colors and materials that brings together the natural hillside topography of the lot. Additionally, the proposed landscaping materials are consistent with the Hillside Landscaping Ordinance.

Development Standards

The site is in the R1-H Single-Family Residential-Hillside Combining District. The “H” Zoning District promotes and encourages the orderly development of the hillside area of the City by the application of regulations and requirements established to meet the particular constraints associated with development of hillside areas, including, but not limited to, geologic problems, slope, safe access and visibility.

Per Milpitas Municipal Code Section XI-10-45.17-3, the subject parcel is less than 3.0-acres, which allows for the smallest maximum size for the main residence and the least amount of impervious surface coverage compared to parcels over this acre threshold. The Project applicant chose to conform to development standards within its maximum limitations. Table 3 demonstrates the Project’s consistency with the applicable development standards of the R1-H zone.

Table 3:
Summary of Development Standards

Standards	Hillside Requirements	Proposed	Complies
Front Yard Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	44 ft. 5 in. (Avg. slope of lot is 21%)	Yes
Side Yard Setback	40 ft. minimum	> 40 ft. ²	Yes
Rear Yard Setback	40 ft. minimum	98 ft. 8 in.	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	5,838 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,596 sq. ft.	Yes
Building Height (maximum)	27 ft. east of crestline	26 ft. 4 in.	Yes
Parking	Main Residence - Three spaces required	Six spaces (three inside garage & three outside)	Yes
Fence Height and Materials	Height: 54 inches (4.5 ft.) Material: Wood (all fence post and supporting framework)	Height: 4.5-ft along front, and up to 5.5-ft. at side/rear yards Material: Wood posts with metal supporting framework	Yes, with Planning Commission approval of a fence exception per MMC XI-10-54.10(D)(4)(a)
Grading	Grading plans greater than 500 cubic yards (cy), but less than 1,500 cy requires Planning Commission approval	Cut: 805 cy Fill: 310 cy Export: 495 cy	Yes, with Planning Commission approval per MMC XI-10-45.18(b)

Due to the subject property's location, the Project is required to comply with the development standards in the City's Hillside Combining District. Per MMC Section XI-10-45.09-7, the Planning Commission and City Council shall consider the following guidelines in its review. Staff recommends that the proposed design is consistent with the Hillside Architectural Guidelines as shown in Table 4 below.

² Because of the odd-shaped nature of the lot with a curvilinear lot line on three sides as showing in Maps 1 and 2, there is not a traditional side yard for the Project as designed. Nevertheless, all proposed structures are more than 40 feet from any lot line, which meets the minimum 40 foot setback requirement of the Hillside Ordinance on lots with an average slope greater than 16% as shown on Sheet 1.00, Site Plan of the project plans (Attachment B).

Table 4:
Site and Architectural Guidelines – City of Milpitas – Hillside

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home in consideration to its maximum allowable size outlined in Table 3, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 4-inches, and substantially setback from adjacent residences to the south, east, and west, which minimizes interference with views and privacy. Project plan sheets A1.03a and A1.04 shows the proximity of the subject lot in relationship to adjacent lots and residential structures. Additionally, the subject property is located on a corner lot and adjacent residences are also setback from the street and have privacy landscaping surrounding the lots. New proposed landscaping and deer fencing up to 5.5-feet in height for the Project if the Planning Commission approves the fence height exception per MMC XI-10-54.10(D)(4)(a) will also provide additional privacy screening.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The Project site is currently vacant and undeveloped with no trees. As currently proposed, the design of the house is designed to follow the natural downsloping contour of the lot and proposes the new two-story residence with both floors and supporting structures to step down into the hillside. As a result, the approximate amount of excavation is minimized to 805 cubic yards, 530 cubic yards of which will occur outside of the building footprint area for the driveway, in-ground pool, and septic system. Approximately 310 cubic yards of this excavated soil will be repurposed for the areas outside the building footprint only, and the remainder of the soil will be exported.
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
<i>immediate neighborhood should minimize the perception of excessive bulk.</i>	front, rear, and side facing elevations with the terraced floor levels to remove the perception of bulk within the two-story residence. This stepped down design of the floors into the hillside will provide the illusion that the new residence is one-story as viewed from Vista Ridge Drive, further reducing the perception of excessive bulk.
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed the maximum height limit for homes east of the crestline, has two floor levels that will step down into the downsloping lot, and exceeds all minimum setbacks as required by the Hillside development standards. The proposed home has a combination of flat and minimally pitched roof systems that will include solar panels. With regards to adjacent properties, the lots to the east, north, and west are all on lower elevations than the subject lot, and the residence to the south is on a higher elevation as demonstrated on Project plan sheets A1.03a and A1.04. All neighboring residences are also setback substantially from the proposed new residence. As such, the proposed Project will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. As designed, the proposed location of the new residence will have both floors and associated accessory structures step down into the downsloping lot around the middle portion of the lot, which minimized grade and complies with the Hillside grading criteria. This design minimized grading to 805 cubic yards, the majority of which will be needed for the primary driveway, in-ground pool, and development of the septic system.

Crestline Zone of Protection

Per MMC Section XI-10-45.06, the purpose of the Crestline Zone of Protection is to preserve the crestline's natural quality and the slopes immediately below when viewed from the valley floor. To demonstrate compliance, the applicant took pictures from the three nearest vantage viewpoints established by the City from the crestline. As demonstrated in Sheets A1.01, A1.02, and A1.03 of Attachment B (Project Plans), the Project site will not be visible from the valley floor, and is

obstructed from views by an existing hill, and is therefore, compliant with the Crestline Zone of Protection.

FINDINGS FOR APPROVAL (OR DENIAL)

A finding is a statement of fact relating to the information that the Planning Commission must consider in making a decision. Findings shall identify the rationale behind the decision to take a certain action. Based on substantial evidence in the public record, Staff has found that the proposed Project is consistent with the General Plan, Zoning Ordinance, and all required findings.

Site Development Permit Findings (Section XI-10-57-03-1(F))

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

As described within the staff report, the development's architectural design and site planning is aesthetically compatible with the neighboring properties, and the on-site grading plan minimizes changes to the natural topography. The proposed single-family residence incorporates earth tone colors and materials that complement both the site and existing neighborhood. Furthermore, the design of the proposed Project will complement adjacent and surrounding development as the new two-story residence features a terraced design into the existing topography of the downsloping lot, appearing as a one-story residence from Vista Ridge Drive and will be built within its size limitations per the Hillside Zoning Ordinance.

- 2. The Project is consistent with the Milpitas Zoning Ordinance in that:*

As described within the staff report and demonstrated within Table 3 of the staff report, the proposed single-family residence is consistent with the development standards of the Milpitas Zoning Ordinance for the R1-H Single-Family Residential-Hillside Zoning District for setbacks, height requirements, and landscaping. The Project will be consistent with fencing and grading requirements with Planning Commission approval of the fence exceptions per MMC XI-10-54.10(D)(4)(a) and the grading plan per MMC XI-10-45.18(b).

- 3. The Project is consistent with the Milpitas General Plan in that:*

As demonstrated within Table 2 of the staff report, the Project is consistent with the existing Hillside General Plan policies of the City of Milpitas. The proposed residence is designed to fit in with the existing natural topographic features of the property with minimized grading utilizing a terraced design and will have little to no visual impact as viewed from the valley floor as the subject residence will be shielded by an existing hill and is located on a farther eastern edge of the City. No significant grading is required. The scale, mass, building form, and overall design of the new Hillside residence will be similar to other single-family residences in the Hillside and will have earth toned colors and features.

ENVIRONMENTAL REVIEW

The proposed Project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15303(a) (New

Construction or Conversion of Small Structures) and Section 15183 (Projects Consistent with a Community Plan, General Plan or Zoning).

PUBLIC COMMENT/OUTREACH

Staff provided public notice for the application per City and State public notice requirements. At the time of writing this report, there have been no inquiries from the public. A notice was published in the Milpitas Post on October 27, 2023. In addition, 24 notices were sent to owners and occupants within 300 feet of the project site. A public notice was also provided on the project site, on the City's Website, www.milpitas.gov, and posted at City Hall.

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission:

1. Open the Public Hearing to receive comments;
2. Close the Public Hearing; and
3. Adopt Resolution 23-019, approving and recommending that the City Council approve Site Development Permit No. SD23-0003, to allow development of a single-family residence in the R1-H Single-family Residential Hillside Zoning District, subject to the findings and attached Conditions of Approval.

ATTACHMENTS

- A: Resolution 23-019
- B: Project Plans

RESOLUTION NO. 23-019

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MILPITAS APPROVING AND RECOMMENDING APPROVAL OF SITE DEVELOPMENT PERMIT NO. SD23-0003 TO THE MILPITAS CITY COUNCIL TO DEVELOP A NEW HILLSIDE HOME ON A VACANT 1.3-ACRE SITE LOCATED AT 490 VISTA RIDGE DRIVE (APN: 042-30-022)

WHEREAS, on February 14, 2023, an application was submitted by Todd Aranaz of Fougeron Architecture (“Applicant” or “Permittee”), for a Site Development Permit (SD23-0003) entitlement to allow development of a 5,838-square foot, single-family residence up to 26 feet, four inches (two stories) in height, with a 1,552-square foot attached garage, 1,138-square foot attached accessory dwelling unit (ADU), in-ground pool, deer fencing up to 5.5-feet in height, landscaping, and associated site improvements on a vacant 1.3-acre site at 490 Vista Ridge (APN: 042-30-022) (the “Project”). The Project site is zoned Single Family Residential - Hillside; and

WHEREAS, the Planning Division completed an environmental assessment for the Project in accordance with the California Environmental Quality Act (CEQA), which assessment determined that the Project is exempt from CEQA review pursuant to Section 15303 (New Construction and Conversion of Small Structures) of the CEQA Guidelines and, as a separate and independent basis, pursuant to Section 15183 of the CEQA Guidelines; and

WHEREAS, on November 8, 2023, a duly noticed public hearing was held by the City of Milpitas Planning Commission on the subject application, at which time all those in attendance were given the opportunity to speak on the Project; and

WHEREAS, the Planning Commission has considered all of the written and oral testimony presented at the public hearing in making its decision; and

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

SECTION 1: Recitals

The Planning Commission 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 incorporated herein by reference.

SECTION 2: CEQA Finding

The project is exempt from further environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15303(a) for “New Construction or Conversion of Small Structures including one single-family residence, or a second dwelling unit in a residential zone,” because it can be seen with certainty that there is no possibility that these actions may have a significant effect on the environment. The Project’s proposed new construction of a single-family residence and its accessory structures are within a residentially zoned area on a legal parcel and none of the exceptions, as specified in Section 15300.2 of the CEQA Guidelines that would preclude applicability of this exemption are present. As a separate and independent basis, the Project is exempt from Section 15183 of the CEQA Guidelines as a project consistent with a community plan, general plan or zoning in that it is consistent with the development density established in the Milpitas General Plan and the applicable zoning and there are no project-specific significant effects which are peculiar to this project or its site.

SECTION 3: Site Development Permit Findings (Section XI-10-57.03(F)(1)) - *The Planning Commission makes the following findings based on the evidence in the public record in support of Site Development Permit No. SD23-0003:*

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

As described within the staff report, the development's architectural design and site planning is aesthetically compatible with the neighboring properties, and the on-site grading plan minimizes changes to the natural topography. The proposed single-family residence incorporates earth tone colors and materials that complement both the site and existing neighborhood. Furthermore, the design of the proposed Project will complement adjacent and surrounding development as the new two-story residence features a terraced design into the existing topography of the downsloping lot, appearing as a one-story residence from Vista Ridge Drive and will be built within its size limitations per the Hillside Zoning Ordinance.

2. *The Project is consistent with the Milpitas Zoning Ordinance.*

Table 1 demonstrates the Project's consistency with the applicable development standards of the R1-H Zoning District per Section XI-10-45 - "H" Hillside Combining District of the Milpitas Zoning Ordinance, including setbacks, height requirements, maximum impervious surface coverage, and parking. The Project will be consistent with fencing and grading requirements with Planning Commission approval of the fence exceptions per MMC XI-10-54.10(D)(4)(a) and the grading plan per MMC XI-10-45.18(b).

Table 1:
Summary of Development Standards

Standards	Hillside Requirements	Proposed	Complies
Front Yard Setback	25 ft. minimum when avg. slope is <16%. Otherwise, 40 ft. minimum	44 ft. 5 in. (Avg. slope of lot is 21%)	Yes
Side Yard Setback	40 ft. minimum	> 40 ft. ¹	Yes
Rear Yard Setback	40 ft. minimum	98 ft. 8 in.	Yes
Size of Main Residence	6,000 sq. ft. maximum (lots < 3 acres)	5,838 sq. ft.	Yes
Impervious Surfaces	8,000 sq. ft. maximum (lots < 3 acres)	7,596 sq. ft.	Yes
Building Height (maximum)	27 ft. east of crestline	26 ft. 4 in.	Yes
Parking	Main Residence - Three spaces required	Six spaces (three inside garage & three outside)	Yes
Fence Height and Materials	Height: 54 inches (4.5 ft.) Material: Wood (all fence post and supporting framework)	Height: 4.5-ft along front, and up to 5.5-ft. at side/rear yards Material: Wood posts with metal supporting framework	Yes, with Planning Commission approval of a fence exception per MMC XI-10-54.10(D)(4)(a)
Grading	Grading plans greater than 500 cubic yards (cy), but less than 1,500 cy requires	Cut: 805 cy Fill: 310 cy Export: 495 cy	Yes, with Planning Commission approval per MMC XI-10-45.18(b)

¹ Because of the odd-shaped nature of the lot with a curvilinear lot line on three sides as showing in Maps 1 and 2 of the staff report, there is not a traditional side yard for the Project as designed. Nevertheless, all proposed structures are more than 40 feet from any lot line, which meets the minimum 40 foot setback requirement of the Hillside Ordinance on lots with an average slope greater than 16% as shown on Sheet 1.00, Site Plan of the project plans (Attachment B).

Standards	Hillside Requirements	Proposed	Complies
	Planning Commission approval		

Due to the subject property's location, the Project is also required to comply with the development standards in the City's Hillside Combining District. Per Section XI-10-45.09-7 of the Zoning Ordinance, the Planning Commission and City Council shall consider the following guidelines in their review of proposed new development. Staff has determined the home to be consistent with the Hillside Architectural Guidelines as demonstrated below. See Table 2 for consistency.

Table 2:
Hillside Zoning Ordinance Compliance

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
<i>(a) Avoid unreasonable interference with Views and Privacy. The height, elevations and placement on the site of the proposed main or accessory structure, when considered with reference to the nature and location of residential structures on adjacent lots, will avoid unreasonable interference with views and privacy.</i>	Consistent. Due to the proposed location and minimal scale of the home in consideration to its maximum allowable size outlined in Table 1, the development will not substantially interfere with views and privacy to adjacent lots. In addition, the proposal exceeds all setback requirements, is within its 27-foot, two-story height limit at 26-feet and 4-inches, and substantially setback from adjacent residences to the south, east, and west, which minimizes interference with views and privacy. Project plan sheets A1.03a and A1.04 shows the proximity of the subject lot in relationship to adjacent lots and residential structures. Additionally, the subject property is located on a corner lot and adjacent residences are also setback from the street and have privacy landscaping surrounding the lots. New proposed landscaping and deer fencing up to 5.5-feet in height for the Project if the Planning Commission approves the fence height exception per MMC XI-10-54.10(D)(4)(a) will also provide additional privacy screening.
<i>(b) Preserve Natural Landscape. The natural landscape will be preserved insofar as practicable by designing structures to follow the natural contours of the site and minimizing tree and soil removal.</i>	Consistent. The Project site is currently vacant and undeveloped with no trees. As currently proposed, the design of the house is designed to follow the natural downsloping contour of the lot and proposes the new two-story residence with both floors and supporting structures to step down into the hillside. As a result, the approximate amount of excavation is minimized to 805 cubic yards, 530 cubic yards of which will occur outside of the building footprint area for the driveway, in-ground pool, and septic system. Approximately 310 cubic yards of this excavated soil will be repurposed for the areas outside the building footprint only, and the remainder of the soil will be exported.
<i>(c) Minimize Perception of Excessive Bulk. The design of the proposed main and /or accessory structure(s) in relation to the immediate neighborhood should minimize the perception of excessive bulk.</i>	Consistent. The proposed design includes varying rooflines, a clear delineation of different colors and materials, and punctuation of certain front, rear, and side facing elevations with the terraced floor levels to remove the perception of bulk within the two-story

Site and Architectural Guidelines <i>Section XI-10-45.09-7</i>	Consistency Finding
	residence. This stepped down design of the floors into the hillside will provide the illusion that the new residence is one-story as viewed from Vista Ridge Drive, further reducing the perception of excessive bulk.
<i>(d) Impairment of Light and Air. The proposed main or accessory structure(s) shall not unreasonably impair the light and air of adjacent properties nor unreasonably impair the ability of adjacent properties to utilize solar energy.</i>	Consistent. The proposed home will not exceed the maximum height limit for homes east of the crestline, has two floor levels that will step down into the downsloping lot, and exceeds all minimum setbacks as required by the Hillside development standards. The proposed home has a combination of flat and minimally pitched roof systems that will include solar panels. With regards to adjacent properties, the lots to the east, north, and west are all on lower elevations than the subject lot, and the residence to the south is on a higher elevation as demonstrated on Project plan sheets A1.03a and A1.04. All neighboring residences are also setback substantially from the proposed new residence. As such, the proposed Project will not cause an impairment to the adjacent properties access to light and air.
<i>(e) Grading. All grading shall be kept to an absolute minimum and shall comply with the grading ordinance criteria.</i>	Consistent. As designed, the proposed location of the new residence will have both floors and associated accessory structures step down into the downsloping lot around the middle portion of the lot, which minimized grade and complies with the Hillside grading criteria. This design minimized grading to 805 cubic yards, the majority of which will be needed for the primary driveway, in-ground pool, and development of the septic system.

3. *The Project is consistent with the Milpitas General Plan.*

As demonstrated in Table 3 below, the Project is consistent with the existing General Plan policies of the Milpitas 2040 General Plan:

Table 3:
General Plan Consistency

Policy	Conformance
<i>CD 7-1 Maintain the visual character of hillsides, recognizing both the importance of the exposure of hillside development from off-site public views and the importance of providing panoramic public views from and of hillsides.</i>	Consistent. The proposed Project will not impact the visual character of the hillside from the valley floor or other viewpoints as the Project site is located over a half mile east of the crestline and the new residence will be shielded by an existing hill when viewed from the valley floor. Project plan sheets A1.01, A1.02, and A1.03 illustrate how the proposed residence will not obstruct panoramic public views from and of the hillsides.
<i>CD 7-2 Minimize the alteration of existing landforms and maintain the natural topographic characteristics of the hillside areas, allowing only minimal disruption.</i>	Consistent. When designing the new residence, the applicant considered the challenges of the existing site constraints of the lot with the City's Hillside regulations in order to minimize significant grading to the lot. The new residence and accessory structures are designed to terrace down the existing slope of the lot, rather than creating a new mass graded flat pad site. As viewed from Vista Ridge Drive and demonstrated with renderings on Project plan sheet A3.01 (Attachment B), the new residence will visually appear as one story, with the second floor serving primary front entry for the main residence and attached ADU. This proposed design considering the steep downhill nature of the existing topography will limit the excavation to 805 cubic yards and fill to 310 cubic yards, with 495 cubic yards to be exported offsite. A majority of the total excavation (503 cubic yards) will be for areas outside of the building footprint, including the primary driveway, in-ground pool, and construction of the septic system. As such, the proposed Project is consistent with Policy CD 7-2, as the new two-story residence and accessory structures are designed to step-down and flow with the existing downsloping topography of the lot, and does not require mass alteration of the existing landform.
<i>CD 7-3 Protect the natural character of hillside areas by means of contour grading to blend graded slopes and terraces with the natural topography.</i>	Consistent. The proposed new residence is designed to protect the natural character of the steep sloped lot by having two terraced floors to blend with the natural topography. All new contours will be designed to blend with the natural existing site contours as demonstrated in the civil drawings in the plan set. Grading of the driveway follows the natural contours of the existing lot.

CD 7-4 <i>Avoid mass graded pads within hillside areas. Smaller steps or grade changes should be used over single, large, slope banks to the greatest extent feasible.</i>	Consistent. The subject lot contains steep slopes and the Project does not propose mass graded flat pads to accommodate the new residence. The applicant chose to design the new two-story residence with both floors stepping down the existing natural topography of the lot. Grading has been substantially minimized in the Project as a result, in that the siting follows the site's natural contours to preserve the natural terrain quality.
CD 7-5 <i>Ensure that any change in hillside land use is accompanied by appropriate safety measures and that the environmental constraints are adequately addressed especially with respect to runoff and erosion.</i>	Consistent. No changes are proposed to the existing land use and zoning designation for the subject site to be used as a single-family residence. Prior to construction of the residence, all proposed Project construction and operational details will be reviewed thoroughly by applicable Departments during the building permit review process. The building permit application will be reviewed with the latest adopted State and local building and development codes, which will include standard requirements such as Construction Best Management Practices (BMPs) and an erosion and sediment control plan to control runoff onto adjacent properties.
CD 7-6 <i>Require hillside development to incorporate architecture, scale, massing, building form, building color, roof materials, and landscaping to reflect the natural hillside setting.</i>	Consistent. The proposed Project's building design and earth tone materials and colors will blend into the rural environment and includes a terraced design into the hillside by appearing as a one-story residence when viewed from Vista Ridge Drive, thereby reducing the massing and scale of the new two-story residence. The exterior facade will include materials such as gray cedar wood siding, beige brick veneer gladding, gray aluminum windows with gray trim, with a matching gray metal standing seam roof. As demonstrated by Colors/Materials Sheets A9.03, 9.03a, and A9.03b in Attachment B (Project Plans), the 3D renderings show the new residence with its earth-toned proposed colors and materials that brings together the natural hillside topography of the lot. Additionally, the proposed landscaping materials are consistent with the Hillside Landscaping Ordinance.

As described above, the Project is compatible and consistent with the surrounding uses and has been found to conform to the intent of the Milpitas 2040 General Plan designation. The proposed home is designed to fit in with the natural topographic features of the property and reduces the visual impact as viewed from the valley floor.

SECTION 4: The Planning Commission of the City of Milpitas hereby approves and recommends the City Council approve Site Development Permit No. SD23-0003 to allow the construction of a single-family residence in the R1-H Single-Family Residential-Hillside Zoning District at 490 Vista Ridge Drive, based on the above findings and subject to the Conditions of Approval in the proposed Site Development Permit No. P-SD23-0003 attached hereto as **Exhibit 1** and incorporated herein.

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of Milpitas on November 8, 2023.

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 November 8, 2023, and carried by the following roll call vote:

COMMISSIONER	AYES	NOES	ABSENT	ABSTAIN
Mercedes Albana				
Dipak Awasthi				
Bill Chuan				
Larry Ciardella				
Alexander Galang				
Sonia Medina-Ashby				
Parveen Gupta				

**SITE DEVELOPMENT PERMIT NO. P-SD23-0003
490 VISTA RIDGE DRIVE (APN 042-30-022)**

The City of Milpitas Planning Commission and City Council approve Site Development Permit No. SD23-0003 in accordance with Section XI-10-45.09 and XI-10-57.03 of the Milpitas Municipal Code, subject to and conditioned upon all applicable State and local laws and regulations and the Conditions of Approval outlined below. This Site Development Permit entitlement is to allow the issuance of building permits for the proposed development of a 5,838-square foot, single-story residence, up to two stories in height, with a 1,552-square foot attached garage (“Project”) on a vacant 1.3-acre hillside lot located within the R1-H Single-family Residential Hillside Zoning District at 490 Vista Ridge Dr (APN: 042-30-022), subject to all necessary reviews, approvals, studies, and inspections for the issuance of such building permits.

APPROVED SUBJECT TO THE FOLLOWING CONDITIONS OF APPROVAL:

General Conditions

1. General Compliance. The applicant, including all successors in interest (collectively “Permittee”) shall comply with each and every condition set forth in this Permit. Site Development Permit No. SD23-0003 (“Permit”) shall have no force or effect and no building permit shall be issued unless and until all things required by the below-enumerated precedent conditions have been performed or caused to be performed and this Resolution has been recorded by the Permittee with the Santa Clara County’s Recorder Office and a copy shall be provided to the Planning Department. **(P)**
2. Modifications to Project. Any deviation from the approved site plan, floor plans, or other approved submittal shall require that, prior to the issuance of building permits, the Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or designee. If the Planning Director or designee determines that the deviation is significant, the Permittee shall be required to apply for review and obtain approval of the Planning Commission, in accordance with the Zoning Ordinance. **(P)**
3. Effective Date. Unless there is a timely appeal filed in accordance with the Milpitas Zoning Code, the date of approval of this Permit is the date on which the decision-making body approved this Permit. **(P)**
4. Acceptance of Permit. Should Permittee fail to file a timely appeal within twelve (12) calendar days of the date of approval of this Permit, inaction by Permittee shall be deemed to constitute each of the following:
 - a. Acceptance of this Permit by Permittee; and
 - b. Agreement by the Permittee to be bound by, comply with, and to do all things required of or by Permittee pursuant to all of the terms, obligations, and conditions of this Permit.
5. Permit Expiration. Pursuant to Section XI-10-64.06 of the Milpitas Zoning Code, this Permit shall become null and void if the activity permitted by this Permit is not commenced within two (2) years from the date of approval, or for a project submitted with a tentative map, within the time limits of the approved tentative map. Pursuant to Section XI-10-64.06(B) of the Milpitas Zoning Code, an activity permitted by this Permit shall be deemed to have commenced when the Project:
 - a. Completes a foundation associated with the Project; or
 - b. Dedicates any land or easement as required from the zoning action; or
 - c. Complies with all legal requirements necessary to commence the use, or obtains an occupancy permit, whichever is sooner.

This permit shall become null and void if the work is added to, modified, or otherwise deviated from in any significant way from the approved site plan, building plan, floor plans, or other approved submittals as determined by the Planning Director or designee.

6. Time Extension. Pursuant to Section XI-10-64.07 of the Milpitas Zoning Code, unless otherwise provided by State law, Permittee shall have the right to request a one-time extension of the Permit if the request is made in writing to the Planning Division prior to the expiration date of the approval. **(P)**
7. Project Job Account. If Permittee's project job account is at any time delinquent or below the required deposit amount, City will not continue to review or process the application until Permittee's private job account is paid in full and the required deposit has been made. Additionally, prior to the issuance of any building permit or occupancy permit, as applicable, Permittee shall pay in full the project account balance and establish a remaining balance of at least twenty-five percent (25%) of the required initial deposit. **(ALL)**
8. Notice. Pursuant to California Government Code Section 66020, any protest filed in court relating to the imposition of fees, dedication, reservations, or other exactions to be imposed on the development project shall be filed within ninety (90) days after the date of the adoption of this Resolution. This provision serves as notice from the local agency to the Permittee that the ninety (90) day period in which the applicant may file a protest has begun under California Government Code Section 66020(d)(1). **(P)**
9. Cost and Approval. Permittee shall fully complete and satisfy each and every condition set forth in this Resolution and any other condition applicable to the Project to the sole satisfaction of the City. Additionally, Permittee shall be solely responsible and liable for the cost to satisfy each and every condition. Permittee shall pay all required fees and charges to City at the rate in effect at time of building permit issuance, or, the rate in effect when the fees and charges are due and paid in full to City. There is no vesting of any fees or charges with the adoption of this Resolution. **(P)**
10. Conditions. Each and every condition set forth in this Exhibit shall apply to the Project and continue to apply to the Project so long as the Permittee is operating the Project under the permits and approvals in this Resolution. **(P)**
11. Compliance with Laws. The construction, use, and all related activity authorized under this Permit shall comply with all applicable local, state, and federal laws, rules, regulations, guidelines, requirements, and policies. **(CA/P)**
12. Previous Approvals. Permittee shall abide by and continue to comply with all previous City approvals, permits, or requirements relating to the subject property, unless explicitly superseded or revised by this Permit. **(ALL)**
13. Indemnification. To the fullest extent permitted by law, Permittee shall indemnify, defend with counsel of the City's choosing, and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to (i) City's approval of the Project, including but not limited to, the approval of the discretionary permits, maps under the Subdivision Map Act, and/or the City's related determinations or actions under the California Environmental Quality Act, and (ii) Permittee's construction, operation, use, or related activity under this Permit. This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by applicant, City, and/or the parties initiating or bringing such proceeding. Permittee shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. Permittee shall pay to the City upon demand or, as applicable, to counsel of City's choosing, any amount owed pursuant to the indemnification requirements prescribed in this condition. **(CA)**
14. Revocation, Suspension, Modification. This Permit may be suspended, revoked, or modified in accordance with Section XI-10-63.06 of the Milpitas Zoning Code. **(P)**
15. Severability. If any term, provision, or condition of this Permit is held to be illegal or unenforceable by the Court, such term, provision, or condition shall be severed and shall be inoperative, and the remainder of this Permit shall remain operative, binding, and fully enforceable. **(ALL)**
16. Conditions of Approval. As part of the issuance of building permits, the Permittee shall include within the first four pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the project. **(P)**
17. Development in Conformance with Approved Plans: Permittee shall develop the approved Project in conformance with the plans dated September 28, 2023 and approved by the City Council on the date of the signed City Council Resolution, in accordance with these Conditions of Approval. Any deviation from the approved site plan, elevations, materials, colors, landscape plan or other approved submittal shall require that, prior to the issuance of building permits, the

Permittee shall submit modified plans and any other applicable materials as required by the City for review and obtain the approval of the Planning Director or Designee. If the Planning Director or designee determines that the deviation is significant, the owner or designee shall be required to apply for review and obtain approval of the Planning Commission or City Council, as applicable, in accordance with the Milpitas Zoning Code. **(P)**

18. Response to Conditions of Approval. Permittee shall provide a written response to comments upon submittal for building permit application. The responses should clearly indicate how each condition of approval has been addressed in the plans and shall note the appropriate plan sheet. **(P)**
19. Prior to the issuance of a building permit, the owner or designee shall include within the four first pages of the working drawings for a plan check, a list of all conditions of approval imposed by the final approval of the Project. **(P)**
20. Streets shall be designed to generally follow the contours and landform in order to minimize cut and fill. Exposed walls facing roadways and retaining walls shall be no greater than six feet in height. Crib walls facing roadways shall be no greater than 15 feet in height. **(P)**
21. Landscaping coverage and stabilization of graded slopes shall be selected and designed to be compatible with surrounding natural vegetation or to replace removed natural vegetation and should recognize climate, soil, and ecological characteristic of the region. Plant materials that require excessive water after becoming established should be avoided. **(P)**
22. Within six months, or such other period established by the Planning Commission, after the commencement of grading activities, all graded areas not covered by an impervious surface shall be stabilized in such manner as shall be approved by the Planning Director. **(P)**
23. The proposed home is located east of the Crestline and is subject to a maximum height of 2 stories or 27 feet. **(P)**
24. Trees which have a six inch or greater diameter trunk size at a point three feet above grade may not be removed without obtaining prior approval from the City. The location of all such trees shall be shown on all plans submitted for approval. The Planning Commission, upon review of an "S" Zone application approval, shall have the power to authorize removal, relocation or replacement if the Permittee can show that such requirement is unreasonable as applied to the particular property. If the removal is permitted, the replacement of any trees removed pursuant to this section shall be at a five to one (5:1) ratio. **(P)**
25. Where two cut-or-fill slopes intersect, the intersection shall be horizontally rounded and blended. **(P)**
26. Where any cut-or-fill slopes intersect the natural grade, the intersection of each slope shall be vertically and/or horizontally rounded and blended. **(P)**

FIRE DEPARTMENT CONDITIONS

The plans approved by the Planning Department process are not building plans and have not been reviewed nor approved for conformance to the California Building Code (CBC), California Fire Code (CFC) and the Milpitas Municipal Code (MMC). Do not consider this set of plans as final building plans approved by the Fire Department. Building plans must be submitted for review and approval before construction is to commence. The following notes are a general list of the applicable code requirements (2022) and are provided to assist with the building permit process. Please note that these are not all inclusive. All applicable Building, Fire and Municipal Code requirements must be met in advance of any building permit approvals or related construction.

27. Electronic documents. The fire code official may require electronic base documents for all construction documents and operational permits. The fire code official shall designate the software base format for the electronic documents. CFC Section 106.2.1, added by MMC Section V-300-2.28, and CFC Section 106.1.1
28. Automatic Fire Sprinkler Requirements. An automatic sprinkler system shall be provided throughout the new dwellings (main and guest), inclusive of basements and garages. Milpitas Municipal Code Section V-300-2.69, CFC Section 903.2.8

29. Fire Department access. Sheets A-1.0 shows an acceptable Fire Dept. apparatus access. Fire apparatus access roads shall be provided for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from fire apparatus access as measured by an approved route around the exterior of the building. Fire apparatus access shall meet the following:
- Fire apparatus access shall extend to within 150 feet of all portions of exterior walls of the building/structure per the California Fire Code Section 503.1.
 - Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced so as to provide all-weather capabilities. Bearing capacity for the driveway and the entry drive court shall be designed to provide a minimum of 75,000 lbs bearing capacity for the fire apparatus. CFC Section 503.2.3, D102.1
 - The grade (maximum 10%) of the fire apparatus access road shall be within the limits established by the fire code official based on the fire department's apparatus. CFC Section 503.2.7
 - Electric gates. Where provided, gates shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F 2200. CA Fire Code Section 503.5

Electric gates shall also be provided with a Milpitas Fire Department approved "Knox" electronic switch in addition to the keypad. CA Fire Code Section 506

30. Premises identification. New and existing buildings shall have approved address numbers. Address numbers shall be illuminated and located where they are clearly visible from the street. CFC Section 505
31. Fire Flow. Fire flow requirements for buildings or portions of buildings and facilities shall be determined by an approved method or *Appendix B*.
- Fire flow data based on the 8,528 square foot type VB building total area provided, a minimum requirement of 1,250gpm. Table B105.1(1) and B105.1(2) for hydrant. Available fire flow shall be taken into consideration when designing the fire sprinkler system.
32. Water supply requirements. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 400 feet (122 m) from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site fire hydrants and mains shall be provided where required by the fire code official. CFC Section 507.5.1

Exception:

For Group R-3 and Group U occupancies, equipped throughout with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1, 903.3.1.2 or 903.3.1.3, the distance requirement shall be not more than 600 feet

33. Sprinkler system supervision and alarms, and monitoring. It is recommended that due to the location of the home (hillside) the automatic fire sprinkler system for this home be a system that has supervision and alarm, and monitoring system in conformance to the CA Fire Code Section 903.4.
34. R Occupancy - Smoke Alarm. Single- and multiple-station smoke alarms. Listed single- and multiple-station smoke alarms complying with UL 217 shall be installed in accordance with Sections 907.2.11.1 through 907.2.11.7 and NFPA 72.

Exception: For Group R occupancies. A fire alarm system with smoke detectors located in accordance with this section may be installed in lieu of smoke alarms. Upon actuation of the detector, only those notification appliances in the dwelling unit or guest room where the detector is actuated shall activate. [Ref.: CFC 907.2.10]

ENGINEERING DEPARTMENT CONDITIONS

PRIOR TO CONSTRUCTION PLAN SUBMITTALS

*The following conditions shall be met **prior to** any detailed construction plan check submittals (Building or Engineering, except demolition and rough grade plans), unless otherwise approved by the Director of Engineering/City Engineer. City reserves the right to reject any plan check submittal if any of the following conditions are not met. (E)*

35. **Modifications:** The Site Development Plan dated 6/16/2023 is subject to change during the plan check stage based upon City's previous comments and conditions stated herein.
31. **Stormwater Control Plan:** Permittee shall submit City approved final Stormwater Control Plan (SWCP) that complies with the latest Municipal Regional Stormwater NPDES Permit, including Low Impact Development (LID) Section C3.c.i.(2)(b) measures for harvesting and reuse, infiltration, or evapo-transpiration, for City's review and approval by the Engineering Department.
32. **Project Job Account/Fee Deposit:** Permittee shall open a new PJ account as a deposit to cover the costs for Engineering Department's services for review and inspection of the project. The amount shall be determined based on the approved City fee schedule at the time of application submittal.

PRIOR TO FINAL MAP APPROVAL/RECORDATION

*The following conditions shall be addressed during the final map plan check process and shall be met **prior to** any final approval/recordation (except demolition permit and rough grade permit), unless otherwise approved by the Director of Engineering/City Engineer. (E)*

33. **Utility Company Approval:** Permittee shall obtain approval letters from utility companies (PG&E, AT&T, Comcast) for abandonment of existing and dedication of new public service utilities easements.

PRIOR TO OFF-SITE PLAN APPROVAL/ENCROACHMENT PERMIT ISSUANCE

*The following conditions shall be addressed as part of the off-site improvement plan review and shall be met **prior to** encroachment permit issuance, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

34. **Public Improvement Design Standards:** All public improvements shall be designed and constructed in accordance with all applicable public improvement design standards, including but not limited to:
 - a. Milpitas Design Guidelines: (<https://www.milpitas.gov/317/Land-Development-Procedures-Guidelines>);
 - b. Standard details and specifications: (<https://www.milpitas.gov/317/Land-Development-Procedures-Guidelines>);
 - c. Americans with Disabilities Act (ADA) requirements, where applicable.
35. **Domestic Water and Fire Service Calculations:** Permittee shall submit potable water and fire service calculations to confirm adequacy of lateral size, pressure and flow, to be reviewed and approved by the Engineering Department and Fire Department. Hydraulic modeling analysis by the City and paid by the Permittee may be required as needed. Permittee shall be responsible to implement any necessary improvements if there is any identified deficiency to the existing main as a result of the project.
36. **Water Service Agreement:** Permittee shall complete a water service agreement to obtain water service.

PRIOR TO BUILDING PERMIT ISSUANCE

*The following conditions shall be addressed during the building plan check process and shall be met **prior to** any building permit issuance (except demolition permit and rough grade permit), unless otherwise approved by the Director of Engineering/City Engineer. (E)*

37. **Water Supply and Force Majeure:** The City reserves the right to suspend the issuance of building permits in case of an emergency declaration of water supply in the case of a major catastrophic event that restricts City's assurance to provide water supply.

38. Water Efficient Landscapes: Permittee shall comply with Milpitas Municipal Code Title VIII, Chapter 5 Water Efficient Landscapes for landscape design, including but not limited to, providing separate water meters for domestic water service and irrigation service and providing applicable landscape documentation package.
39. Mailboxes: The Permittee shall coordinate with US Postal Services regarding placement of required mailboxes. Mailbox location shall not be on public street frontages and shall be approved by City and US Postal Services prior to building permit issuance. Mailbox locations shall be shown on the improvement plans and Permittee shall submit a letter to the City's Land Development Engineering Section from the Post Master approving the location of the mailbox. Structures to protect mailboxes may require Building, Engineering and Planning Department review.

DURING CONSTRUCTION

*The following conditions shall be complied with at all times **during** the construction phase of the project, unless otherwise approved by the Director of Engineering/City Engineer. (E)*

40. Dewatering: If dewatering is needed during construction, Permittee shall obtain a Short-Term Industrial Wastewater Permit from the San Jose/Santa Clara Water Pollution Control Plant for discharging the groundwater to a sanitary sewer system.
41. Prohibition of Potable Water Usage: Permittee shall use recycled water for construction purposes, including dust control and compaction. Permittee shall comply with MMC VIII-6-5.00 and 6-6.00 where potable water usage is prohibited, unless otherwise approved by the City Council.
42. Construction Staging and Employee Parking: Permittee shall place all construction related materials, equipment, and arrange construction workers parking on-site and not located in the public right-of-ways or public easements.

PRIOR TO FIRST OCCUPANCY

*The following conditions shall be met **prior to** first building occupancy on either lot, unless otherwise approved by the Director of Engineering/City Engineer.*

43. Landscape Certificate of Completion: Permittee shall submit a Certificate of **Substantial** Completion that complies with the Milpitas Municipal Code Water Efficient Landscapes ordinance.
44. Record Drawings: Permittee shall submit record drawings in Full size hard copy, AutoCAD, Tiff, and PDF formats for City records. Record drawings shall include all public improvements. Additionally, if the project uses recycled water, the permittee shall also submit record drawings of on-site irrigation facilities.
45. Private Job (PJ) Balance: Permittee shall pay for any remaining balance from the Private Job deposit.

BUILDING DEPARTMENT CONDITIONS

46. Compliance with California Code of Regulations. The Project shall comply with the requirements of the Building Safety and Housing Department and the California Code of Regulations Title 24 and the Milpitas Municipal Code as adopted by the City. Building permits shall be submitted to and approved by the Building Safety and Housing Department prior to start of construction. All California Code of Regulations Title 24 and Milpitas Municipal Code requirements applicable at the time of building permit application must be met in advance of any building permit approvals or related construction. Changes to the site plan and/or building plan require review and approval by the Building Safety and Housing Department.

LEGEND

(P) = Planning Department
(B) = Building Department
(E) = Engineering Department
(F) = Fire Department
(CA) = City Attorney's Office
ALL = All Reviewing Departments

NOTICE OF RIGHT TO PROTEST

The Conditions of Project Approval set forth herein include certain fees, dedication requirements, reservation requirements, and other exactions. Pursuant to Government Code Section 66020(d)(1), these Conditions constitute written notice of a statement of the amount of such fees, and a description of the dedications, reservations, and other exactions. You are hereby further notified that the 90-day approval period in which you may protest these fees, dedications, reservations, and other exactions, pursuant to Government Code Section 66020(a), began on date of adoption of this resolution. If you fail to file a protest within this 90-day period complying with all of the requirements of Section 66020, you will be legally barred from later challenging such exactions.

AGREEMENT

Permittee/Property Owner

The undersigned agrees to each and every condition of approval and acknowledges the NOTICE OF RIGHT TO PROTEST and hereby agrees to use the project property on the terms and conditions set forth in this Permit.

Dated: _____

Signature of Permittee



PROJECT SITE:
490 VISTA RIDGE DRIVE

abbreviations

ACOUS	ACOUSTICAL	ELEC	ELECTRICAL	LAM	LAMINATE	RD	ROOF DRAIN
ACT	ACOUSTICAL TILE	ELEV	ELEVATOR	LEV	LEVEL	RM	ROOM
ADDNL	ADDITIONAL	EQ	EQUAL / EQUAL TO	LOC	LOCATION	SAD	SEE ARCHITECTURAL DRAWINGS
ADJ	ADJACENT	EQUIP	EQUIPMENT	MAX	MAXIMUM	SCD	SEE CIVIL DRAWINGS
AFF	ABOVE FINISH FLOOR	EXP	EXPANSION	MECH	MECHANICAL	SLD	SEE LANDSCAPE DRAWINGS
ALUM	ALUMINUM	EXT	EXTERIOR	MEMB	MEMBRANE	SSD	SEE STRUCTURAL DRAWINGS
ALT	ALTERNATE	(E)	EXISTING	MFR	MANUFACTURER	SMD	SEE MECHANICAL DRAWINGS
ANOD	ANODIZED	FF	FINISH FLOOR	MIN	MINIMUM	SPD	SEE PLUMBING DRAWINGS
APPRD	APPROVED	FE	FIRE EXTINGUISHER	MTD	MOUNTED	SED	SEE ELECTRICAL DRAWINGS
APPROX	APPROXIMATE	FLR	FLOOR	MTL	METAL	SC	SOLID CORE
@	AT	FD	FLOOR DRAIN	MOD	MODULE	SCHED	SCHEDULED
BD	BOARD	F-F	FACE TO FACE	(N)	NEW	SECT	SECTION
BETW	BETWEEN	FOC	FACE OF CONCRETE	NIC	NOT IN CONTRACT	SHT	SHEET
BLKG	BLOCKING	FOF	FACE OF FINISH	NTS	NOT TO SCALE	SIM	SIMILAR
BM	BEAM	FOG	FACE OF GYP BD	NO	NUMBER	SKDGD	SKID GUARD
BO	BOTTOM OF	FOS	FACE OF STUD	O/	OVER	SQ	SQUARE
BRKT	BRACKET	FOW	FACE OF WALL	OFF	OFFICE	SS	STAINLESS STEEL
CAB	CABINET	FR	FRAME	OC	ON CENTER	STD	STANDARD
CLNG	CEILING	FT	FOOT, FEET	OPNG	OPENING	STL	STEEL
CTR	CENTER	FURR	FURRING	OPP	OPPOSITE	STRUCT	STRUCTURAL
CL	CENTER LINE	GEN	GENERAL	PTD	PAINTED	SUSP	SUSPENDED
CLR	CLEAR	GL	GLASS OR GLAZED	PNL	PANEL	TEL	TELEPHONE
COL	COLUMN	GA	GAUGE	PTN	PARTITION	TEMPD	TEMPERED
CONC	CONCRETE	GR	GRADE	PLAM	PLASTIC LAMINATE	TEMPD GL	TEMPERED GLASS
CONST	CONSTRUCTION	GYP BD	GYPSUM BOARD	PLAS	PLASTER	THK	THICK
CONT	CONTINUOUS	HDWR	HARDWARE	PLT	PLATE	THRU	THROUGH
CJ	CONTROL JOINT	HVAC	HEATING, VENTILATION & AIR CONDITIONING	PLY	PLYWOOD	TO	TOP OF
CORR	CORRIDOR			PT	POINT	TYP	TYPICAL
CTRTOP	COUNTERTOP	HGT	HEIGHT	PL	PROPERTY LINE	UL	UNDERWRITERS LABORATORY
(D)	DEMOLISH, DEMOLITION	HC	HOLLOW CORE	RAD	RADIUS, RADII	UON	UNLESS OTHERWISE NOTED
DBL	DOUBLE	HM	HOLLOW METAL	RE	REFER TO	VEN	VENEER
DIA	DIAMETER	HORIZ	HORIZONTAL	RECEP	RECEPTACLE	VER	VERIFY
DIM	DIMENSION	HR	HOUR	REFL	REFLECTED	VIF	VERIFY IN FIELD
DN	DOWN	HT	HEIGHT	R	REMOVE	VWA	VERIFY WITH ARCHITECT
DR	DOOR	IN	INCH, INCHES	RES	RESISTANT	VERT	VERTICAL
DTL	DETAIL	INCAN	INCANDESCENT	RESIL	RESILIENT	VCT	VINYL COMPOSITION TILE
DWG	DRAWING	INS	INSULATION	RE	RELOCATE	WH	WATER HEATER
EA	EACH	INT	INTERIOR	REQ'D	REQUIRED	W/	WITH
EL	ELEVATION	JT	JOINT	R/A	RETURN AIR	WD	WOOD
						W/O	WHERE OCCURS

symbols

	STRUCTURAL GRID		KEYNOTE
	NORTH ARROW		REVISION NUMBER
	ROOM NAME / NUMBER / SQUARE FOOTAGE		WALL TYPE
	DETAIL [DRAWING 1, SHEET A1.01]		DOOR TYPE [RE: DOOR SCHEDULE]
	ELEVATION [DRAWING 1, SHEET A1.01]		WINDOW TYPE [RE: WINDOW SCHEDULE]
	SECTION [DRAWING 1, SHEET A1.01]		ALIGN
	INTERIOR ELEVATION [DRAWING 1, SHEET A1.01]		DIMENSION
	WORK / DATUM POINT		CENTER LINE

general notes

ALL WORK SHALL CONFORM TO THE CONTRACT DOCUMENTS WHICH INCLUDE THE OWNER/CONTRACTOR AGREEMENT, THE DRAWINGS, AND ALL ADDENDA AND MODIFICATIONS ISSUED BY THE ARCHITECT.

ALL DIMENSIONS ARE TO FACE OF FINISH UNLESS OTHERWISE NOTED.

ALL ITEMS ARE NEW, UNLESS OTHERWISE NOTED.

THE CONTRACTOR SHALL MAINTAIN FOR THE ENTIRE DURATION OF THE WORK ALL EXITS, EXIT LIGHTING, FIRE PROTECTIVE DEVICES, AND ALARMS IN CONFORMANCE WITH ALL APPLICABLE CODES AND ORDINANCES.

THE CONTRACTOR SHALL REVIEW ALL DOCUMENTS AND VERIFY ALL DIMENSIONS AND FIELD CONDITIONS AND SHALL CONFIRM THAT ALL WORK IS BUILDABLE AS SHOWN. ANY CONFLICTS OR OMISSIONS, ETC., SHALL BE IMMEDIATELY REPORTED TO THE ARCHITECT FOR CLARIFICATIONS PRIOR TO THE PERFORMANCE OF ANY WORK IN QUESTION.

IN CONFLICTS BETWEEN THE ARCHITECTS AND DESIGN BUILD ENGINEER'S DRAWINGS IN LOCATING MATERIALS / EQUIPMENT, THE ARCHITECTURAL DRAWINGS SHALL GOVERN.

CONTRACTOR SHALL COORDINATE WITH OWNER THE SCHEDULE FOR ALL TELEPHONE COMPANY AND DATA INSTALLATIONS.

THE CONTRACTOR SHALL OBTAIN ALL PERMITS AND INSPECTIONS AND COMPLY WITH ALL CODES, LAWS, ORDINANCES, RULES, AND REGULATIONS OF ALL PUBLIC AUTHORITIES (FEDERAL, STATE, OR LOCAL) GOVERNING THE WORK. THE MOST STRINGENT SHALL APPLY.

SUBSTITUTIONS, REVISIONS, OR CHANGES MUST BE SUBMITTED TO THE ARCHITECT FOR REVIEW (IN CONFORMANCE WITH SPECIFIED PROCEDURES) PRIOR TO PURCHASE, FABRICATION, OR INSTALLATION.

ALL MANUFACTURED ARTICLES, MATERIALS, AND EQUIPMENT SHALL BE APPLIED, INSTALLED, CONNECTED, ERECTED, CLEANED, AND CONDITIONED PER MANUFACTURER'S INSTRUCTIONS. IN CASE OF DIFFERENCES BETWEEN THE MANUFACTURER'S INSTRUCTIONS AND THE CONTRACT DOCUMENTS, THE CONTRACTOR SHALL NOTIFY THE ARCHITECT BEFORE PROCEEDING.

THE ARCHITECT HAS NO KNOWLEDGE AND SHALL NOT BE HELD LIABLE FOR ANY ASBESTOS OR OTHER HAZARDOUS MATERIALS ON THE JOBSITE. IF ASBESTOS OR OTHER HAZARDOUS MATERIALS ARE DISCOVERED DURING CONSTRUCTION, THE CONTRACTOR SHALL ISOLATE THE AFFECTED AREA AND CONTACT THE OWNER FOR FURTHER INSTRUCTIONS BEFORE PROCEEDING.

THE CONTRACTOR SHALL COMPLY WITH APPLICABLE LOCAL, STATE, AND FEDERAL CODES AND REGULATIONS PERTAINING TO SAFETY OF PERSONS, PROPERTY, AND ENVIRONMENTAL PROTECTION.

ERECT AND MAINTAIN DUSTPROOF PARTITIONS AS REQUIRED TO PREVENT SPREAD OF DUST, FUMES, AND SMOKE, ETC. TO OTHER PARTS OF THE BUILDING. ON COMPLETION, REMOVE PARTITIONS AND REPAIR DAMAGED SURFACES TO MATCH ADJACENT SURFACES. REMOVE TOOLS AND EQUIPMENT FROM SITE UPON COMPLETION OF WORK. LEAVE CONTRACT AREAS AND SITE CLEAN, ORDERLY, AND IN A CONDITION ACCEPTABLE FOR NEW OR OTHER CONSTRUCTION.

ELECTRICAL, MECHANICAL, PLUMBING, AND SPRINKLERS SHOWN FOR GENERAL LAYOUT PURPOSES ONLY. ELECTRICAL PERMIT, MECHANICAL PERMIT, PLUMBING PERMIT, AND SPRINKLER PERMIT TO BE SUBMITTED SEPARATELY.

project data

ADDRESS	490 VISTA RIDGE DRIVE, MILPITAS
BLOCK / PARCEL #	LOT 22 / 4230022
ZONING	R1-H
OCCUPANCY	RESIDENTIAL (R-3)
BUILDING TYPE	TYPE 5-B

DEVELOPMENT STATISTICS	ALLOWED/REQUIRED	PROPOSED
GROSS LOT AREA	1.3 AC	1.3AC
NET LOT AREA	N/A	N/A
TOTAL FLOOR AREA	8,000 SF	5,838 SF
ADDITIONAL FLOOR AREA	N/A	N/A
FLOOR AREA RATIO	N/A	N/A
LOT COVERAGE	8,000 SF / 60,079 SF = 13.3%	7,860 SF / 60,079 SF = 13%
HEIGHT	27'-0"	26'-4"
NUMBER OF STORIES	2	2
FRONT SETBACK	40'-0"	44'-5"
REAR SETBACK	40'-0"	98'-8"
PARKING STATISTICS	REQUIRED	PROPOSED
STANDARD SPACES (6 TOTAL)	6	6
COVERED SPACES (3 OF 6)	3	3
UNCOVERED SPACES(3 OF 6)	3	3
GUEST SPACES (2 OF 6)	2	2
EV SPACES	0	2
SHORT TERM BICYCLE PARKING	2	2
LONG TERM BICYCLE PARKING	2	2

FLOOR/AREA	ALLOWED	PROPOSED
FIRST FLOOR	N/A	2,720 SF
SECOND FLOOR	N/A	2,835 SF
LIBRARY MEZZANINE	N/A	283 SF
TOTAL	8,000 SF	5,838 SF

ADU	1,200 SF	1,138 SF
GARAGE	N/A	1,552 SF

IMPERVIOUS COVERAGE	ALLOWED	PROPOSED
	8000 SF	7,596 SF
AREA OF DISTURBED SOIL	36,707 SF / 0.84 ACRES (SEE C-1.1)	

applicable building codes

2022 CALIFORNIA BUILDING STANDARDS CODE - TITLE 24
2022 CALIFORNIA ELECTRICAL CODE
2022 CALIFORNIA MECHANICAL CODE
2022 CALIFORNIA PLUMBING CODE
THE MILPITAS MUNICIPAL CODE
THE SPRING VALLEY HEIGHTS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

project description

CONSTRUCTION OF A NEW SINGLE FAMILY HOUSE IN MILPITAS. THE NEW TWO-STORY BUILDING WILL INCLUDE FOUR BEDROOMS, LIVING ROOM, TWO OFFICES, DINING ROOM, KITCHEN, LAUNDRY, STORAGE, EXERCISE ROOM, AN ELEVATOR, THREE CAR GARAGE AND AN ADU. THE HOUSE WILL INCLUDE ALL NEW HYDRONIC HEATED FLOORS, AC IN BEDROOMS AND A SWIMMING POOL.

ADDITION OF NEW NFPA 13R SPRINKLER SYSTEMS PER CBC 903.3.1.3
UNDER SEPARATE PERMIT

sheet index

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A0.02 PERVIOUS SURFACE DIAGRAM	L0.11 SITE SECTIONS / ELEVATIONS
A0.03 EXIT ROUTE	L0.12 LAYOUT PLAN
A0.04 SITE SURVEY	L0.13 PAVING PLAN & DETAILS
	L0.21 WALLS & STAIRS DETAILS
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	L0.40 LIGHTING PLAN
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C-1.2 SIGHT DISTANCE ANALYSIS	
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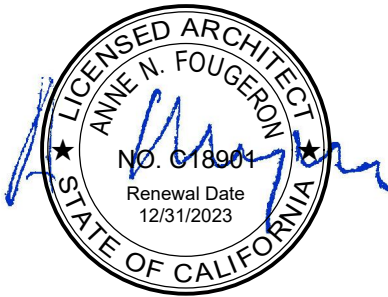
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Cover Sheet

A0.00

scale: N.T.S.

project name: Vista Ridge

project number: 20223

II-19-2.02

Amend Section 4.106.4 through Section 4.106.4.2.3 of the Green Building Standards Code to read as follows:
4.106.4 Electric vehicle (EV) charging for new construction. New construction shall comply with Sections 4.106.4.1 and 4.106.4.2 to facilitate future installation and use of EV chargers.Exceptions:
1. Where there is no commercial power supply.
2. Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) without additional parking spaces.
4.106.4.1 New one- and two-family dwellings and townhouses with attached private garages.
For each dwelling unit, install a Level 2 EV Ready Circuit and Level 1 EV Ready Circuit.
Exception: For each dwelling unit with only one parking space, install a Level 2 EV Ready Circuit.
4.106.4.2 New multifamily dwellings. The following requirements apply to all new multifamily dwellings:
1. When 20 or less multifamily dwelling units are constructed on a building site:
a. 15% of dwelling unit parking spaces shall be provided with access to at least one Level 2 EV Ready circuit.
b. 35% of dwelling unit parking spaces shall be provided with access to at least one Level 1 Capable circuit.
2. When more than 20 multifamily dwelling units are constructed on a building site:
a. 20% of dwelling unit parking spaces shall be provided with access to at least one Level 2 EV Ready Circuit.
b. 35% of dwelling unit with parking spaces shall be provided with access to at least one Level 1 Capable circuit.

(Supp. No. 54, Update 2)

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APPLICABLE

II-20-3.01 Covered Projects

Standards for Compliance for covered projects are identified in Table 3.01-1, Green Building Standards for Compliance, of this Chapter.

Table 3.01-1
Green Building Standards for Compliance¹

Type of Project	Checklist Required	Minimum Threshold	Verification Required
Residential			
New Construction: ≥ five units	Build it Green or LEED for Homes	50 Green Points (Build it Green) or LEED for Homes Certified	Yes
Nonresidential			
New Construction: >25,000 and ≤49,999 s.f.	LEED	LEED Certified	Yes
New Construction or renovations*: ≥ 50,000 s.f.	LEED	LEED Silver	Yes
City Buildings			
New construction or renovations* over 25,000 s.f.	LEED	LEED Silver	Yes
Mixed Use	Residential and Commercial criteria as applicable to each residential and commercial component of the project.		

Note: All square footage is gross.
* Renovation area includes only the area of work that requires permit application.
Per these green building regulations, a rating system other than LEED or Build It Green may be used with equivalent thresholds at the discretion of the Compliance Officer.
(Ord. No. 65.142, § 2, 11/19/13)

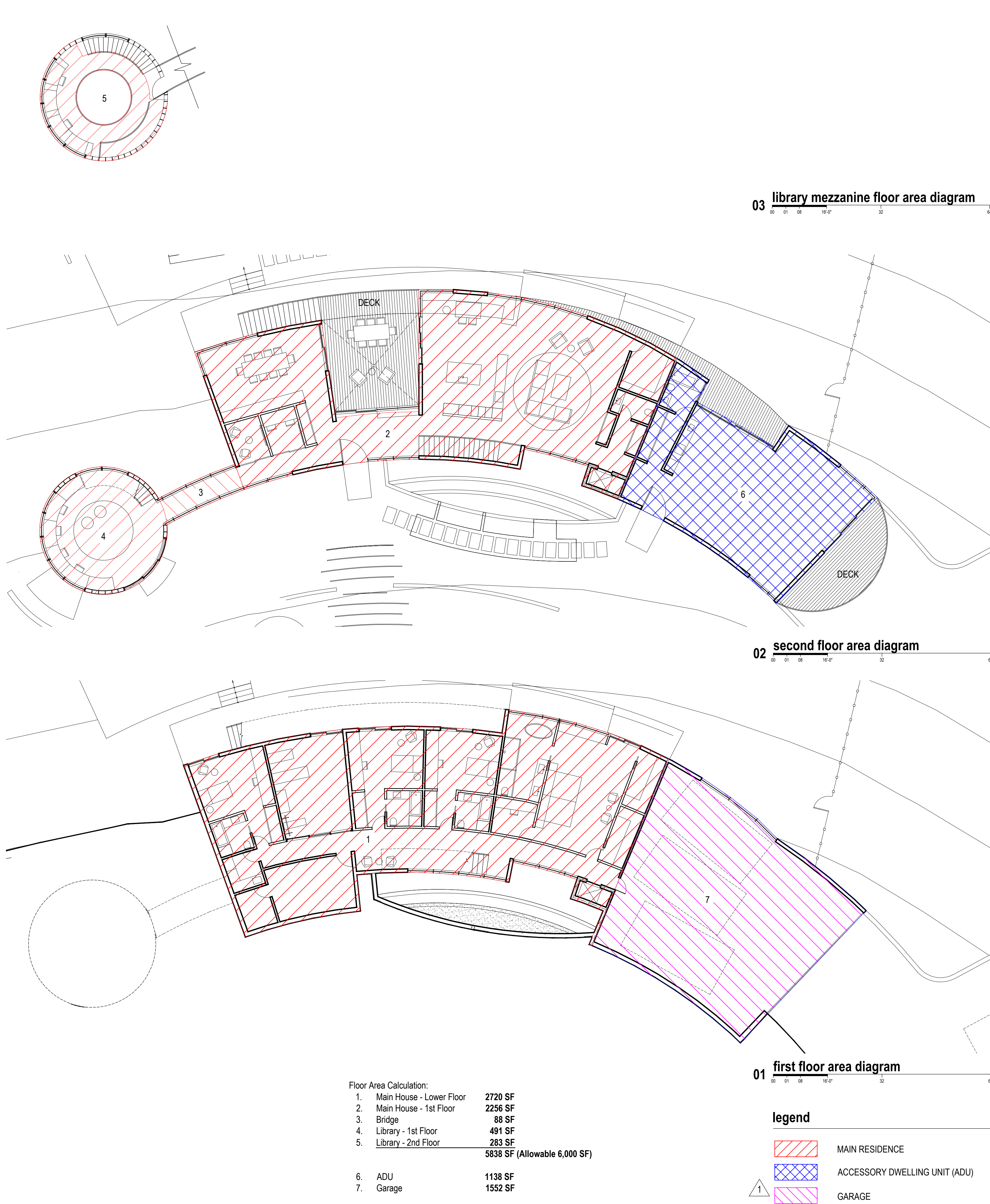
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NOT APPLICABLE

04 green building standards for compliance (ordinance no.64.142)



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Mechanical: TBD

LICENSED ARCHITECT
ANNE N. FOUGERON
No. 019001
Renewal Date 12/31/2023
STATE OF CALIFORNIA

no: date: issue:

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Floor Area Diagram

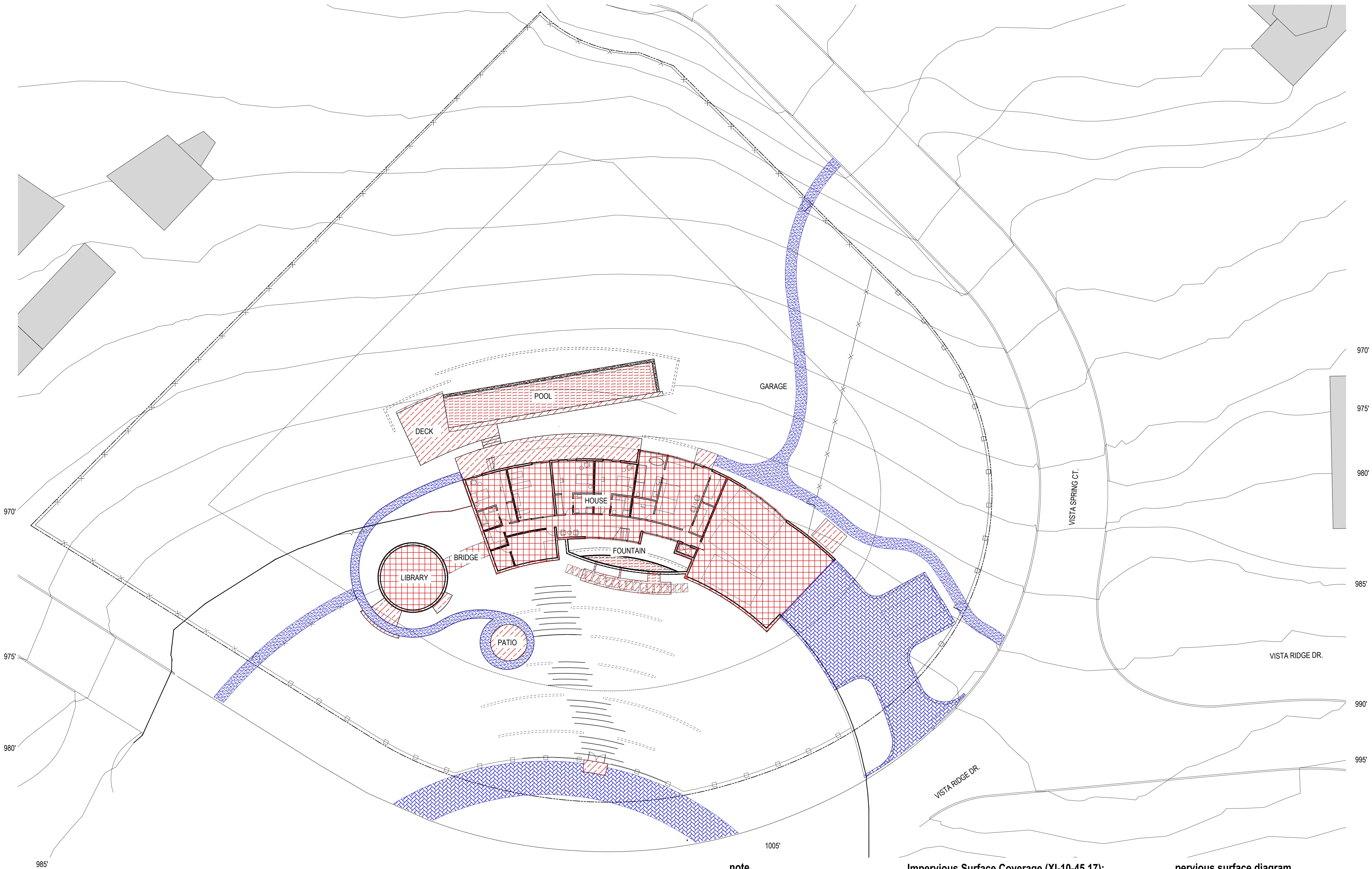
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scale: 3/32", 1' = 0"

project name: Vista Ridge

project number: 20223

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note
SEE HYDROLOGY REPORT FOR
ADDITIONAL INFORMATION

Impervious Surface Coverage (XI-10-45.17):

Main Residence :	
House	2720 SF
Bridge	88 SF
Library	491 SF
Accessory Structure :	
Garage	1552 SF
Building Footprint (Impervious):	4851 SF
Impervious Pavement Coverage:	
Patio	137 SF
Paving	1589 SF
Pool / Fountain	1019 SF
Total Impervious Coverage (Proposed):	7596 SF
Max. Impervious Coverage (Allowed):	8000 SF

01 pervious surface diagram

legend

- IMPERVIOUS - BUILDING FOOTPRINT
- IMPERVIOUS - POOL / FOUNTAIN
SEE 1/L0.60
- IMPERVIOUS - PAVING / PATIO
SEE 6/L0.13
- PERVIOUS - PARKING & DRIVEWAY
SEE 2/L0.13
- PERVIOUS - PERMEABLE PATHWAY
SEE 5/L0.13

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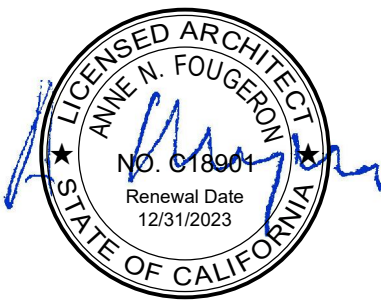
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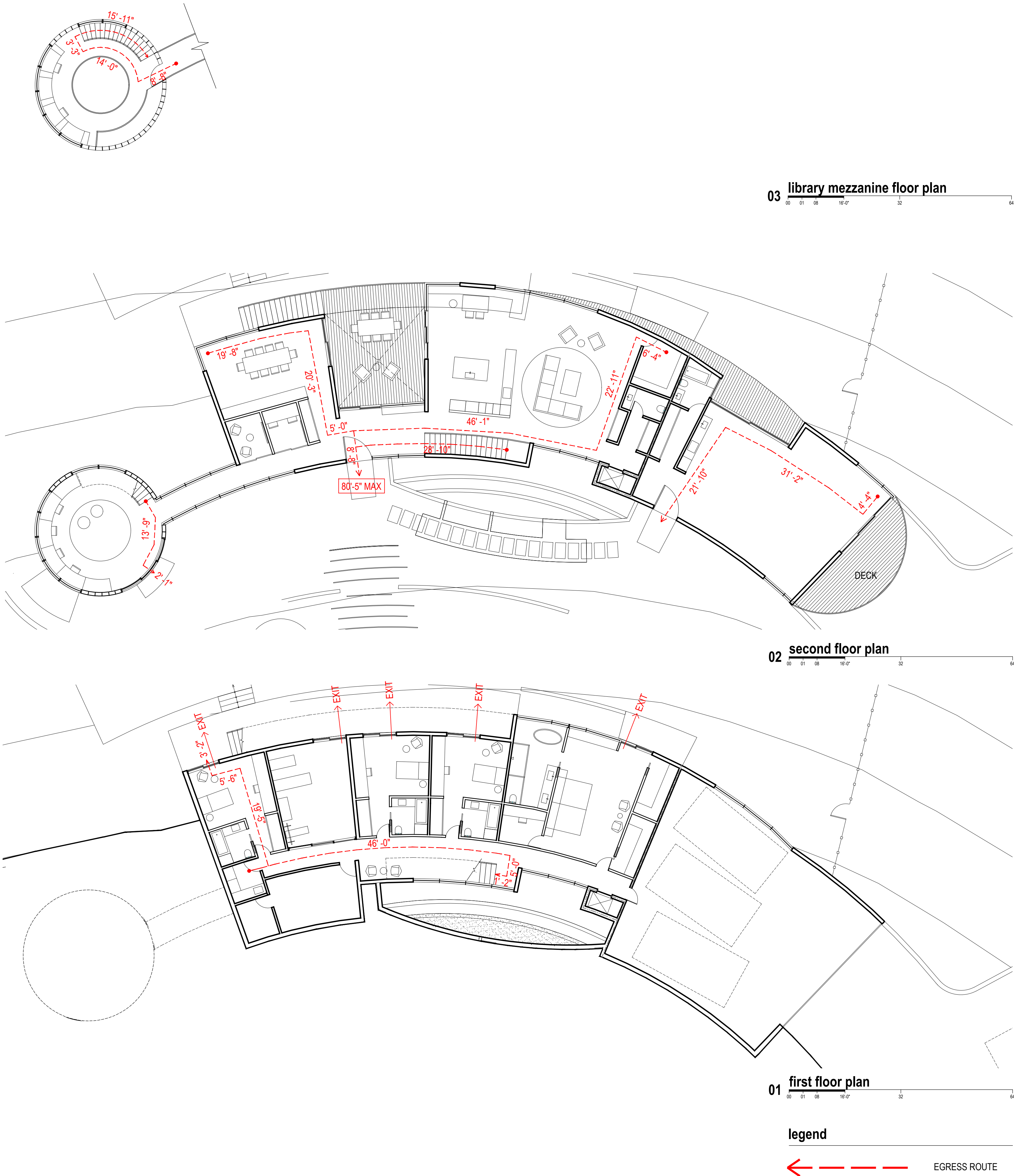
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**Pervious
Surface Diagram**

A0.02

scale: 1/16"; 1' = 0"

project name: Vista Ridge
project number: 20223



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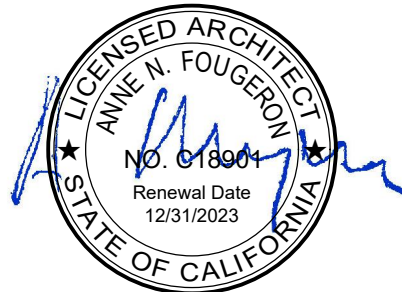
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Exit Route

A0.03

scale: 3/32"; 1' = 0"

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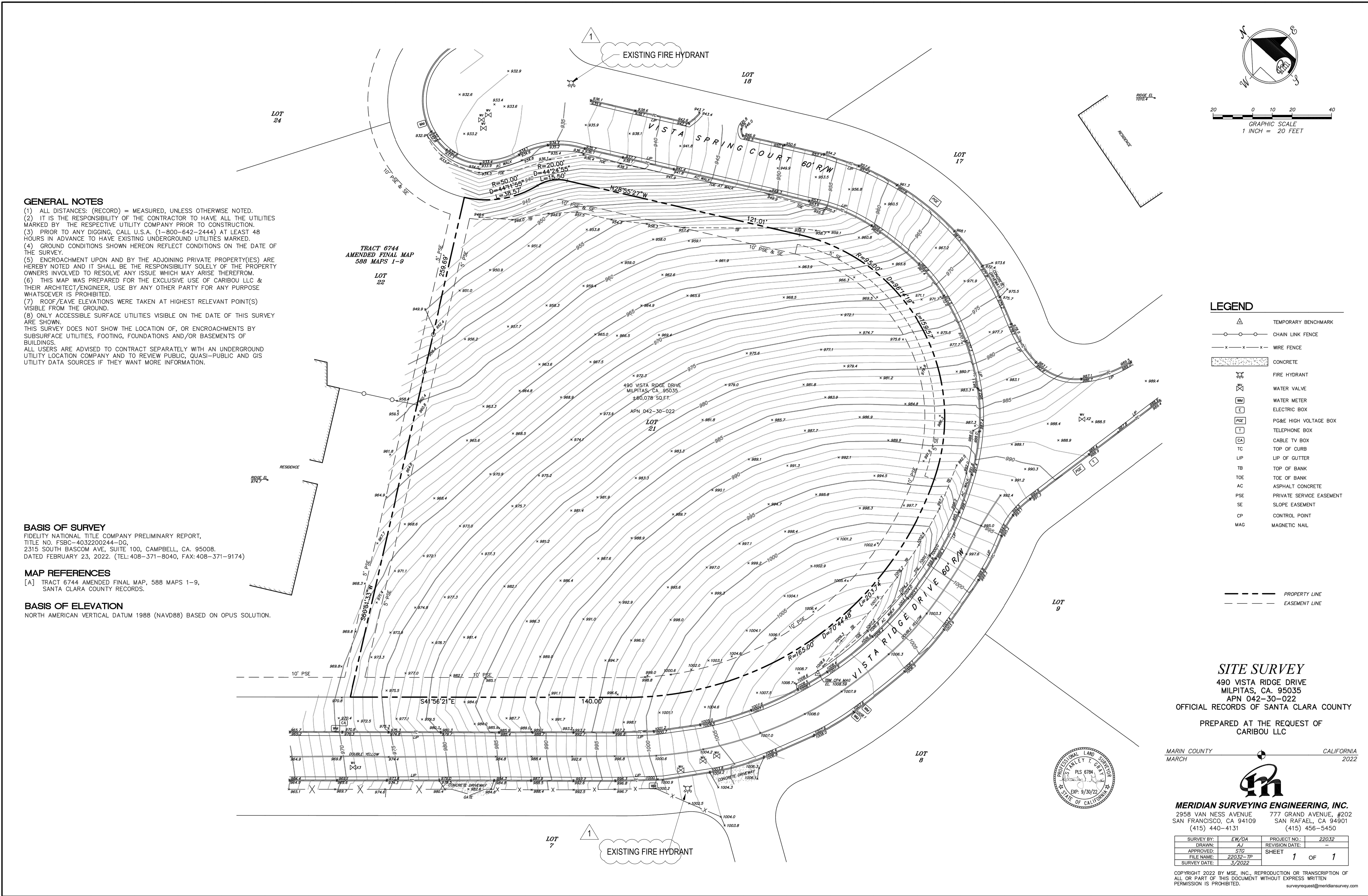
Site Survey

A0.04

scale: SEE DRAWINGS

project name: Vista Ridge

project number: 20223



NO TREES EXIST ON THIS SITE

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01 site plan

legend

- PROPERTY LINE
- 40' SET BACK LINE
- EASEMENT LINE
- PROPOSED 5'-6" TALL DEER FENCE
- PROPOSED 4'-6" TALL FENCE
- 5' TOPO. CONTOUR LINE

Site Plan

A1.00

scale: 1/32", 1' = 0"

project name: Vista Ridge
project number: 20223

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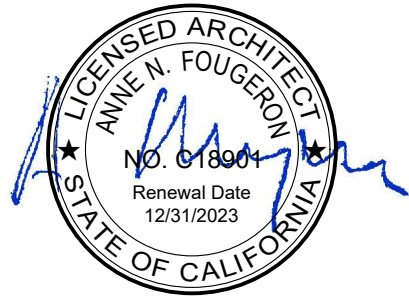
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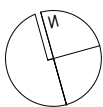
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Mechanical: TBD



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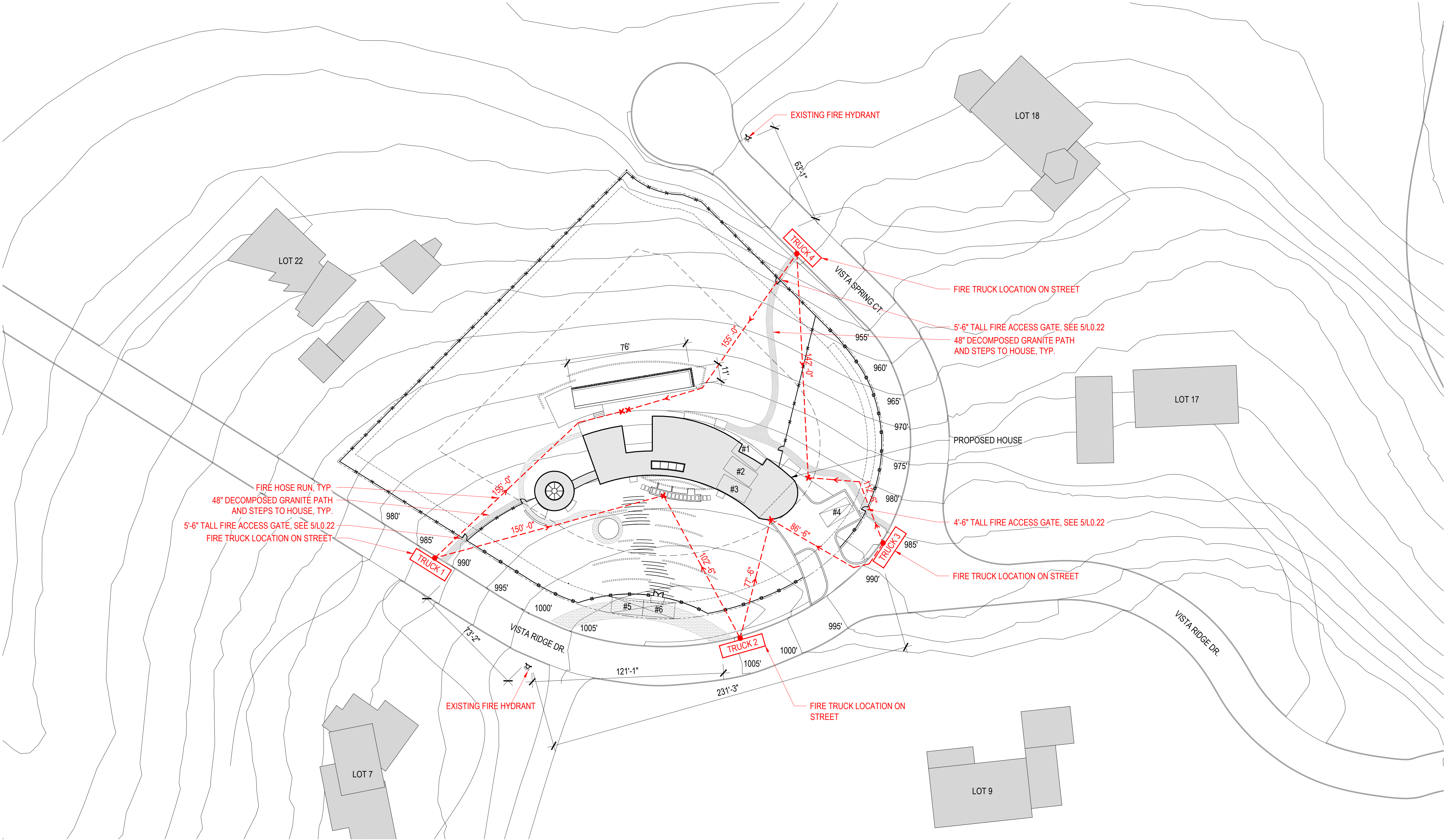
Fire Access
Site Plan



A1.00a

scale: 1/32"; 1' = 0"

project name: Vista Ridge
project number: 20223



01 site plan

legend

- PROPERTY LINE
- 40' SET BACK LINE
- EASEMENT LINE
- PROPOSED 5'-6" TALL DEER FENCE
- PROPOSED 4'-6" TALL FENCE
- 5' TOPO. CONTOUR LINE
- FIRE HOSE ROUTE
- FIRE HOSE ROUTE START POINT
- FIRE HOSE ROUTE END POINT

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415.440.4131

Civil Engineer:

Lea & Braze Engineering Inc.
2495 Industrial Parkway West,
Hayward, CA 94545
510.887.4086

Landscape:

Arterra Landscape Architects
88 Missouri Street,
San Francisco, CA 94107
415.861.3100

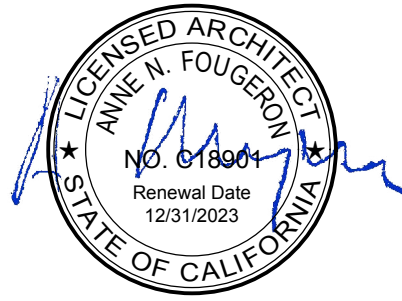
Energy Consultant:

Monterey Energy Group, Inc.
26465 Carmel Rancho Blvd.
Suite #8
Carmel, CA 93923
831.372.8328

Geotech:

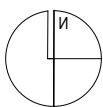
Romig Engineers.
1390 El Camino Real, 2nd Floor
San Carlos, CA 94070
650.591.5224

Mechanical: TBD



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	01.23.2023	Planning Permit
1	06.16.2023	Planning Revision 1
2	08.18.2023	Planning Revision 2
3	09.28.2023	Planning Conformed Set

Crestline Exhibits



A1.01

scale: N.T.S.

project name: Vista Ridge

project number: 20223



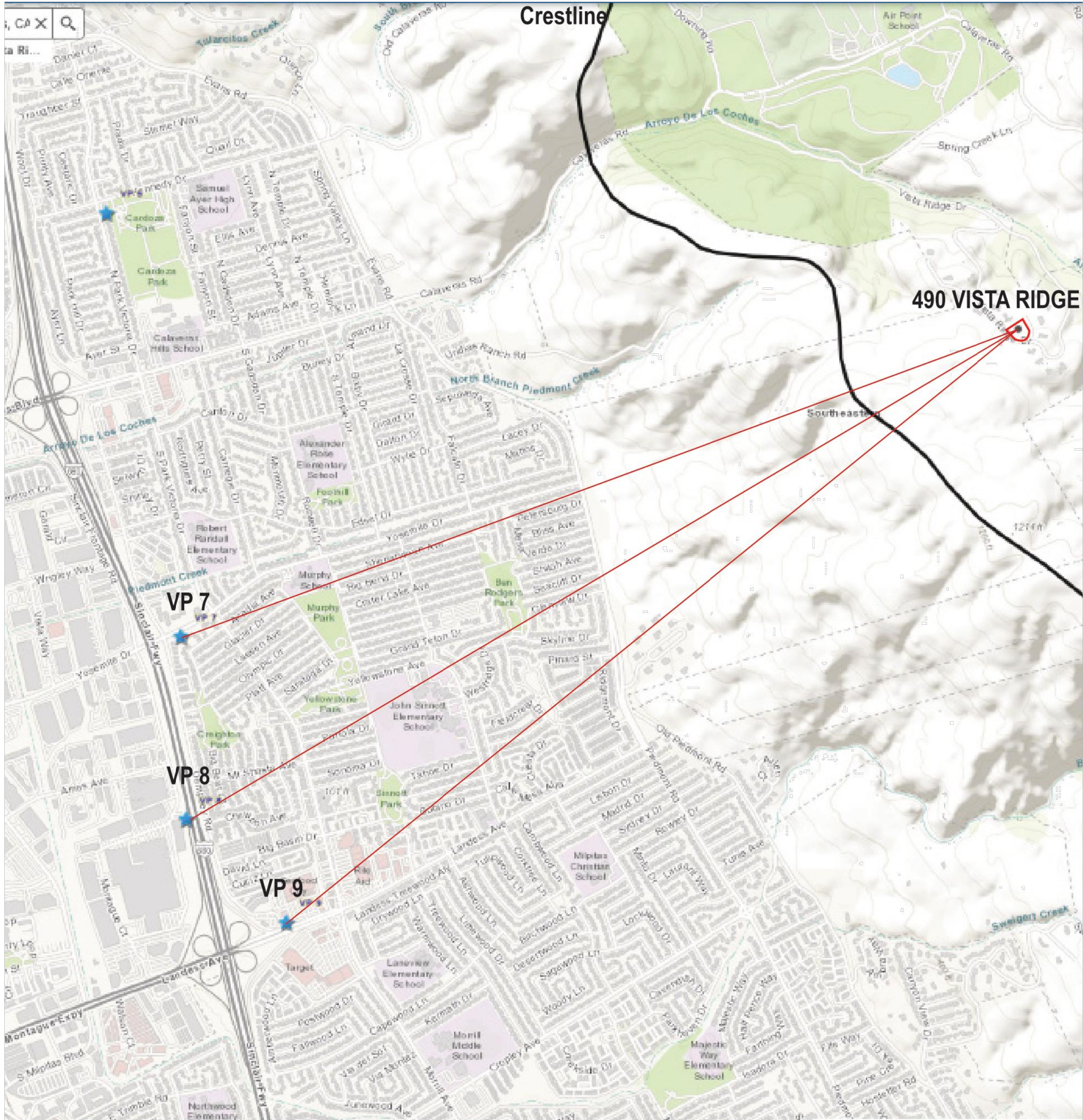
VP 7



VP 8



VP 9



01 crestline zone of protection: reference map

02 viewpoint images

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VISTA RIDGE

490 Vista Ridge Dr.,
Milpitas, CA 95035

client: Christy Vu & Sonny Vu
250 Perry St.,
Milpitas, CA 95035

consultants: Structural Engineer:

Endre Studio
4053 Harlan St. # 113,
Emeryville, CA 94608
510.898.6960

Surveyer:

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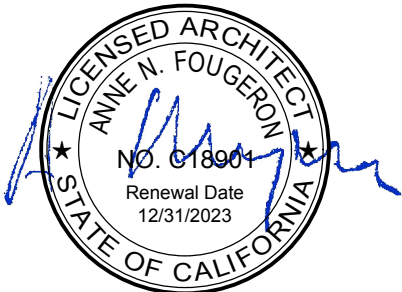
Energy Consultant:

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26465 Carmel Rancho Blvd.
Suite #8
Carmel, CA 93923
831.372.8328

Geotech:

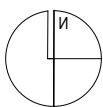
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Mechanical: TBD



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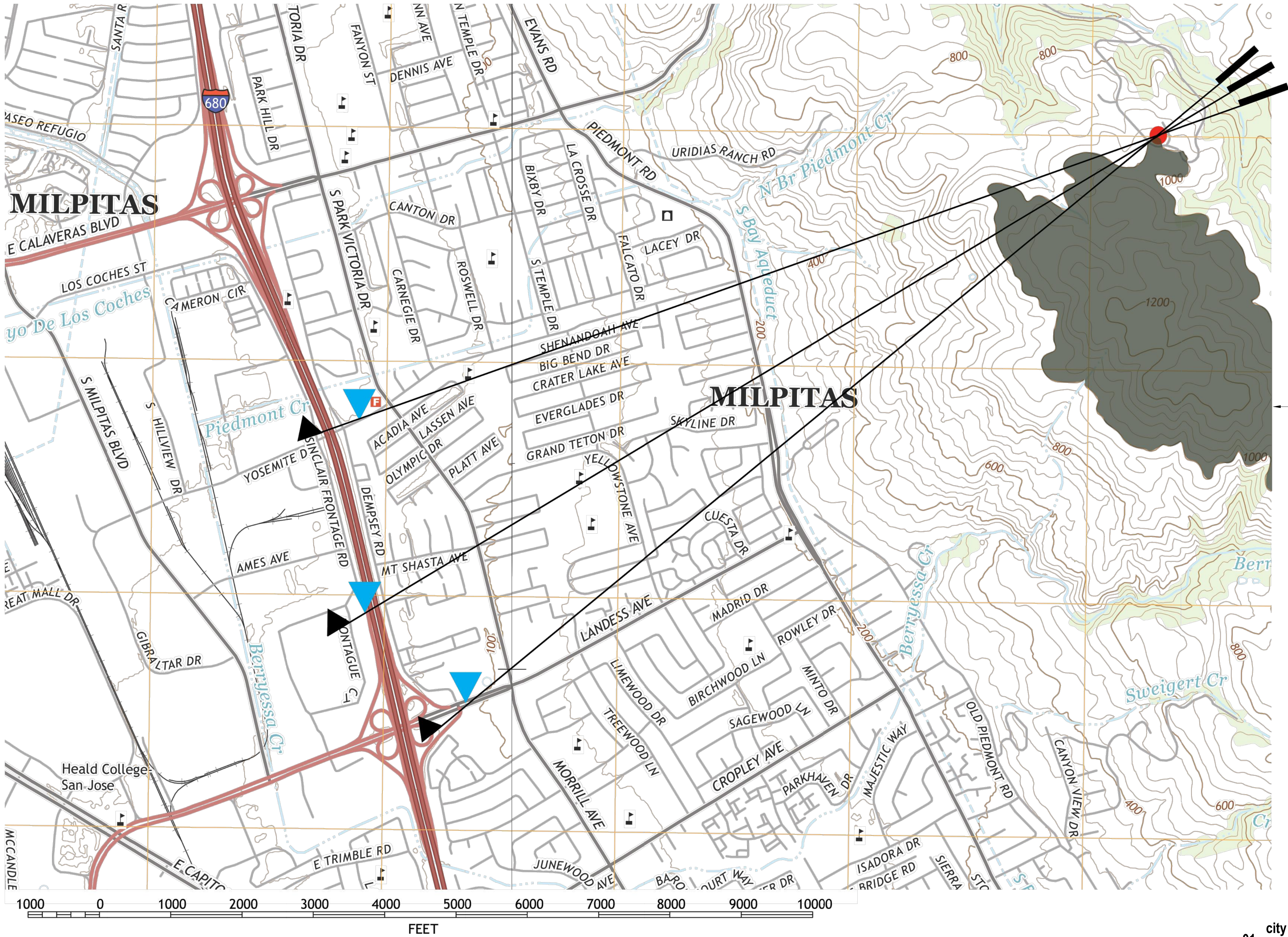
Crestline Exhibits



A1.02

scale: SEE DRAWINGS

project name: Vista Ridge
project number: 20223



ALL STRUCTURES CONCEALED
BEHIND HILL

- Site
- Viewpoints

01 city of milpitas: reference map

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VISTA RIDGE

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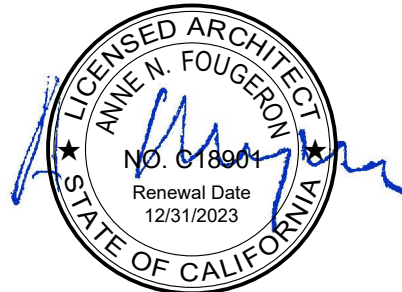
Energy Consultant:

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Geotech:

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Mechanical: TBD



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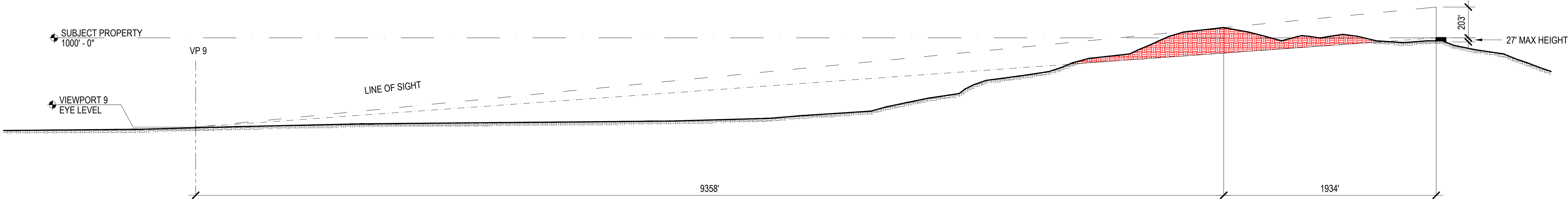
Crestline
Protection:
Site Sections

A1.03

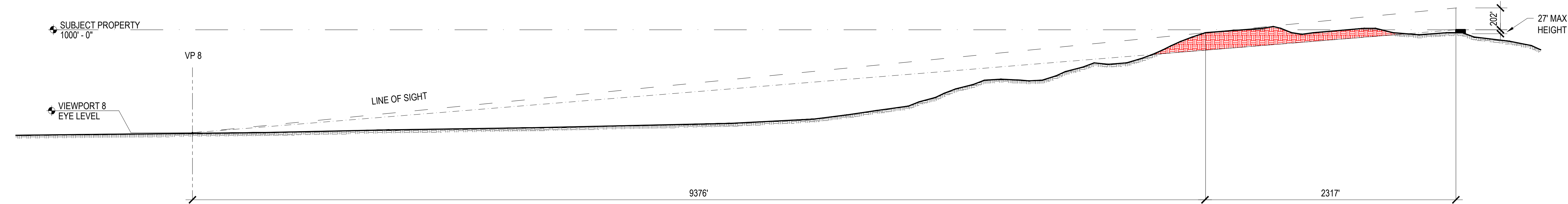
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project name: Vista Ridge

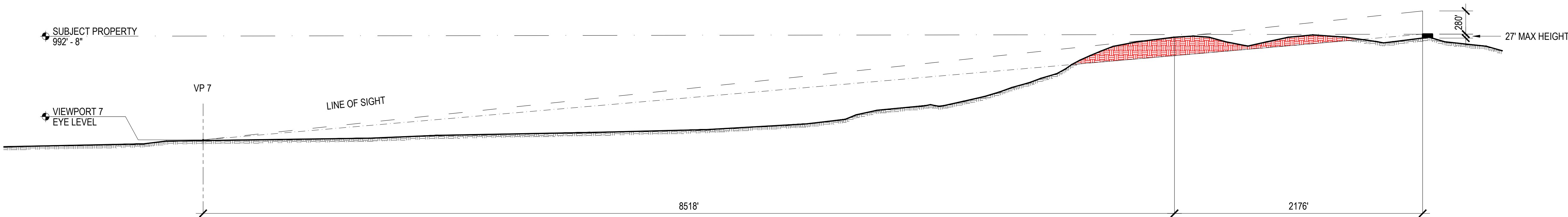
project number: 20223



03 site section: from viewpoint 9



02 site section: from viewpoint 8



01 site section: from viewpoint 7

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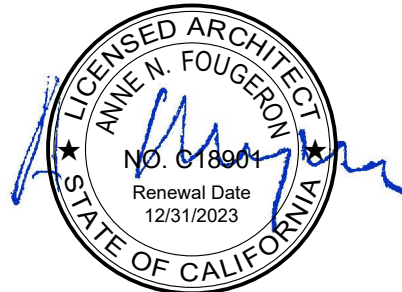
Energy Consultant:

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831.372.8328

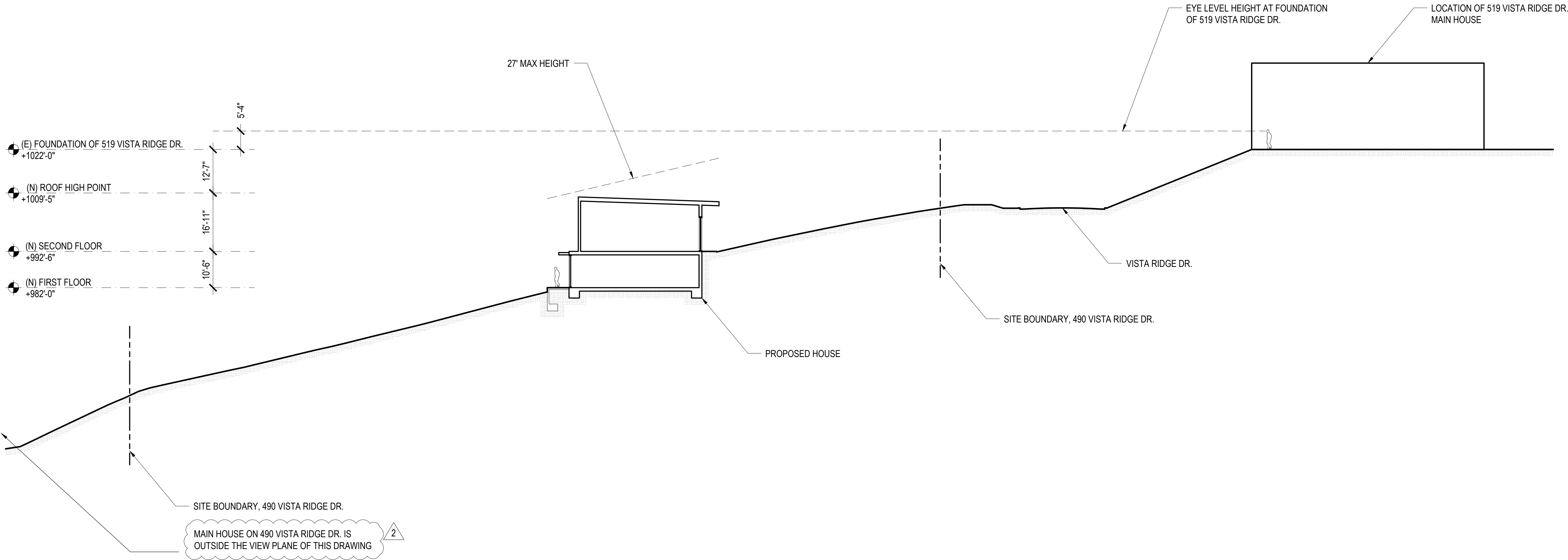
Geotech:

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Mechanical: TBD



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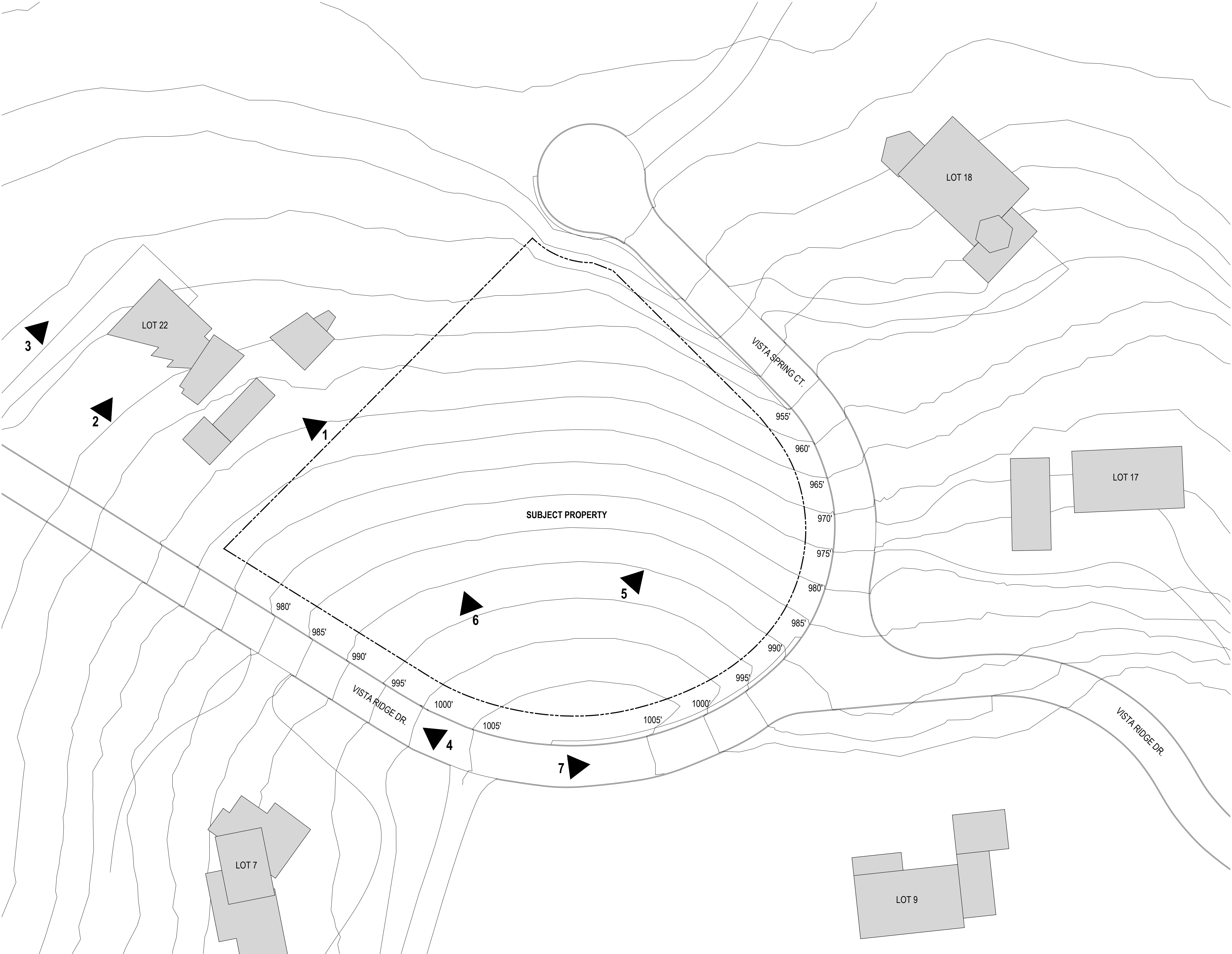
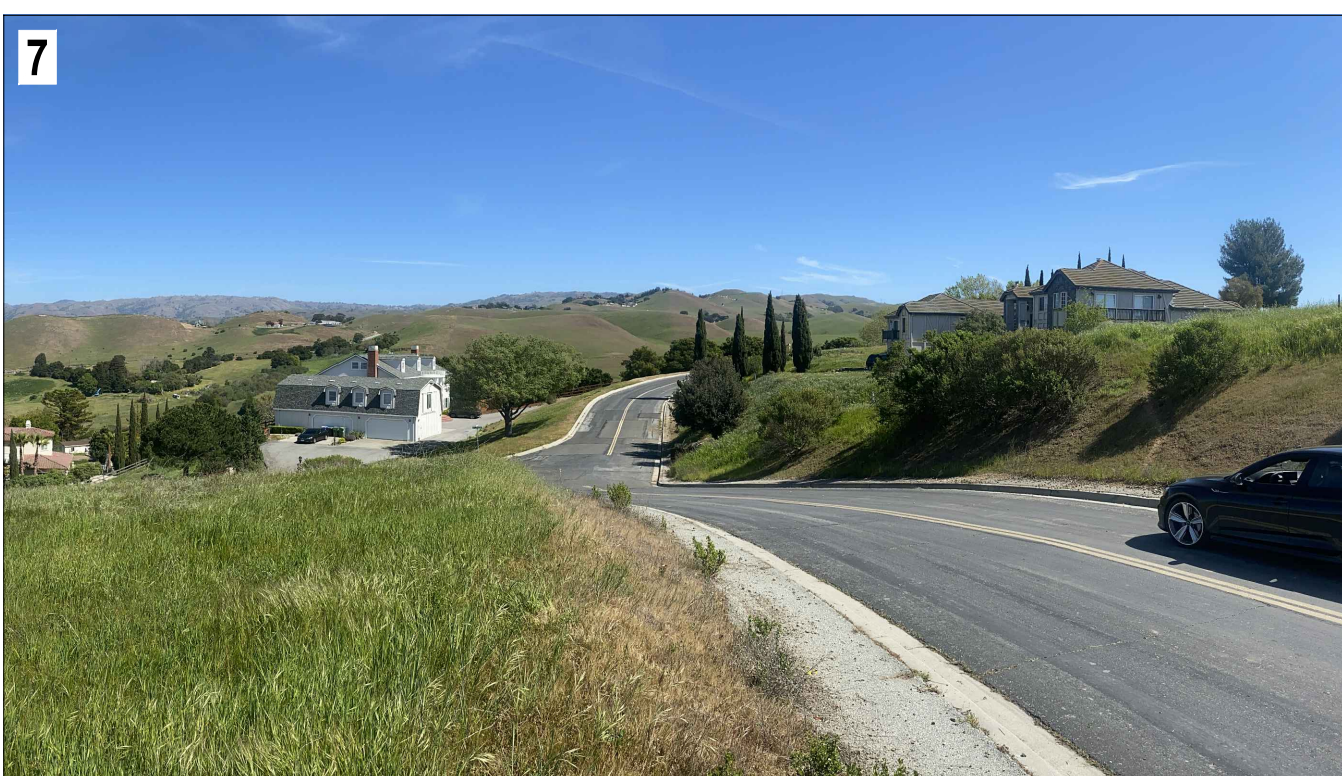
01 **site section**

Site Section

A1.03a

scale: 1/16" = 1' -0"

project name: Vista Ridge
project number: 20223



01 context map

VISTA RIDGE

client:

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Milpitas, CA 95035

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Geotech:

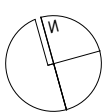
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Mechanical: TBD



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Context Map



A1.04

scale: 1/32" = 1'

project name: Vista Ridge
project number: 20223

VISTA RIDGE

Mechanical: TBD



A2.01

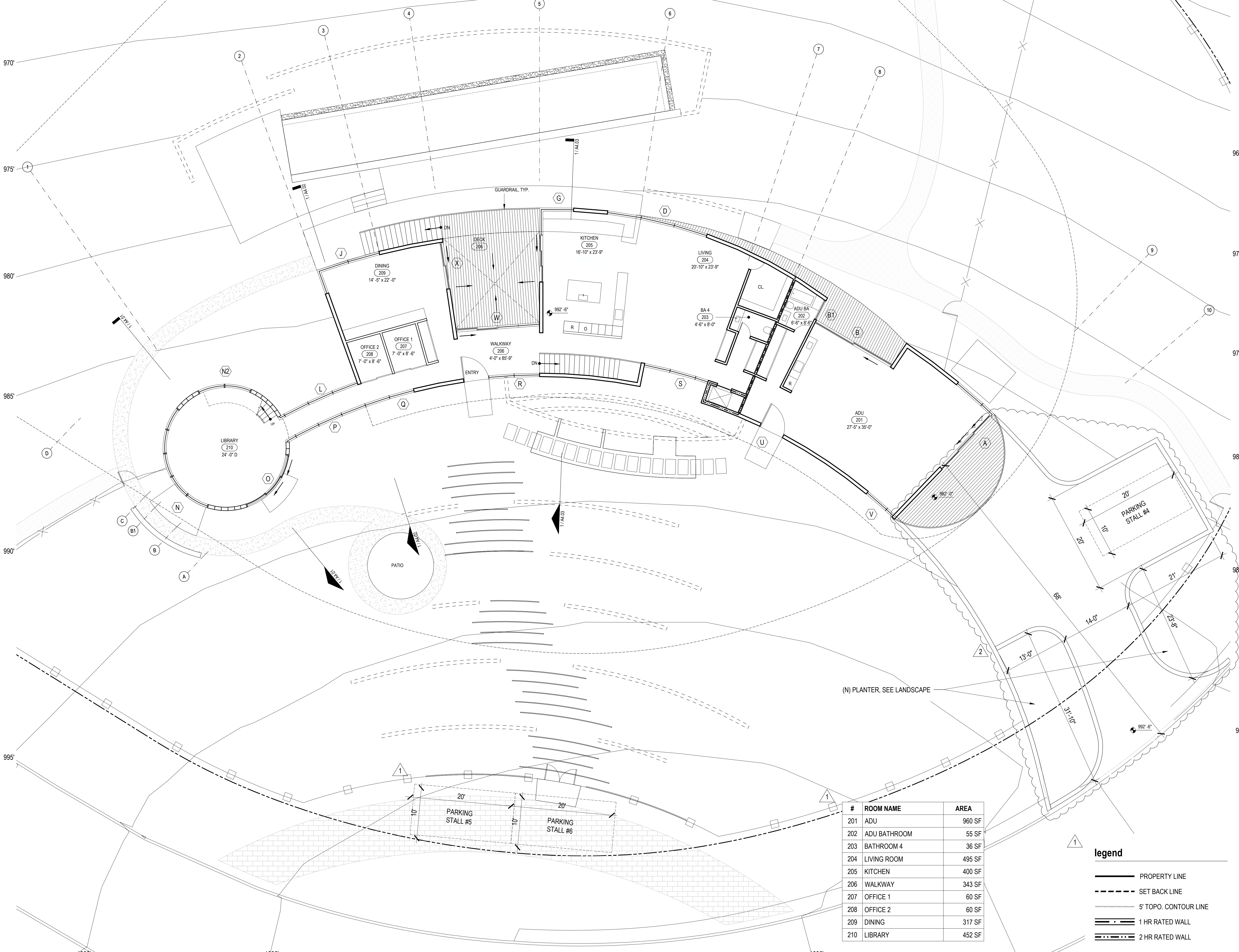
project number: 20223

#	ROOM NAME	AREA
101	3 CAR GARAGE	1450 SF
102	WALKWAY	490 SF
103	MASTER BEDROOM	481 SF
104	MASTER BATHROOM	144 SF
105	STORAGE	55 SF
106	BEDROOM 1	159 SF
107	BATHROOM 1	49 SF
108	BEDROOM 2	159 SF
109	BATHROOM 2	49 SF
110	GYM	260 SF
111	BEDROOM 3	159 SF
112	BATHROOM 3	49 SF
113	LAUNDRY	49 SF
114	MECHANICAL	49 SF
115	STORAGE	174 SF

legend

-  PROPERTY LINE
 SET BACK LINE
 5' TOPO. CONTOUR LINE
 1 HR RATED WALL
 2 HR RATED WALL

project number: 20223



VISTA RIDGE

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Landscape:

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Suite #8

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831.372.8328

Geotech:

Romig Engineers.

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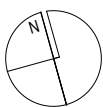
650.591.5224

Mechanical: TBD



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Second Floor Plan



A2.02

scale:

1/8" = 1' -0"

project name:

Vista Ridge

project number:

20223

#	ROOM NAME	AREA
201	ADU	960 SF
202	ADU BATHROOM	55 SF
203	BATHROOM 4	36 SF
204	LIVING ROOM	495 SF
205	KITCHEN	400 SF
206	WALKWAY	343 SF
207	OFFICE 1	60 SF
208	OFFICE 2	60 SF
209	DINING	317 SF
210	LIBRARY	452 SF

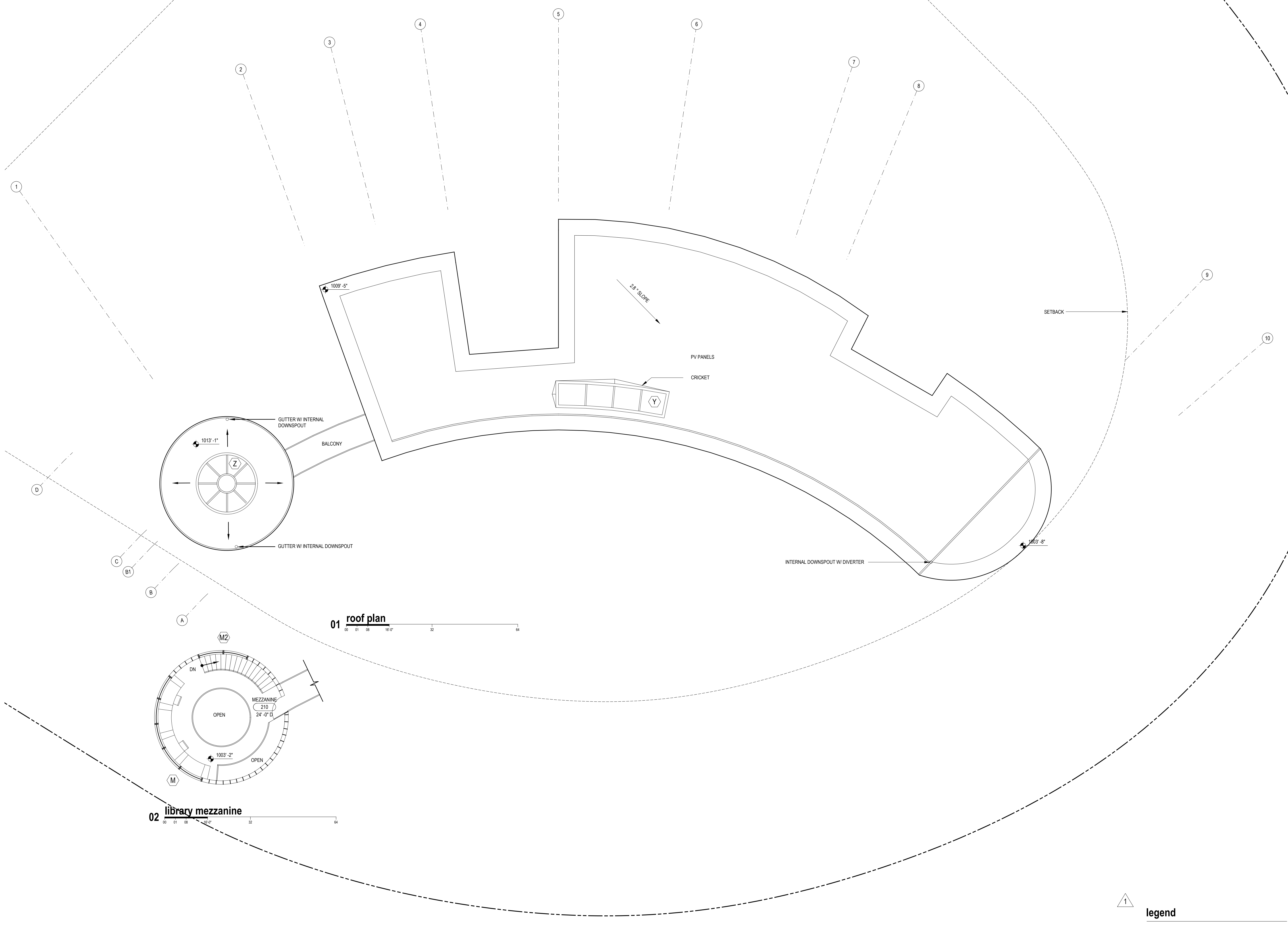
- 1
- legend
- PROPERTY LINE

SET BACK LINE

5' TOPO. CONTOUR LINE

1 HR RATED WALL

2 HR RATED WALL



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VISTA RIDGE

490 Vista Ridge Dr.,
Milpitas, CA 95035

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Milpitas, CA 95035

consultants: Structural Engineer:

Endre Studio
4053 Harlan St. # 113,
Emeryville, CA 94608
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Surveyor:

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Energy Consultant:

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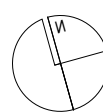
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Roof Plan &
Library Mezzanine



A2.03

scale: 1/8" = 1'

project name: Vista Ridge
project number: 20223

1

legend

- PROPERTY LINE
- SET BACK LINE
- 5' TOPO. CONTOUR LINE
- 1 HR RATED WALL
- 2 HR RATED WALL

1

#	ROOM NAME	AREA
301	LIBRARY MEZZANINE	262 SF

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Vista Ridge

490 Vista Ridge Dr.,
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consultants: Structural Engineer:

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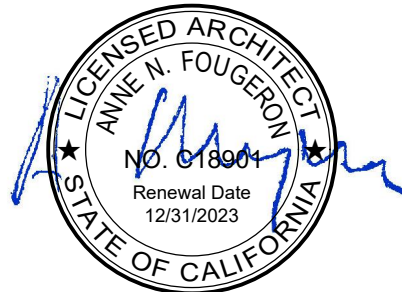
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Exterior Elevations

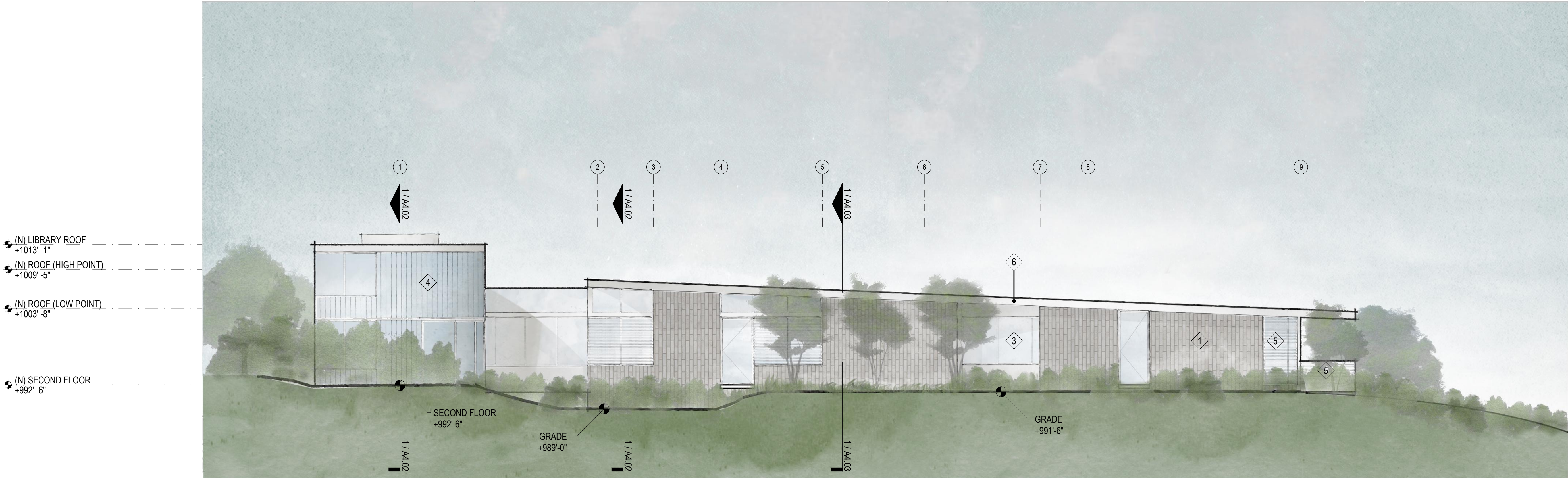
A3.01

scale: 1/8" = 1'

project name: Vista Ridge
project number: 20223



02 north



2 ALL ELEVATIONS RELATE BACK TO
SITE SURVEY FOUND ON SHEET A0.04

01 south

legend

- 1 BRICK
- 2 WOOD SIDING
- 3 ALUM. WINDOW
- 4 CHANNEL GLASS
- 5 BRICK SCREEN/ BRICK RAILING
- 6 METAL FASCIA

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VISTA RIDGE

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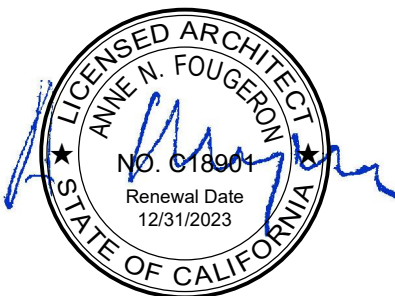
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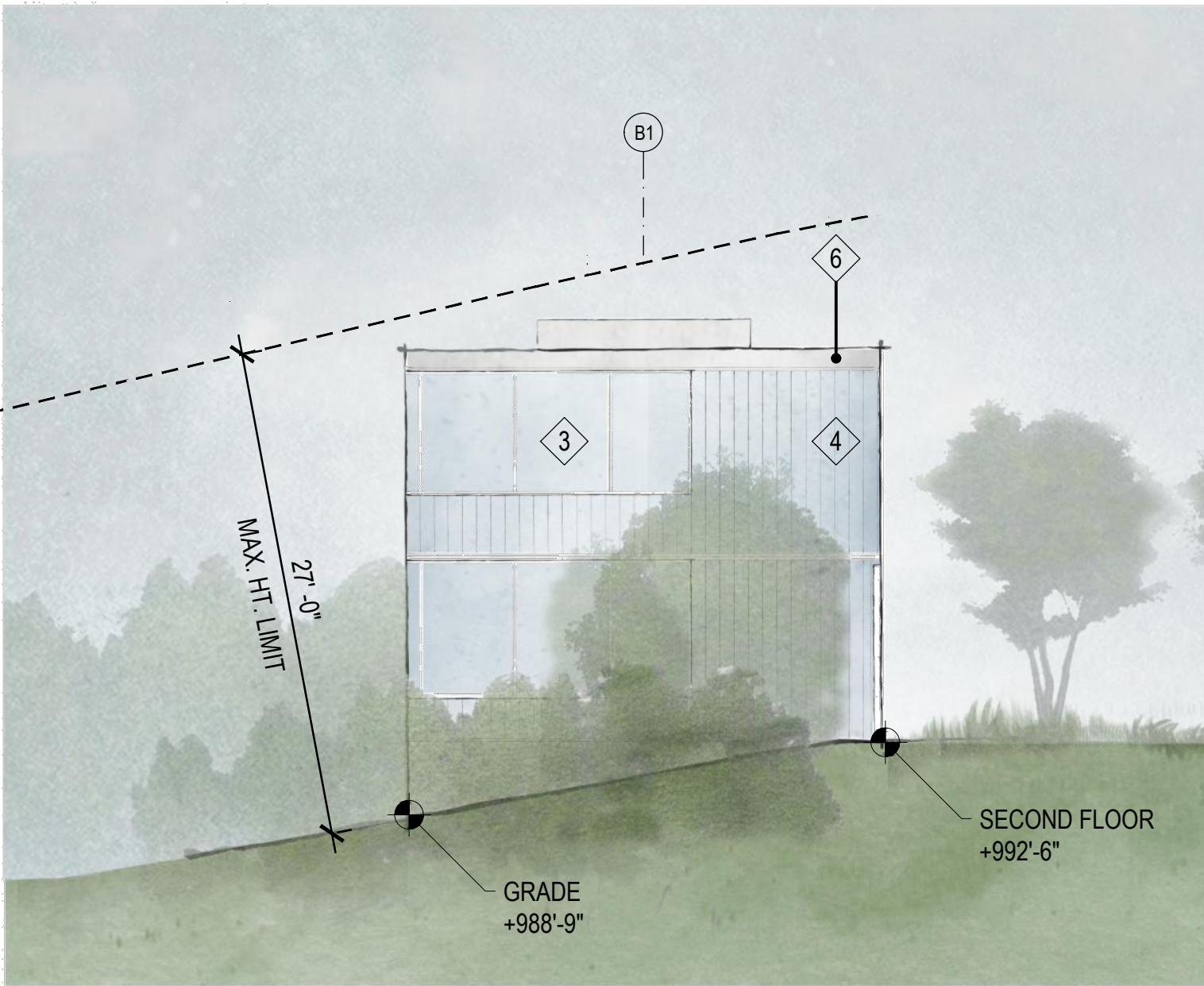
Exterior Elevations

A3.02

scale: 1/8" = 1'

project name: Vista Ridge
project number: 20223

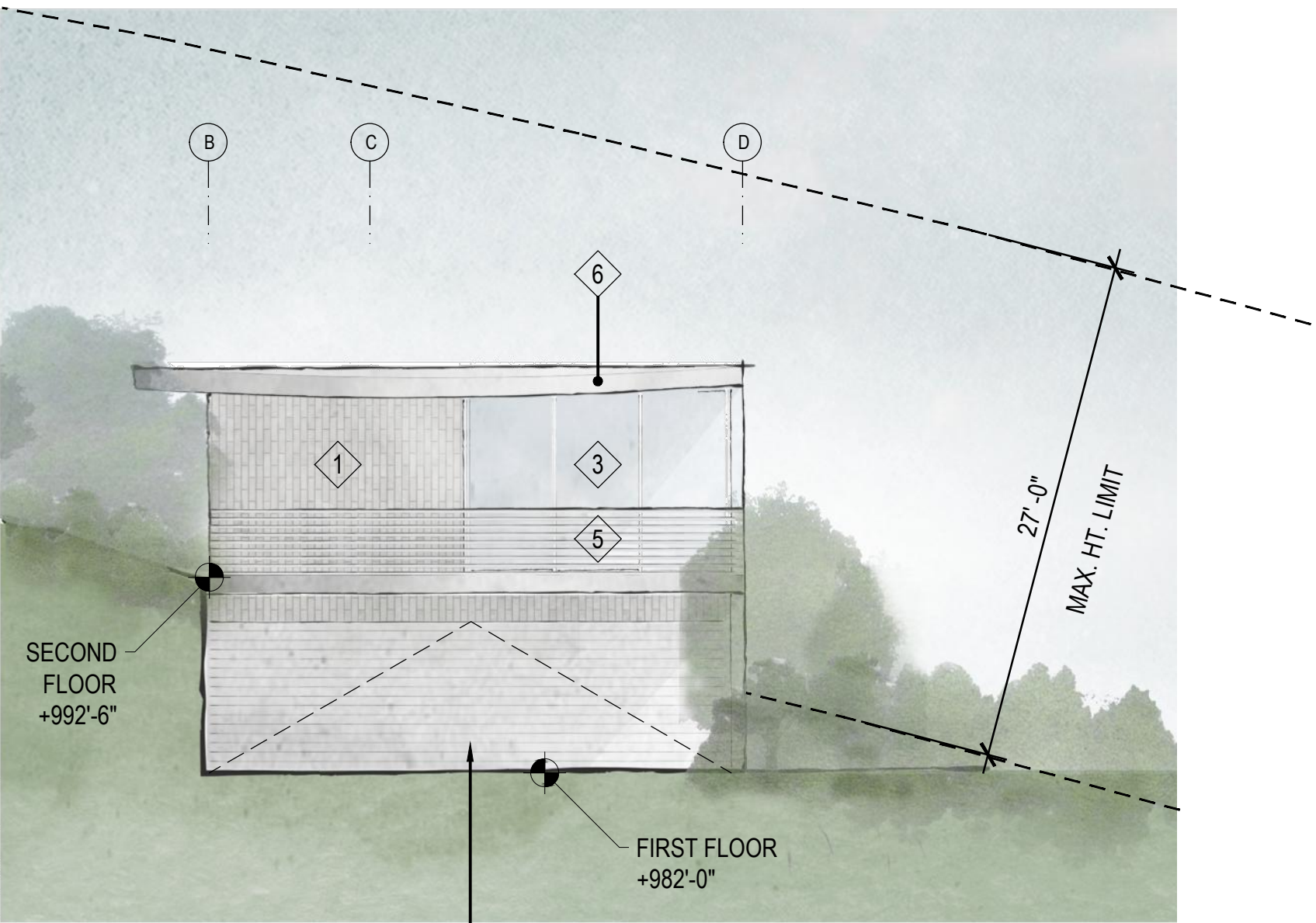
(N) LIBRARY ROOF	+1013'-1"
(N) ROOF (LOW POINT)	+1003'-8"
(N) SECOND FLOOR	+992'-6"



elevation at library

02 west

(N) ROOF (LOW POINT)	+1003'-8"
(N) SECOND FLOOR	+992'-6"
(N) FIRST FLOOR	+982'-0"



elevation at garage

GARAGE DOOR

2 ALL ELEVATIONS RELATE BACK TO
SITE SURVEY FOUND ON SHEET A0.04

01 east

legend

- 1 BRICK
- 2 WOOD SIDING
- 3 ALUM. WINDOW
- 4 CHANNEL GLASS
- 5 BRICK SCREEN/ BRICK RAILING
- 6 METAL FASCIA

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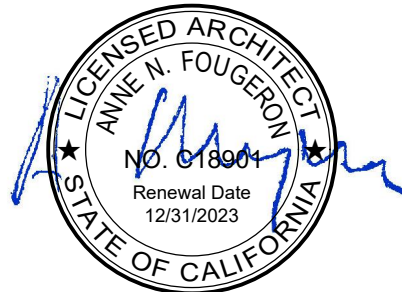
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Mechanical: TBD



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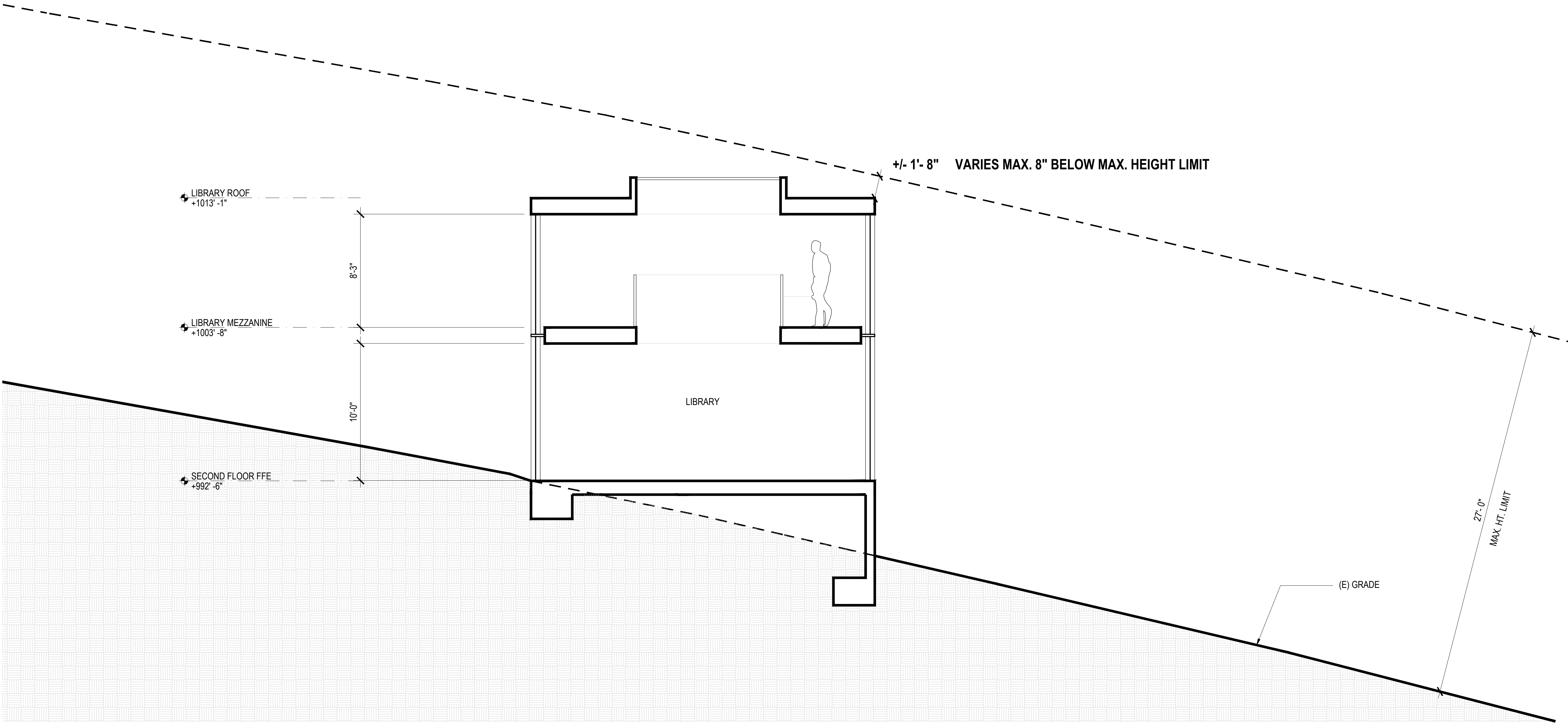
Building Section- CC

A4.01

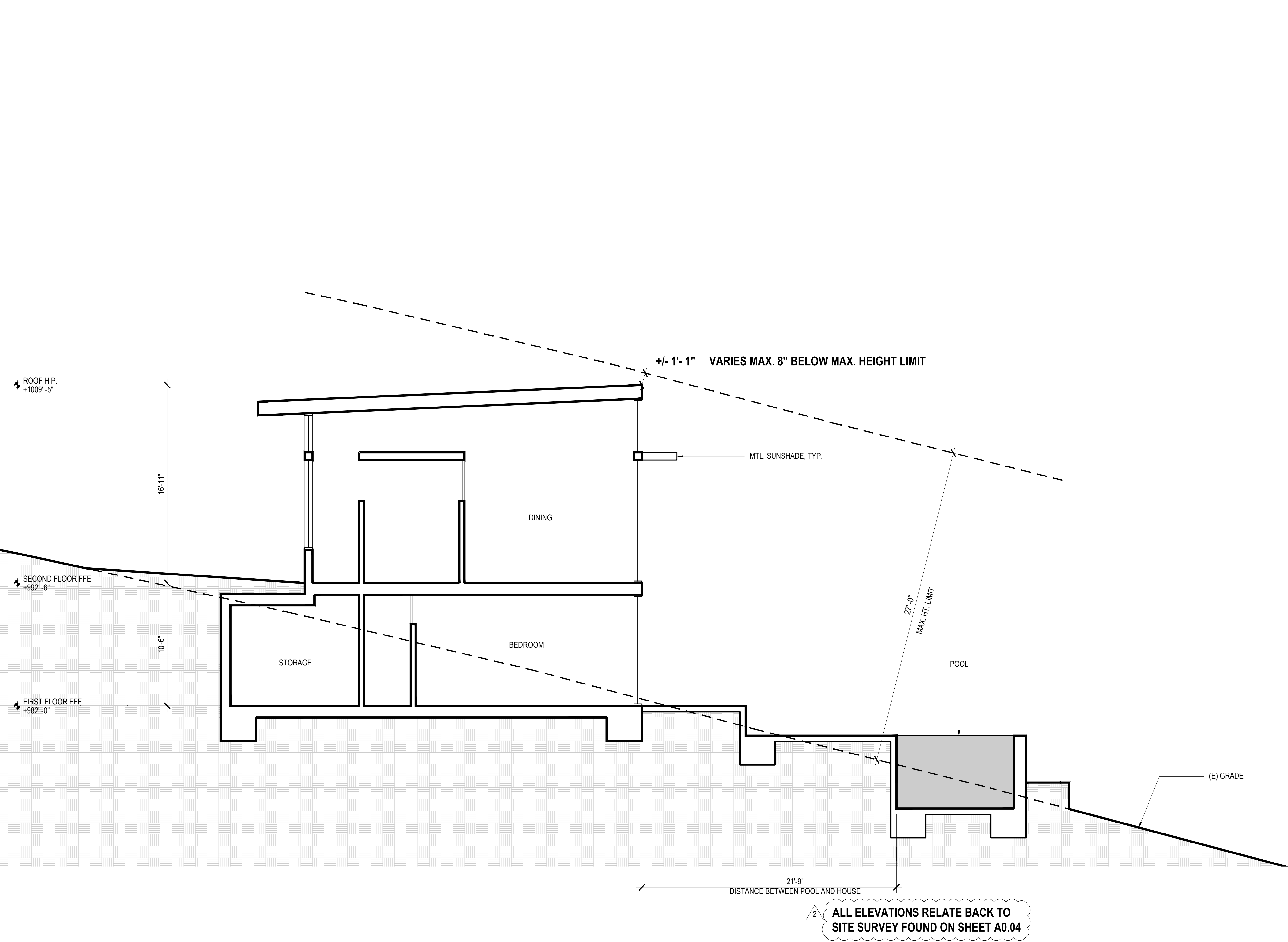
scale: 1/4" = 1' -0"

project name: Vista Ridge

project number: 20223



2 ALL ELEVATIONS RELATE BACK TO
SITE SURVEY FOUND ON SHEET A0.04



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ARCHITECTURE

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VISTA RIDGE

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LICENSED ARCHITECT
ANNE N. FOUGERON
No. 019001
Renewal Date
12/31/2023
STATE OF CALIFORNIA

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Building Section- DD

A4.02

scale: 1/4" = 1' -0"

project name: Vista Ridge

project number: 20223

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Suite #8
Carmel, CA 93923
831.372.8328

Geotech:

Romig Engineers.
1390 El Camino Real, 2nd Floor
San Carlos, CA 94070
650.591.5224

Mechanical: TBD



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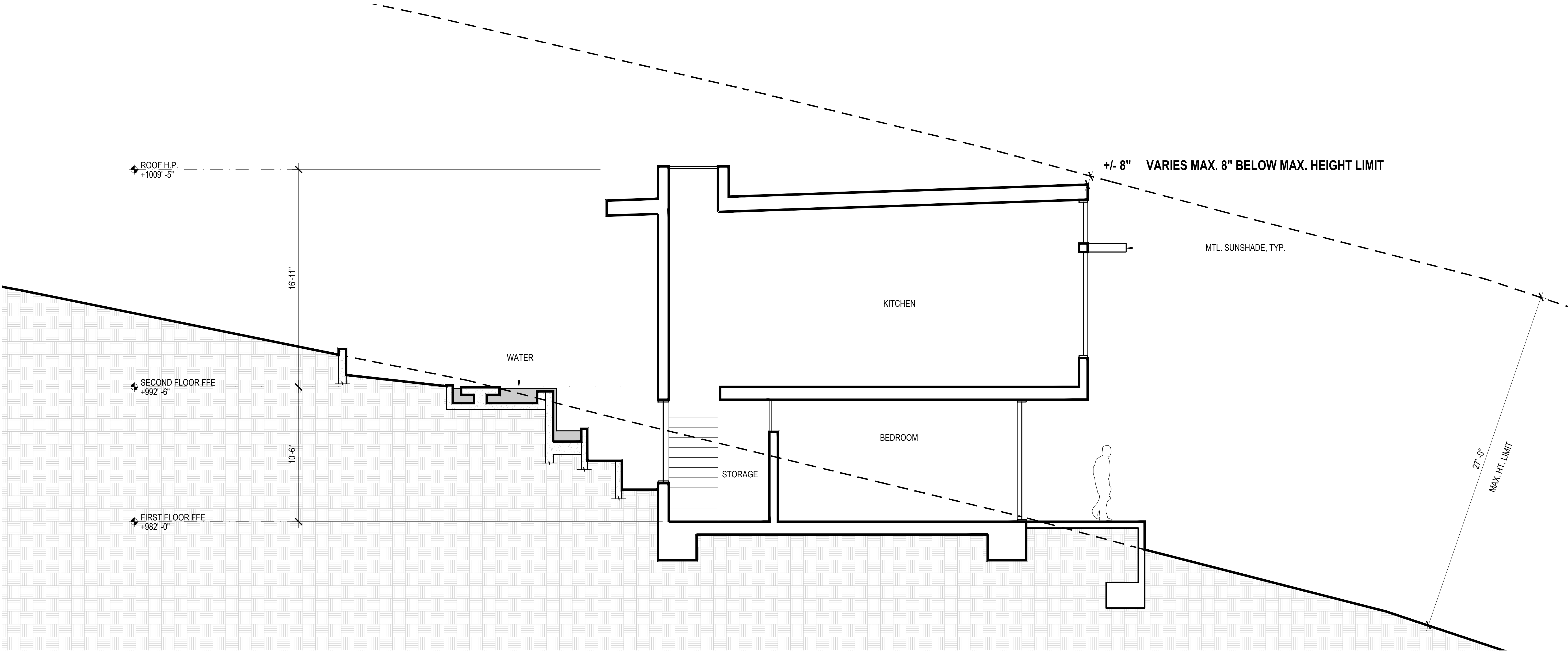
Building Section- EE

A4.03

scale: 1/4" = 1' -0"

project name: Vista Ridge

project number: 20223



2 ALL ELEVATIONS RELATE BACK TO
SITE SURVEY FOUND ON SHEET A0.04

window and door notes

- U-FACTOR: 0.35, SHGC: 0.28
- SEE EXTERIOR ELEVATIONS FOR WINDOW LOCATIONS.
- FIELD VERIFY ALL OPENINGS PRIOR TO MANUFACTURE OF UNITS.
- REQ'D WINDOW AREA SHALL NOT BE LESS THAN 8% OF FLOOR AREA BEING SERVED; THE MIN OPENABLE AREA TO THE OUTDOORS SHALL BE 4% OF THE FLOOR AREA BEING VENTILATED.
- EVERY SLEEPING ROOM AND BASEMENT MUST HAVE AT LEAST ONE OPENABLE WINDOW OR DOOR APPROVED FOR EMERGENCY RESCUE WITH A MIN NET CLEAR OPENING OF 5.7 SF. EXCEPT THE WINDOWS AT THE GRADE FLOOR SHALL HAVE A MIN NET AREA OF 5.0 SF. THE MIN NET VERTICAL OPENING DIMENSION SHALL BE 24". THE MIN NET CLEAR OPENING WIDTH DIMENSION SHALL E 20". THE BOTTOM OF THE CLEAR OPENING SHALL BE NO MORE THAN 44" FROM THE FLOOR.
- SAFETY GLAZING IS REQUIRED IN ALL FIXED AND OPERABLE PANELS OF SWINGING, SLIDING AND BIFOLD DOORS.
- SAFETY GLAZING SHALL BE REQUIRED WITHIN 24" OF A DOOR EDGE OR WITHIN 36" OF A STAIRWAY, LANDING OR RAMP WHEN THE BOTTOM EDGE OF THE GLAZING IS LESS THAN 60" FROM THE FLOOR OR WALKING SURFACE.
- SEE PLANS FOR ALTERNATE WINDOW REPLACEMENT PRICING ITEMS.

FOUGERON

ARCHITECTURE

Fougeron Architecture
521 Francisco Street
San Francisco, CA 94133
p: 415.641.5744

VISTA RIDGE

490 Vista Ridge Dr.,
Milpitas, CA 95035

client: Christy Vu & Sonny Vu
250 Perry St.,
Milpitas, CA 95035

consultants: Structural Engineer:

Endre Studio
4053 Harlan St. # 113,
Emeryville, CA 94608
510.898.6960

Surveyer:

Meridian Surveying Engineering
2958 Van Ness Avenue
San Francisco, CA 94109
415.440.4131

Civil Engineer:

Lea & Braze Engineering Inc.
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Hayward, CA 94545
510.887.4086

Landscape:

Arterra Landscape Architects
88 Missouri Street,
San Francisco, CA 94107
415.861.3100

Energy Consultant:

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Mechanical: TBD



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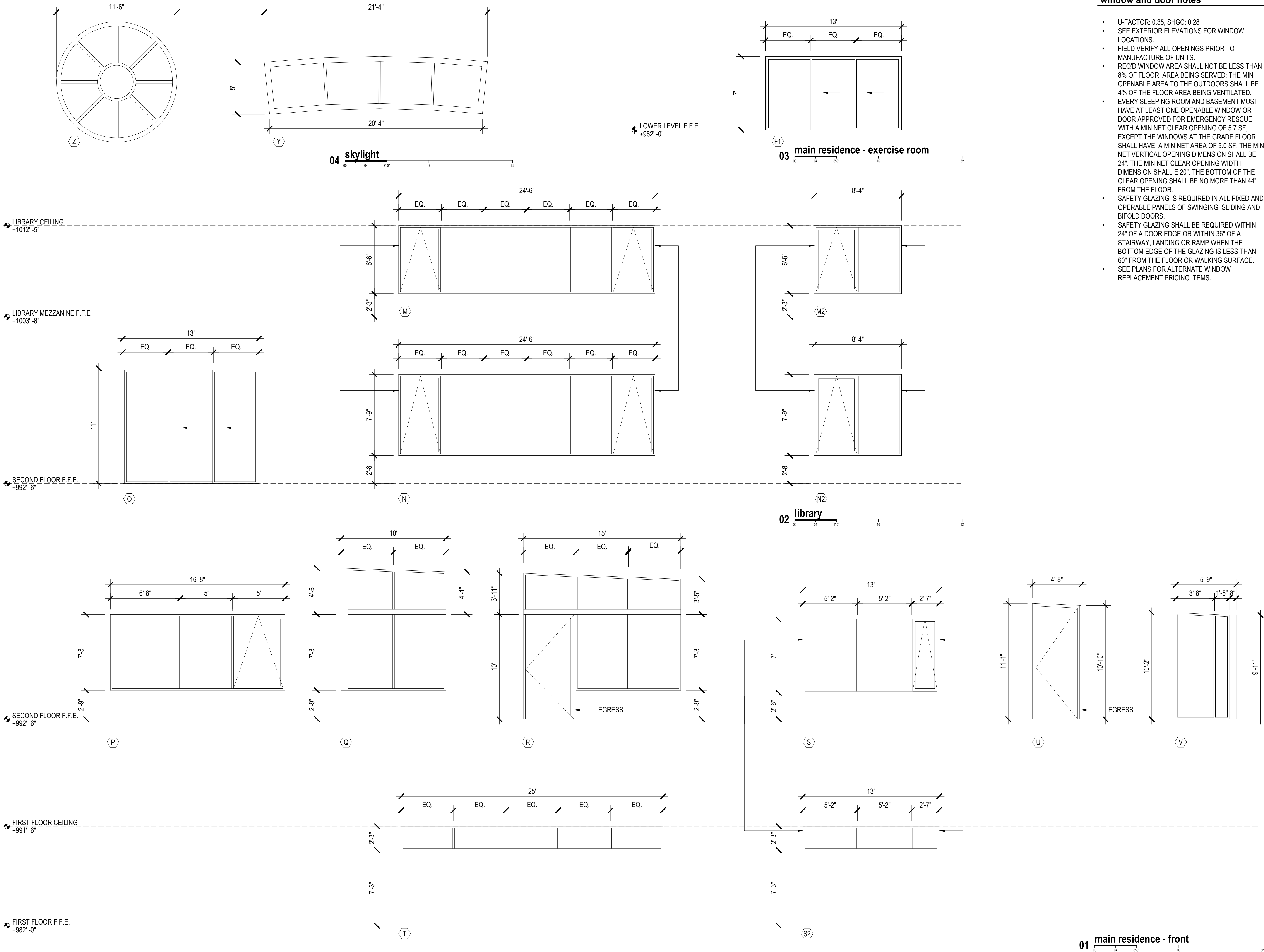
Window Schedule

A8.00

scale: N.T.S.

project name: Vista Ridge

project number: 20223



window and door notes

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- SEE PLANS FOR ALTERNATE WINDOW REPLACEMENT PRICING ITEMS.

FOUGERON

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VISTA RIDGE

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Mechanical: TBD



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Window Types

A8.01

scale: 1/4" = 1'

project name: Vista Ridge

project number: 20223

window and door notes

- U-FACTOR: 0.35, SHGC: 0.28
- SEE EXTERIOR ELEVATIONS FOR WINDOW LOCATIONS.
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Mechanical: TBD



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Window Types

A8.02

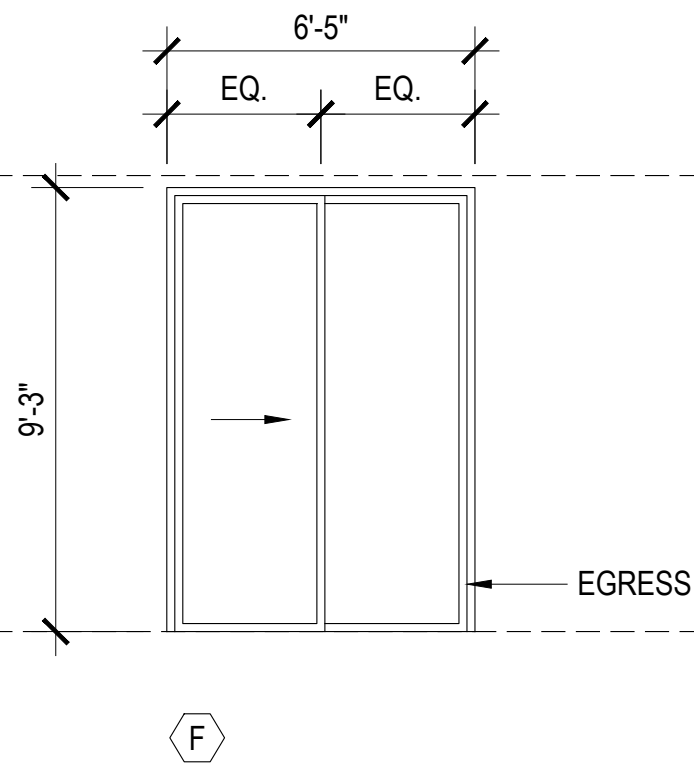
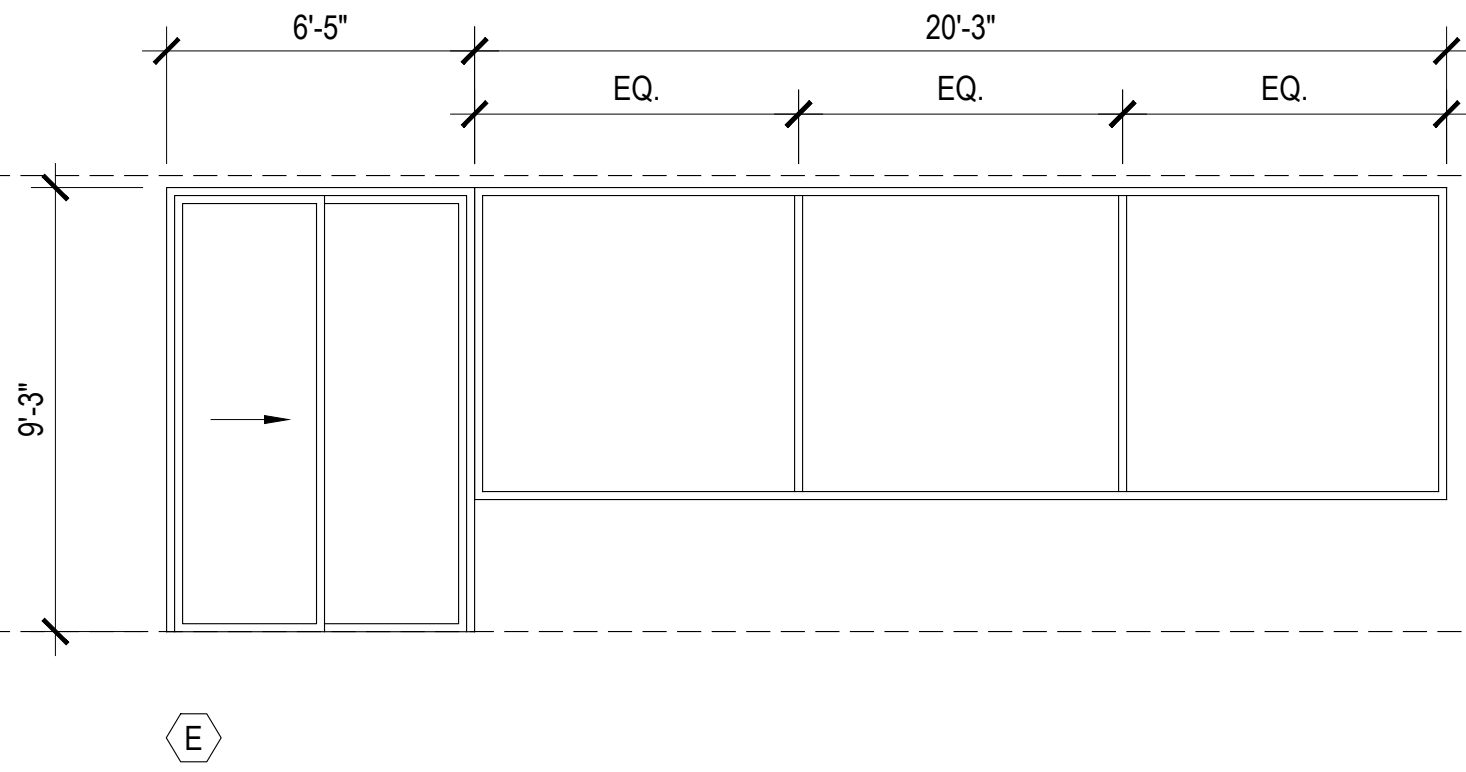
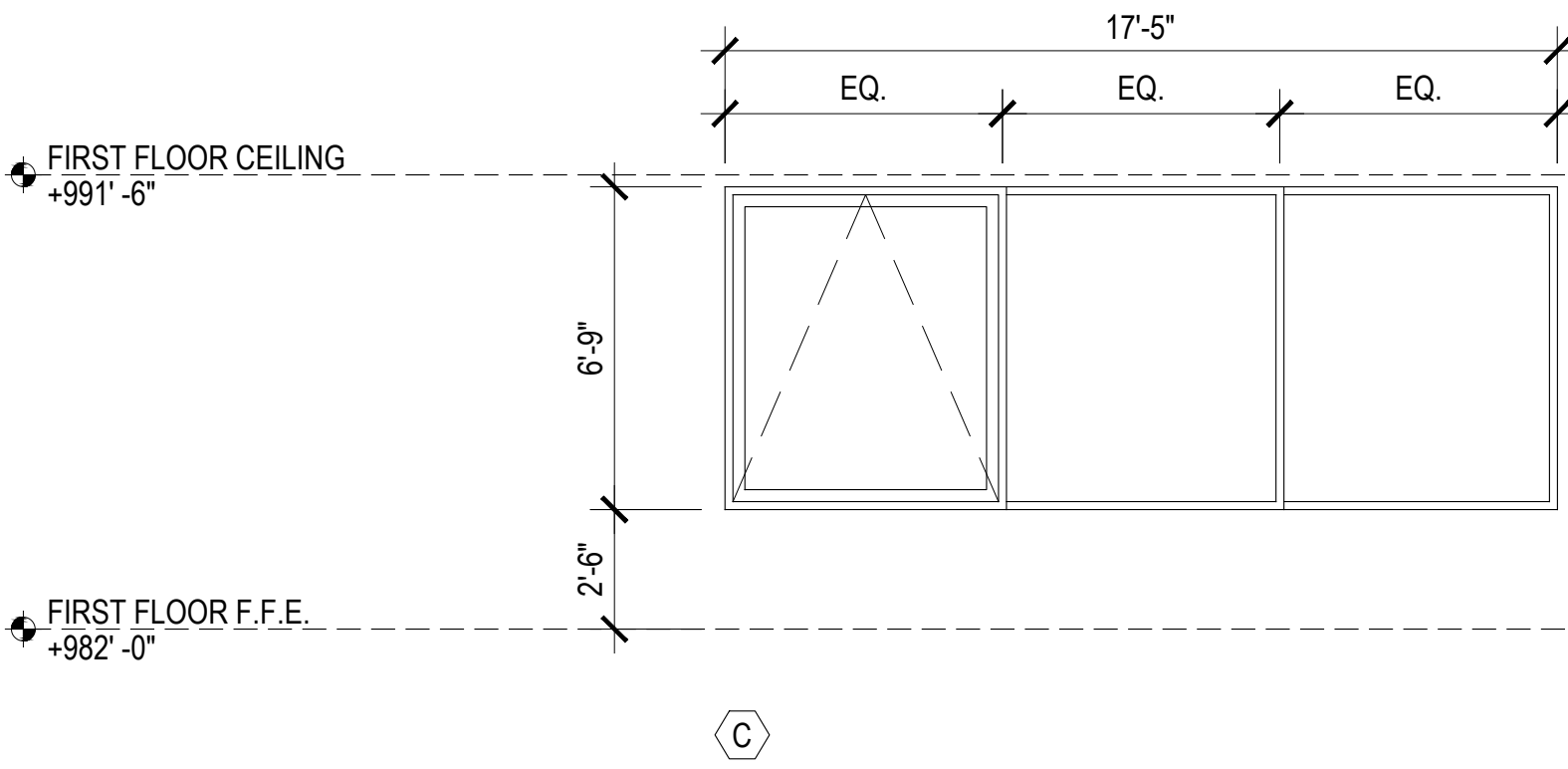
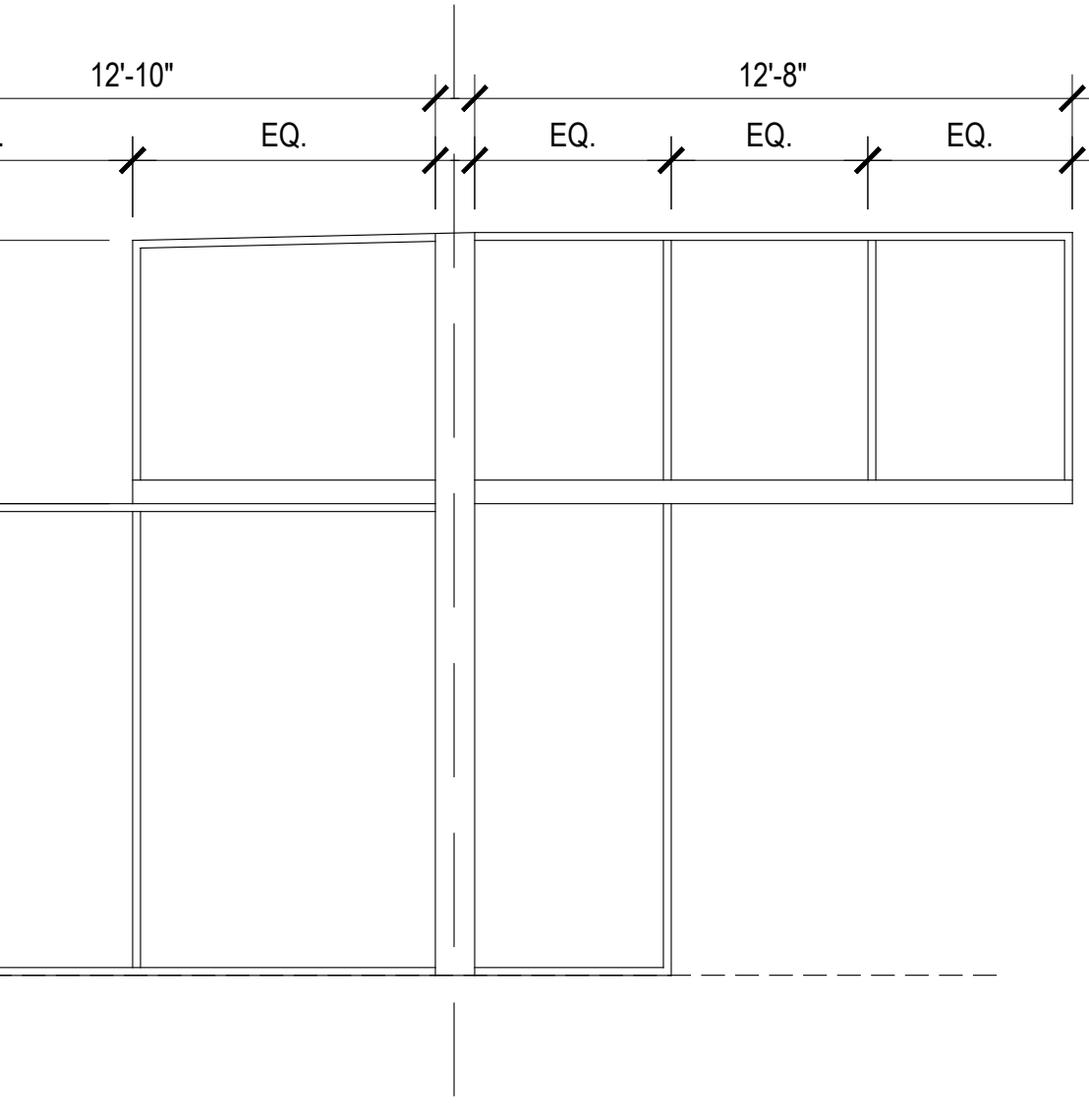
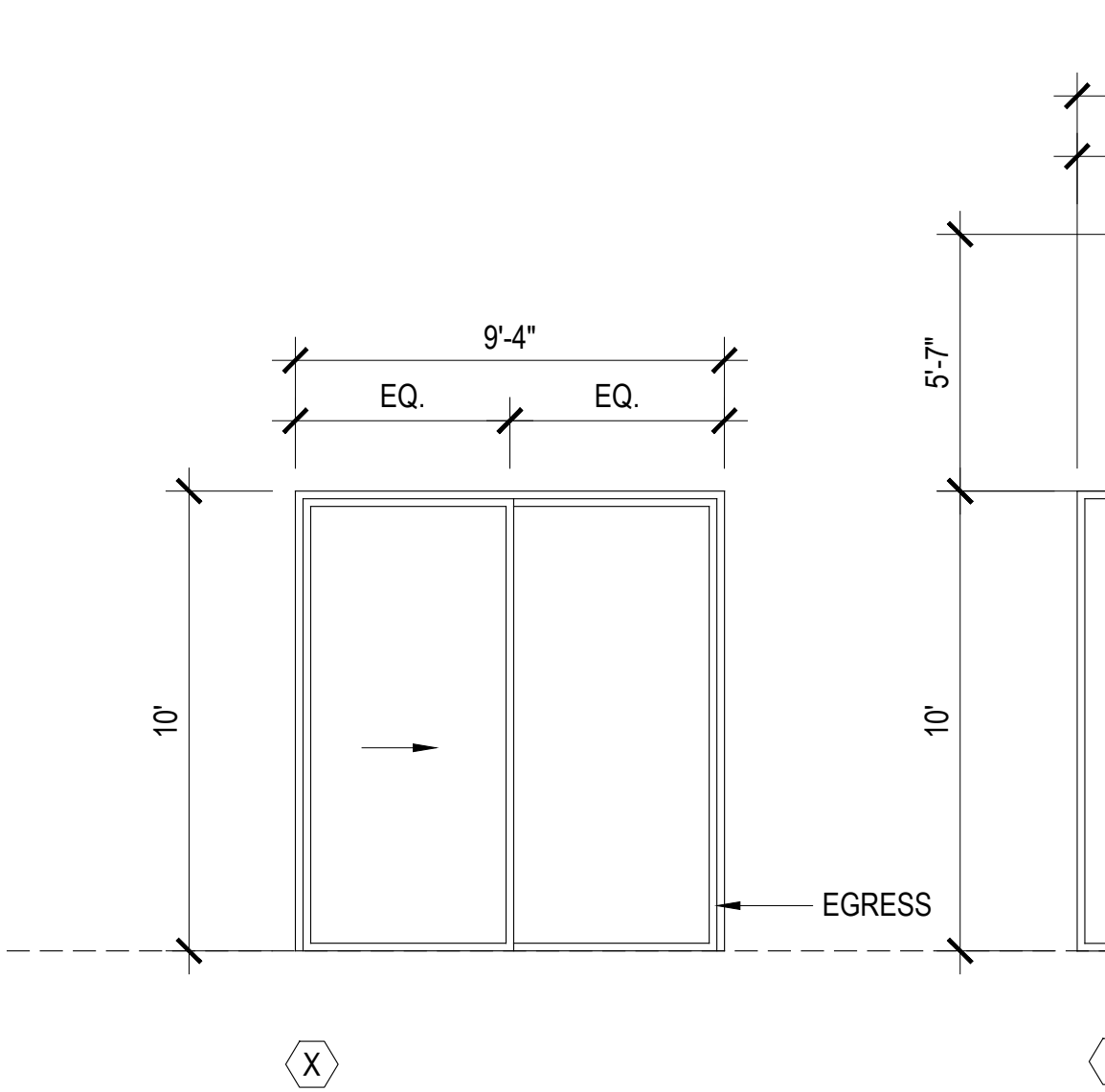
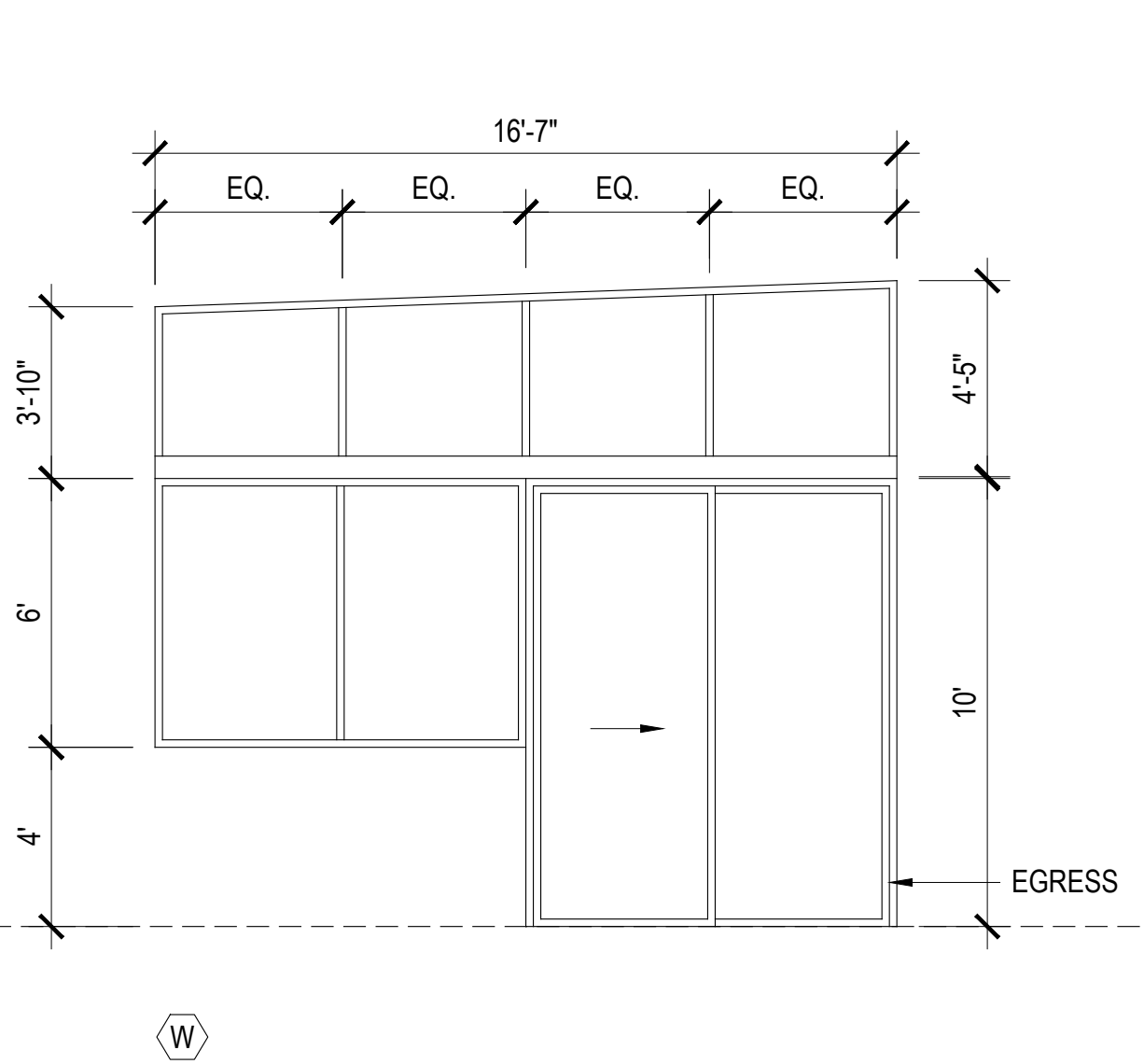
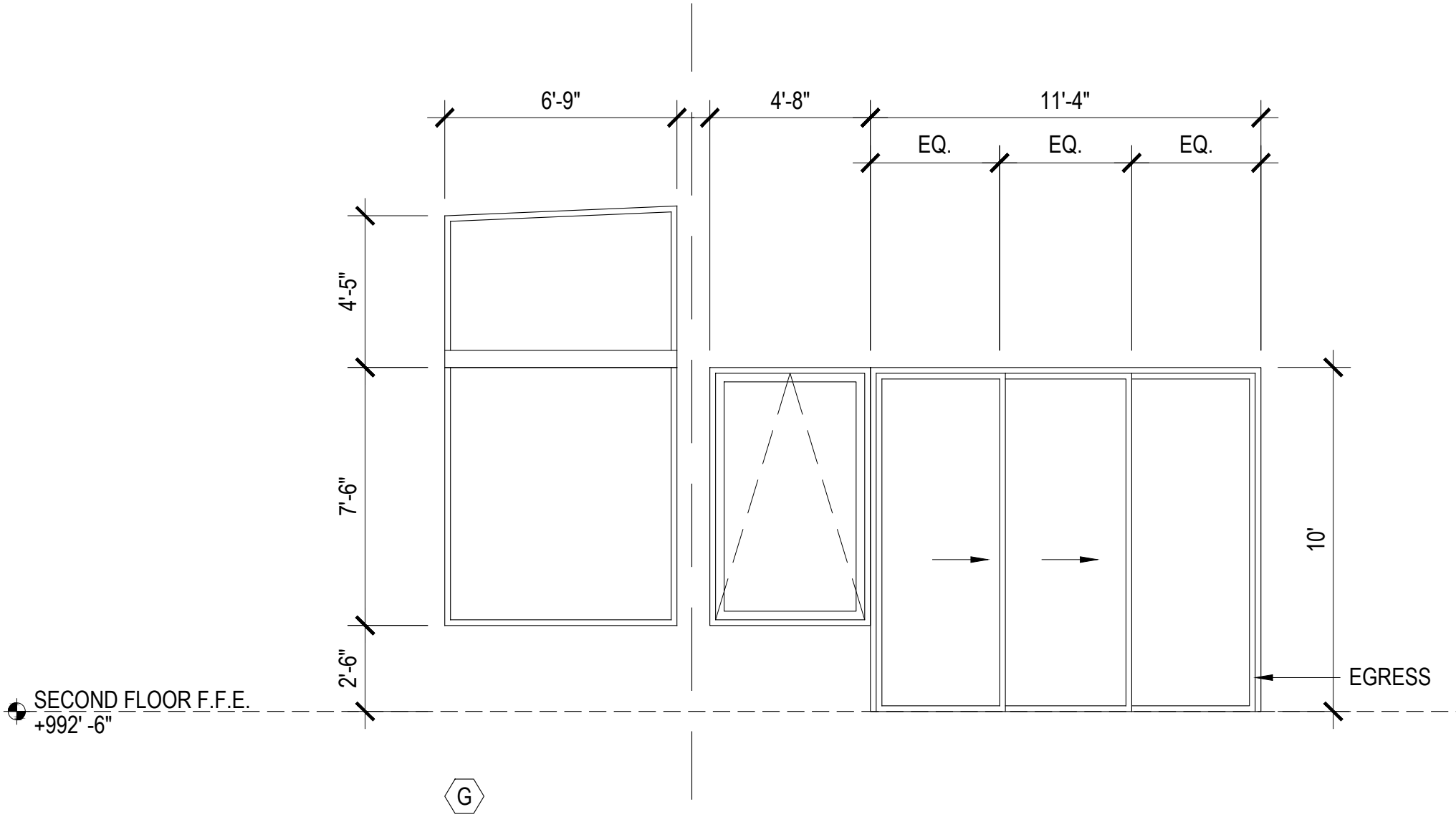
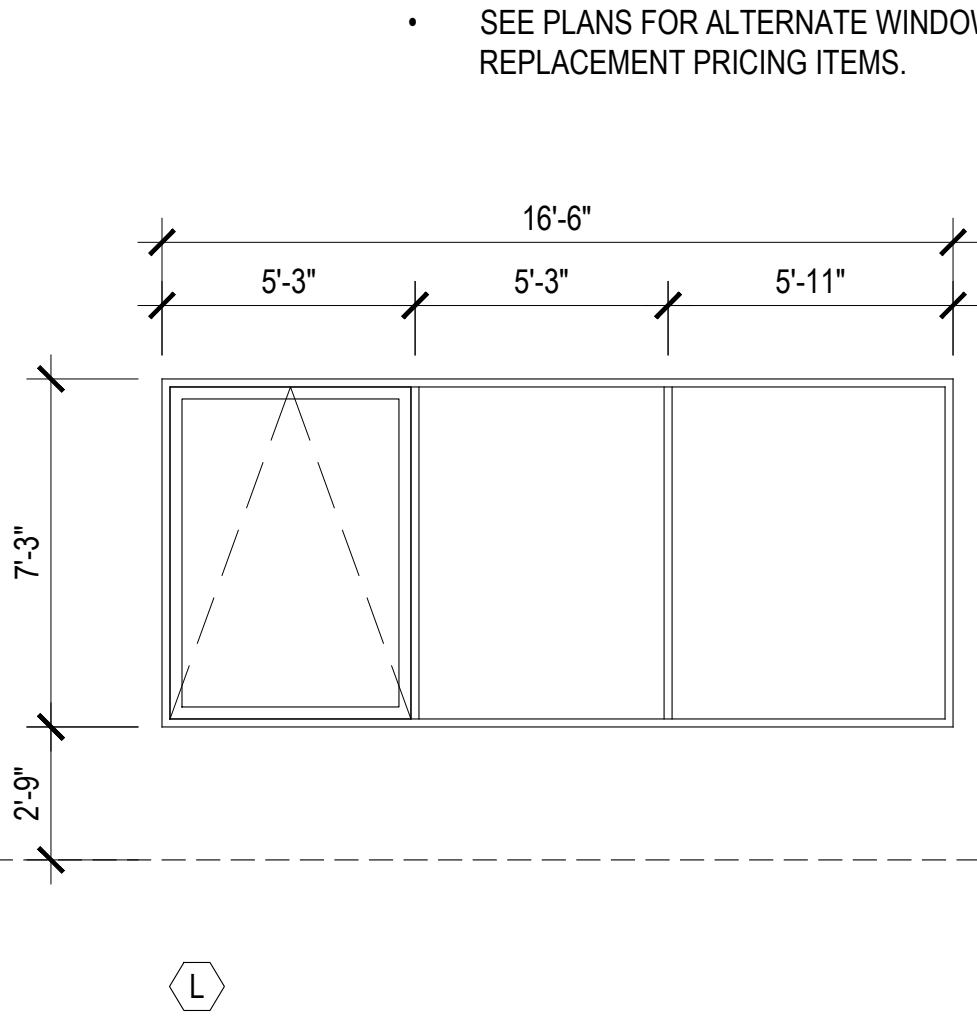
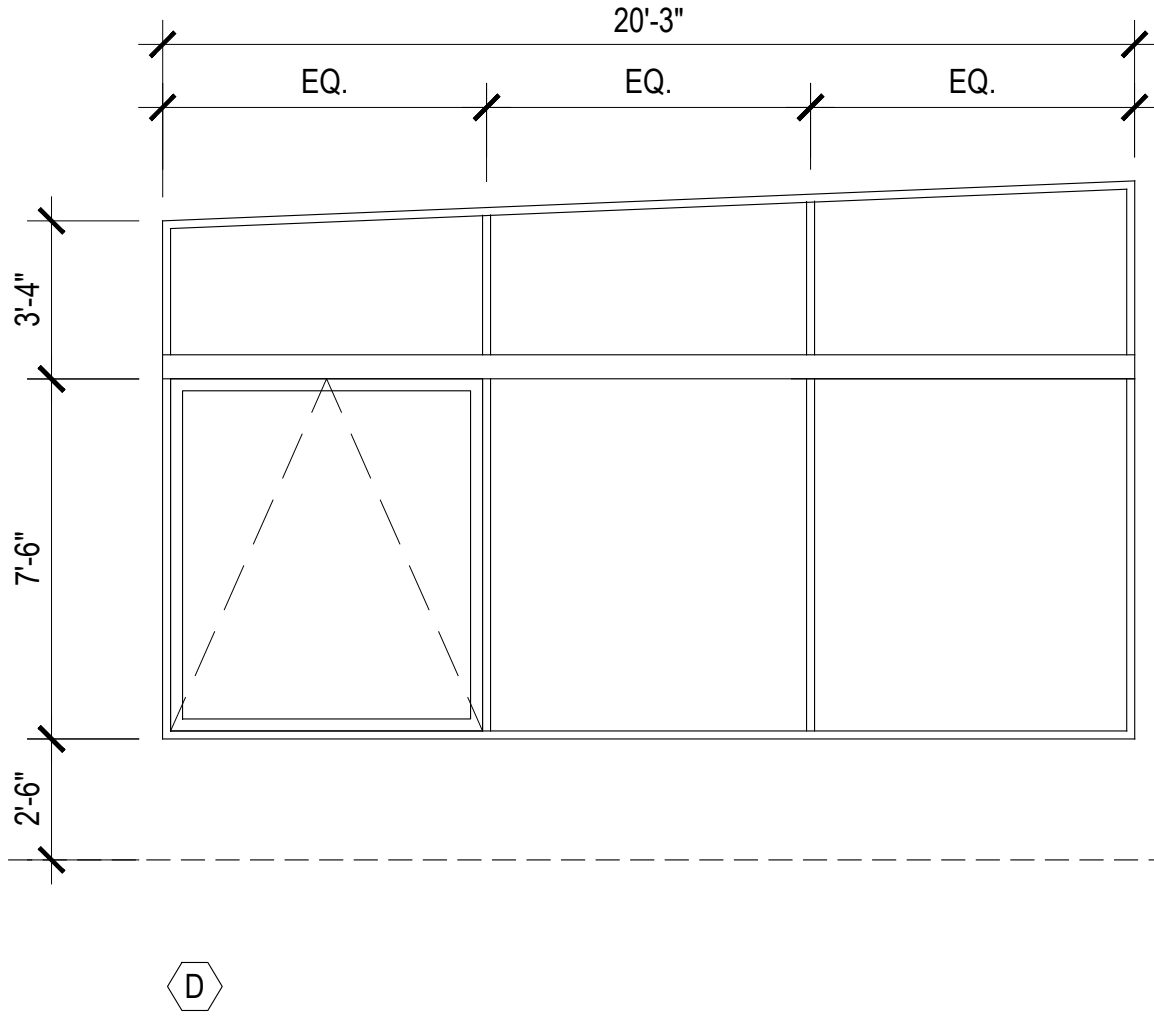
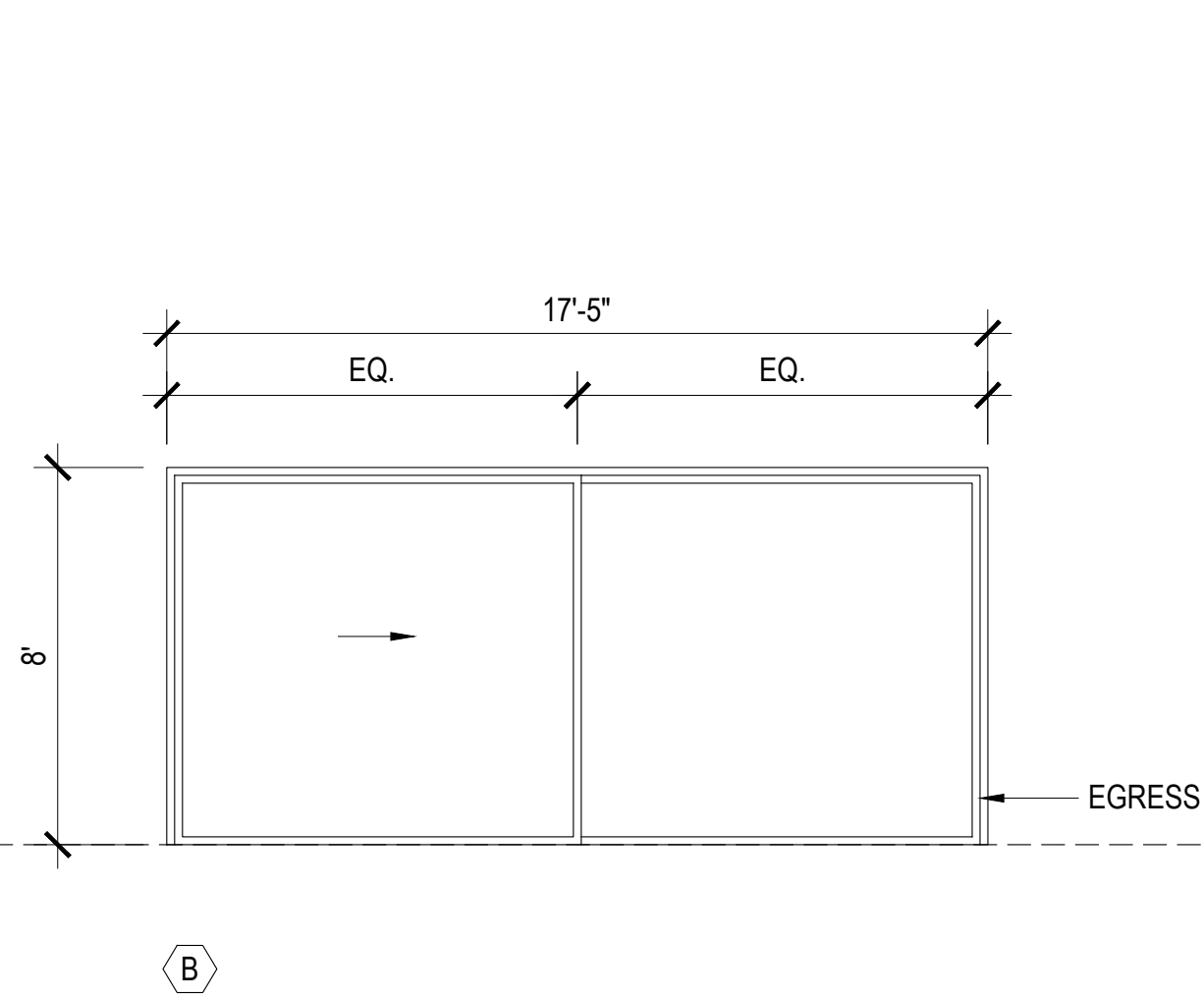
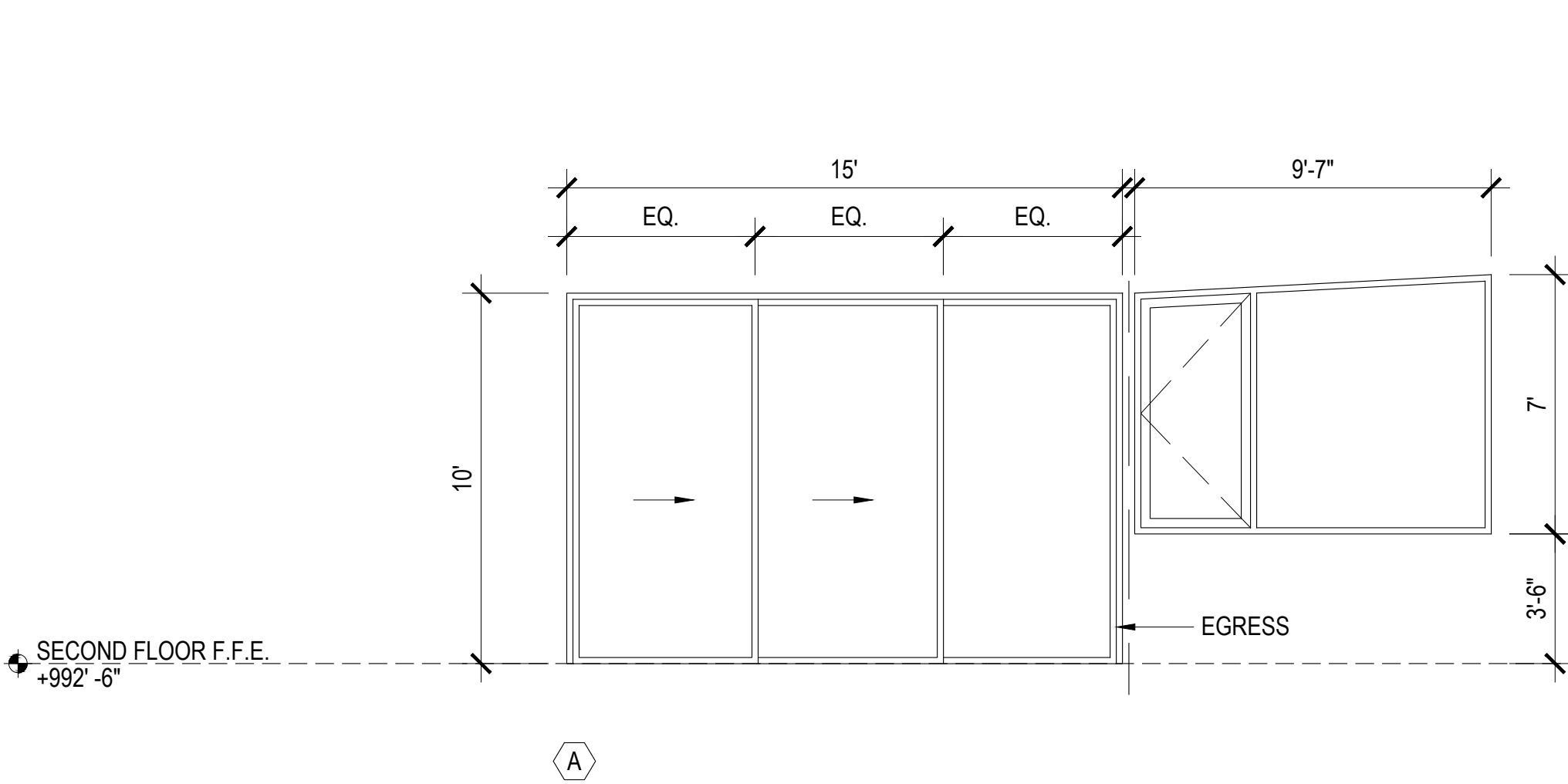
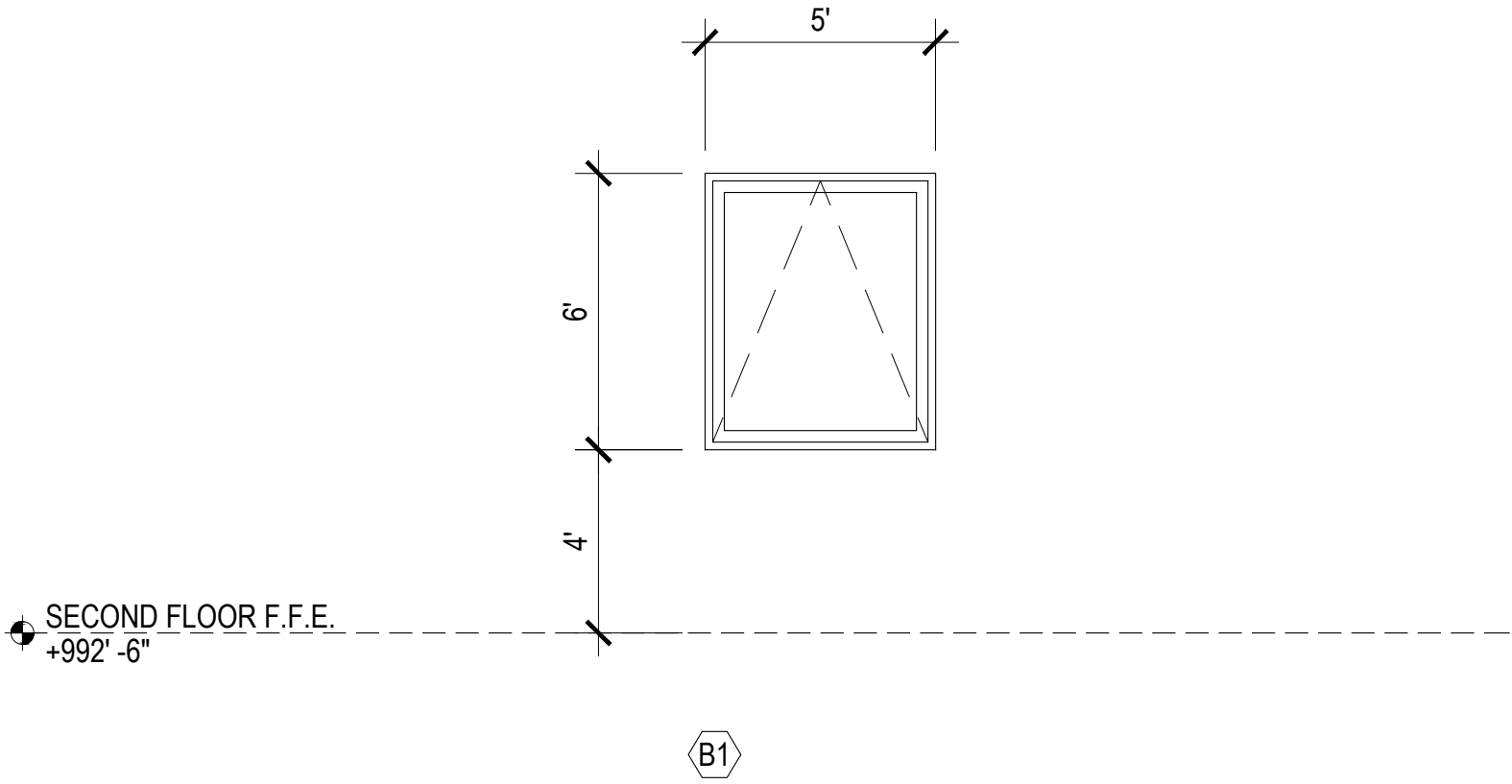
scale: 1/4" = 1'

project name: Vista Ridge

project number: 20223

01 main residence - rear

00 04 8'-0" 16 32



Fougeron Architecture
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San Francisco, CA 94133
p: 415.641.5744

VISTA RIDGE

490 Vista Ridge Dr.,
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client: Christy Vu & Sonny Vu
250 Perry St.,
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consultants: Structural Engineer:

Endre Studio
4053 Harlan St. # 113,
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510.898.6960

Surveyer:

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2958 Van Ness Avenue
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Civil Engineer:

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2495 Industrial Parkway West,
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Landscape:

Arterra Landscape Architects
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San Francisco, CA 94107
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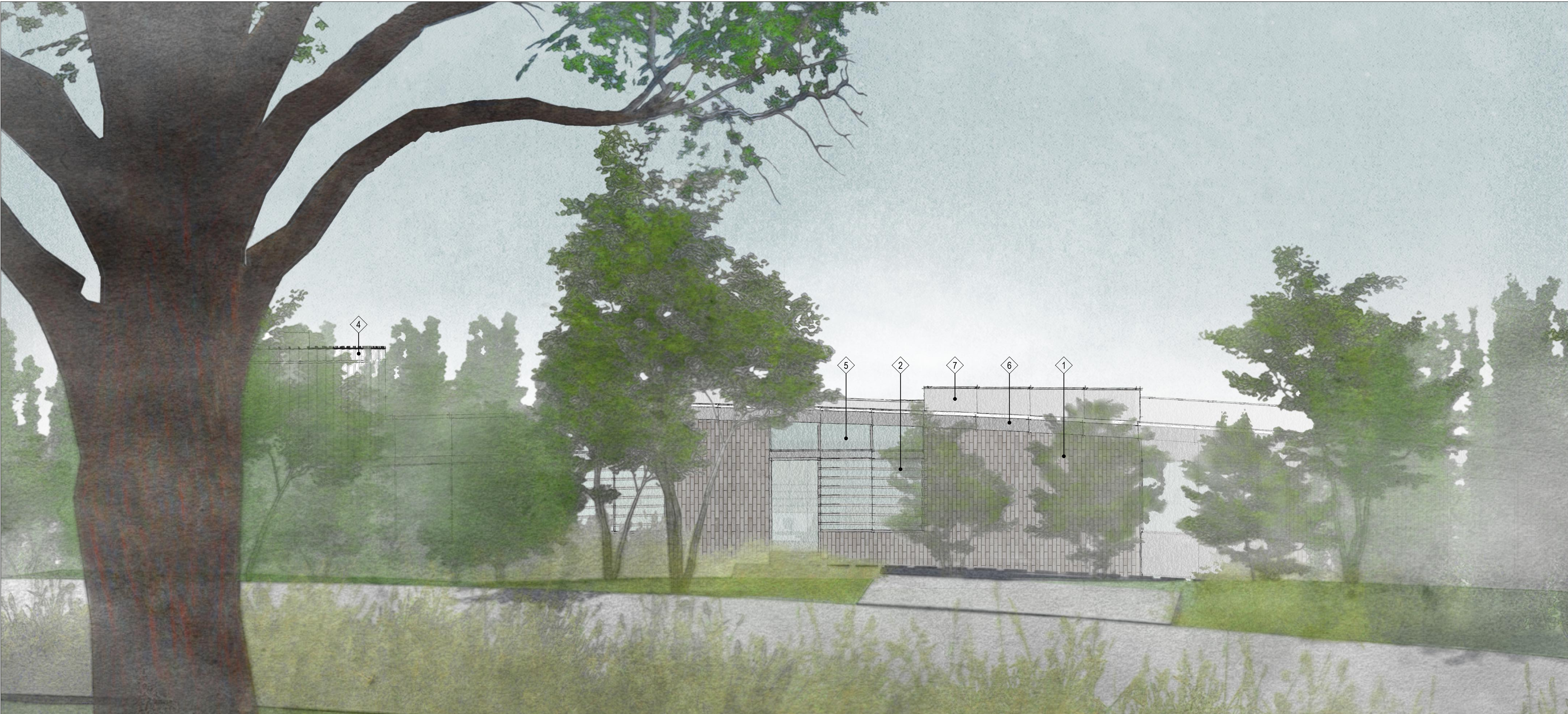
Energy Consultant:

Monterey Energy Group, Inc.
26465 Carmel Rancho Blvd.
Suite #8
Carmel, CA 93923
831.372.8328

Geotech:

Romig Engineers.
1390 El Camino Real, 2nd Floor
San Carlos, CA 94070
650.591.5224

Mechanical: TBD



01 rendering - front

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Exterior Rendering

A9.01

scale: N.T.S.

project name: Vista Ridge

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Fougeron Architecture
521 Francisco Street
San Francisco, CA 94133
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VISTA RIDGE

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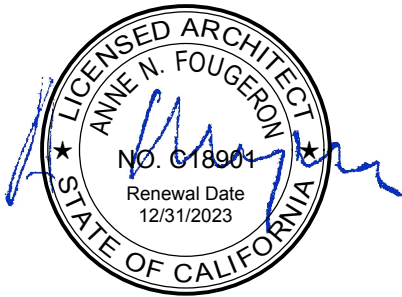
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02 rendering - rear

legend

- 1

BRICK
- 2

WOOD SIDING
- 3

ALUM. WINDOW
- 4

CHANNEL GLASS
- 5

BRICK SCREEN/ BRICK RAILING
- 6

METAL FASCIA

3D Rendering

A9.02

scale: N.T.S.

project name: Vista Ridge

project number: 20223

Benjamin Moore # CSP-70
"Upper West Side"

6

metal fascia color: Benjamin Moore #CSP-70

bendheim SF-60 dbl. glazed exterior channel glass

4

guardrails: endicott "golden buff" roman brick (reference only)

2

Benjamin Moore #1602
"Gunmetal"

7

morin 16" wide x 1" tall standing seam metal roof to match windows

Blomberg T450N thermally broken dbl. glazed alum. windows

5

Benjamin Moore #1602
"Gunmetal"

3

deck material: alaskan yellow cedar - unsealed

ext. walls and guardrails: endicott "golden buff" roman brick

1

(N) LIBRARY ROOF
+1013' -1"

(N) ROOF (HIGH POINT)
+1009' -5"

(N) ROOF (LOW POINT)
+1003' -8"

(N) SECOND FLOOR
+992' -6"

(N) FIRST FLOOR
+982' -0"

reference: north elevation

000481632

0'0"0'0"0'0"0'0"

FOUGERON

ARCHITECTURE

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521 Francisco Street
San Francisco, CA 94133
p: 415.641.5744

VISTA RIDGE

490 Vista Ridge Dr.,
Milpitas, CA 95035

client:

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Milpitas, CA 95035

consultants:

Structural Engineer:

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4053 Harlan St. # 113,
Emeryville, CA 94608
510.898.6960

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Civil Engineer:

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831.372.8328

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1390 El Camino Real, 2nd Floor
San Carlos, CA 94070
650.591.5224

Mechanical: TBD

LICENSED ARCHITECT
ANGIE W. FOUGERON
No. 019004
Renewal Date
12/31/2023
STATE OF CALIFORNIA

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Exterior Materials

A9.03

scale:

N.T.S.

project name:

Vista Ridge

project number:

20223

Page 499 of 628

Fougeron Architecture
221 Francisco Street
San Francisco, CA 94133
Tel: 415.641.5744

90 Vista Ridge Dr.
Milpitas, CA 95035

client: Christy Vu & Sonny Vu
250 Perry St.,
Milpitas, CA 95035

consultants: Structural Engineer

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4053 Harlan St. # 113,
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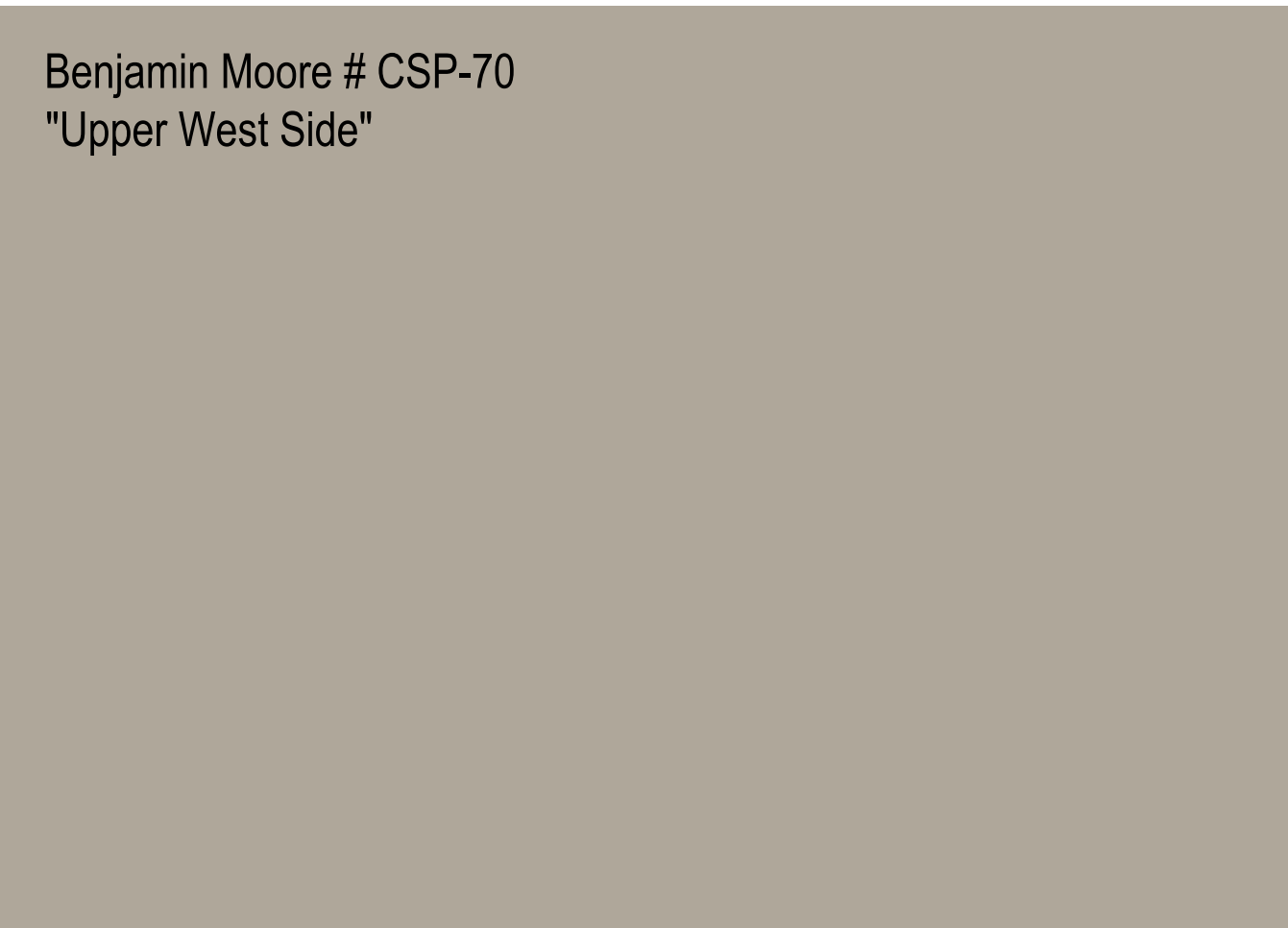
Exterior Materials

A9.03a

scale: N.T.S.

project name: Vista Ridge

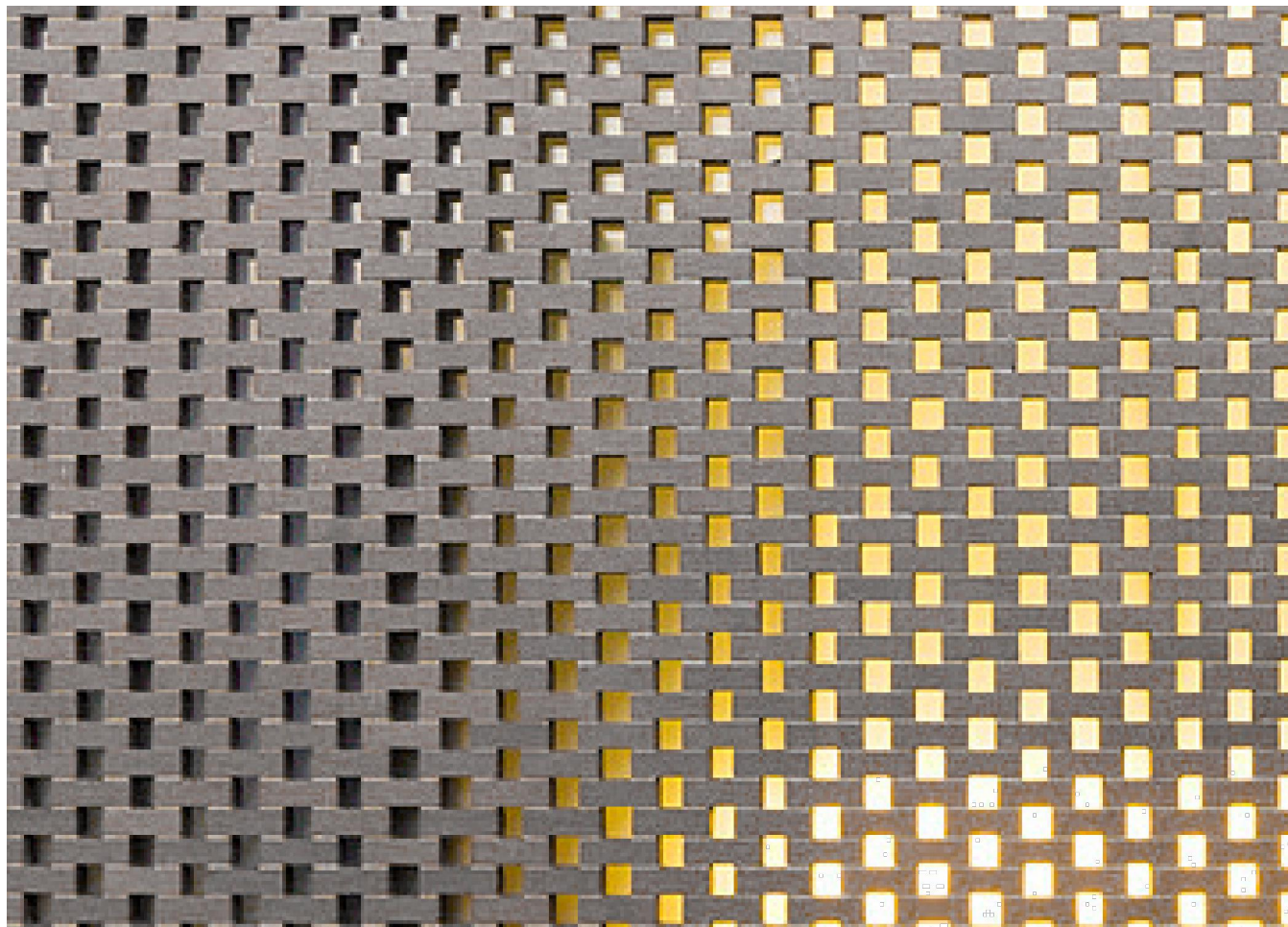
project number: 20223



6 metal fascia color: Benjamin Moore #CSP-70



bendheim SF-60 dbl. glazed exterior channel glass



2 guardrails: endicott "golden buff" roman brick (reference only)



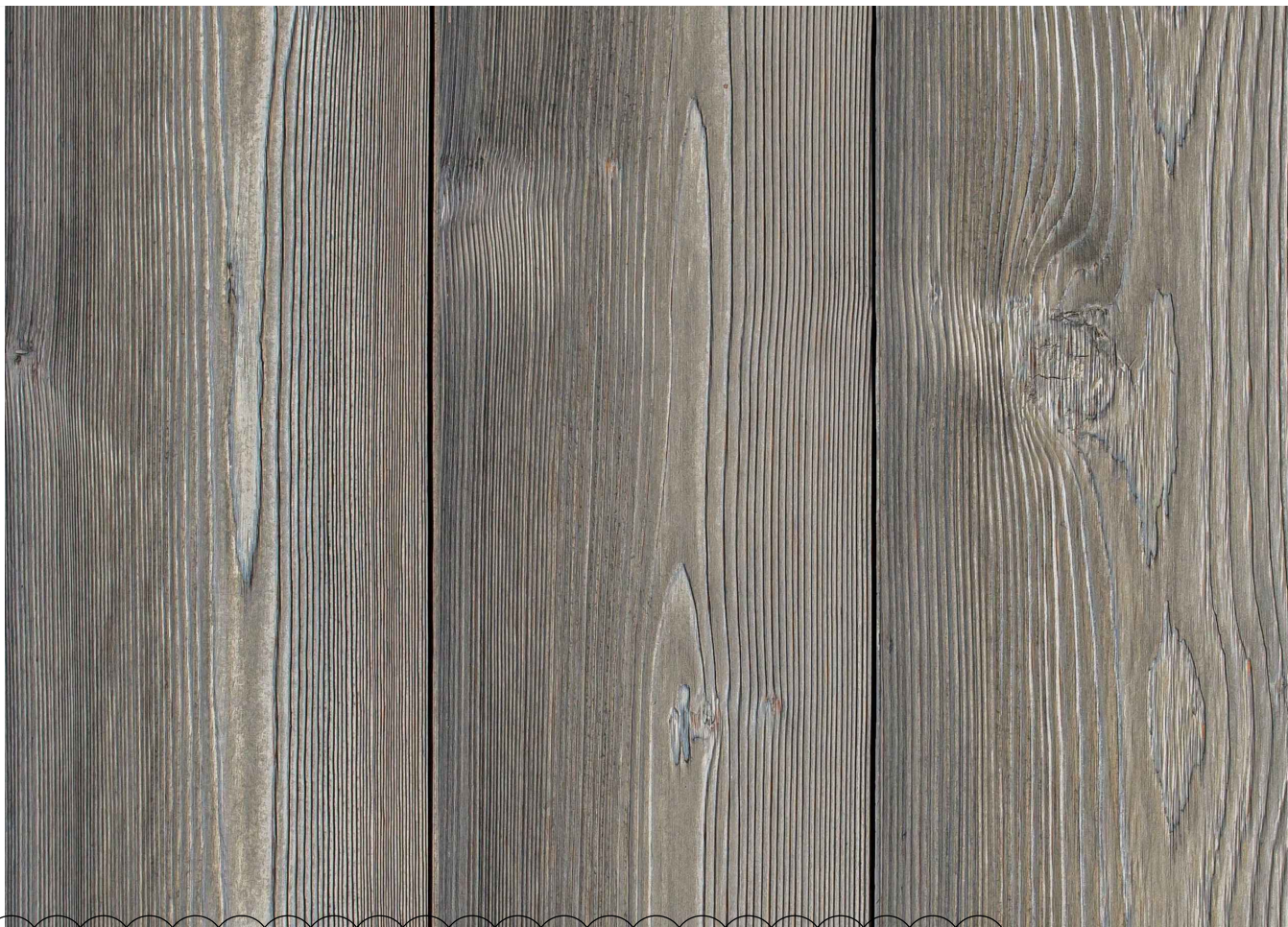
Benjamin Moore #1602
"Gunmetal"

7 morin 16" wide x 1" tall standing seam metal roof to match windows



Benjamin Moore #1602
"Gunmetal"

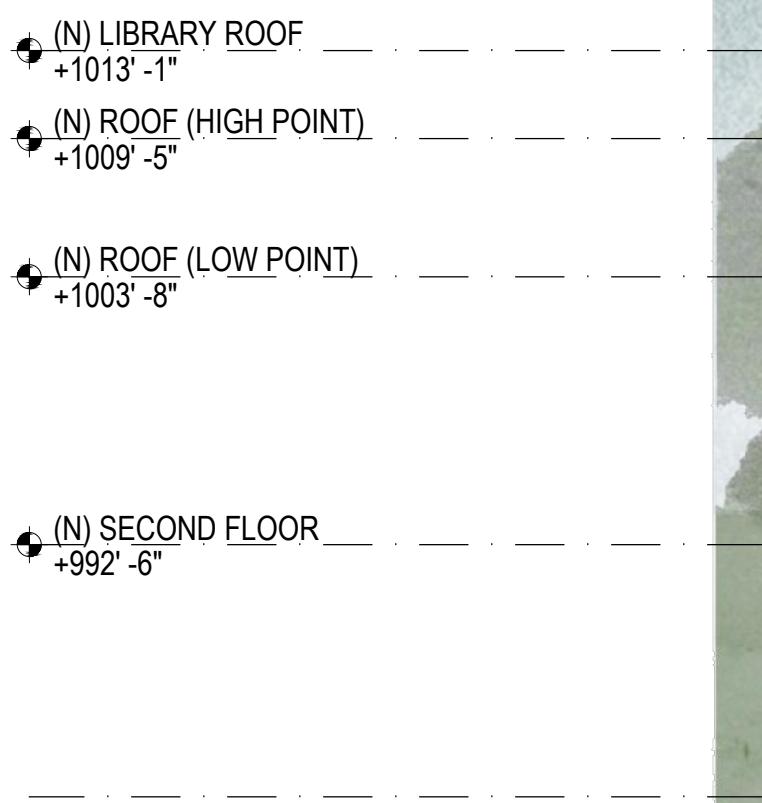
5 Blomberg T450N thermally broken dbl. glazed alum. windows



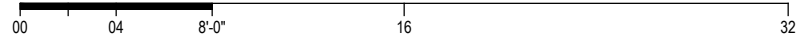
2 deck material: alaskan yellow cedar - unsealed



1 **ext. walls and guardrails: endicott "golden buff" roman brick**



reference: south elevation



Benjamin Moore # CSP-70
"Upper West Side"

6 metal fascia color: Benjamin Moore #CSP-70

bendheim SF-60 dbl. glazed exterior channel glass

4

guardrails: endicott "golden buff" roman brick (reference only)

2

Benjamin Moore #1602
"Gunmetal"

7 morin 16" wide x 1" tall standing seam metal roof to match windows

Blomberg T450N thermally broken dbl. glazed alum. windows

5

deck material: alaskan yellow cedar - unsealed

2

ext. walls and guardrails: endicott "golden buff" roman brick

2

FOUGERON

ARCHITECTURE

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VISTA RIDGE

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consultants:

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(N) ROOF (LOW POINT)
+1003' -8"

(N) SECOND FLOOR
+992' -6"

(N) FIRST FLOOR
+982' -0"

reference: east elevation

00 04 8 12 16 20

(N) LIBRARY ROOF
+1013' -1"

(N) ROOF (LOW POINT)
+1003' -8"

(N) SECOND FLOOR
+992' -6"

reference: west elevation

00 04 8 12 16 20

Exterior Materials

2 A9.03b

scale:

N.T.S.

project name:

Vista Ridge

project number:

20223

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LEGEND

EXISTING

PROPOSED

BOUNDARY

PROPERTY LINE

RETAINING WALL

LANDSCAPE RETAINING WALL

RAINWATER TIGHTLINE

SUBDRAIN LINE

TIGHTLINE

STORM DRAIN LINE

SANITARY SEWER LINE

WATER LINE

GAS LINE

STORM DRAIN PRESSURE LINE

SANITARY SEWER PRESSURE LINE

JOINT TRENCH

SET BACK LINE

CONCRETE VALLEY GUTTER

EARTHEN SWALE

CATCH BASIN

JUNCTION BOX

AREA DRAIN

CURB INLET

STORM DRAIN MANHOLE

FIRE HYDRANT

SANITARY SEWER MANHOLE

STREET SIGN

SPOT ELEVATION

FLOW DIRECTION

DEMOLISH/REMOVE

BENCHMARK

CONTOURS

TREE TO BE REMOVED

TREE PROTECTION FENCING

CB

JB

AD

SDMH

SSMH

222.57 INV

200

XX" TREE

TP

DESCRIPTION

BOUNDARY

PROPERTY LINE

RETAINING WALL

LANDSCAPE RETAINING WALL

RAINWATER TIGHTLINE

SUBDRAIN LINE

TIGHTLINE

STORM DRAIN LINE

SANITARY SEWER LINE

WATER LINE

GAS LINE

STORM DRAIN PRESSURE LINE

SANITARY SEWER PRESSURE LINE

JOINT TRENCH

SET BACK LINE

CONCRETE VALLEY GUTTER

EARTHEN SWALE

CATCH BASIN

JUNCTION BOX

AREA DRAIN

CURB INLET

STORM DRAIN MANHOLE

FIRE HYDRANT

SANITARY SEWER MANHOLE

STREET SIGN

SPOT ELEVATION

FLOW DIRECTION

DEMOLISH/REMOVE

BENCHMARK

CONTOURS

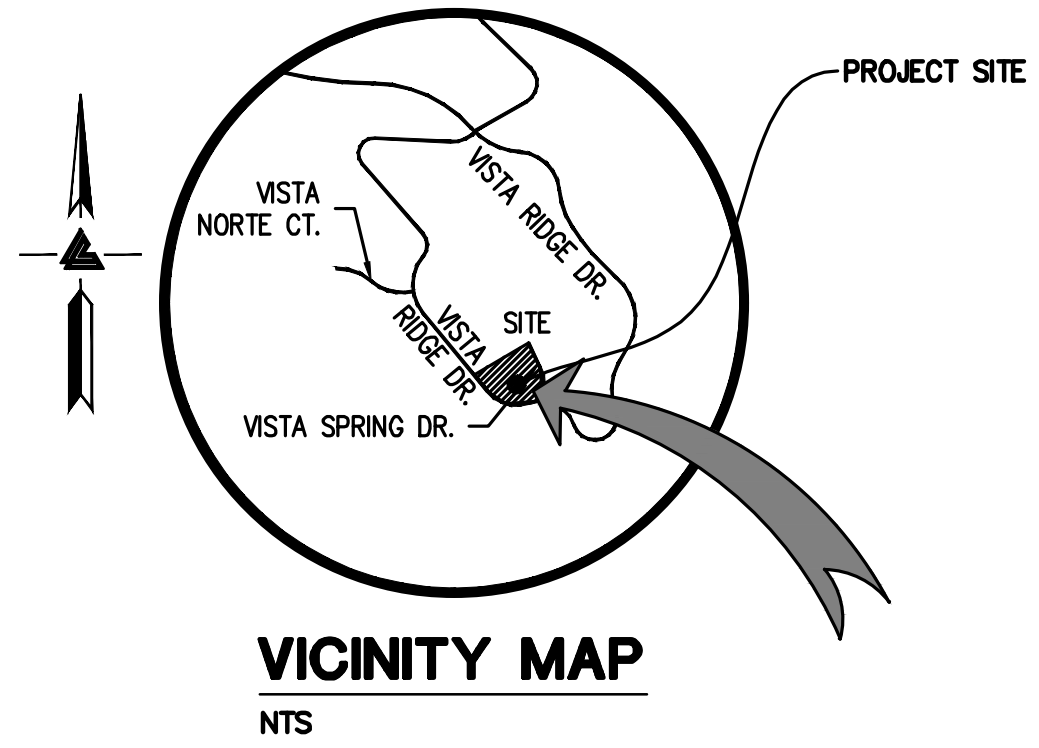
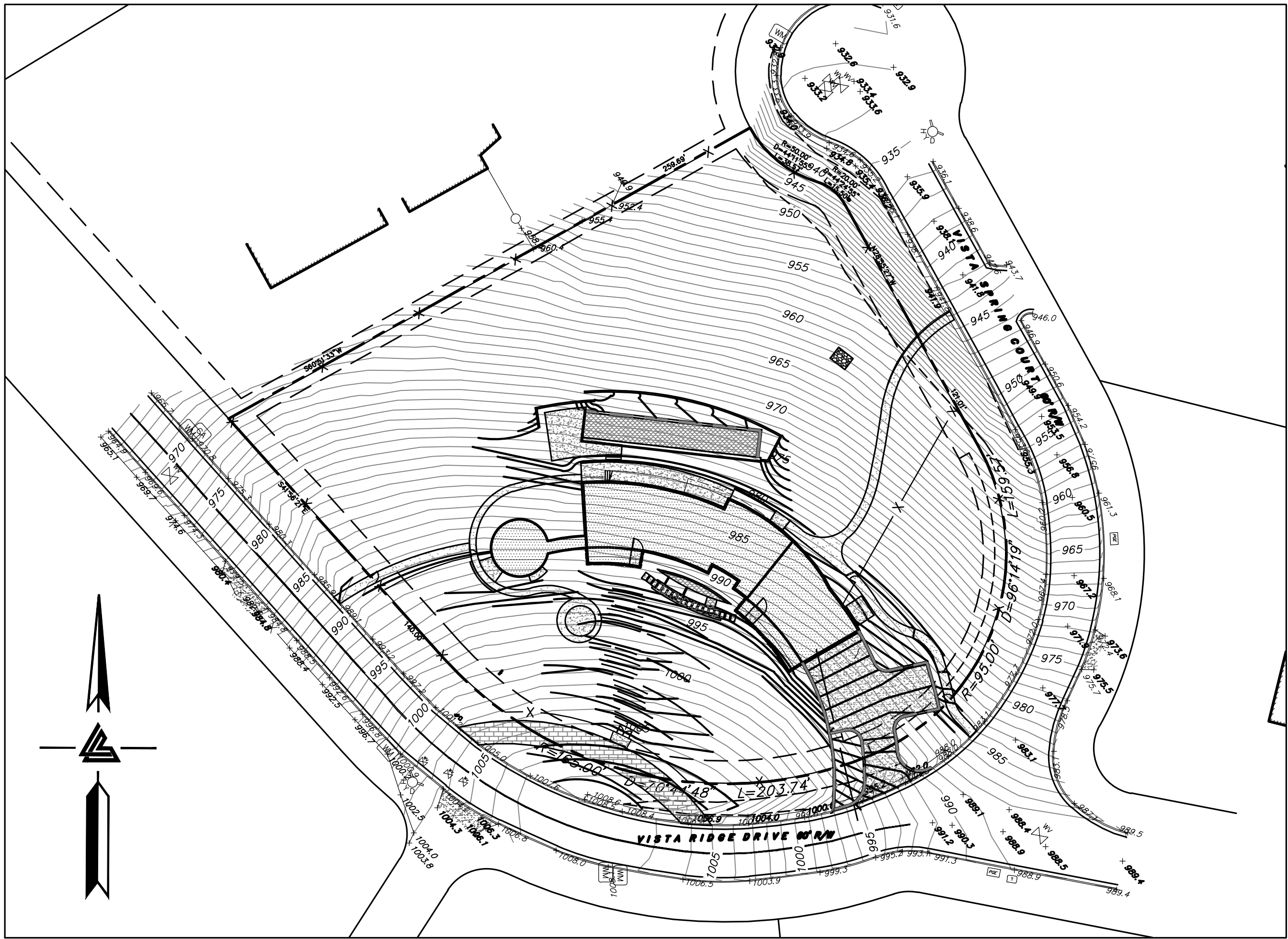
TREE TO BE REMOVED

TREE PROTECTION FENCING

NEW RESIDENCE

490 VISTA RIDGE DRIVE

MILPITAS, CALIFORNIA



OWNER'S INFORMATION

OWNER: CHRISTY LE & SONNY VU
490 VISTA RIDGE DRIVE
MILPITAS, CA

APN: 042-30-022

REFERENCES

- THIS GRADING AND DRAINAGE PLAN IS SUPPLEMENTAL TO:
- TOPOGRAPHIC SURVEY BY MERIDIAN SURVEYING ENGINEERING, ENTITLED: "490 VISTA RIDGE" 490 VISTA RIDGE DRIVE MILPITAS, CA
 - SITE PLAN BY FOUGERON ARCHITECTURE ENTITLED: "VISTA RIDGE" 490 VISTA RIDGE DRIVE MILPITAS, CA
 - LANDSCAPE PLAN BY ARTERRA LANDSCAPE ARCHITECTS, ENTITLED: "490 VISTA RIDGE" 490 VISTA RIDGE DRIVE MILPITAS, CA

THE CONTRACTOR SHALL REFER TO THE ABOVE NOTED SURVEY AND PLAN, AND SHALL VERIFY BOTH EXISTING AND PROPOSED ITEMS ACCORDING TO THEM.

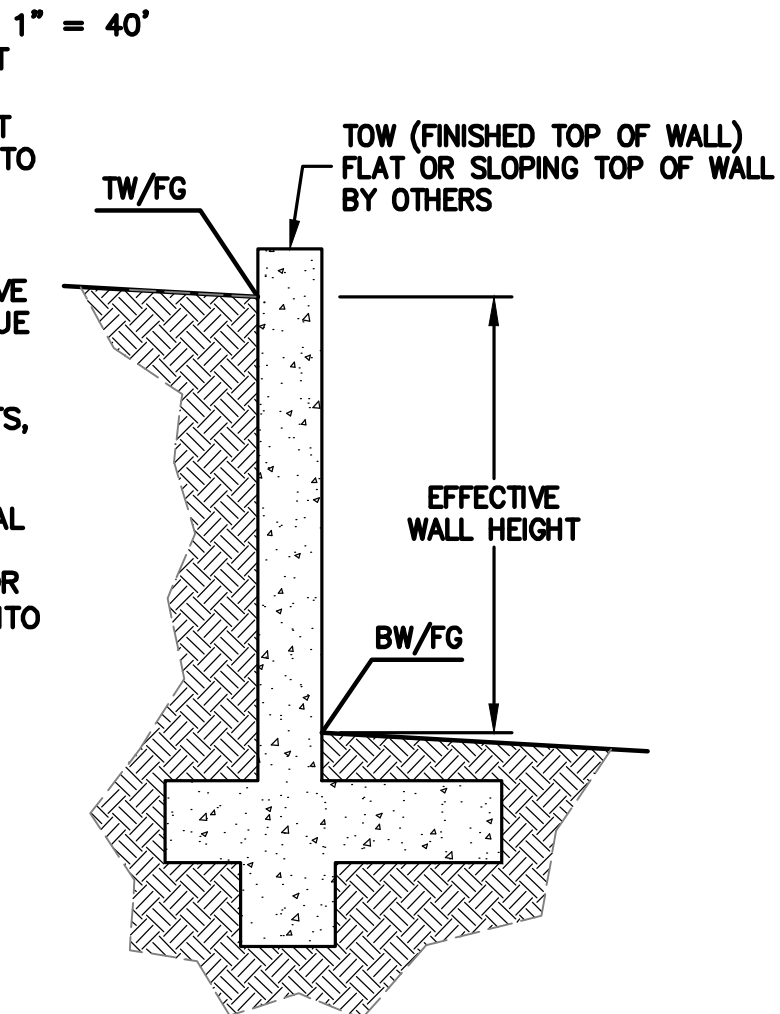
ABBREVIATIONS		
AB	AGGREGATE BASE	LF
AC	ASPHALT CONCRETE	MAX
ACC	ACCESSIBLE	MH
AD	AREA DRAIN	MIN
BC	BEGINNING OF CURVE	MON
B & D	BEARING & DISTANCE	MRO
BM	BENCHMARK	(N)
BUB	BUBBLER BOX	NO.
BW/FG	BOTTOM OF WALL/FINISH GRADE	NTS
CB	CATCH BASIN	O.C.
C & G	CURB AND GUTTER	O/
C	CENTER LINE	(PA)
CPP	CORRUGATED PLASTIC PIPE (SMOOTH INTERIOR)	PED
CO	CLEANOUT	PIV
COTG	CLEANOUT TO GRADE	PSS
CONC	CONCRETE	R
CONST	CONSTRUCT or -TION	PP
CONC COR	CONCRETE CORNER	PUE
CY	CUBIC YARD	PVC
D	DIAMETER	R
DI	DROP INLET	RCP
DIP	DUCTILE IRON PIPE	RIM
EA	EACH	RW
EC	END OF CURVE	R/W
EG	EXISTING GRADE	S
EL	ELEVATIONS	S.A.D.
EP	EDGE OF PAVEMENT	SAN
EQ	EQUIPMENT	SD
EW	EACH WAY	SDMH
(E)	EXISTING	SHT
FC	FACE OF CURB	S.L.D.
FF	FINISHED FLOOR	SPEC
FG	FINISHED GRADE	SS
FH	FIRE HYDRANT	SSCO
FL	FLOW LINE	ST.
FS	FINISHED SURFACE	STA
G	GAGE OR GAUGE	STD
GB	GRADE BREAK	STRUCT
HDPE	HIGH DENSITY CORRUGATED POLYETHYLENE PIPE	T
HORIZ	HORIZONTAL	TC
HI PT	HIGH POINT	TEMP
H&T	HUB & TACK	TP
ID	INSIDE DIAMETER	TW/FG
INV	INVERT ELEVATION	TYP
JB	JUNCTION BOX	VC
JT	JOINT TRENCH	VCP
JP	JOINT UTILITY POLE	VERT
L	LENGTH	W/
LNDG	LANDING	W. WL
		WM
		WWF

RETAINING WALL NOTES

- TW/FG REPRESENTS FINISHED EARTHEN GRADE OR PAVEMENT ELEVATION AT TOP OF WALL, NOT ACTUAL TOP OF WALL MATERIAL. BW/FG REPRESENTS FINISH EARTHEN GRADE OR PAVEMENT ELEVATION AT BOTTOM OF WALL NOT INCLUDING FILL FOUNDATION. GRADES INDICATED ON THESE PLANS REFER TO THE FINISHED GRADES ADJACENT TO THE RETAINING WALL, NOT INCLUDING FOOTING, FREEBOARD, ETC.
- DIMENSIONS SHOWN IN BRACKETS SHOWN AS [X.X"] DENOTE THE EFFECTIVE WALL HEIGHT ONLY. THE ACTUAL WALL HEIGHT AND DEPTH MAY DIFFER DUE TO CONSTRUCTION REQUIREMENTS.
- REFER TO SPECIFIC WALL CONSTRUCTION DETAIL FOR STRUCTURAL ELEMENTS, FREEBOARD, AND EMBEDMENT.
- REFER TO ARCHITECTURAL, LANDSCAPE ARCHITECTURE, AND/OR STRUCTURAL PLANS FOR DETAILS, WALL ELEVATIONS, SUBDRAINAGE, WATERPROOFING, FINISHES, COLORS, STEEL REINFORCING, MATERIALS, ETC. PROVIDE CLIPS OR OTHER MEANS OF SECURING FINISH MATERIALS AS NECESSARY (WET SET INTO THE WALL).
- ALL RETAINING WALLS SHOULD HAVE A BACK-OF-WALL SUB-SURFACE DRAINAGE SYSTEM INCLUDING WEEPHOLES TO PREVENT HYDROSTATIC PRESSURE.
- SEE DETAIL SHEET FOR SPECIFIC INFORMATION.
- PROVIDE GUARDRAIL (WHERE APPLICABLE AND DESIGNED BY OTHERS) AS REQUIRED FOR GRADE SEPARATION OF 30 INCHES OR MORE MEASURED 5' HORIZONTALLY FROM FACE OF WALL, PER CBC.

ESTIMATED EARTHWORK QUANTITIES				
CUBIC YARDS	WITHIN BUILDING FOOTPRINT	OUTSIDE BUILDING FOOTPRINT	TOTAL CUBIC YARDS	MAXIMUM DEPTH (FT)
CUT	275	530	805	7.16
FILL	0	310	310	5.99
EXPORT			495	
NOTE: GRADING QUANTITIES REPRESENT BANK YARDAGE. IT DOES NOT INCLUDE ANY SWELLING OR SHRINKAGE FACTORS AND IS INTENDED TO REPRESENT IN-SITU CONDITIONS. QUANTITIES DO NOT INCLUDE OVER-EXCAVATION, TRENCHING, STRUCTURAL FOUNDATIONS OR PIERS, OR POOL EXCAVATION (IF ANY). NOTE ADDITIONAL EARTHWORKS, SUCH AS KEYWAYS OR BENCHING MAY BE REQUIRED BY THE GEOTECHNICAL ENGINEER IN THE FIELD AT TIME OF CONSTRUCTION. CONTRACTOR TO VERIFY QUANTITIES.				

KEY MAP



* BUILDING PAD NOTE: ADJUST PAD LEVEL AS REQUIRED. REFER TO STRUCTURAL PLANS FOR SLAB SECTION OR CRAWL SPACE DEPTH TO ESTABLISH PAD LEVEL.



NOTE: FOR CONSTRUCTION STAKING SCHEDULING OR QUOTATIONS PLEASE CONTACT ALEX ABAYA AT LEA & BRAZE ENGINEERING (510)887-4086 EXT 116. aabaya@leabraze.com

SHEET INDEX

C-1.0	TITLE SHEET
C-1.1	OVERALL SITE PLAN
C-1.2	SIGHT DISTANCE ANALYSIS
C-2.0	GRADING & DRAINAGE PLAN
C-3.0	UTILITY PLAN
C-4.0	DETAILS
C-4.1	DETAILS
C-4.2	DETAILS
C-5.0	GRADING SPECIFICATIONS
ER-1	EROSION CONTROL
ER-2	EROSION CONTROL DETAILS

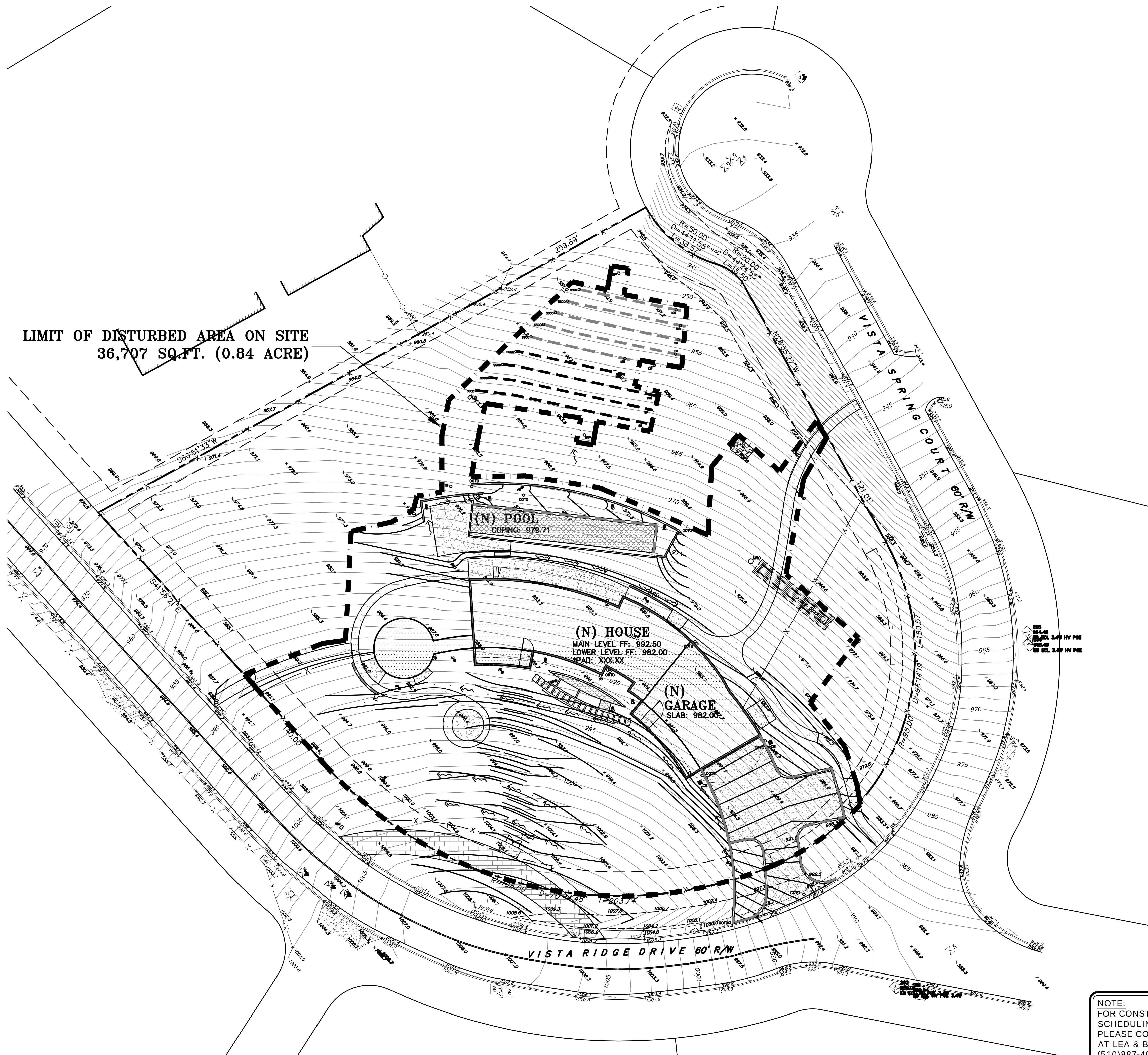


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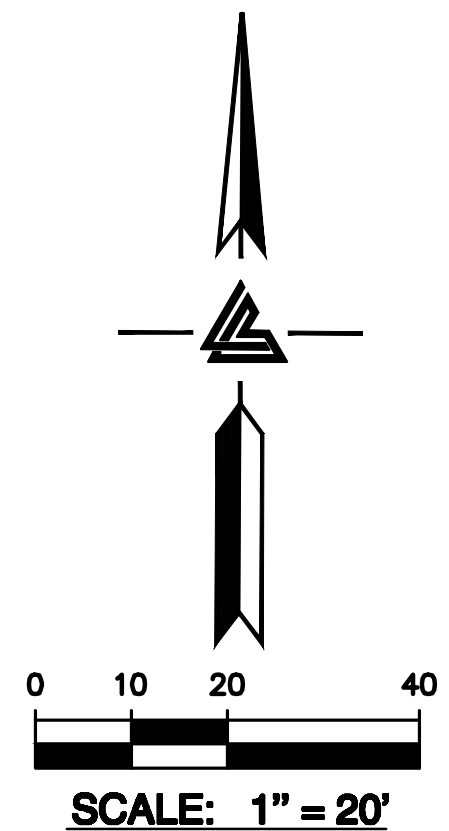
LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA
SANTA CLARA COUNTY
APN: 042-30-022

TITLE SHEET

REVISION #2	08-17-23	ZA
REVISION #1	06-09-23	ZA
REVISIONS		BY
JOB NO:		2220899
DATE:		01-18-23
SCALE:		AS NOTED
DESIGN BY:		ZA
CHECKED BY:		JH
SHEET NO:		
C-1.0		
1 OF 10 SHEETS		



LIMIT OF DISTURBED AREA ON SITE
36,707 SQ.FT. (0.84 ACRE)



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aabaya@leabraz.com

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OVERALL SITE PLAN

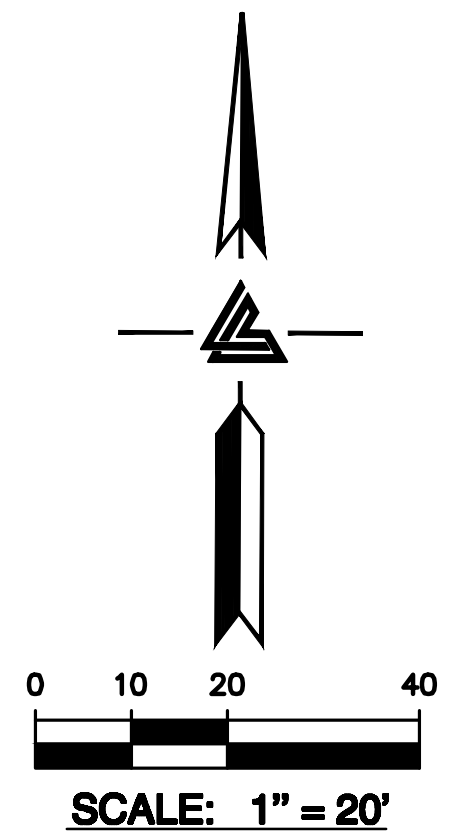
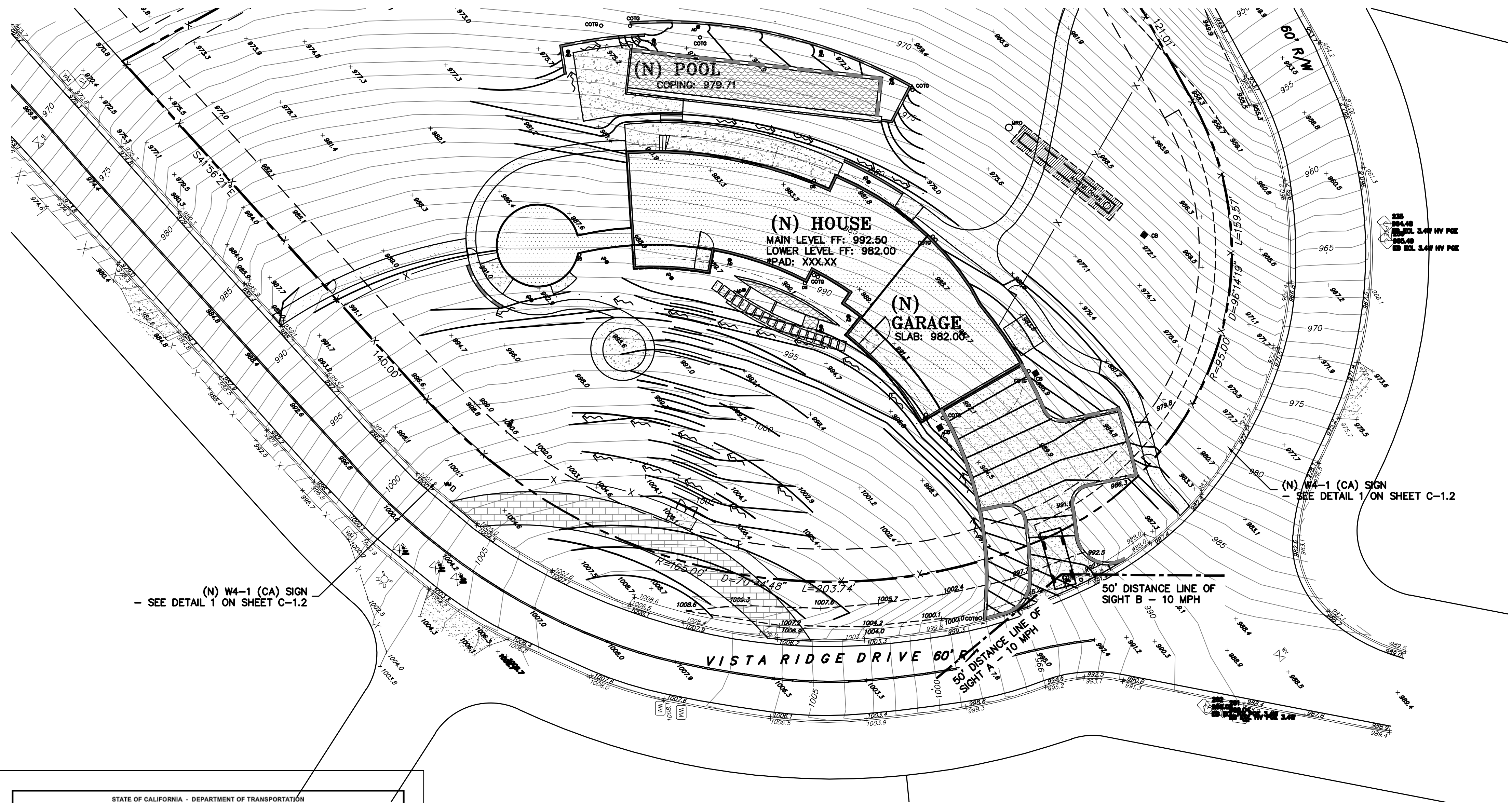
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1	REVISION #1 06-09-23	ZA
REVISIONS		BY
JOB NO:		2220899
DATE:		01-18-23
SCALE:		AS NOTED
DESIGN BY:		ZA
CHECKED BY:		JH
SHEET NO:		
C-1.1		
2 OF 10 SHEETS		



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PETER CARLO
No. C79559
CIVIL
STATE OF CALIFORNIA
ORIGINAL SIGNATURE IN BLUE INK



STATE OF CALIFORNIA - DEPARTMENT OF TRANSPORTATION

MUTCD NUMBER None CODE W4-1
Lt. or Rt.

Notes:
1. For Arrowhead dimensions, see Appendix Page 2.
2. Speed variable, specify when ordering.

SIGN SIZE (Inches)	DIMENSIONS (Inches)															
	A	B	C	D	E	F	G	H	J	K	L	M	N	P		
48 x 48	48	3/4	1-1/8	8	7	1-1/2	4-3/4	14	25-1/2	18-1/2	16	10E	4	3		
60 x 60	60	7/8	1-1/2	10	8-3/4	2	6	17-1/2	31-7/8	23-1/8	20	12E	5	3-3/4		
72 x 72	72	1	1-3/4	12	10-1/2	2-1/4	7-1/4	21	38-1/4	27-3/4	24	15E	6	4-1/2		
96 x 96	96	1-1/4	2-1/4	16	14	3	9-1/2	28	51	37	32	20E	8	6		

SIGN SIZE (mm)	DIMENSIONS (Millimeters)															
	A	B	C	D	E	F	G	H	J	K	L	M	N	P		
1219 x 1219	1219	19	32	203	178	38	121	356	648	470	406	250E	102	76		
1524 x 1524	1524	22	38	254	222	51	152	445	810	587	508	300E	127	95		
1829 x 1829	1829	25	44	305	267	57	184	533	972	705	610	379E	152	114		
2438 x 2438	2438	32	57	406	356	76	241	711	1295	940	813	500E	203	152		

COLORS
BORDER & LEGEND - BLACK (NON-REFLECTIVE)
BACKGROUND - YELLOW (REFLECTIVE)
- THE POLICY FOR INTENDED USAGE OF THIS SIGN IS SHOWN ON REVERSE SIDE -

Amey M... 4/11/05
CHIEF OFFICE OF DESIGN & CONSTRUCTION DATE REVISION REVISION

CALTRANS SIGHT
DISTANCE STANDARDS

DESIGN SPEED (MILES PER HOUR)	STOPPING DISTANCE (FEET)
10	50
15	100
20	125
25	150
30	200
35	250
40	300

SIGHT DISTANCE STANDARDS PER CALTRANS
HIGHWAY DESIGN MANUAL TABLE 201.1

CALTRANS HIGHWAY DESIGN MANUAL
201.3 STOPPING SIGHT DISTANCE:

THE MINIMUM STOPPING SIGHT DISTANCE IS THE DISTANCE REQUIRED BY THE USER, TRAVELING AT A GIVEN SPEED, TO BRING THE VEHICLE OR BICYCLE TO A STOP AFTER AN OBJECT 1/2-FOOT HIGH ON THE ROAD BECOMES VISIBLE. STOPPING SIGHT DISTANCE FOR MOTORISTS IS MEASURED FROM THE DRIVER'S EYES, WHICH ARE ASSUMED TO BE 3 1/2 FEET ABOVE THE PAVEMENT SURFACE, TO AN OBJECT 1/2- FOOT HIGH ON THE ROAD. SEE INDEX 1003.1(10) FOR CLASS I BIKEWAY STOPPING SIGHT DISTANCE GUIDANCE. THE STOPPING SIGHT DISTANCES IN TABLE 201.1 SHOULD BE INCREASED BY 20 PERCENT ON SUSTAINED DOWNGRADES STEEPER THAN 3 PERCENT AND LONGER THAN ONE MILE.

NOTE:
1. THE SPEED FOR THE SITE DISTANCE ANALYSIS WAS ASSUMED.
2. FINAL INSTALLED SIGN POSITIONS WILL BE TO THE SATISFACTION OF THE ROADS AND AIRPORTS DEPARTMENT.

NOTE: DESIGN SPEED CANNOT BE LOCATED ALONG PROJECT SITE FRONTAGE. DESIGN SPEED HAS BEEN ASSIGNED TO BE 10 MPH TO BE CONSERVATIVE BASED ON THE SPEED LIMIT OF THE SURROUNDING AREA AND SIMILAR ROADS WITHIN THE COUNTY OF SANTA CLARA.

1 W4-1 (CA) SIGN
SDA NTS



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SANTA CLARA COUNTY
APN: 042-30-022

SITE DISTANCE
ANALYSIS

REVISION	BY	DATE
2	ZA	08-17-23
1	ZA	06-09-23

REVISIONS

JOB NO: 2220899
DATE: 01-18-23
SCALE: AS NOTED
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO: C-1.2
3 OF 10 SHEETS

FLATWORK KEYNOTES 1 TO 5
FINISHED GRADES AT BUILDING PERIMETER SHALL BE SLOPED AT A MINIMUM OF 5% FOR THE FIRST 10' AWAY FROM THE BUILDING PER CBC 1804.4 OR TO AN APPROVED DRAINAGE SWALE OR STRUCTURE. GRADES SHALL CONTINUE TO SLOPE TOWARDS POSITIVE DRAINAGE AND A POSITIVE OUTFALL. MAINTAIN 8" CLEARANCE BETWEEN FINISH EARTHEN GRADE AND BOTTOM OF MUD SILL AT ALL TIMES PER CBC 2304.12.1.2 UNLESS STRUCTURAL DETAILING ALLOWS LESS. REFER TO STRUCTURAL PLANS FOR FOUNDATION DESIGN AND DETAILS.

SLOPE GARAGE SLAB 1% MINIMUM (1/8" PER FOOT) FROM BACK TO FRONT TO ALLOW FOR ADEQUATE DRAINAGE. MAINTAIN 1/2" TO 1" LIP BETWEEN GARAGE SLAB AND DRIVEWAY. SEE PLANS FOR SPECIFIC DROP

PROVIDE 2% SLOPE ACROSS FLAT WORK AND/OR PAVING PER CBC 1804.4. SLOPE TOWARDS POSITIVE DRAINAGE AS SHOWN ON PLAN.

INSTALL (N) PERMEABLE PAVER DRIVEWAY. SEE ARCHITECTURAL PLANS FOR FURTHER DETAIL.

(N) CONCRETE PATIOS/WALKWAYS. SEE DETAIL 2 ON SHEET C-4.0.

(N) PERMEABLE ASPHALT DRIVEWAY ON STEEPLY SLOPED SURFACE. SEE DETAIL 3 ON SHEET C-4.1.

5 (N) CONCRETE PATIO

(N) POOL
COPING: 979.71

(N) HOUSE
MAIN LEVEL FF: 992.50
LOWER LEVEL FF: 982.00
*PAD: XXX.XX

(N) GARAGE
SLAB: 982.50

(N) FENCE
- S.L.O. (TYP.)

(N) POOL EQUIPMENT PAD

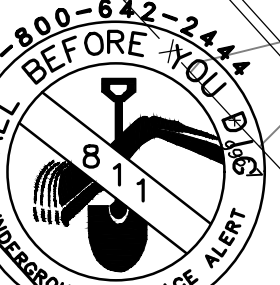
(N) PERMEABLE ASPHALT DRIVEWAY

[2] (N) TIMBER STEPS
6" RISE

[23] (N) STEPS
7" RISE

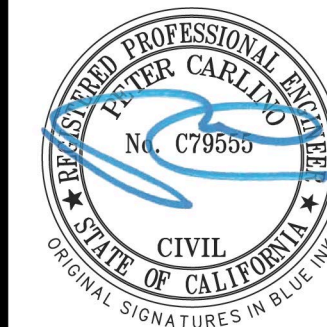
(N) PERMEABLE
PAVER DRIVEWAY

(N) PLANTING AREA



* BUILDING PAD NOTE:
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SANTA CLARA COUNTY

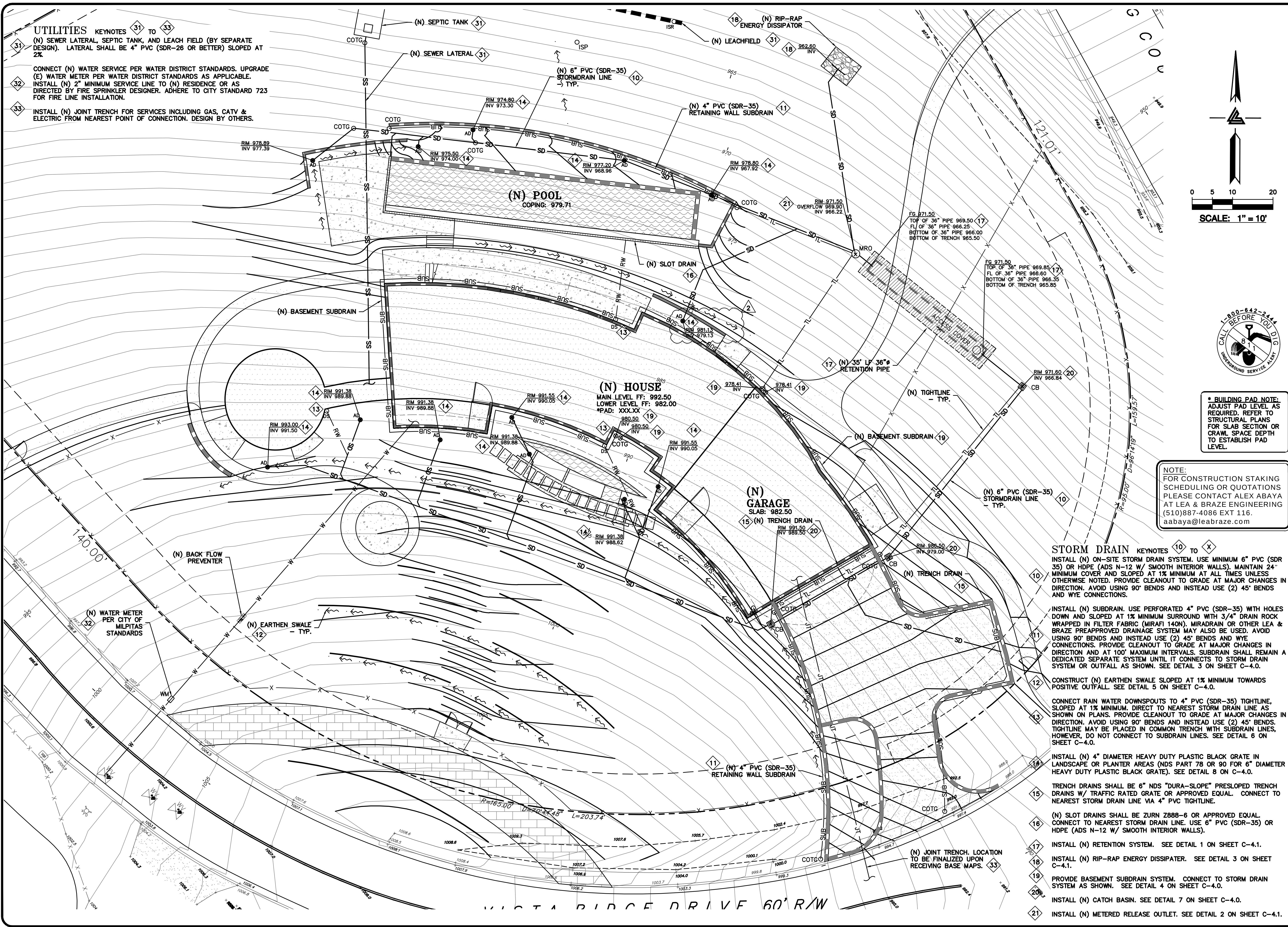
GRADING &
DRAINAGE PLAN

REVISIONS	BY
2	REVISION #2 08-17-23 ZA
1	REVISION #1 06-09-23 ZA

JOB NO: 2220899
DATE: 01-18-23
SCALE: AS NOTED
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO:

C-2.0

4 OF 10 SHEETS

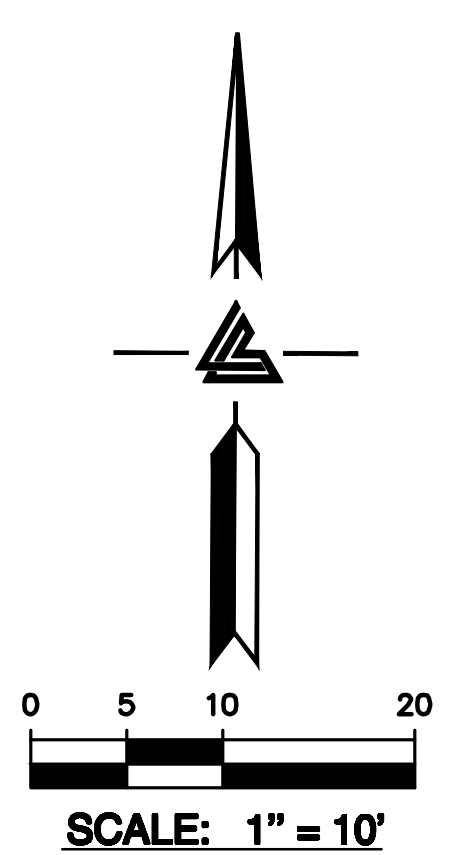


UTILITIES KEYNOTES 31 TO 33

31 (N) SEWER LATERAL, SEPTIC TANK, AND LEACH FIELD (BY SEPARATE DESIGN). LATERAL SHALL BE 4" PVC (SDR-26 OR BETTER) SLOPED AT 2%.

32 CONNECT (N) WATER SERVICE PER WATER DISTRICT STANDARDS. UPGRADE (E) WATER METER PER WATER DISTRICT STANDARDS AS APPLICABLE. INSTALL (N) 2" MINIMUM SERVICE LINE TO (N) RESIDENCE OR AS DIRECTED BY FIRE SPRINKLER DESIGNER. ADHERE TO CITY STANDARD 723 FOR FIRE LINE INSTALLATION.

33 INSTALL (N) JOINT TRENCH FOR SERVICES INCLUDING GAS, CATV & ELECTRIC FROM NEAREST POINT OF CONNECTION. DESIGN BY OTHERS.



*** BUILDING PAD NOTE:**
ADJUST PAD LEVEL AS REQUIRED. REFER TO STRUCTURAL PLANS FOR SLAB SECTION OR CRAWL SPACE DEPTH TO ESTABLISH PAD LEVEL.

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- STORM DRAIN KEYNOTES 10 TO X**
- INSTALL (N) ON-SITE STORM DRAIN SYSTEM. USE MINIMUM 6" PVC (SDR 35) OR HDPE (ADS N-12 W/ SMOOTH INTERIOR WALLS). MAINTAIN 24" MINIMUM COVER AND SLOPED AT 1% MINIMUM AT ALL TIMES UNLESS OTHERWISE NOTED. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS AND WYE CONNECTIONS.
- INSTALL (N) SUBDRAIN. USE PERFORATED 4" PVC (SDR-35) WITH HOLES DOWN AND SLOPED AT 1% MINIMUM SURROUND WITH 3/4" DRAIN ROCK WRAPPED IN FILTER FABRIC (MIRAFI 140N). MIRADRAIN OR OTHER LEA & BRAZE PREAPPROVED DRAINAGE SYSTEM MAY ALSO BE USED. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS AND WYE CONNECTIONS. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION AND AT 100' MAXIMUM INTERVALS. SUBDRAIN SHALL REMAIN A DEDICATED SEPARATE SYSTEM UNTIL IT CONNECTS TO STORM DRAIN SYSTEM OR OUTFALL AS SHOWN. SEE DETAIL 3 ON SHEET C-4.0.
- CONSTRUCT (N) EARTHEN SWALE SLOPED AT 1% MINIMUM TOWARDS POSITIVE OUTFALL. SEE DETAIL 5 ON SHEET C-4.0.
- CONNECT RAIN WATER DOWNSPOUTS TO 4" PVC (SDR-35) TIGHTLINE, SLOPED AT 1% MINIMUM. DIRECT TO NEAREST STORM DRAIN LINE AS SHOWN ON PLANS. PROVIDE CLEANOUT TO GRADE AT MAJOR CHANGES IN DIRECTION. AVOID USING 90° BENDS AND INSTEAD USE (2) 45° BENDS. TIGHTLINE MAY BE PLACED IN COMMON TRENCH WITH SUBDRAIN LINES, HOWEVER, DO NOT CONNECT TO SUBDRAIN LINES. SEE DETAIL 6 ON SHEET C-4.0.
- INSTALL (N) 4" DIAMETER HEAVY DUTY PLASTIC BLACK GRATE IN LANDSCAPE OR PLANTER AREAS (NDS PART 78 OR 90 FOR 6" DIAMETER HEAVY DUTY PLASTIC BLACK GRATE). SEE DETAIL 8 ON C-4.0.
- TRENCH DRAINS SHALL BE 6" NDS "DURA-SLOPE" PRESLOPED TRENCH DRAINS W/ TRAFFIC RATED GRATE OR APPROVED EQUAL. CONNECT TO NEAREST STORM DRAIN LINE VIA 4" PVC TIGHTLINE.
- (N) SLOT DRAINS SHALL BE ZURN Z888-6 OR APPROVED EQUAL. CONNECT TO NEAREST STORM DRAIN LINE. USE 6" PVC (SDR-35) OR HDPE (ADS N-12 W/ SMOOTH INTERIOR WALLS).
- INSTALL (N) RETENTION SYSTEM. SEE DETAIL 1 ON SHEET C-4.1.
- INSTALL (N) RIP-RAP ENERGY DISSIPATER. SEE DETAIL 3 ON SHEET C-4.1.
- PROVIDE BASEMENT SUBDRAIN SYSTEM. CONNECT TO STORM DRAIN SYSTEM AS SHOWN. SEE DETAIL 4 ON SHEET C-4.0.
- INSTALL (N) CATCH BASIN. SEE DETAIL 7 ON SHEET C-4.0.
- INSTALL (N) METERED RELEASE OUTLET. SEE DETAIL 2 ON SHEET C-4.1.

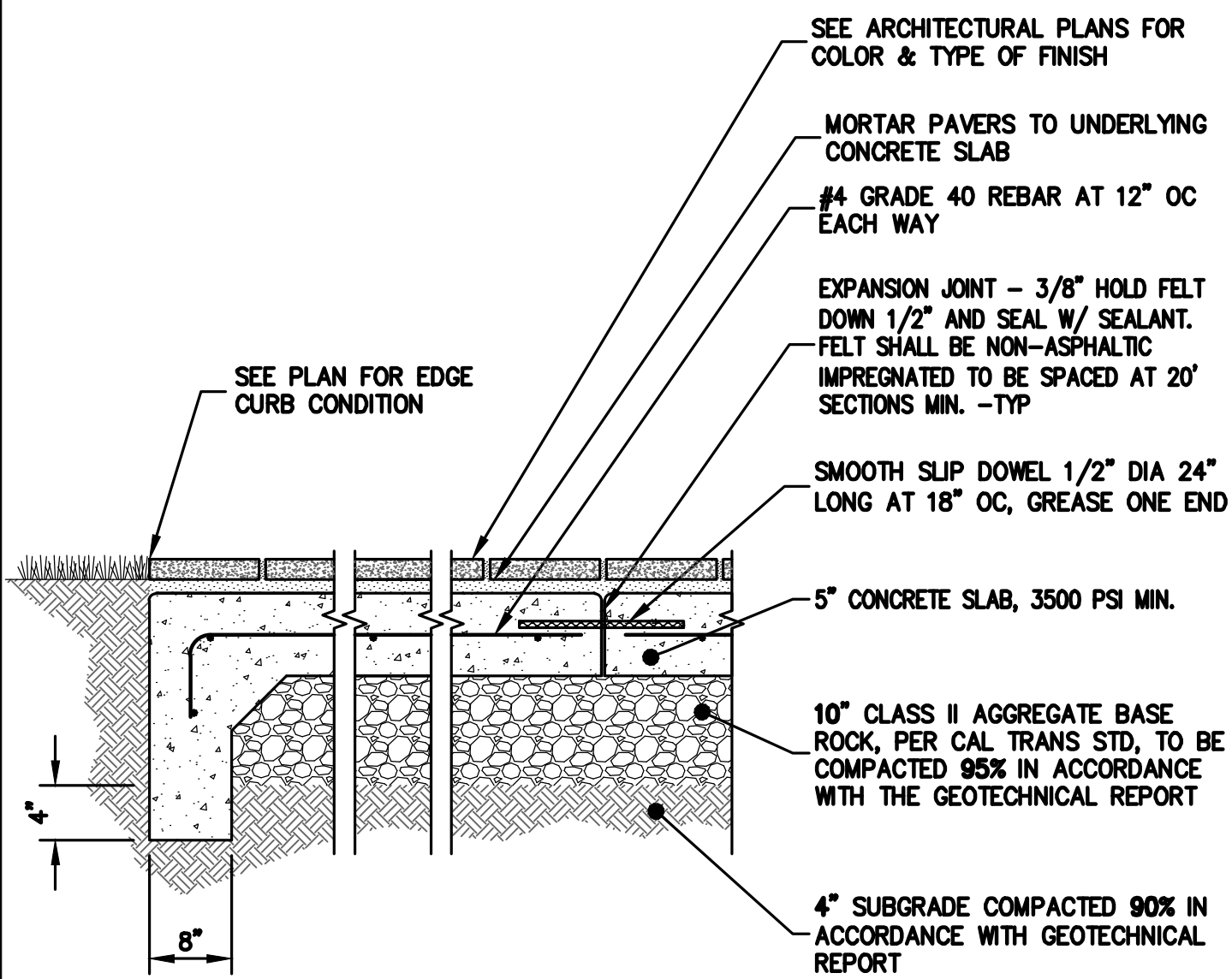
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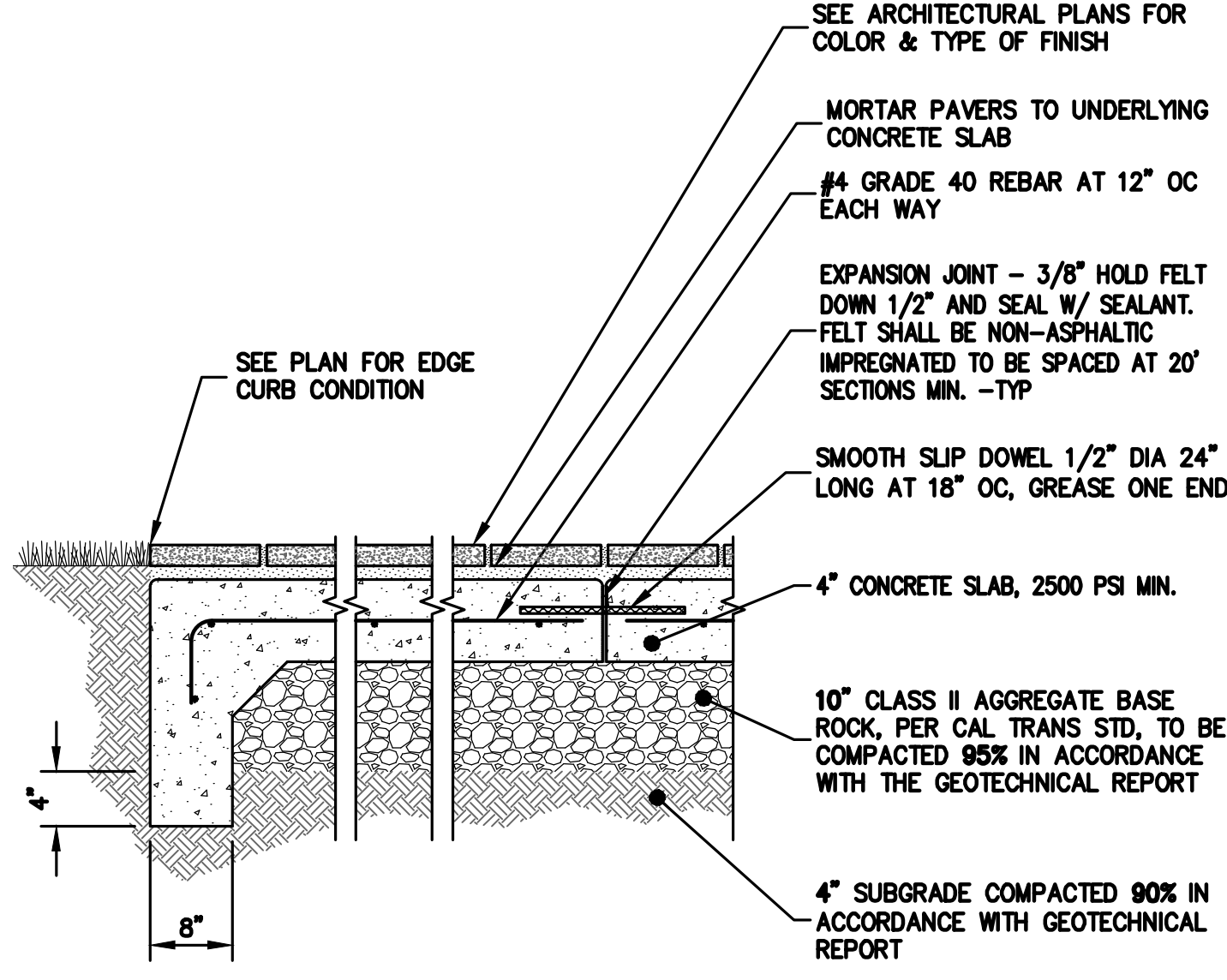
UTILITY PLAN

REVISION	DATE	BY
2	08-17-23	ZA
1	06-09-23	ZA

JOB NO: 2220899
DATE: 01-18-23
SCALE: AS NOTED
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO: C-3.0
5 OF 10 SHEETS

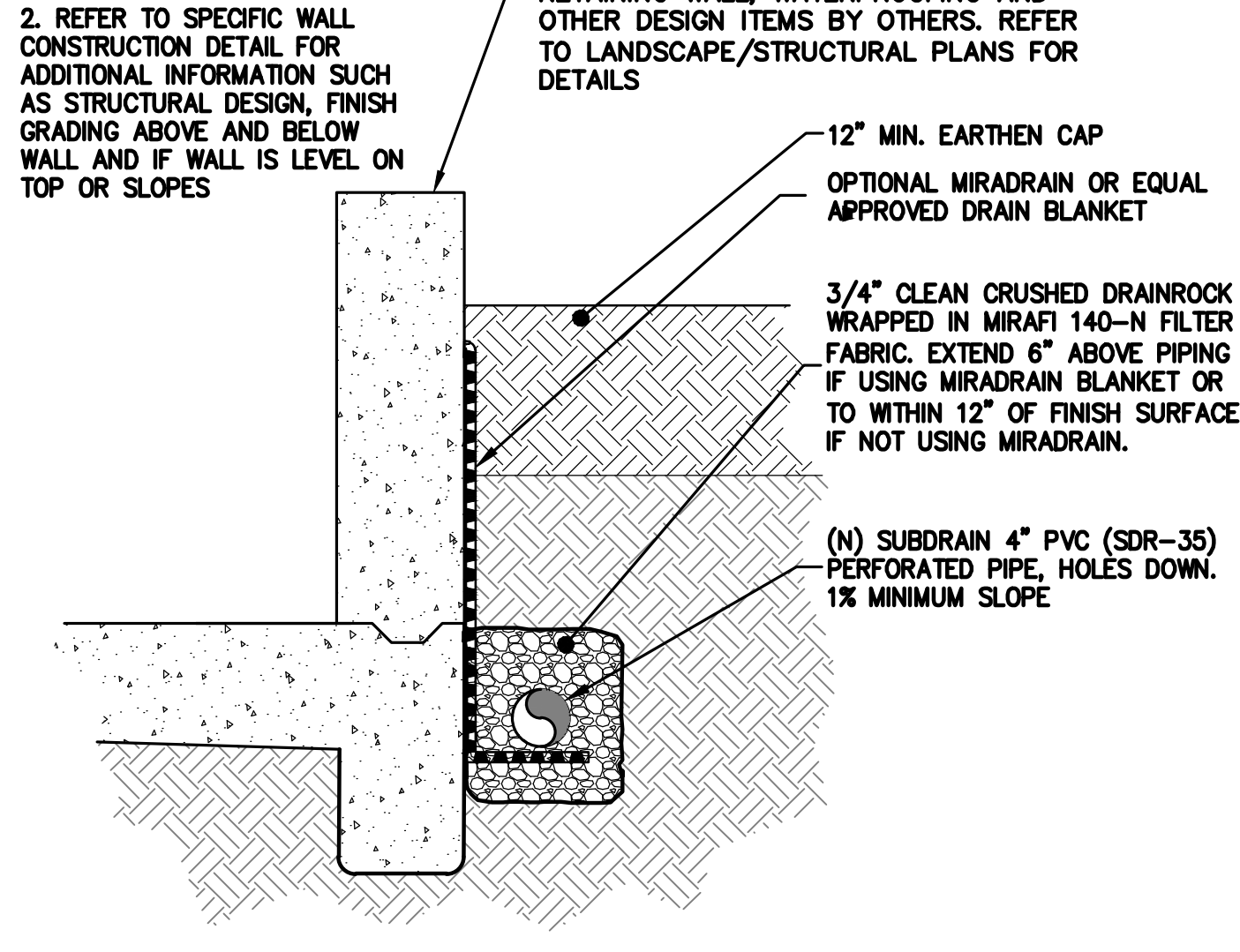


1 PAVERS/TILE OVER CONCRETE
C-4.0 NTS



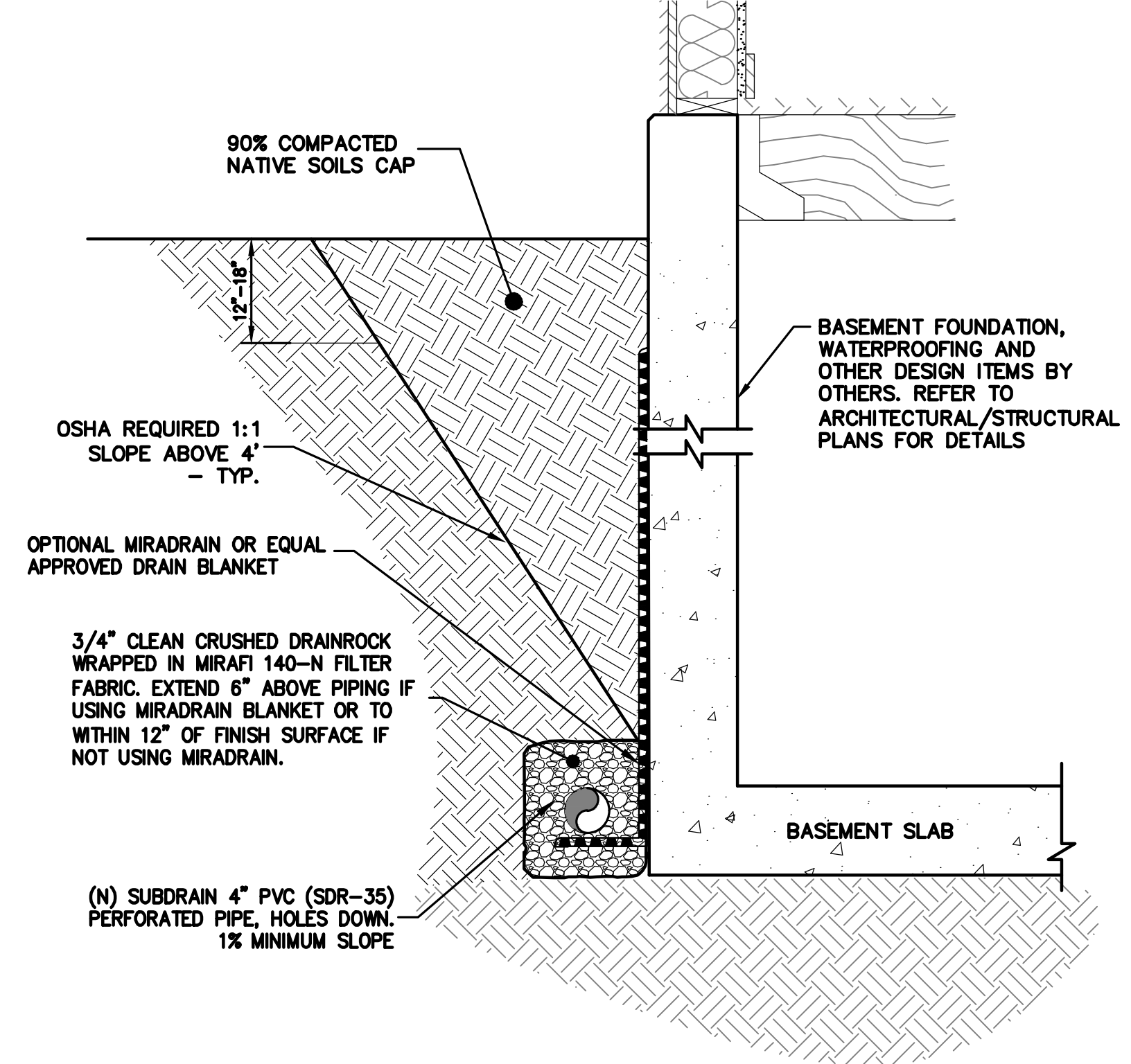
2 CONCRETE PAVING
C-4.0 NTS

NOTES:
1. PROVIDE CLEANOUTS TO GRADE @ ALTERNATING BENDS OR EVERY 100 LF OF PIPE RUN. CONNECT TO SUBDRAIN VIA WYE CONNECTION. DO NOT USE 90° BENDS. USE 90° SWEEP OR TWO 45° BENDS TO ALLOW FOR EASY CLEANOUT ACCESS.

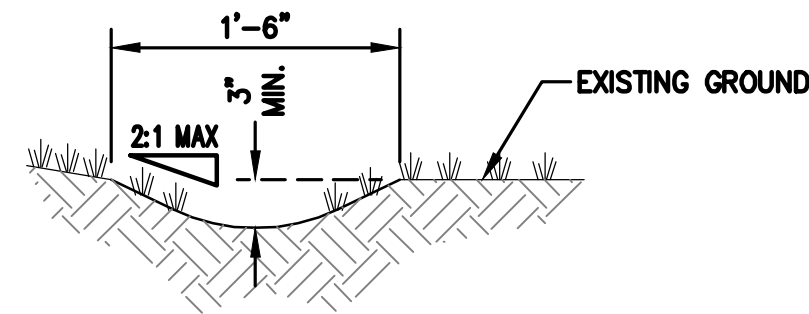


3 SITE RETAINING WALL SUBDRAIN
C-4.0 NTS

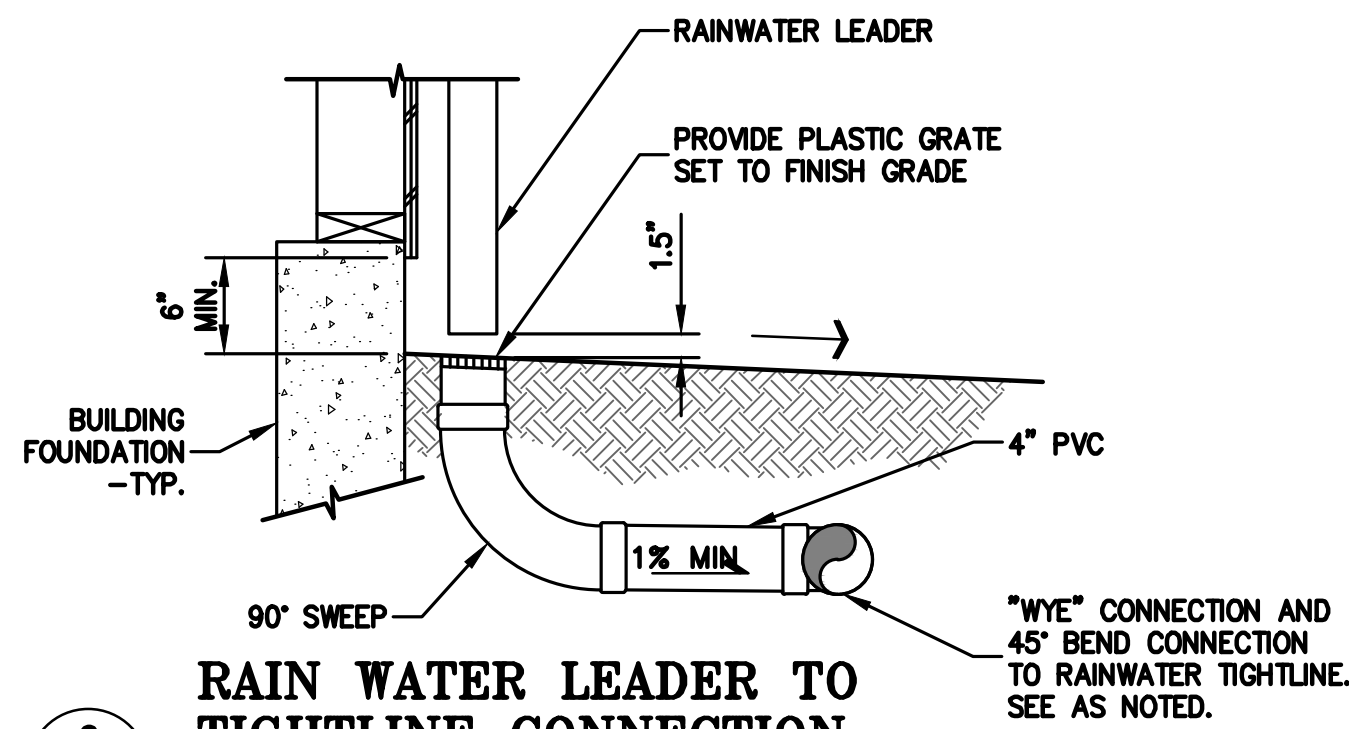
NOTE:
PROVIDE CLEANOUTS TO GRADE @ ALTERNATING BENDS OR EVERY 100 LF OF PIPE RUN. CONNECT TO SUBDRAIN VIA WYE CONNECTION. DO NOT USE 90° BENDS. USE 90° SWEEP OR TWO 45° BENDS TO ALLOW FOR EASY CLEANOUT ACCESS.



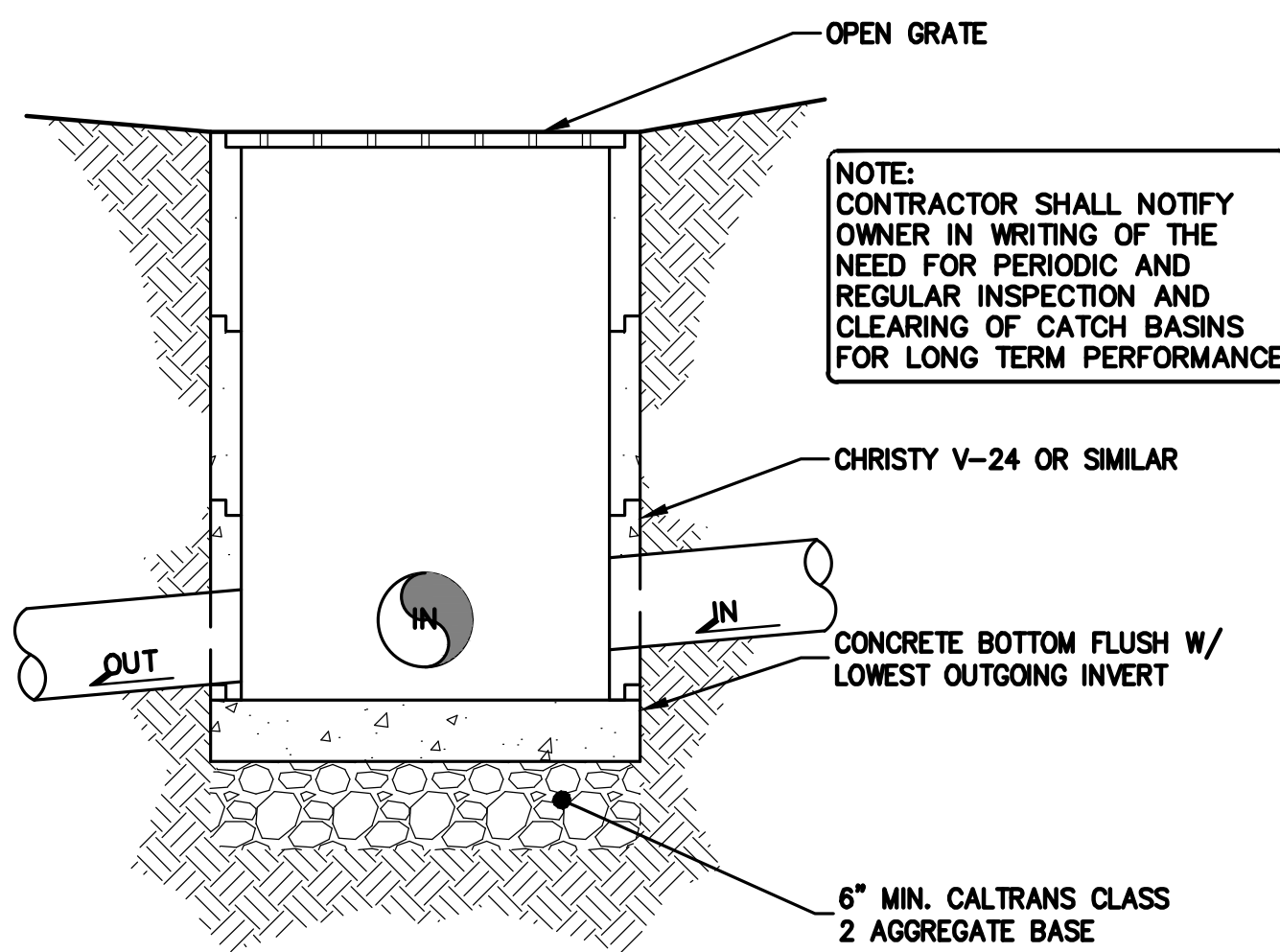
4 BASEMENT SUBDRAIN
C-4.0 NTS



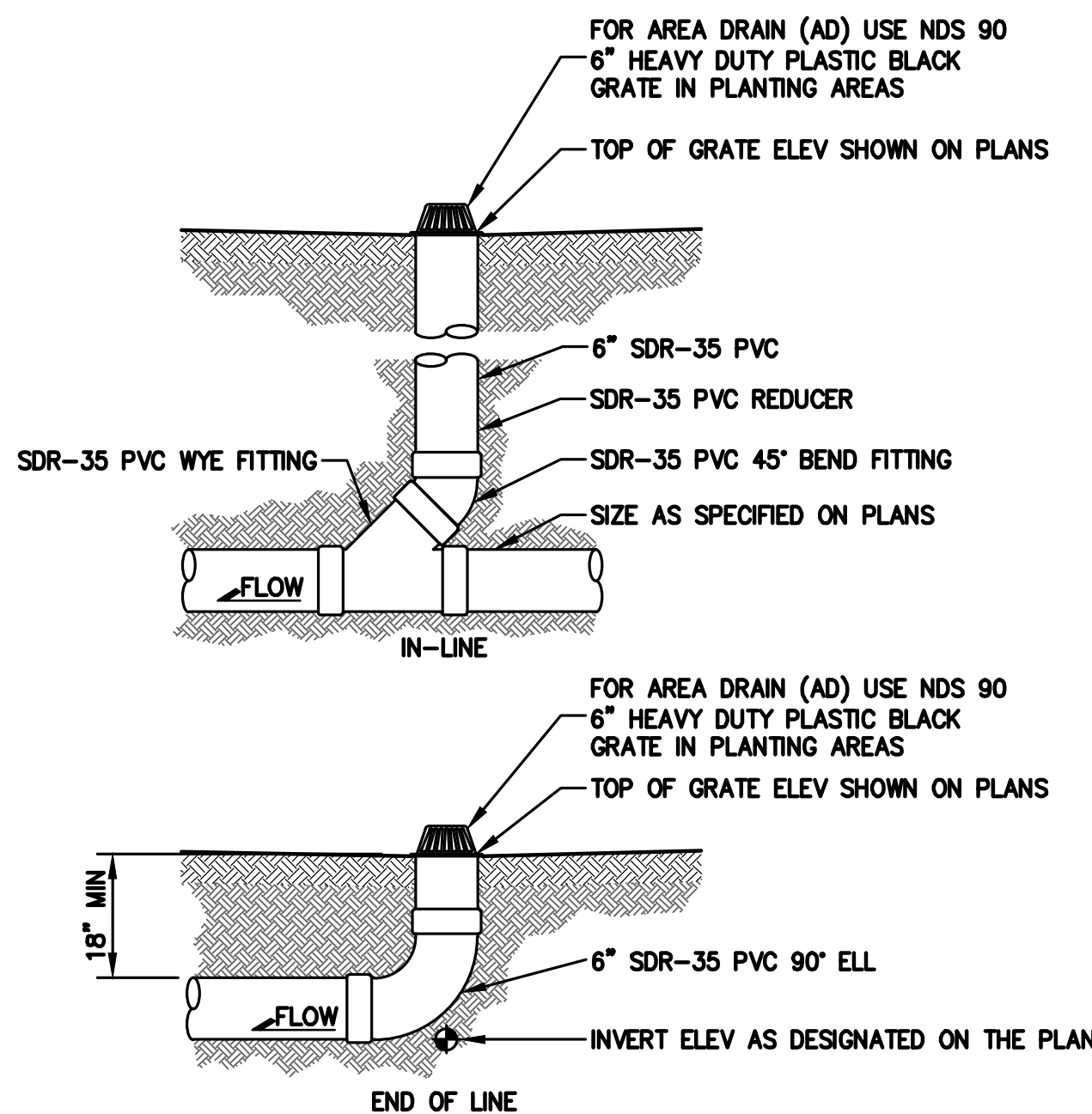
5 EARTHEN SWALE DETAIL
C-4.0 NTS



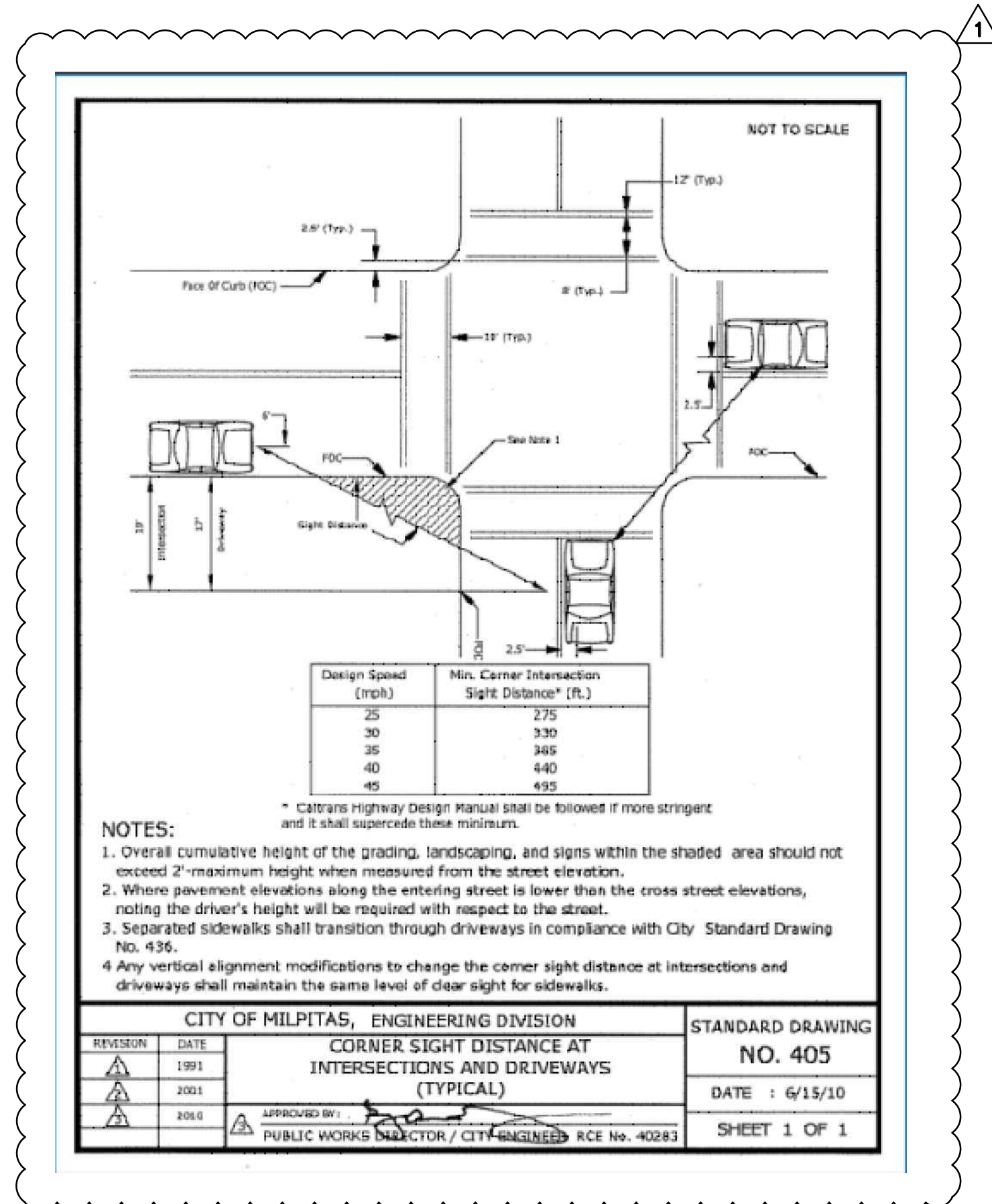
6 RAIN WATER LEADER TO TIGHTLINE CONNECTION
C-4.0 NTS



7 CATCH BASIN
C-4.0 NTS



8 AREA DRAIN
C-4.0 NTS



LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS
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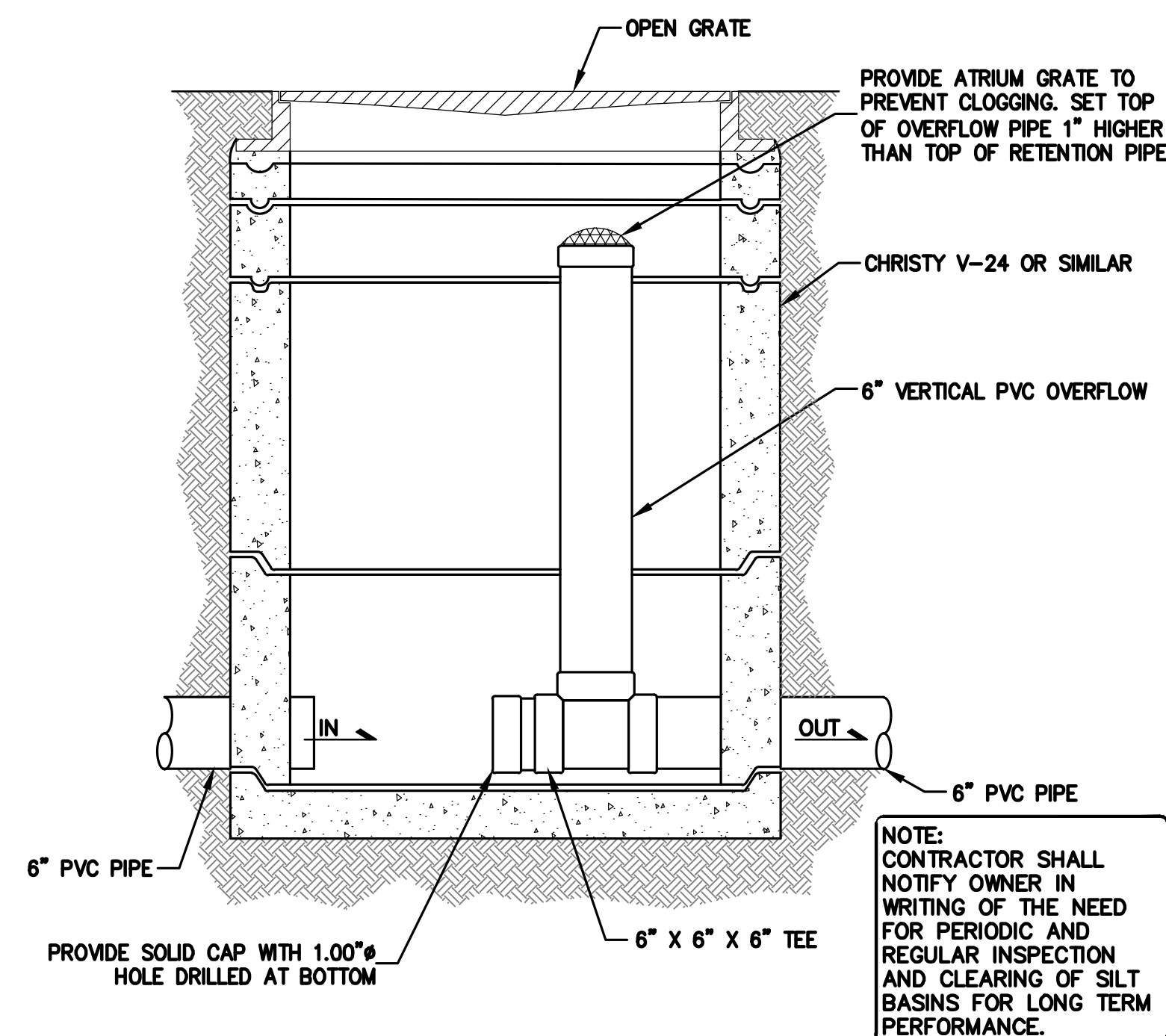
LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA
SANTA CLARA COUNTY
APN: 042-30-022

DETAILS

REVISION	BY
1	06-09-23
2	08-17-23

JOB NO: 2220899
DATE: 01-18-23
SCALE: NTS
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO:

C-4.0
6 OF 10 SHEETS



NOTE:
REFER TO THE PLANS FOR SPECIFIC
INLET AND OUTLET LOCATIONS.
REFER TO THE PLANS FOR SPECIFIC
ACCESS COVER LOCATIONS.

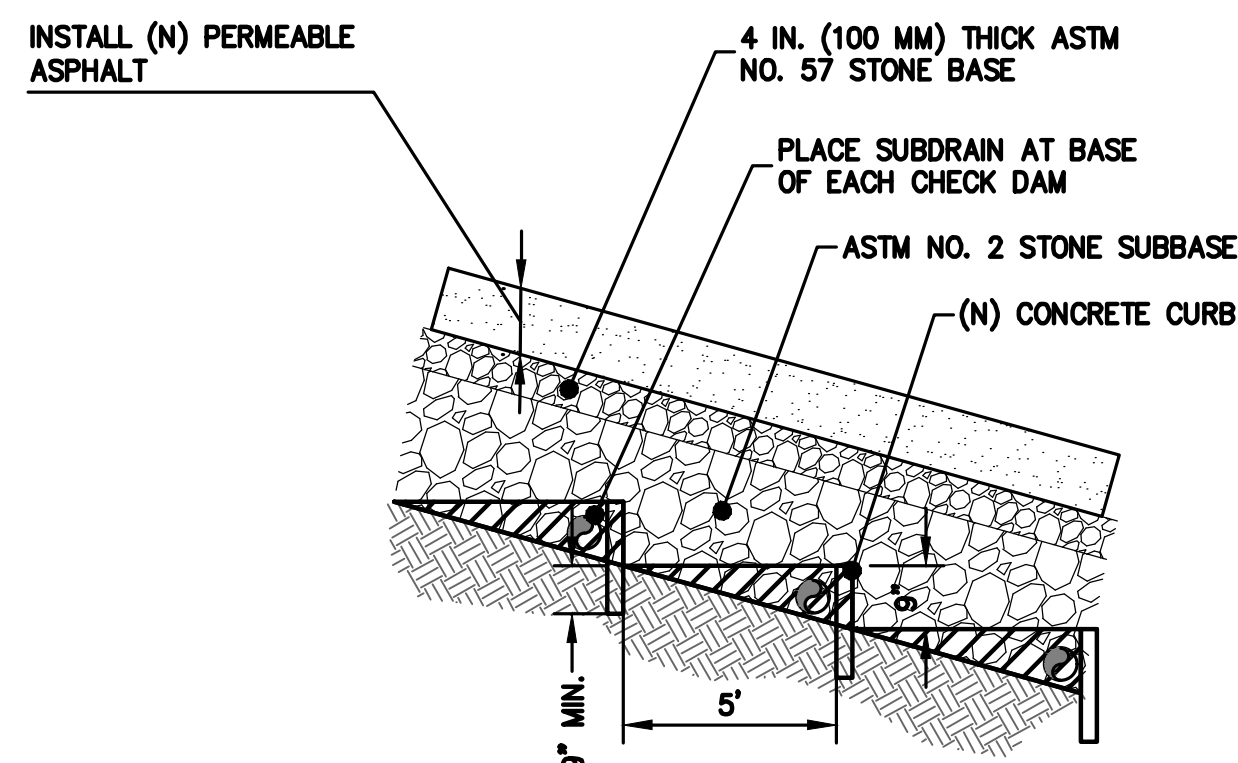
- NOTES:

 1. ALL REFERENCES TO CLASS I OR II MATERIAL ARE PER ASTM D2321 "STANDARD PRACTICE FOR UNDERGROUND INSTALLATION OF THERMOPLASTIC PIPE FOR SEWERS AND OTHER GRAVITY FLOW APPLICATIONS", LATEST EDITION.
 2. ALL RETENTION AND DETENTION SYSTEMS SHALL BE INSTALLED IN ACCORDANCE WITH ASTM D2321, LATEST EDITION AND THE MANUFACTURER'S PUBLISHED INSTALLATION GUIDELINES.
 3. MEASURES SHOULD BE TAKEN TO PREVENT THE MIGRATION OF NATIVE FINES INTO THE BACKFILL MATERIAL, WHEN REQUIRED. SEE ASTM D2321.
 4. FILTER FABRIC: A GEOTEXTILE FABRIC MAY BE USED AS SPECIFIED BY THE ENGINEER TO PREVENT THE MIGRATION OF FINES FROM THE NATIVE SOIL INTO THE SELECT BACKFILL MATERIAL.
 5. FOUNDATION: WHERE THE TRENCH BOTTOM IS UNSTABLE, THE CONTRACTOR SHALL EXCAVATE TO DEPTH REQUIRED BY THE ENGINEER AND REPLACE WITH SUITABLE MATERIAL AS SPECIFIED BY THE ENGINEER. AS AN ALTERNATIVE AND AT THE DISCRETION OF THE DESIGN ENGINEER, THE TRENCH BOTTOM MAY BE STABILIZED USING A GEOTEXTILE MATERIAL.
 6. BEDDING: SUITABLE MATERIAL SHALL BE SAND OR CLASS II*. THE CONTRACTOR SHALL PROVIDE DOCUMENTATION FOR MATERIAL SPECIFICATION TO ENGINEER. UNLESS OTHERWISE NOTED BY THE ENGINEER, MINIMUM BEDDING THICKNESS SHALL BE 4" (100mm) FOR 4" - 24" (100mm-600mm); 6" (150mm) FOR 30"-60" (750mm-900mm) COMPACTED TO 90% SPD.
 7. INITIAL BACKFILL: SUITABLE MATERIAL SHALL BE SAND OR CLASS II*. THE CONTRACTOR SHALL PROVIDE DOCUMENTATION FOR MATERIAL SPECIFICATION TO ENGINEER. MATERIAL SHALL BE INSTALLED AS REQUIRED IN ASTM D2321, LATEST EDITION.
 8. MINIMUM COVER: MINIMUM COVER OVER ALL RETENTION/DETENTION SYSTEMS IN NON-TRAFFIC APPLICATIONS (GRASS OR LANDSCAPE AREAS) IS 12" FROM TOP OF PIPE TO GROUND SURFACE, COMPACT AS RECOMMENDED BY THE SOILS ENGINEER. ADDITIONAL COVER MAY BE REQUIRED TO PREVENT FLOATATION. FOR TRAFFIC APPLICATIONS, MINIMUM COVER IS 18" UP TO 36" DIAMETER PIPE AND 24" OF COVER FOR 42" - 60" DIAMETER PIPE, MEASURED FROM TOP OF PIPE TO BOTTOM OF FLEXIBLE PAVEMENT OR TO TOP OF RIGID PAVEMENT.

* CLASS I BACKFILL REQUIRED AROUND 36" DIAMETER FITTINGS.

* CLASS I BACKFILL REQUIRED AROUND 36" DIAMETER FITTINGS.

2 **METERED RELEASE OUTLET**
C-4.1 NTS



4 (S)
C-4.1 NTS

LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA

SANTA CLARA COUNTY

APN: 042-30-022



LEA & BRAZE ENGINEERING, INC.
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APN: 042-30-022

SANTA CLARA COUNTY

DETAILS

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2	REVISION #2 08-17-23 ZA
1	REVISION #1 06-09-23 ZA
REVISIONS	
	BY

JOB NO: 2220899

DATE: 01-18-23

SCALE: NTS

DESIGN BY: ZA

CHECKED BY: JH

SHEET NO:

C-4.1

7 OF 10 SHEETS

GENERAL NOTES

ALL GENERAL NOTES, SHEET NOTES, AND LEGEND NOTES FOUND IN THESE DOCUMENTS SHALL APPLY TYPICALLY THROUGHOUT. IF INCONSISTENCIES ARE FOUND IN THE VARIOUS NOTATIONS, NOTIFY THE ENGINEER IMMEDIATELY IN WRITING REQUESTING CLARIFICATION.

THESE DRAWINGS AND THEIR CONTENT ARE AND SHALL REMAIN THE PROPERTY OF LEA AND BRAZE ENGINEERING, INC. WHETHER THE PROJECT FOR WHICH THEY ARE PREPARED IS EXECUTED OR NOT. THEY ARE NOT TO BE USED BY ANY PERSONS ON OTHER PROJECTS OR EXTENSIONS OF THE PROJECT EXCEPT BY AGREEMENT IN WRITING AND WITH APPROPRIATE COMPENSATION TO THE ENGINEER.

ALL WORK SHALL COMPLY WITH APPLICABLE CODES AND TRADE STANDARDS WHICH GOVERN EACH PHASE OF WORK INCLUDING, BUT NOT LIMITED TO, CALIFORNIA MECHANICAL CODE, CALIFORNIA PLUMBING CODE, CALIFORNIA ELECTRICAL CODE, CALIFORNIA FIRE CODE, CALTRANS STANDARDS AND SPECIFICATIONS, AND ALL APPLICABLE STATE AND/OR LOCAL CODES AND/OR LEGISLATION.

IT IS THE RESPONSIBILITY OF THE CONTRACTOR AND ALL SUBCONTRACTORS TO CHECK AND VERIFY ALL CONDITIONS, DIMENSIONS, LINES AND LEVELS INDICATED. PROPER FIT AND ATTACHMENT OF ALL PARTS IS REQUIRED. SHOULD THERE BE ANY DISCREPANCIES, IMMEDIATELY NOTIFY THE ENGINEER FOR CORRECTION OR ADJUSTMENT. THE EVENT OF FAILURE TO DO SO, THE CONTRACTOR SHALL BE RESPONSIBLE FOR CORRECTION OF ANY ERROR.

ALL DIMENSIONS AND CONDITIONS SHALL BE CHECKED AND VERIFIED ON THE JOB BY EACH SUBCONTRACTOR BEFORE HE/SHE BEGINS HIS/HER WORK. ANY ERRORS, OMISSION, OR DISCREPANCIES MUST BE BROUGHT TO THE ATTENTION OF THE OWNER/CONTRACTOR BEFORE CONSTRUCTION BEGINS.

COMMENCEMENT OF WORK BY THE CONTRACTOR AND/OR ANY SUBCONTRACTOR SHALL INDICATE KNOWLEDGE AND ACCEPTANCE OF ALL CONDITIONS DESCRIBED IN THESE CONSTRUCTION DOCUMENTS, OR EXISTING ON SITE, WHICH COULD AFFECT THEIR WORK.

WORK SEQUENCE

IN THE EVENT ANY SPECIAL SEQUENCING OF THE WORK IS REQUIRED BY THE OWNER OR THE CONTRACTOR, THE CONTRACTOR SHALL ARRANGE A CONFERENCE BEFORE ANY SUCH WORK IS BEGIN.

SITE EXAMINATION: THE CONTRACTOR AND ALL SUBCONTRACTORS SHALL THOROUGHLY EXAMINE THE SITE AND FAMILIARIZE HIM/HERSELF WITH THE CONDITIONS UNDER WHICH THE WORK IS TO BE PERFORMED. THE CONTRACTOR SHALL VERIFY AT THE SITE ALL MEASUREMENTS AFFECTING HIS/HER WORK AND SHALL BE RESPONSIBLE FOR THE CORRECTIONS OF THE SAME. NO EXTRA COMPENSATION WILL BE ALLOWED TO THE CONTRACTOR FOR EXPENSES DUE TO HIS/HER NEGLIGENCE TO EXAMINE, OR FAILURE TO DISCOVER, CONDITIONS WHICH AFFECT HIS/HER WORK.

LEA AND BRAZE ENGINEERING, INC. EXPRESSLY RESERVES ITS COMMON LAW COPYRIGHT AND OTHER PROPERTY RIGHTS IN THESE PLANS. THESE PLANS ARE NOT TO BE REPRODUCED, CHANGED OR COPIED IN ANY FORM OR MANNER WHATSOEVER, NOR ARE THEY TO BE ASSIGNED TO A THIRD PARTY WITHOUT FIRST OBTAINING THE WRITTEN PERMISSION AND CONSENT OF LEA AND BRAZE ENGINEERING, INC. IN THE EVENT OF UNAUTHORIZED REUSE OF THESE PLANS BY A THIRD PARTY, THE THIRD PARTY SHALL HOLD HARMLESS LEA AND BRAZE ENGINEERING, INC.

CONSTRUCTION IS ALWAYS LESS THAN PERFECT SINCE PROJECTS REQUIRE THE COORDINATION AND INSTALLATION OF MANY INDIVIDUAL COMPONENTS BY VARIOUS CONSTRUCTION INDUSTRY TRADES. THESE DOCUMENTS CANNOT PORTRAY ALL COMPONENTS OR ASSEMBLIES EXACTLY. IT IS THE INTENTION OF THESE ENGINEERING DOCUMENTS THAT THEY REPRESENT A REASONABLE STANDARD OF CARE IN THEIR CONTENT. IT IS ALSO PRESUMED BY THESE DOCUMENTS THAT CONSTRUCTION REVIEW SERVICES WILL BE PROVIDED BY THE ENGINEER. SHOULD THE OWNER NOT RETAIN THE ENGINEER TO PROVIDE SUCH SERVICES, OR SHOULD HE/SHE RETAIN THE ENGINEER TO PROVIDE ONLY PARTIAL OR LIMITED SERVICES, THEN IT SHALL BE THE OWNER'S AND CONTRACTOR'S RESPONSIBILITY TO FULLY RECOGNIZE AND PROVIDE THAT STANDARD OF CARE.

IF THE OWNER OR CONTRACTOR OBSERVES OR OTHERWISE BECOMES AWARE OF ANY FAULT OR DEFECT IN THE PROJECT OR NONCONFORMANCE WITH THE CONTRACT DOCUMENTS, PROMPT WRITTEN NOTICE THEREOF SHALL BE GIVEN BY THE OWNER AND/OR CONTRACTOR TO THE ENGINEER.

THE ENGINEER SHALL NOT HAVE CONTROL OF OR CHARGE OF AND SHALL NOT BE RESPONSIBLE FOR CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES, OR FOR SAFETY PRECAUTIONS AND PROGRAMS IN CONNECTION WITH THE WORK, FOR THE ACTS OR OMISSIONS OF THE CONTRACTOR, SUBCONTRACTORS, OR ANY OTHER PERSONS PERFORMING ANY OF THE WORK, OR FOR THE FAILURE OF ANY OF THEM TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.

SITE PROTECTION

PROTECT ALL LANDSCAPING THAT IS TO REMAIN. ANY DAMAGE OR LOSS RESULTING FROM EXCAVATION, GRADING, OR CONSTRUCTION WORK SHALL BE CORRECTED OR REPLACED BY THE CONTRACTOR AT NO ADDITIONAL COST TO THE OWNER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE LOCATION OF ALL EXISTING SITE UTILITIES AND SHALL COORDINATE THEIR REMOVAL OR MODIFICATIONS (IF ANY) TO AVOID ANY INTERRUPTION OF SERVICE TO ADJACENT AREAS. THE GENERAL CONTRACTOR SHALL INFORM HIM/HERSELF OF MUNICIPAL REGULATIONS AND CARRY OUT HIS/HER WORK IN COMPLIANCE WITH ALL FEDERAL AND STATE REQUIREMENTS TO REDUCE FIRE HAZARDS AND INJURIES TO THE PUBLIC.

STORMWATER POLLUTION PREVENTION NOTES

1) STORE, HANDLE, AND DISPOSE OF CONSTRUCTION MATERIALS AND WASTES PROPERLY, SO AS TO PREVENT THEIR CONTACT WITH STORMWATER.

2) CONTROL AND PREVENT THE DISCHARGE OF ALL POTENTIAL POLLUTANTS, INCLUDING SOLID WASTES, PAINTS, CONCRETE, PETROLEUM PRODUCTS, CHEMICALS, WASH WATER OR SEDIMENT, AND NON-STORMWATER DISCHARGES TO STORM DRAINS AND WATER COURSES.

3) USE SEDIMENT CONTROL OR FILTRATION TO REMOVE SEDIMENT FROM DEWATERING EFFLUENT.

4) AVOID CLEANING, FUELING, OR MAINTAINING VEHICLES ON SITE, EXCEPT IN A DESIGNATED AREA IN WHICH RUNOFF IS CONTAINED AND TREATED.

5) DELINEATE CLEARING LIMITS, EASEMENTS, SETBACKS, SENSITIVE OR CRITICAL AREAS, BUFFER ZONES, TREES AND DISCHARGE COURSE WITH FIELD MARKERS.

6) PROTECT ADJACENT PROPERTIES AND UNDISTURBED AREAS FROM CONSTRUCTION IMPACTS USING VEGETATIVE BUFFER STRIPS, SEDIMENT BARRIERS OF FILTERS, DIKES, MULCHING, OR OTHER MEASURES AS APPROPRIATE.

7) PERFORM CLEARING AND EARTH MOVING ACTIVITIES DURING DRY WEATHER TO THE MAXIMUM EXTENT PRACTICAL.

8) LIMIT AND TIME APPLICATIONS OF PESTICIDES AND FERTILIZERS TO PREVENT POLLUTED RUNOFF.

9) LIMIT CONSTRUCTION ACCESS ROUTES AND STABILIZE DESIGNATED ACCESS POINTS.

10) AVOID TRACKING DIRT OR MATERIALS OFF-SITE. CLEAN OFF-SITE PAVED AREAS AND SIDEWALKS USING DRY SWEEPING METHODS TO THE MAXIMUM EXTENT PRACTICAL.

SUPPLEMENTAL MEASURES

A. THE PHRASE "NO DUMPING - DRAINS TO BAY" OR EQUALLY EFFECTIVE PHRASE MUST BE LABELED ON STORM DRAIN INLETS (BY STENCILING, BRANDING, OR PLAQUES) TO ALERT THE PUBLIC TO THE DESTINATION OF STORM WATER AND TO PREVENT DIRECT DISCHARGE OF POLLUTANTS INTO THE STORM DRAIN.

B. USING FILTRATION MATERIALS ON STORM DRAIN COVERS TO REMOVE SEDIMENT FROM DEWATERING EFFLUENT.

C. STABILIZING ALL DENUDED AREAS AND MAINTAINING EROSION CONTROL MEASURES CONTINUOUSLY FROM OCTOBER 15 AND APRIL 15.

D. REMOVING SPOILS PROMPTLY, AND AVOID STOCKPILING OF FILL MATERIALS, WHEN RAIN IS FORECAST. IF RAIN THREATENS, STOCKPILED SOILS AND OTHER MATERIALS SHALL BE COVERED WITH A TARP OR OTHER WATERPROOF MATERIAL.

E. STORING, HANDLING, AND DISPOSING OF CONSTRUCTION MATERIALS AND WASTES SO AS TO AVOID THEIR ENTRY TO THE STORM DRAIN SYSTEMS OR WATER BODY.

F. AVOIDING CLEANING, FUELING, OR MAINTAINING VEHICLES ON-SITE, EXCEPT IN AN AREA DESIGNATED TO CONTAIN AND TREAT RUNOFF.

GRADING & DRAINAGE NOTES:

1. **SCOPE OF WORK**
- THESE SPECIFICATIONS AND APPLICABLE PLANS PERTAIN TO AND INCLUDE ALL SITE GRADING AND EARTHWORK ASSOCIATED WITH THE PROJECT INCLUDING, BUT NOT LIMITED TO THE FURNISHING OF ALL LABOR, TOOLS AND EQUIPMENT NECESSARY FOR SITE CLEARING AND GRUBBING, SITE PREPARATION, DISPOSAL OF EXCESS OR UNSUITABLE MATERIAL, STRIPPING, KEYING, EXCAVATION, OVER EXCAVATION, RECOMPACTION PREPARATION FOR SOIL RECEIVING FILL, PAVEMENT, FOUNDATION OF SLABS, EXCAVATION, IMPORTATION OF ANY REQUIRED FILL MATERIAL, PROCESSING, PLACEMENT AND COMPACTION OF FILL AND SUBSIDIARY WORK NECESSARY TO COMPLETE THE GRADING TO CONFORM TO THE LINES, GRADING AND SLOPE SHOWN ON THE PROJECT GRADING PLANS.
2. **GENERAL**
- A. ALL SITE GRADING AND EARTHWORK SHALL CONFORM TO THE RECOMMENDATIONS OF THESE SPECIFICATIONS, THE SOILS REPORT BY ROMIG ENGINEERS, AND THE CITY OF MILPITAS.
- B. ALL FILL MATERIALS SHALL BE DENSIFIED SO AS TO PRODUCE A DENSITY NOT LESS THAN 90% RELATIVE COMPACTION BASED UPON ASTM TEST DESIGNATION D1557. FIELD DENSITY TEST WILL BE PERFORMED IN ACCORDANCE WITH ASTM TEST DESIGNATION 2922 AND 3017. THE LOCATION AND FREQUENCY OF THE FIELD DENSITY TEST WILL BE AS DETERMINED BY THE SOIL ENGINEER. THE RESULTS OF THESE TEST AND COMPLIANCE WITH THE SPECIFICATIONS WILL BE THE BASIS UPON WHICH SATISFACTORY COMPLETION OF THE WORK WILL BE JUDGED BY THE SOIL ENGINEER. ALL CUT AND FILL SLOPES SHALL BE CONSTRUCTED AS SHOWN ON PLANS, BUT NO STEEPER THAN TWO (2) HORIZONTAL TO ONE (1) VERTICAL.
- C. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SATISFACTORY COMPLETION OF ALL THE EARTHWORK IN ACCORDANCE WITH THESE PLANS AND SPECIFICATIONS. NO DEVIATION FROM THESE SPECIFICATIONS SHALL BE MADE EXCEPT UPON WRITTEN APPROVAL BY THE SOILS ENGINEER. BOTH CUT AND FILL AREAS SHALL BE SURFACE COMPLETED TO THE SATISFACTION OF THE SOILS ENGINEER AT THE CONCLUSION OF ALL GRADING OPERATIONS AND PRIOR TO FINAL ACCEPTANCE. THE CONTRACTOR SHALL NOTIFY THE SOILS ENGINEER AT LEAST TWO (2) WORKING DAYS PRIOR TO DOING ANY SITE GRADING AND EARTHWORK INCLUDING CLEARING.
3. **CLEARING AND GRUBBING**
- A. THE CONTRACTOR SHALL ACCEPT THE SITE IN ITS PRESENT CONDITION. ALL EXISTING PUBLIC IMPROVEMENTS SHALL BE PROTECTED. ANY IMPROVEMENTS DAMAGED SHALL BE REPLACED BY THE CONTRACTOR AS DIRECTED BY THE LOCAL JURISDICTION WITH NO EXTRA COMPENSATION.
- B. ALL ABANDONED BUILDINGS AND FOUNDATIONS, TREE (EXCEPT THOSE SPECIFIED TO REMAIN FOR LANDSCAPING PURPOSES), FENCES, VEGETATION AND ANY SURFACE DEBRIS SHALL BE REMOVED AND DISPOSED OF OFF THE SITE BY THE CONTRACTOR.
- C. ALL ABANDONED SEPTIC TANKS AND ANY OTHER SUBSURFACE STRUCTURES EXISTING IN PROPOSED DEVELOPMENT AREAS SHALL BE REMOVED PRIOR TO ANY GRADING OR FILL OPERATION. ALL APPURTENANT DRAIN FIELDS AND OTHER CONNECTING LINES MUST ALSO BE TOTALLY REMOVED.
- D. ALL ABANDONED UNDERGROUND IRRIGATION OR UTILITY LINES SHALL BE REMOVED OR DEMOLISHED. THE APPROPRIATE FINAL DISPOSITION OF SUCH LINES DEPEND UPON THEIR DEPTH AND LOCATION AND THE METHOD OF REMOVAL OR DEMOLITION SHALL BE DETERMINED BY THE SOILS ENGINEER. ONE OF THE FOLLOWING METHODS WILL BE USED:
- (1) EXCAVATE AND TOTALLY REMOVE THE UTILITY LINE FROM THE TRENCH.
- (2) EXCAVATE AND CRUSH THE UTILITY LINE IN THE TRENCH.
- (3) CAP THE ENDS OF THE UTILITY LINE WITH CONCRETE TO PREVENT THE ENTRANCE OF WATER. THE LOCATIONS AT WHICH THE UTILITY LINE WILL BE CAPPED WILL BE DETERMINED BY THE UTILITY DISTRICT ENGINEER. THE LENGTH OF THE CAP SHALL NOT BE LESS THAN FIVE FEET, AND THE CONCRETED MIX EMPLOYED SHALL HAVE MINIMUM SHRINKAGE.
4. **SITE PREPARATION AND STRIPPING**
- A. ALL SURFACE ORGANICS SHALL BE STRIPPED AND REMOVED FROM BUILDING PADS, AREAS TO RECEIVE COMPACTED FILL AND PAVEMENT AREAS.
- B. UPON THE COMPLETION OF THE ORGANIC STRIPPING OPERATION, THE GROUND SURFACE (NATIVE SOIL SUBGRADE) OVER THE ENTIRE AREA OF ALL BUILDING PADS, STREET AND PAVEMENT AREAS AND ALL AREAS TO RECEIVE COMPACTED FILL SHALL BE PLOWED OR SCARIFIED UNTIL THE SURFACE IS FREE OF RITS, HUMMOCKS OR OTHER UNEVEN FEATURES WHICH MAY INHIBIT UNIFORM SOIL COMPACTION. THE GROUND SURFACE SHALL THEN BE DISCED OR BLADED TO A DEPTH OF AT LEAST 6 INCHES. UPON ENGINEER'S SATISFACTION, THE NEW SURFACE SHALL BE WATER CONDITIONED AND RECOMPACTED PER REQUIREMENTS FOR COMPACTING FILL MATERIAL.
5. **EXCAVATION**
- A. UPON COMPLETION OF THE CLEARING AND GRUBBING, SITE PREPARATION AND STRIPPING, THE CONTRACTOR SHALL MAKE EXCAVATIONS TO LINES AND GRADES NOTED ON THE PLAN, WHERE REQUIRED BY THE SOILS ENGINEER. UNACCEPTABLE NATIVE SOILS OR UNENGINEERED FILL SHALL BE OVER EXCAVATED BELOW THE DESIGN GRADE. SEE PROJECT SOILS REPORT FOR DISCUSSION OF OVER EXCAVATION OF THE UNACCEPTABLE MATERIAL. RESULTING GROUND LINE SHALL BE SCARIFIED, MOISTURE-CONDITIONED AND RECOMPACTED AS SPECIFIED IN SECTION 4 OF THESE SPECIFICATIONS. COMPACTED FILL MATERIAL SHALL BE PLACED TO BRING GROUND LEVEL BACK TO DESIGN GRADE.
- B. EXCAVATED MATERIALS SUITABLE FOR COMPACTED FILL MATERIAL SHALL BE UTILIZED IN MAKING THE REQUIRED COMPACTED FILLS. THOSE NATIVE MATERIALS CONSIDERED UNSUITABLE BY THE SOILS ENGINEER SHALL BE DISPOSED OF OFF THE SITE BY THE CONTRACTOR.
6. **PLACING, SPREADING AND COMPACTING FILL MATERIAL**
- A. **FILL MATERIALS**
- THE MATERIALS PROPOSED FOR USE AS COMPACTED FILL SHALL BE APPROVED BY THE SOILS ENGINEER BEFORE COMMENCEMENT OF GRADING OPERATIONS. THE NATIVE MATERIAL IS CONSIDERED SUITABLE FOR FILL; HOWEVER, ANY NATIVE MATERIAL DESIGNATED UNSUITABLE BY THE SOILS ENGINEER SHALL BE REMOVED FROM THE SITE BY THE CONTRACTOR. ANY IMPORTED MATERIAL SHALL BE APPROVED FOR USE BY THE SOILS ENGINEER, IN WRITING, BEFORE BEING IMPORTED TO THE SITE AND SHALL POSSESS SUFFICIENT FINES TO PROVIDE A COMPETENT SOIL MATRIX AND SHALL BE FREE OF VEGETATIVE AND ORGANIC MATTER AND OTHER DELETERIOUS MATERIALS. ALL FILL VOIDS SHALL BE FILLED AND PROPERLY COMPACTED. NO ROCKS LARGER THAN THREE INCHES IN DIAMETER SHALL BE PERMITTED.
- B. **FILL CONSTRUCTION**
- THE SOILS ENGINEER SHALL APPROVE THE NATIVE SOIL SUBGRADE BEFORE PLACEMENT OF ANY COMPACTED FILL MATERIAL. UNACCEPTABLE NATIVE SOIL SHALL BE REMOVED AS DIRECTED BY THE SOILS ENGINEER. THE RESULTING GROUND LINE SHALL BE SCARIFIED MOISTURE CONDITIONED AND RECOMPACTED AS SPECIFIED IN SECTION 4 OF THESE SPECIFICATIONS. COMPACTED FILL MATERIAL SHALL BE PLACED TO BRING GROUND LEVEL BACK TO DESIGN GRADE. GROUND PREPARATION SHALL BE FOLLOWED CLOSELY BY FILL PLACEMENT TO PREVENT DRYING OUT OF THE SUBSOIL BEFORE PLACEMENT OF THE FILL.
- THE APPROVED FILL MATERIALS SHALL BE PLACED IN UNIFORM HORIZONTAL LAYERS NO THICKER THAN 8" IN LOOSE THICKNESS. LAYERS SHALL BE SPREAD EVENLY AND SHALL BE THOROUGHLY BLADE MIXED DURING THE SPREADING TO ENSURE UNIFORMITY OF MATERIAL IN EACH LAYER. THE SCARIFIED SUBGRADE AND FILL MATERIAL SHALL BE MOISTURE CONDITIONED TO AT LEAST OPTIMUM MOISTURE. WHEN THE MOISTURE CONTENT OF THE FILL IS BELOW THAT SPECIFIED, WATER SHALL BE ADDED UNTIL THE MOISTURE DURING THE COMPACTION PROCESS. WHEN THE MOISTURE CONTENT OF THE FILL IS ABOVE THAT SPECIFIED, THE FILL MATERIAL SHALL BE AERATED BY BLADING OR OTHER SATISFACTORY METHODS UNTIL THE MOISTURE CONTENT IS AS SPECIFIED.
- AFTER EACH LAYER HAS BEEN PLACED, MIXED, SPREAD EVENLY AND MOISTURE CONDITIONED, IT SHALL BE COMPACTED TO AT LEAST THE SPECIFIED DENSITY.
- THE FILL OPERATION SHALL BE CONTINUED IN COMPACTED LAYERS AS SPECIFIED ABOVE UNTIL THE FILL HAS BEEN BROUGHT TO THE FINISHED SLOPES AND GRADES AS SHOWN ON THE PLANS. NO LAYER SHALL BE ALLOWED TO DRY OUT BEFORE SUBSEQUENT LAYERS ARE PLACED.
- COMPACTION EQUIPMENT SHALL BE OF SUCH DESIGN THAT IT WILL BE ABLE TO COMPACT THE FILL TO THE SPECIFIED MINIMUM COMPACTION WITHIN THE SPECIFIED MOISTURE CONTENT RANGE. COMPACTION OF EACH LAYER SHALL BE CONTINUOUS OVER ITS ENTIRE AREA UNTIL THE REQUIRED MINIMUM DENSITY HAS BEEN OBTAINED.
7. **CUT OR FILL SLOPES**
- ALL CONSTRUCTED SLOPES, BOTH CUT AND FILL, SHALL BE NO STEEPER THAN 2 TO 1 (HORIZONTAL TO VERTICAL), DURING THE GRADING OPERATION, COMPACTED FILL SLOPES SHALL BE OVERFILLED BY AT LEAST ONE FOOT HORIZONTALLY AT THE COMPLETION OF THE GRADING OPERATIONS. THE EXCESS FILL EXISTING ON THE SLOPES SHALL BE BLADED OFF TO CREATE THE FINISHED SLOPE. EMBANKMENT. ALL CUT AND FILL SLOPES SHALL BE TRACK WALKED AFTER BEING BROUGHT TO FINISH GRADE AND THEN BE PLANTED WITH EROSION CONTROL. SLOPE PLANTING. THE SOILS ENGINEER SHALL REVIEW ALL CUT SLOPES TO DETERMINE IF ANY ADVERSE GEOLOGIC CONDITIONS ARE EXPOSED. IF SUCH CONDITIONS DO OCCUR, THE SOILS ENGINEER SHALL RECOMMEND THE APPROPRIATE MITIGATION MEASURES AT THE TIME OF THEIR DETECTION.
8. **SEASONAL LIMITS AND DRAINAGE CONTROL**
- FILL MATERIALS SHALL NOT BE PLACED, SPREAD OR COMPACTED WHILE IT IS AT AN UNSUITABLY HIGH MOISTURE CONTENT OR DURING OTHERWISE UNFAVORABLE CONDITIONS. WHEN THE WORK IS INTERRUPTED FOR ANY REASON THE FILL OPERATIONS SHALL NOT BE RESUMED UNTIL FIELD TEST PERFORMED BY THE SOILS ENGINEER INDICATE THAT THE MOISTURE CONDITIONS IN AREAS TO BE FILLED ARE AS PREVIOUSLY SPECIFIED. ALL EARTH MOVING AND WORKING OPERATIONS SHALL BE CONTROLLED TO PREVENT WATER FROM RUNNING INTO EXCAVATED AREAS. ALL EXCESS WATER SHALL BE PROMPTLY REMOVED AND THE SITE KEPT DRY.
9. **DUST CONTROL**
- THE CONTRACTOR SHALL TAKE ALL STEPS NECESSARY FOR THE ALLEVATION OR PREVENTION OF ANY DUST NUISANCE ON OR ABOUT THE SITE CAUSED BY THE CONTRACTOR'S OPERATION EITHER DURING THE PERFORMANCE OF THE GRADING OR RESULTING FROM THE CONDITION IN WHICH THE CONTRACTOR LEAVES THE SITE. THE CONTRACTOR SHALL ASSUME ALL LIABILITY INCLUDING COURT COST OF CO-DEFENDANTS FOR ALL CLAIMS RELATED TO DUST OR WIND-BLOWN MATERIALS ATTRIBUTABLE TO HIS WORK. COST FOR THIS ITEM OF WORK IS TO BE INCLUDED IN THE EXCAVATION ITEM AND NO ADDITIONAL COMPENSATION SHALL BE ALLOWED.
10. **INDEMNITY**
- THE CONTRACTOR WILL HOLD HARMLESS, INDEMNIFY AND DEFEND THE ENGINEER, THE OWNER AND HIS CONSULTANTS AND EACH OF THEIR OFFICERS AND EMPLOYEES AND AGENTS, FROM ANY AND ALL LIABILITY CLAIMS, LOSSES OR DAMAGE ARISING OR ALLEGED TO HEREIN, BUT NOT INCLUDING THE SOLE NEGLIGENCE OF THE OWNER, THE ARCHITECT, THE ENGINEER AND HIS CONSULTANTS AND EACH OF THEIR OFFICERS AND EMPLOYEES AND AGENTS.
11. **SAFETY**
- IN ACCORDANCE WITH GENERALLY ACCEPTED CONSTRUCTION PRACTICES, THE CONTRACTOR WILL BE SOLELY AND COMPLETELY RESPONSIBLE FOR CONDITIONS OF THE JOB SITE, INCLUDING SAFETY OF ALL PERSONS AND PROPERTY DURING PERFORMANCE OF THE WORK. THIS REQUIREMENT WILL APPLY CONTINUOUSLY AND NOT BE LIMITED TO NORMAL WORKING HOURS.
- THE DUTY OF THE ENGINEERS TO CONDUCT CONSTRUCTION REVIEW OF THE CONTRACTOR'S PERFORMANCE IS NOT INTENDED TO INCLUDE REVIEW OF THE ADEQUACY OF THE CONTRACTOR'S SAFETY MEASURES, IN, ON OR NEAR THE CONSTRUCTION SITE.

12. **GUARANTEE**
- NEITHER THE FINAL PAYMENT, NOR THE PROVISIONS IN THE CONTRACT, NOR PARTIAL, NOR ENTIRE USE OR OCCUPANCY OF THE PREMISES BY THE OWNER SHALL CONSTITUTE AN ACCEPTANCE OF THE WORK NOT DONE IN ACCORDANCE WITH THE CONTRACT OR RELIEVES THE CONTRACTOR OF LIABILITY IN RESPECT TO ANY EXPRESS WARRANTIES OR RESPONSIBILITY FOR FAULTY MATERIAL OR WORKMANSHIP.
- THE CONTRACTOR SHALL REMEDY ANY DEFECTS IN WORK AND PAY FOR ANY DAMAGE TO OTHER WORK RESULTING THEREFROM WHICH SHALL APPEAR WITHIN A PERIOD OF ONE (1) CALENDAR YEAR FROM THE DATE OF FINAL ACCEPTANCE OF THE WORK.
13. **TRENCH BACKFILL**
- EITHER THE ON-SITE INORGANIC SOIL OR APPROVED IMPORTED SOIL MAY BE USED AS TRENCH BACKFILL. THE BACKFILL MATERIAL SHALL BE MOISTURE CONDITIONED PER THESE SPECIFICATIONS AND SHALL BE PLACED IN LIFTS OF NOT MORE THAN SIX INCHES IN HORIZONTAL UNCOMPACTED LAYERS AND BE COMPACTED BY MECHANICAL MEANS TO A MINIMUM RELATIVE COMPACTION PER THE SOILS REPORT BY ROMIG ENGINEERS. IMPORTED SAND MAY BE USED FOR TRENCH BACKFILL MATERIAL PROVIDED IT IS COMPACTED TO A RELATIVE COMPACTION PER THE SOILS REPORT BY ROMIG ENGINEERS. WATER JETTING ASSOCIATED WITH COMPACTION USING VIBRATORY EQUIPMENT WILL BE PERMITTED ONLY WITH IMPORTED SAND BACKFILL WITH THE APPROVAL OF THE SOILS ENGINEER. ALL PIPES SHALL BE BEDDED WITH SAND EXTENDING FROM THE TRENCH BOTTOM TO TWELVE INCHES ABOVE THE PIPE. SAND BEDDING IS TO BE COMPACTED AS SPECIFIED ABOVE FOR SAND BACKFILL.
14. **EROSION CONTROL**
- A. ALL GRADING, EROSION AND SEDIMENT CONTROL AND RELATED WORK UNDERTAKEN ON THIS SITE IS SUBJECT TO ALL TERMS AND CONDITIONS OF THE COUNTY GRADING ORDINANCE AND MADE A PART HEREOF BY REFERENCE.
- B. THE CONTRACTOR WILL BE LIABLE FOR ANY AND ALL DAMAGES TO ANY PUBLICLY OWNED AND MAINTAINED ROAD CAUSED BY THE AFORESAID CONTRACTOR'S GRADING ACTIVITIES, AND SHALL BE RESPONSIBLE FOR THE CLEANUP OF ANY MATERIAL SPILLED ON ANY PUBLIC ROAD ON THE HAUL ROUTE.
- C. THE EROSION CONTROL MEASURES ARE TO BE OPERABLE DURING THE RAINY SEASON, GENERALLY FROM OCTOBER FIRST TO APRIL FIFTEENTH. EROSION CONTROL PLANTING IS TO BE COMPLETED BY OCTOBER FIRST. NO GRADING OR UTILITY TRENCHING SHALL OCCUR BETWEEN OCTOBER FIRST AND APRIL FIFTEENTH UNLESS AUTHORIZED BY THE LOCAL JURISDICTION.
- D. ALL EROSION CONTROL MEASURES SHALL BE MAINTAINED UNTIL DISTURBED AREAS ARE STABILIZED AND CHANGES TO THIS EROSION AND SEDIMENT CONTROL PLAN SHALL BE MADE TO MEET FIELD CONDITIONS ONLY WITH THE APPROVAL OF OR AT THE DIRECTION OF THE SOILS ENGINEER.
- E. DURING THE RAINY SEASON, ALL PAVED AREAS SHALL BE KEPT CLEAR OF EARTH MATERIAL AND DEBRIS. THE SITE SHALL BE MAINTAINED SO AS TO MINIMIZE SEDIMENT-LADEN RUNOFF TO ANY STORM DRAINAGE SYSTEM.
- F. ALL EROSION CONTROL FACILITIES MUST BE INSPECTED AND REPAIRED AT THE END OF EACH WORKING DAY DURING THE RAINY SEASON.
- G. WHEN NO LONGER NECESSARY AND PRIOR TO FINAL ACCEPTANCE OF DEVELOPMENT, SEDIMENT BASINS SHALL BE REMOVED OR OTHERWISE DEACTIVATED AS REQUIRED BY THE LOCAL JURISDICTION.
- H. A CONSTRUCTION ENTRANCE SHALL BE PROVIDED AT ANY POINT OF EGRESS FROM THE SITE TO ROADWAY. A CONSTRUCTION ENTRANCE SHOULD BE COMPOSED OF COARSE DRAIN ROCK (2" TO 3" MINIMUM DIAMETER) AT LEAST EIGHT INCHES THICK BY FIFTY (50) FEET LONG BY TWENTY (20) FEET WIDE UNLESS SHOWN OTHERWISE ON PLAN AND SHALL BE MAINTAINED UNTIL THE SITE IS PAVED.
- I. ALL AREAS SPECIFIED FOR HYDROSEEDING SHALL BE NOZZLE PLANTED WITH STABILIZATION MATERIAL CONSISTING OF FIBER, SEED, FERTILIZER AND WATER, MIXED AND APPLIED IN THE FOLLOWING PROPORTIONS:
- FIBER, 2000 LBS/ACRE
SEED, 200 LBS/ACRE (SEE NOTE J, BELOW)
FERTILIZER (11-8-4), 500 LBS/ACRE
WATER, AS REQUIRED FOR APPLICATION
- J. SEED MIX SHALL BE PER CALTRANS STANDARDS.
- K. WATER UTILIZED IN THE STABILIZATION MATERIAL SHALL BE OF SUCH QUALITY THAT IT WILL PROMOTE GERMINATION AND STIMULATE GROWTH OF PLANTS. IT SHALL BE FREE OF POLLUTANT MATERIALS AND WEED SEED.
- L. HYDROSEEDING SHALL CONFORM TO THE PROVISIONS OF SECTION 20, EROSION CONTROL AND HIGHWAY PLANTING", OF THE STANDARD SPECIFICATIONS OF THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION, AS LAST REVISED.
- M. A DISPERSING AGENT MAY BE ADDED TO THE HYDROSEEDING MATERIAL. PROVIDED THAT THE CONTRACTOR FURNISHES SUITABLE EVIDENCE THAT THE ADDITIVE WILL NOT ADVERSELY AFFECT THE PERFORMANCE OF THE SEEDING MIXTURE.
- N. STABILIZATION MATERIALS SHALL BE APPLIED AS SOON AS PRACTICABLE AFTER COMPLETION OF GRADING OPERATIONS AND PRIOR TO THE ONSET OF WINTER RAINS, OR AT SUCH OTHER TIME AS DIRECTED BY THE COUNTY ENGINEER. THE MATERIAL SHALL BE APPLIED BEFORE INSTALLATION OF OTHER LANDSCAPING MATERIALS SUCH AS TREES, SHRUBS AND GROUND COVERS.
- O. THE STABILIZATION MATERIAL SHALL BE APPLIED WITHIN 4-HOURS AFTER MIXING. MIXED MATERIAL NOT USED WITHIN 4-HOURS SHALL BE REMOVED FROM THE SITE.
- P. THE CONTRACTOR SHALL MAINTAIN THE SOIL STABILIZATION MATERIAL AFTER PLACEMENT. THE COUNTY ENGINEER MAY REQUIRE SPRAY APPLICATION OF WATER OR OTHER MAINTENANCE ACTIVITIES TO ASSURE THE EFFECTIVENESS OF THE STABILIZATION PROCESS. APPLICATION OF WATER SHALL BE ACCOMPLISHED USING NOZZLES THAT PRODUCE A SPRAY THAT DOES NOT CONCENTRATE OR WASH AWAY THE STABILIZATION MATERIALS.
15. **CLEANUP**
- THE CONTRACTOR MUST MAINTAIN THE SITE CLEAN, SAFE AND IN USABLE CONDITION. ANY SPILLS OF SOIL, ROCK OR CONSTRUCTION MATERIAL MUST BE REMOVED FROM THE SITE BY THE CONTRACTOR DURING CONSTRUCTION AND UPON COMPLETION OF THE PROJECT. COST FOR THIS ITEM OF WORK SHALL BE INCLUDED IN THE EXCAVATION AND COMPACTION ITEM AND NO ADDITIONAL COMPENSATION SHALL BE ALLOWED.

NOTE:
THESE NOTES ARE INTENDED TO BE USED AS A GENERAL GUIDELINE. THE REFERENCED SOILS REPORT FOR THE PROJECT AND GOVERNING AGENCY GRADING ORDINANCE SHALL SUPERSEDE THESE NOTES. THE SOILS ENGINEER MAY MAKE ON-SITE RECOMMENDATIONS DURING GRADING OPERATIONS.



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LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA
SANTA CLARA COUNTY
APN: 042-30-022

GRADING
SPECIFICATIONS

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2	REVISION #2 08-17-23
1	REVISION #1 06-09-23
REVISIONS	BY

JOB NO: 2220899
DATE: 01-18-23
SCALE: NO SCALE
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO:

C-5.0
8 OF 10 SHEETS

PURPOSE:

THE PURPOSE OF THIS PLAN IS TO STABILIZE THE SITE TO PREVENT EROSION OF GRADED AREAS AND TO PREVENT SEDIMENTATION FROM LEAVING THE CONSTRUCTION AREA AND AFFECTING NEIGHBORING SITES, NATURAL AREAS, PUBLIC FACILITIES OR ANY OTHER AREA THAT MIGHT BE AFFECTED BY SEDIMENTATION. ALL MEASURES SHOWN ON THIS PLAN SHOULD BE CONSIDERED THE MINIMUM REQUIREMENTS NECESSARY. SHOULD FIELD CONDITIONS DICTATE ADDITIONAL MEASURES, SUCH MEASURES SHALL BE PER CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL AND THE CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION. LEA & BRAZE ENGINEERING SHOULD BE NOTIFIED IMMEDIATELY SHOULD CONDITIONS CHANGE.

EROSION CONTROL NOTES:

- IT SHALL BE THE OWNER'S/CONTRACTOR'S RESPONSIBILITY TO MAINTAIN CONTROL OF THE ENTIRE CONSTRUCTION OPERATION AND TO KEEP THE ENTIRE SITE IN COMPLIANCE WITH THIS EROSION CONTROL PLAN.
- THE INTENTION OF THIS PLAN IS FOR INTERIM EROSION AND SEDIMENT CONTROL ONLY. ALL EROSION CONTROL MEASURES SHALL CONFORM TO CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL, THE CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION, AND THE LOCAL GOVERNING AGENCY FOR THIS PROJECT.
- OWNER/CONTRACTOR SHALL BE RESPONSIBLE FOR MONITORING EROSION AND SEDIMENT CONTROL MEASURES PRIOR TO, DURING, AND AFTER STORM EVENTS. PERSON IN CHARGE OF MAINTAINING EROSION CONTROL MEASURES SHOULD WATCH LOCAL WEATHER REPORTS AND ACT APPROPRIATELY TO MAKE SURE ALL NECESSARY MEASURES ARE IN PLACE.
- SANITARY FACILITIES SHALL BE MAINTAINED ON THE SITE AT ALL TIMES.
- DURING THE RAINY SEASON, ALL PAVED AREAS SHALL BE KEPT CLEAR OF EARTH MATERIAL AND DEBRIS. THE SITE SHALL BE MAINTAINED SO AS TO MINIMIZE SEDIMENT ADEN RUNOFF TO ANY STORM DRAINAGE SYSTEM, INCLUDING EXISTING DRAINAGE SWALES AND WATERCOURSES.
- CONSTRUCTION OPERATIONS SHALL BE CARRIED OUT IN SUCH A MANNER THAT EROSION AND WATER POLLUTION WILL BE MINIMIZED. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS CONCERNING POLLUTION SHALL BE MAINTAINED AT ALL TIMES.
- CONTRACTOR SHALL PROVIDE DUST CONTROL AS REQUIRED BY THE APPROPRIATE FEDERAL, STATE AND LOCAL AGENCY REQUIREMENTS.
- ALL MATERIALS NECESSARY FOR THE APPROVED EROSION CONTROL MEASURES SHALL BE IN PLACE BY OCTOBER 15TH.
- EROSION CONTROL SYSTEMS SHALL BE INSTALLED AND MAINTAINED THROUGHOUT THE RAINY SEASON, OR FROM OCTOBER 15TH THROUGH APRIL 15TH, WHICHEVER IS LONGER.
- IN THE EVENT OF RAIN, ALL GRADING WORK IS TO CEASE IMMEDIATELY AND THE SITE IS TO BE SEALED IN ACCORDANCE WITH THE APPROVAL EROSION CONTROL MEASURES AND APPROVED EROSION CONTROL PLAN.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR CHECKING AND REPAIRING EROSION CONTROL SYSTEMS AFTER EACH STORM.
- ADDITIONAL EROSION CONTROL MEASURES MAY BE REQUIRED BY LOCAL JURISDICTION'S ENGINEERING DEPARTMENT OR BUILDING OFFICIALS.
- MEASURES SHALL BE TAKEN TO COLLECT OR CLEAN ANY ACCUMULATION OR DEPOSIT OF DIRT, MUD, SAND, ROCKS, GRAVEL OR DEBRIS ON THE SURFACE OF ANY STREET, ALLEY OR PUBLIC PLACE OR IN ANY PUBLIC STORM DRAIN SYSTEMS. THE REMOVAL OF AFORESAID SHALL BE DONE BY STREET SWEEPING OR HAND SWEEPING. WATER SHALL NOT BE USED TO WASH SEDIMENTS INTO PUBLIC OR PRIVATE DRAINAGE FACILITIES.
- EROSION CONTROL MEASURES SHALL BE ON-SITE FROM SEPTEMBER 15TH THRU APRIL 15TH.
- ALL EROSION CONTROL MEASURES SHALL BE INSTALLED AND MAINTAINED THROUGHOUT THE RAINY SEASON OR FROM OCTOBER 15 THROUGH APRIL 15, WHICHEVER IS GREATER.
- PLANS SHALL BE DESIGNED TO MEET C3 REQUIREMENTS OF THE MUNICIPAL STORMWATER REGIONAL PERMIT("MRP") NPDES PERMIT CAS 612008.
- THE CONTRACTOR TO NPDES (NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM) BEST MANAGEMENT PRACTICES (BMP) FOR SEDIMENTATION PREVENTION AND EROSION CONTROL TO PREVENT DELETERIOUS MATERIALS OR POLLUTANTS FROM ENTERING THE TOWN OR COUNTY STORM DRAIN SYSTEMS.
- THE CONTRACTOR MUST INSTALL ALL EROSION AND SEDIMENT CONTROL MEASURES PRIOR TO THE INCEPTION OF ANY WORK ONSITE AND MAINTAIN THE MEASURES UNTIL THE COMPLETION OF ALL LANDSCAPING.
- THE CONTRACTOR SHALL MAINTAIN ADJACENT STREETS IN A NEAT, CLEAN DUST FREE AND SANITARY CONDITION AT ALL TIMES AND TO THE SATISFACTION OF THE TOWN INSPECTOR. THE ADJACENT STREET SHALL AT ALL TIMES BE KEPT CLEAN OF DEBRIS, WITH DUST AND OTHER NUISANCE BEING CONTROLLED AT ALL TIMES. THE CONTRACTOR BE RESPONSIBLE FOR ANY CLEAN UP ON ADJACENT STREETS AFFECTED BY THE BY THEIR CONSTRUCTION, METHOD OF STREET CLEANING SHALL BE BY DRY SWEEPING OF ALL PAVED AREAS. NO STOCKPILING OF BUILDING MATERIALS WITHIN THE TOWN RIGHT-OF-WAY.
- SEDIMENTS AND OTHER MATERIALS SHALL NOT BE TRACKED FROM THE SITE BY VEHICLE TRAFFIC. THE CONTRACTOR SHALL INSTALL A STABILIZED CONSTRUCTION ENTRANCE PRIOR TO THE INSPECTION OF ANY WORK ONSITE AND MAINTAIN IT FOR THE DURATION OF THE CONSTRUCTION PROCESS SO AS TO NOT INHIBIT SEDIMENTS FROM BEING DEPOSITED INTO THE PUBLIC RIGHT-OF-WAY UNTIL THE COMPLETION OF ALL LANDSCAPING.
- THE CONTRACTOR SHALL PROTECT DOWN SLOPE DRAINAGE COURSES, STREAMS AND STORM DRAINS WITH ROCK FILLED SAND BAGS, TEMPORARY SWALES, SILT FENCES, AND EARTH PERMS IN CONJUNCTION OF ALL LANDSCAPING.
- STOCKPILED MATERIALS SHALL BE COVERED WITH VISQUEEN OR A TARPULIN UNTIL THE MATERIAL IS REMOVED FROM THE SITE. ANY REMAINING BARE SOIL THAT EXISTS AFTER THE STOCKPILE HAS BEEN REMOVED SHALL BE COVERED UNTIL A NATURAL GROUND COVER IS ESTABLISHED OR IT IS SEEDED OR PLANTED TO PROVIDE GROUND COVER PRIOR TO THE FALL RAINY SEASON.
- EXCESS OR WASTE CONCRETE MUST NOT BE WASHED INTO THE PUBLIC RIGHT-OF-WAYOR ANY OTHER DRAINAGE SYSTEM. PROVISIONS SHALL BE MADE TO RETAIN CONCRETE WASTES ON SITE UNTIL THEY CAN BE DISPOSED OF AS SOLID WASTE.
- TRASH AND CONSTRUCTION RELATED SOLID WASTES MUST BE DEPOSITED INTO A COVERED RECEPACLE TO PREVENT CONTAMINATION AND DISPERSAL BY WIND

EROSION CONTROL NOTES CONTINUED:

- FUELS, OILS, SOLVENTS AND OTHER TOXIC MATERIALS MUST BE STORED IN ACCORDANCE WITH THEIR LISTING AND ARE NOT TO CONTAMINATE THE SOIL AND SURFACE WATERS. ALL APPROVED STORAGE CONTAINERS ARE TO BE PROTECTED FROM THE WEATHER. SPILLS MUST BE CLEANED UP IMMEDIATELY AND DISPOSED OF IN A PROPER MANNER. SPILLS MUST NOT BE WASHED INTO THE DRAINAGE SYSTEM,
- DUST CONTROL SHALL BE DONE BY WATERING AND AS OFTEN AS REQUIRED BY THE TOWN INSPECTOR.
- SILT FENCE(S) AND/OR FIBER ROLL(S) SHALL BE INSTALLED PRIOR TO SEPTEMBER 15TH AND SHALL REMAIN IN PLACE UNTIL THE LANDSCAPING GROUND COVER IS INSTALLED. CONTRACTOR SHALL CONTINUOUSLY MONITOR THESE MEASURES, FOLLOWING AND DURING ALL RAIN EVENTS,TO PUBLIC OWNED FACILITIES.

EROSION CONTROL MEASURES:

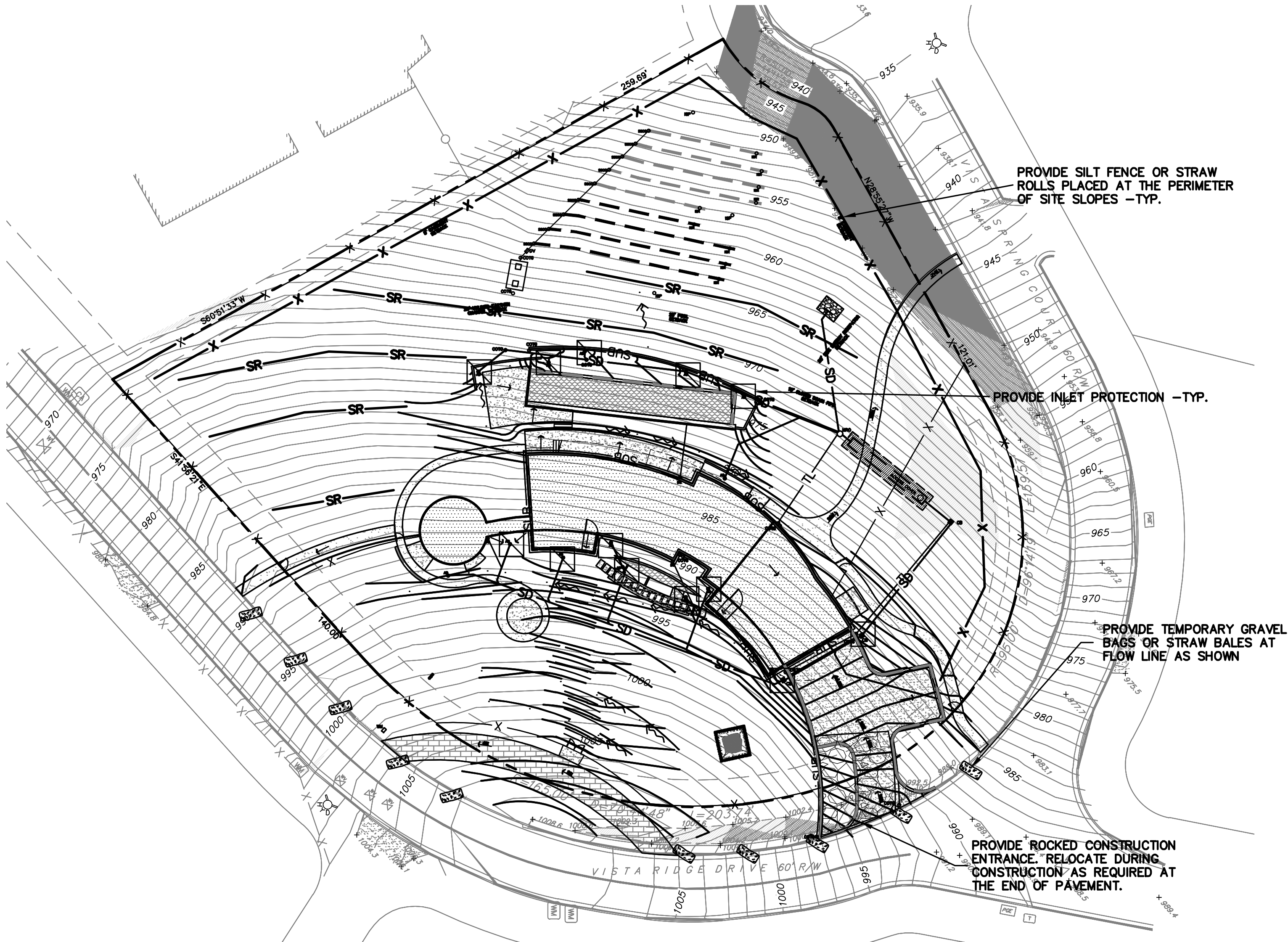
- THE FACILITIES SHOWN ON THIS PLAN ARE DESIGNED TO CONTROL EROSION AND SEDIMENT DURING THE RAINY SEASON, OCTOBER 15TH TO APRIL 15. EROSION CONTROL FACILITIES SHALL BE IN PLACE PRIOR TO OCTOBER 15TH OF ANY YEAR. GRADING OPERATIONS DURING THE RAINY SEASON WHICH LEAVE DENUDED SLOPES SHALL BE PROTECTED WITH EROSION CONTROL MEASURES IMMEDIATELY FOLLOWING GRADING ON THE SLOPES.
- SITE CONDITIONS AT TIME OF PLACEMENT OF EROSION CONTROL MEASURES WILL VARY. APPROPRIATE ACTION INCLUDING TEMPORARY SWALES, INLETS, HYDROSEEDING, STRAW BALES, ROCK SACKS, ETC. SHALL BE TAKEN TO PREVENT EROSION AND SEDIMENTATION FROM LEAVING SITE. EROSION CONTROL MEASURES SHALL BE ADJUSTED AS THE CONDITIONS CHANGE AND THE NEED OF CONSTRUCTION SHIFT.
- CONSTRUCTION ENTRANCES SHALL BE INSTALLED PRIOR TO COMMENCEMENT OF GRADING. ALL CONSTRUCTION TRAFFIC ENTERING ONTO THE PAVED ROADS MUST CROSS THE STABILIZED CONSTRUCTION ENTRANCES. CONTRACTOR SHALL MAINTAIN STABILIZED ENTRANCE AT EACH VEHICLE ACCESS POINT TO EXISTING PAVED STREETS. ANY MUD OR DEBRIS TRACKED ONTO PUBLIC STREETS SHALL BE REMOVED DAILY AND AS REQUIRED BY THE GOVERNING AGENCY.
- ALL EXPOSED SLOPES THAT ARE NOT VEGETATED SHALL BE HYDROSEEDED. IF HYDROSEEDING IS NOT USED OR IS NOT EFFECTIVE BY OCTOBER 15, THEN OTHER IMMEDIATE METHODS SHALL BE IMPLEMENTED, SUCH AS EROSION CONTROL BLANKETS, OR A THREE-STEP APPLICATION OF 1) SEED, MULCH, FERTILIZER 2) BLOWN STRAW 3) TACKIFIER AND MULCH. HYDROSEEDING SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 20" EROSION CONTROL AND HIGHWAY PLANTING" OF THE STANDARD SPECIFICATION OF THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION, AS LAST REVISED. REFER TO THE EROSION CONTROL SECTION OF THE GRADING SPECIFICATIONS THAT ARE A PART OF THIS PLAN SET FOR FURTHER INFORMATION.
- INLET PROTECTION SHALL BE INSTALLED AT OPEN INLETS TO PREVENT SEDIMENT FROM ENTERING THE STORM DRAIN SYSTEM. INLETS NOT USED IN CONJUNCTION WITH EROSION CONTROL ARE TO BE BLOCKED TO PREVENT ENTRY OF SEDIMENT. MINIMUM INLET PROTECTION SHALL CONSIST OF A ROCK SACKS OR AS SHOWN ON THIS PLAN
- THIS EROSION AND SEDIMENT CONTROL PLAN MAY NOT COVER ALL THE SITUATIONS THAT MAY ARISE DURING CONSTRUCTION DUE TO UNANTICIPATED FIELD CONDITIONS. VARIATIONS AND ADDITIONS MAY BE MADE TO THIS PLAN IN THE FIELD. A REPRESENTATIVE OF LEA & BRAZE ENGINEERING SHALL PERFORM A FIELD REVIEW AND MAKE RECOMMENDATIONS AS NEEDED. CONTRACTOR IS RESPONSIBLE TO NOTIFY LEA & BRAZE ENGINEERING AND THE GOVERNING AGENCY OF ANY CHANGES.
- THE EROSION CONTROL MEASURES SHALL CONFORM TO THE LOCAL JURISDICTION'S STANDARDS AND THE APPROVAL OF THE LOCAL JURISDICTION'S ENGINEERING DEPARTMENT.
- STRAW ROLLS SHALL BE PLACED AT THE TOE OF SLOPES AND ALONG THE DOWN SLOPE PERIMETER OF THE PROJECT. THEY SHALL BE PLACED AT 25 FOOT INTERVALS ON GRADED SLOPES. PLACEMENT SHALL RUN WITH THE CONTOURS AND ROLLS SHALL BE TIGHTLY END BUTTED. CONTRACTOR SHALL REFER TO MANUFACTURES SPECIFICATIONS FOR PLACEMENT AND INSTALLATION INSTRUCTIONS.

REFERENCES:

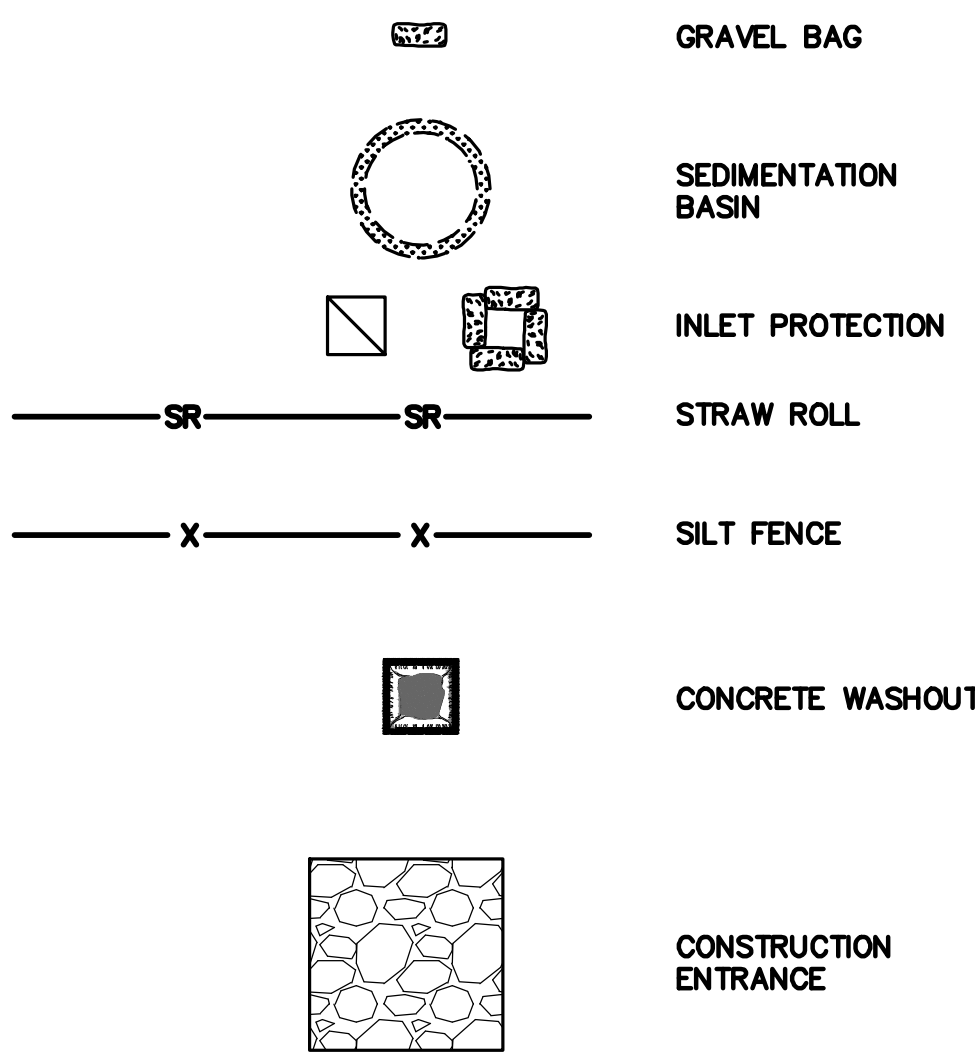
- CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD'S FIELD MANUAL FOR EROSION AND SEDIMENTATION CONTROL
- CALIFORNIA STORM WATER QUALITY ASSOCIATION BEST MANAGEMENT PRACTICES HANDBOOK FOR CONSTRUCTION

PERIODIC MAINTENANCE:

- MAINTENANCE IS TO BE PERFORMED AS FOLLOWS:
 - DAMAGES CAUSED BY SOIL EROSION OR CONSTRUCTION SHALL BE REPAIRED AT THE END OF EACH WORKING DAY.
 - SWALES SHALL BE INSPECTED PERIODICALLY AND MAINTAINED AS NEEDED.
 - SEDIMENT TRAPS, BERMS, AND SWALES ARE TO BE INSPECTED AFTER EACH STORM AND REPAIRS MADE AS NEEDED.
 - SEDIMENT SHALL BE REMOVED AND SEDIMENT TRAP RESTORED TO ITS ORIGINAL DIMENSIONS WHEN SEDIMENT HAS ACCUMULATED TO A DEPTH OF 1" FOOT.
 - SEDIMENT REMOVED FROM TRAP SHALL BE DEPOSITED IN A SUITABLE AREA AND IN SUCH A MANNER THAT IT WILL NOT ERODE.
 - RILLS AND GULLIES MUST BE REPAIRED.
- GRAVEL BAG INLET PROTECTION SHALL BE CLEANED OUT WHENEVER SEDIMENT DEPTH IS ONE HALF THE HEIGHT OF ONE GRAVEL BAG.
- STRAW ROLLS SHALL BE PERIODICALLY CHECKED TO ASSURE PROPER FUNCTION AND CLEANED OUT WHENEVER THE SEDIMENT DEPTH REACHED HALF THE HEIGHT OF THE ROLL.
- SILT FENCE SHALL BE PERIODICALLY CHECKED TO ASSURE PROPER FUNCTION AND CLEANED OUT WHENEVER THE SEDIMENT DEPTH REACHES ONE FOOT IN HEIGHT.
- CONSTRUCTION ENTRANCE SHALL BE REGRAVELED AS NECESSARY FOLLOWING SILT/SOIL BUILDUP.
- ANY OTHER EROSION CONTROL MEASURES SHOULD BE CHECKED AT REGULAR INTERVALS TO ASSURE PROPER FUNCTION



EROSION CONTROL LEGEND



NOTE:
SEAL ALL OTHER INLETS NOT INTENDED TO ACCEPT STORM WATER AND DIRECT FLOWS TEMPORARILY TO FUNCTIONAL SEDIMENTATION BASIN INLETS. -TYP



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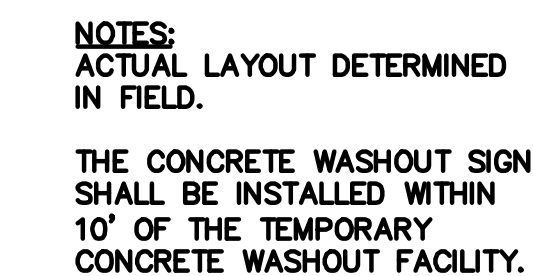
LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA
SANTA CLARA COUNTY
APN: 042-30-022

EROSION CONTROL
PLAN

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2	REVISION #2 08-17-23 ZA
1	REVISION #1 06-09-23 ZA
REVISIONS	BY

JOB NO: 2220899
DATE: 01-18-23
SCALE: AS NOTED
DESIGN BY: ZA
CHECKED BY: JH
SHEET NO:

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NOTES:

STABILIZED CONSTRUCTION SITE
ACCESS SHALL BE CONSTRUCTED
OF 3" TO 4" WASHED, FRACTURED
STONE AGGREGATE.

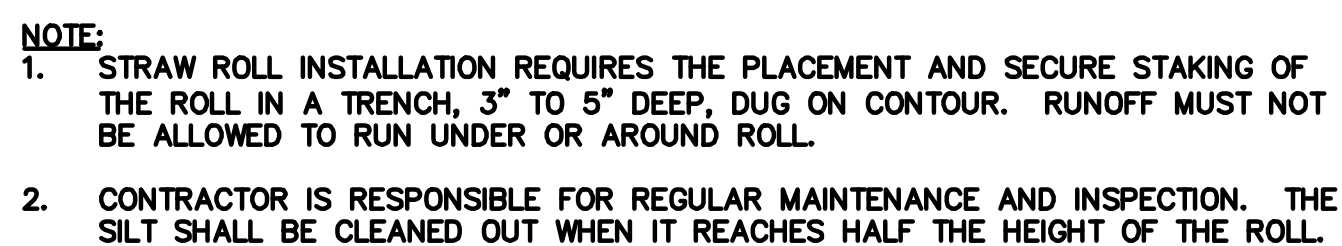
MATERIAL SHALL BE PLACED TO A MINIMUM THICKNESS OF 12". LENGTH OF ENTRANCE SHALL BE A MINIMUM OF 50'.

WIDTH SHALL BE A MIN. OF 15' OR GREATER IF NECESSARY TO COVER ALL VEHICULAR INGRESS AND EGRESS. PROVIDE AMPLE TURNING RADII.

THE ENTRANCE SHALL BE KEPT IN GOOD CONDITION BY OCCASIONAL TOP DRESSING WITH MATERIAL AS SPECIFIED IN ABOVE NOTE.

ACCESSES SHALL BE INSPECTED WEEKLY DURING PERIODS OF HEAVY USAGE, MONTHLY DURING NORMAL USAGE, AND AFTER EACH RAINFALL, WITH MAINTENANCE PROVIDED AS NECESSARY.

PERIODIC TOP DRESSING SHALL BE
DONE AS NEEDED.



NOTE:
IT IS ESSENTIAL THAT THE
WIRE/FABRIC BE FULLY
EMBEDDED INTO THE GROUND
SO RUN-OFF CANNOT FLOW
FREELY UNDER FENCE.

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2	REVISION #2 08-17-23
1	REVISION #1 06-09-23
REVISIONS	BY

JOB NO: 2220899

DATE: 01-18-23

SCALE: AS NOTED

DESIGN BY: ZA

CHECKED BY: JH

SHEET NO:

ENGINEERED PLANS FOR ON-SITE WASTEWATER TREATMENT SYSTEM [OWTS] 490 VISTA RIDGE DRIVE. MILPITAS, CALIFORNIA

REFERENCES

- THIS GRADING AND DRAINAGE PLAN IS SUPPLEMENTAL TO:
- TOPOGRAPHIC SURVEY BY MERIDIAN SURVEYING ENGINEERING, ENTITLED;
"490 VISTA RIDGE"
490 VISTA RIDGE DRIVE
MILPITAS, CA
 - SITE PLAN BY FOUGERON ARCHITECTURE ENTITLED:
"VISTA RIDGE"
490 VISTA RIDGE DRIVE
MILPITAS, CA
 - LANDSCAPE PLAN BY ARTERRA LANDSCAPE ARCHITECTS, ENTITLED
"490 VISTA RIDGE"
490 VISTA RIDGE DRIVE
MILPITAS, CA

THE CONTRACTOR SHALL REFER TO THE ABOVE NOTED SURVEY AND PLAN, AND SHALL VERIFY BOTH EXISTING AND PROPOSED ITEMS ACCORDING TO THEM.

ABBREVIATIONS

AD	AREA DRAIN
BFP	BACKFLOW PREVENTOR
CB	CATCH BASIN
CL	CENTER LINE
CO	CLEANOUT
DIV	DIVERSION VALVE
E	EFFLUENT
ELEV	ELEVATIONS
(E)	EXISTING
FL	FLOW LINE
INV	INVERT ELEVATION
JT	JOINT TRENCH
LDNG	LANDING
MM AX	MAXIMUM
MIN	MINIMUM
(N)	NEW
NTS	NOT TO SCALE
O.C.	ON CENTER
P	PROPERTY LINE
RIM	RIM ELEVATION
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT
SSMH	SANITARY SEWER MANHOLE
STD	STANDARD
TW/FG	TOP OF WALL/FINISH GRADE
TYP	TYPICAL
W/	WITH
W, WL	WATER LINE

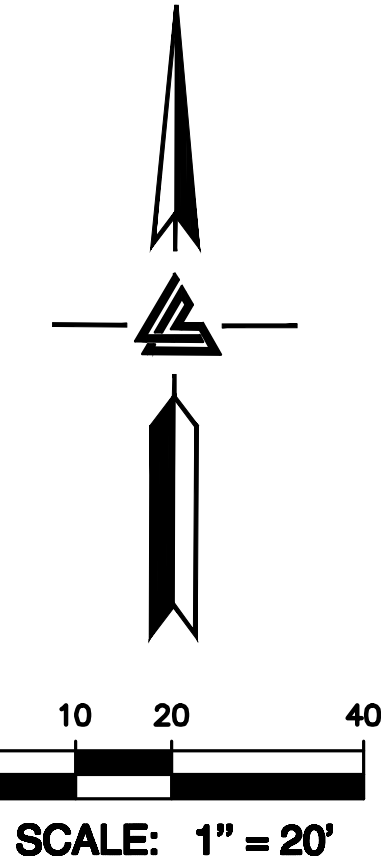
GENERAL INSTALLATION NOTES:

PERMITS:
CONSTRUCTION OF THE SEWAGE DISPOSAL SYSTEM SHALL NOT COMMENCE WITHOUT WRITTEN APPROVAL FROM THE CITY OF MILPITAS AND SANTA CLARA COUNTY ENVIRONMENTAL HEALTH SERVICES.

PLAN CHANGES:
CHANGES TO THE PLANS OR SPECIFICATIONS SHALL BE MADE ONLY AFTER CONSULTATION WITH AND APPROVAL OF THE DESIGNER AND PERMITTING AGENCY.

INSTALLATION:
ALL INSTALLATION WORK SHALL BE IN ACCORDANCE WITH COUNTY OF SANTA CLARA.

LOCATION OF THE SEPTIC TANK AND LEACHING TRENCHES:
LOCATIONS SHOWN ON THE PLANS ARE SUBJECT TO ADJUSTMENT IN THE FIELD BY DESIGNER WITH APPROVAL OF THE PERMITTING AGENCY. TRENCHES SHALL BE INSTALLED ALONG LEVEL CONTOUR TO ENSURE THE TRENCH BOTTOM IS MAINTAINED LEVEL THROUGHOUT THE ENTIRE LENGTH. A TRIPOD-MOUNTED LASER SHALL BE REQUIRED ON SITE.



SANTA CLARA COUNTY OWTS SETBACKS:

MINIMUM DISTANCES (IN FEET) MEASURED FROM:	DISPOSAL FIELD	SEPTIC TANK
ALL WELLS AND SPRINGS	100'	100'
WATERCOURSES* (TOP OF BANK)	100'	100'
RESERVOIRS (HIGHWATER MARK)	200'	200'
CUT OR STEEP EMBANKMENTS (TOP OF CUT)	4' X H**	10 FEET
STEEP SLOPES***	4' X H**	10 FEET
DRAINAGE/SWALE	50'	50'
FOUNDATION	10'	5'
PROPERTY LINE	10'	10'
SEPTIC TANKS	6'	N/A
SWIMMING POOL	25'	25'
ROAD EASEMENT, PAVEMENT, OR DRIVEWAY	5'	5'
PONDS AND LANSLIDES	100'	100'
CLOSED DRAIN PIPE OR CULVERT	10'	10'
LINED DRAINAGE DITCH	15'	15'
UNLINED EARTHEN CHANNEL OR V-DITCH	25'	25'
ENERGY DISSIPATORS****	10' X 20'	10' X 20'
TREES 12" (OR GREATER) IN Ø MEASURED @ 4.5' TALL	15'	15'

* WATERCOURSE - A RUNNING STREAM FED FROM PERMANENT OR NATURAL SOURCES, INCLUDING RIVERS, CREEKS, RUNS, AND RIVULETS. THERE MUST BE A STREAM, USUALLY FLOWING IN A PARTICULAR DIRECTION (THROUGH IT NEED NOT FLOW CONTINUOUSLY) IN A DEFINITE CHANNEL, HAVING A BED OR BANKS AND USUALLY DISCHARGING INTO SOME STREAM OR BODY OF WATER.

** H EQUALS THE HEIGHT OF UT OR EMBANKMENT IN FEET. THIS SETBACK DISTANCE REQUIREMENT MUST NOT BE LESS THAN 25 FEET OR MORE THAN 100 FEET.

*** AS DEFINED BY THE REGIONAL WATER QUALITY CONTROL BOARD HAVING JURISDICTION, BUT NOT EXCEEDING 67 PERCENT.

(M) NO PRIVATE SEWAGE DISPOSAL SYSTEM MAY BE APPROVED ON ANY PARCEL OF LAND WHERE PERCOLATION RATE EXCEEDS 120 MIN/INCH OR IS LESS THAN ONE MIN/INCH.

(N) NO PART OF ANY PRIVATE SEWAGE DISPOSAL SYSTEM MAY CROSS ANY PROPERTY LINE.

(O) UPON NOTICE FROM THE DIRECTOR THAT WORK ON THE SEWAGE DISPOSAL SYSTEM IS BEING CONDUCTED IN VIOLATION OF THIS CHAPTER, OR IN AN UNSAFE OR DANGEROUS MANNER, THE WORK MUST BE IMMEDIATELY STOPPED. THE STOP-WORK MUST BE ISSUED TO THE OWNER OF THE PROPERTY INVOLVED, OR THE OWNER'S AGENT, OR THE PERSON DOING THE WORK. IT MUST STATE THE CONDITIONS UNDER WHICH WORK MAY BE RESUMED. NO PRIVATE SEWAGE DISPOSAL SYSTEM MAY BE APPROVED ON ANY PARCEL OF LAND WHERE PERCOLATION RATE EXCEEDS 120 MIN/INCH OR IS LESS THAN ONE MIN/INCH.

**** ENERGY DISSIPATORS - 10 FEET DOWNSLOPE AND 20 FEET TO THE SIDE.

*****PER PAGE 24 OF 199 OF THE COUNTY LAND USE MANUAL.

CONVENTIONAL SYSTEM LEACH LINE CALCULATIONS:

PERCOLATION RATE BASED ON FIELD DATA WAS OBSERVED TO BE 41 MPI. IN ACCORDANCE WITH TABLE 1 (SECTION 3 BACK OF PAGE 3-18) OF THE SANTA CLARA COUNTY ONSITE SYSTEMS MANUAL THE APPLICATION RATE IS 0.48 GPD/SQFT.

HOME IS PROPOSED WITH 4 BEDROOMS AND 1 BEDROOM ADU, THEREFORE, WASTEWATER FLOW IS 675 GAL/DAY PER TABLE 3-1 (SECTION 3) OF THE SANTA CLARA COUNTY ONSITE SYSTEMS MANUAL.

REQUIRED LENGTH CALCULATED BY THE EQUATION SUPPLIED ON PAGE 3-17 OF THE SANTA CLARA COUNTY ONSITE SYSTEMS MANUAL (SECTION 3) THAT STATES:

TRENCH LENGTH = $Q/(R \cdot A)$
 Q =FLOW RATE (GPD)
 R =WASTEWATER APPLICATION RATE (GPD/SQFT)
 A =TOTAL INFILTRATIVE AREA PER LINEAR FOOT (SQFT) [4 SQFT STANDARD]

REQUIRED TRENCH LENGTH FOR 100% CAPACITY CALCULATION (OWTS ORDINANCE REQUIRES 2 100% FIELD "PRIMARY AND SECONDARY"):
 $675/(4 \cdot 0.48) = 352$ FT REQUIRED

TOTAL CONVENTIONAL DISPERSAL TRENCH LENGTH REQUIRED = 704 LINEAR FEET

INFILTRATOR REDUCTION RATIO = 70% OF CONVENTIONAL TRENCH
 $704 \cdot 70\% = 493$
TOTAL INFILTRATOR = 493 LINEAR FEET

SEE DISPERSAL TRENCH TABLE ON SHEET SS-2 FOR BREAKDOWN OF LEACH LINE LENGTH PROVIDED IN EACH FIELD.



NOTE:
COUNTY REQUIRES LEACH LINES TO BE STAKED OUT BY A SURVEYOR PRIOR TO INSTALLATION. FOR CONSTRUCTION STAKING SCHEDULING OR QUOTATIONS PLEASE CONTACT ALEX ABAYA AT LEA & BRAZE ENGINEERING (510)887-4086 EXT 116. aabaya@leabraz.com

LEGEND

PROPOSED	DESCRIPTION
---	BOUNDARY
---	PRIMARY LEACH LINE
---	EXPANSION LEACH LINE
---	RETAINING WALL
---	LANDSCAPE RETAINING WALL
TL	TIGHTLINE
E	EFFLUENT LINE
---	SET BACK LINE
W	WATER LINE
X	FENCE LINE
P	PRESSURE LINE
JT	JOINT TRENCH
SUB	SUBDRAIN LINE
---	GRADING LIMIT LINE
Div	DIVERSION VALVE
QSR	INSPECTION RISER
QSP	INSPECTION WELL
QDS	DOWNSPOUT
SSCO	SANITARY SEWER CLEANOUT
BFP	BACKFLOW PREVENTOR
AD	AREA DRAIN
SL	SEPTIC LID
222.57 INV	SPOT ELEVATION
200	CONTOURS

SEPTIC TANK AND DRAINFIELD CONSTRUCTION NOTES:

- INSTALL A 1500-GALLON CONCRETE PRECAST SEPTIC TANK.
- INSTALL GAS-TIGHT RISER TO GRADE.
- INSTALL A LANGLEY HILL QUARRY DIVERSION VALVE.
- INSTALL A DUAL LEACHING SYSTEM SEPARATED BY A DIVERSION VALVE.

STAKING NOTES:

LEA & BRAZE SHALL STAKE OUT PROPOSED SEPTIC SYSTEM FOR VERIFICATION BY SANTA CLARA COUNTY ENVIRONMENTAL HEALTH PRIOR TO SITE INSPECTION

SHEET INDEX:

SS-1	SEPTIC TITLE SHEET
SS-2	SEPTIC SYSTEM ENGINEERED PLAN
SS-3	SEPTIC SYSTEM DETAILS

AREA BELOW IS FOR SANTA CLARA COUNTY DEPARTMENT OF ENVIRONMENTAL HEALTH USE ONLY:

SEWAGE SYSTEM REVIEW	
SANTA CLARA COUNTY DEPARTMENT OF ENVIRONMENTAL HEALTH	
Project Description	SR No. SR0870118
New 4-BR SFR and 1-BR ADU	
APPROVAL RECOMMENDED	
With existing System (Existing No. _____)	
X Install/modify system per plan (describe below)	
[Obtain a permit from Environmental Health]	
Install 1,500 gallon septic tank, d-valve, and 247' + 247' chambers	
R.E.H.S. Raymond Chung	Date 04/25/2023
Not A Sewage System Permit. Plan is void if absent signature.	

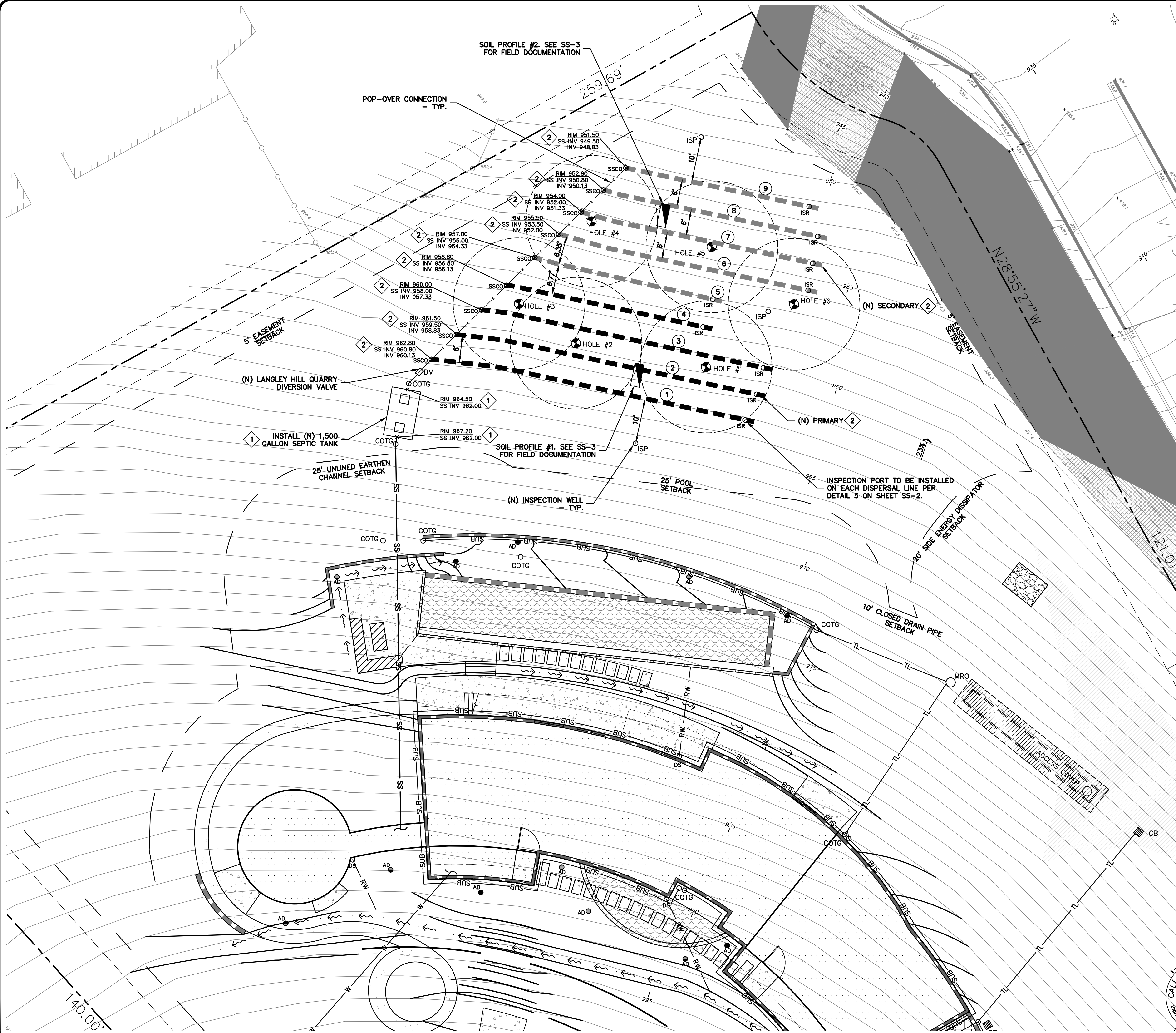


LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 10000 RIVINGTON WAY, SUITE 100, DUBLIN, CA 94568
SAN JOSE OFFICE: 1000 RIVINGTON WAY, SUITE 100, SAN JOSE, CA 95128
(510) 887-4086
WWW.LEABRAZE.COM

LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA
SANTA CLARA COUNTY
APN: 042-30-022

OWTS TITLE SHEET

REVISION 1	02-07-23	ZA
REVISIONS	BY	
JOB NO:	2220899	
DATE:	01-05-23	
SCALE:	AS NOTED	
DESIGN BY:	ZA	
CHECKED BY:	JH	
SHEET NO:		
OWTS SS-1		
01 OF 03 SHEETS		



- SEPTIC SYSTEM KEYNOTES 1 TO 2
- 1 INSTALL (N) 1500-GALLON PRECAST CONCRETE SEPTIC TANK. SEE DETAIL 1 ON SHEET SS-3.
- 2 INSTALL PRIMARY AND SECONDARY SYSTEM AS SHOWN - SEE DETAIL 5 ON SHEET SS-3.

CONVENTIONAL SYSTEM LEACH LINE CALCULATIONS:

PERCOLATION RATE BASED ON FIELD DATA WAS OBSERVED TO BE 41 WPI. IN ACCORDANCE WITH TABLE 1 (SECTION 3 BACK OF PAGE 3-18) OF THE SANTA CLARA COUNTY ONSITE SYSTEMS MANUAL THE APPLICATION RATE IS 0.48 GPD/SQFT.

HOME IS PROPOSED WITH 4 BEDROOMS AND 1 BEDROOM ADU, THEREFORE, WASTEWATER FLOW IS 675 GAL/DAY PER TABLE 3-1 (SECTION 3) OF THE SANTA CLARA COUNTY ONSITE SYSTEMS MANUAL.

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A=TOTAL INFILTRATIVE AREA PER LINEAR FOOT (SQFT) [4 SQFT STANDARD]

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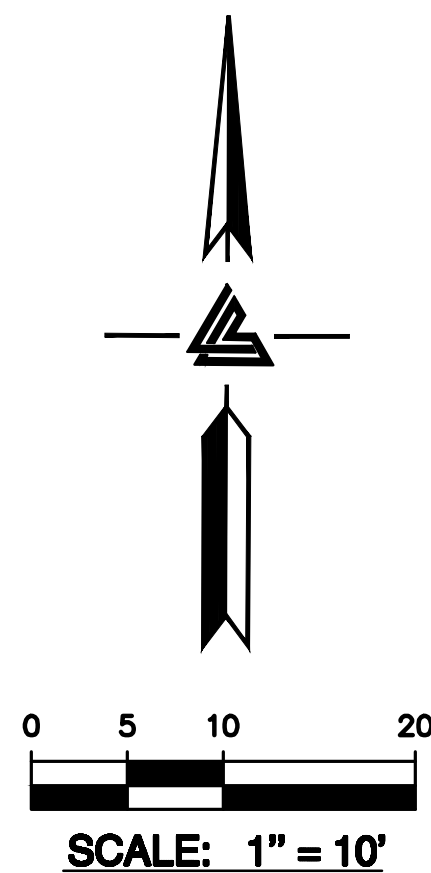
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INFILTRATOR REDUCTION RATIO = 70% OF CONVENTIONAL TRENCH
 $704 \cdot 70\% = 493$
TOTAL INFILTRATOR = 493 LINEAR FEET

SEE DISPERSAL TRENCH TABLE ON SHEET SS-2 FOR BREAKDOWN OF LEACH LINE LENGTH PROVIDED IN EACH FIELD.

DISPERSAL TRENCH TABLE

#	PRIMARY DRAINFIELD LENGTH OF INFILTRATOR
1	(N) PRIMARY 72 LF
2	(N) PRIMARY 69 LF
3	(N) PRIMARY 65 LF
4	(N) PRIMARY 46 LF
TOTAL PRIMARY LENGTH: 252 LF	
#	SECONDARY DRAINFIELD LENGTH OF INFILTRATOR
5	(N) SECONDARY 42 LF
6	(N) SECONDARY 58 LF
7	(N) SECONDARY 54 LF
8	(N) SECONDARY 50 LF
8	(N) SECONDARY 43 LF
TOTAL SECONDARY LENGTH: 247 LF	
TOTAL CONVENTIONAL DISPERSAL TRENCH LENGTH PROVIDED: 499 LF	



* BUILDING PAD NOTE:
ADJUST PAD LEVEL AS REQUIRED. REFER TO STRUCTURAL PLANS FOR SLAB SECTION OR CRAWL SPACE DEPTH TO ESTABLISH PAD LEVEL.



NOTE:
FOR CONSTRUCTION STAKING SCHEDULING OR QUOTATIONS PLEASE CONTACT ALEX ABAYA AT LEA & BRAZE ENGINEERING (510)887-4086 EXT 116. aabaya@leabraz.com

TREE PROTECTION NOTE:
SEVERED ROOTS 1" OR LARGER TO BE CUT SQUARELY WITH A SHARP TOOL, COVERED WITH BURLAP, AND KEPT MOIST UNTIL BACKFILLED. TREE PROTECTION TO BE IN ACCORDANCE WITH THE ARBORIST REPORT.



LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS & LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 10000 RAVEN HILL RD., SUITE 100, DUBLIN, CA 94568
SAN JOSE: 1000 RAVEN HILL RD., SUITE 100, SAN JOSE, CA 95128
(510) 887-4086
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LE-VU PROPERTY
490 VISTA RIDGE DRIVE
MILPITAS, CALIFORNIA

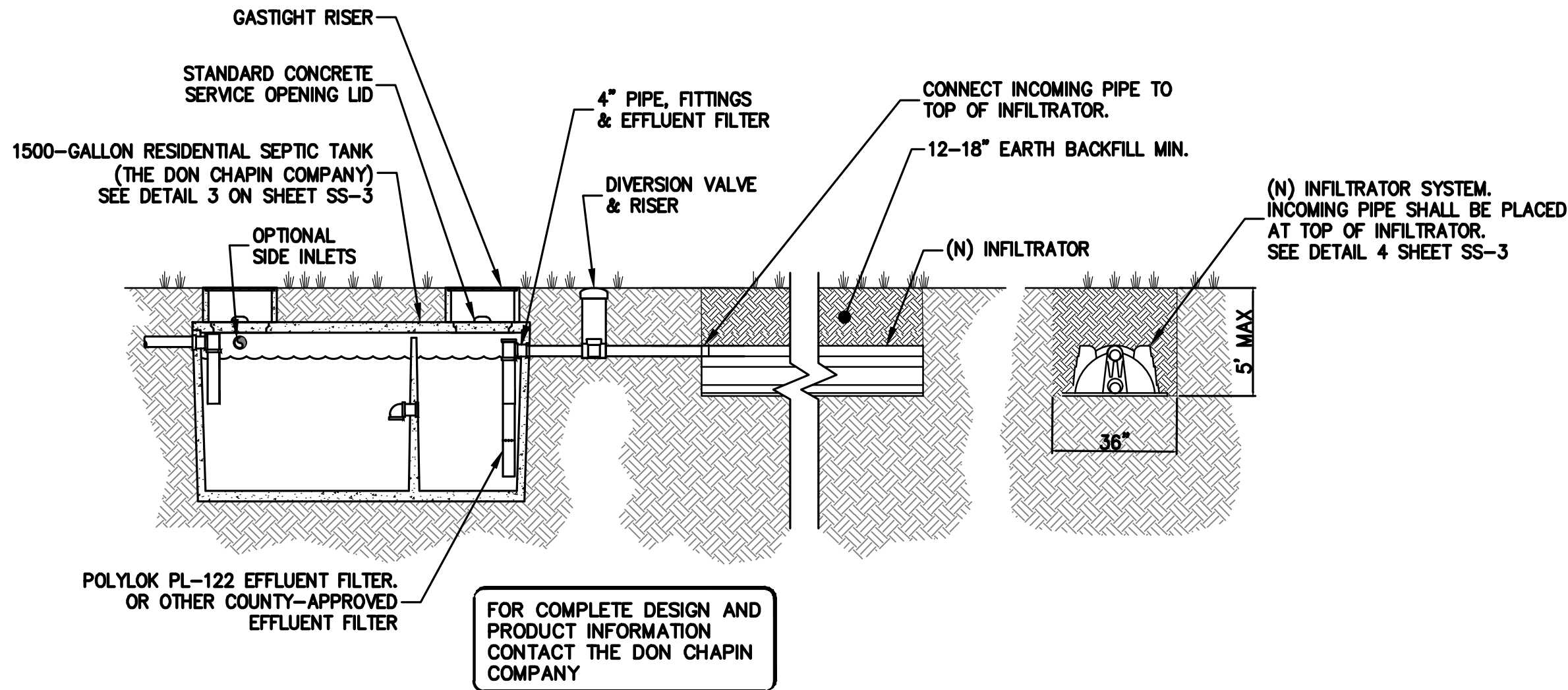
APN: 042-30-022
SANTA CLARA COUNTY

SEPTIC SYSTEM
ENGINEERED PLAN

REVISION	DATE	BY
REVISION 1	02-07-23	ZA
REVISIONS		BY

JOB NO: 2220899
DATE: 01-05-23
SCALE: AS NOTED
DESIGN BY: ZA
CHECKED BY: JH

SHEET NO:
OWTS
SS-2
02 OF 03 SHEETS



LIQUID CAPACITY REQUIRED: 1500 GALLONS (6 BEDROOMS)
 DOSING CAPACITY REQUIRED: 150 GALLONS/BEDROOM PER SANTA CLARA COUNTY OWTS MANUAL 1500 GALLON MIN. FOR RESIDENTIAL USAGE)
 BOX DESIGN LOAD: NON-TRAFFIC, UP TO 3 FEET OF SOIL COVER, MAXIMUM 500 PSF.

1 TYPICAL GRAVITY INFILTRATOR SYSTEM

SS-3 NTS

County of Santa Clara - Department of Environmental Health

SOIL PERCOLATION TEST RECORDED MEASUREMENTS

OWNER/APPLICANT: Le & Vu	SR#: 0870118	PLN FILE #
LOCATION: 490 Vista Ridge Drive, Milpitas	REHS: R. Chung	
CONTACT PERSON: John Halborn	PHONE: (408) 965-8478	TEST DATE: 12/09/22

HOLE #1	DEPTH = 5.0'	HOLE #2	DEPTH = 5.0'
TIME	WATER LEVEL	TIME	WATER LEVEL
START FINISH	START FINISH	START FINISH	START FINISH
9:00 9:30	9 7 6/8 30 1 2/8 24.00	9:03 9:33	9 8 30 1 30.00
9:30 10:00	9 7 7/8 30 1 1/8 26.67	9:33 10:03	9 8 30 1 30.00
10:00 10:30	9 7 7/8 30 1 1/8 26.67	10:03 10:33	9 8 30 1 30.00
STABLE		STABLE	
Stabilized MPI 25.78		Stabilized MPI 30.00	

HOLE #3	DEPTH = 5.0'	HOLE #4	DEPTH = 5.0'
TIME	WATER LEVEL	TIME	WATER LEVEL
START FINISH	START FINISH	START FINISH	START FINISH
9:06 9:36	9 7 6/8 30 1 2/8 24.00	9:09 9:39	9 8 30 1 30.00
9:36 10:06	9 7 7/8 30 1 1/8 26.67	9:39 10:09	9 8 30 1 30.00
10:06 10:36	9 7 7/8 30 1 1/8 26.67	10:05 10:35	9 8 1/8 30 7/8 34.29
STABLE		STABLE	
Stabilized MPI 25.78		Stabilized MPI 31.43	

HOLE #5	DEPTH = 5.0'	HOLE #6	DEPTH = 5.0'
TIME	WATER LEVEL	TIME	WATER LEVEL
START FINISH	START FINISH	START FINISH	START FINISH
9:12 9:42	8 5/8 6 3/8 30 2 2/8 13.48	9:15 9:45	10 9 3/8 30 5/8 48.00
9:42 10:12	8 4/8 6 6/8 30 1 6/8 17.14	9:45 10:15	10 9 2/8 30 6/8 48.00
10:12 10:42	8 6/8 7 30 1 6/8 17.14	10:15 10:45	10 9 3/8 30 5/8 48.00
10:53 11:23	8 6/8 7 1/8 30 1 5/8 18.46	STABLE	
STABLE			
Stabilized MPI 17.58		Stabilized MPI 45.33	

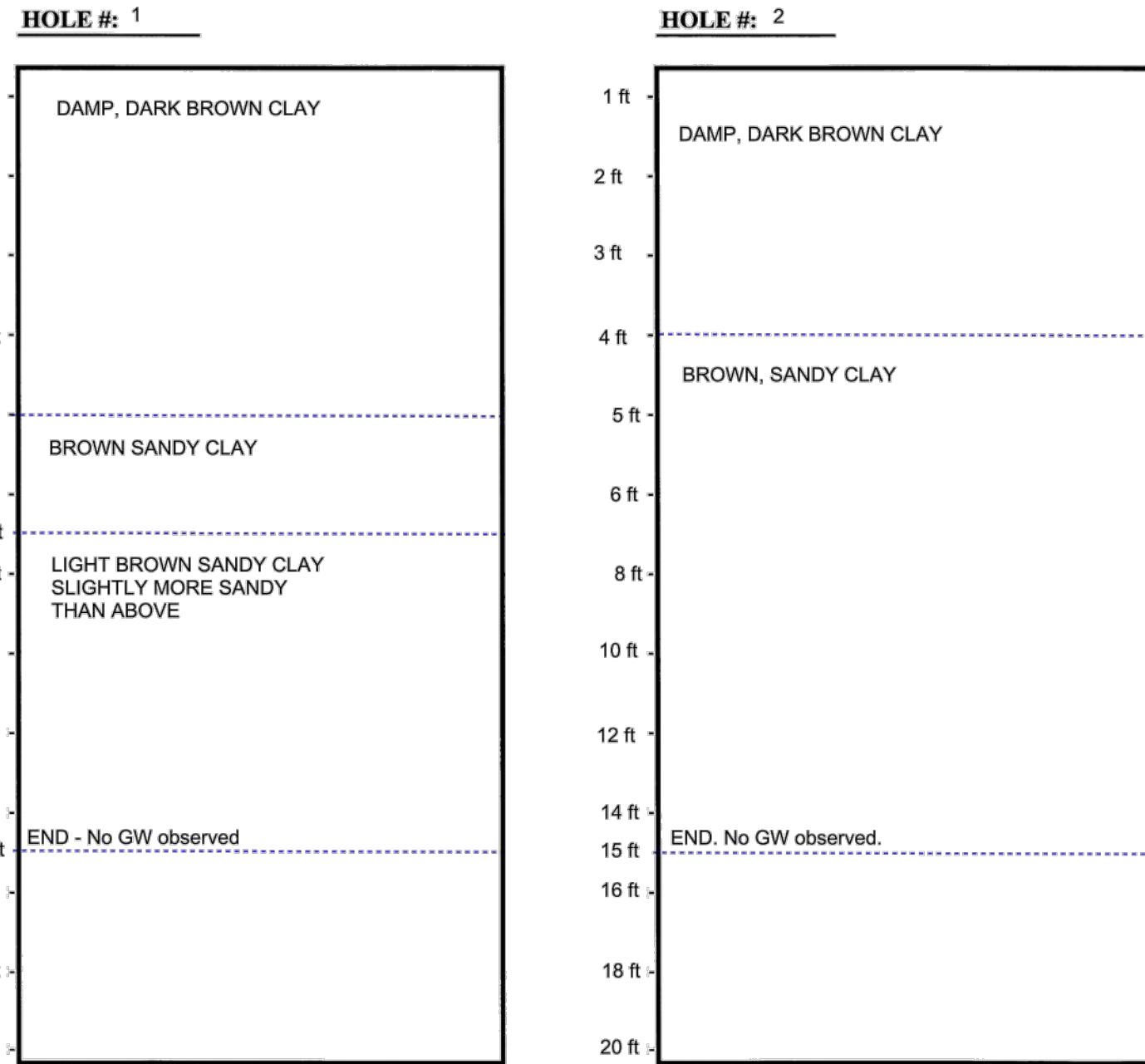
HOLE	1	2	3	4	5	6	
Stabilized MPI	R	25.78	30.00	25.78	31.43	17.58	45.33
Adjusted Stabilized MPI	$R_1=R \times 1.4$	36.09	42.00	36.09	44.00	24.62	63.47
Average Adjusted Stabilized MPI	$R_1=(\sum R_1)/\text{Holes}$	41.04330					
# Bedrooms	FOR OFFICE USE ONLY	TANK SIZE (Gall):		LEACH LINE (feet)			

2 PERCOLATION TEST

SS-3 NTS

SOIL PROFILE RESULTS

SR #: 0870118 DATE OF INSPECTION: 11/18/2022
 APN #: 042-30-022 OWNER: Le & Vu
 APPLICANT: J. Halborn
 SITE ADDRESS: 590 Vista Ridge Drive, Milpitas CA
 CONDUCTED BY: J. Halborn CHECKED BY: R. Chung

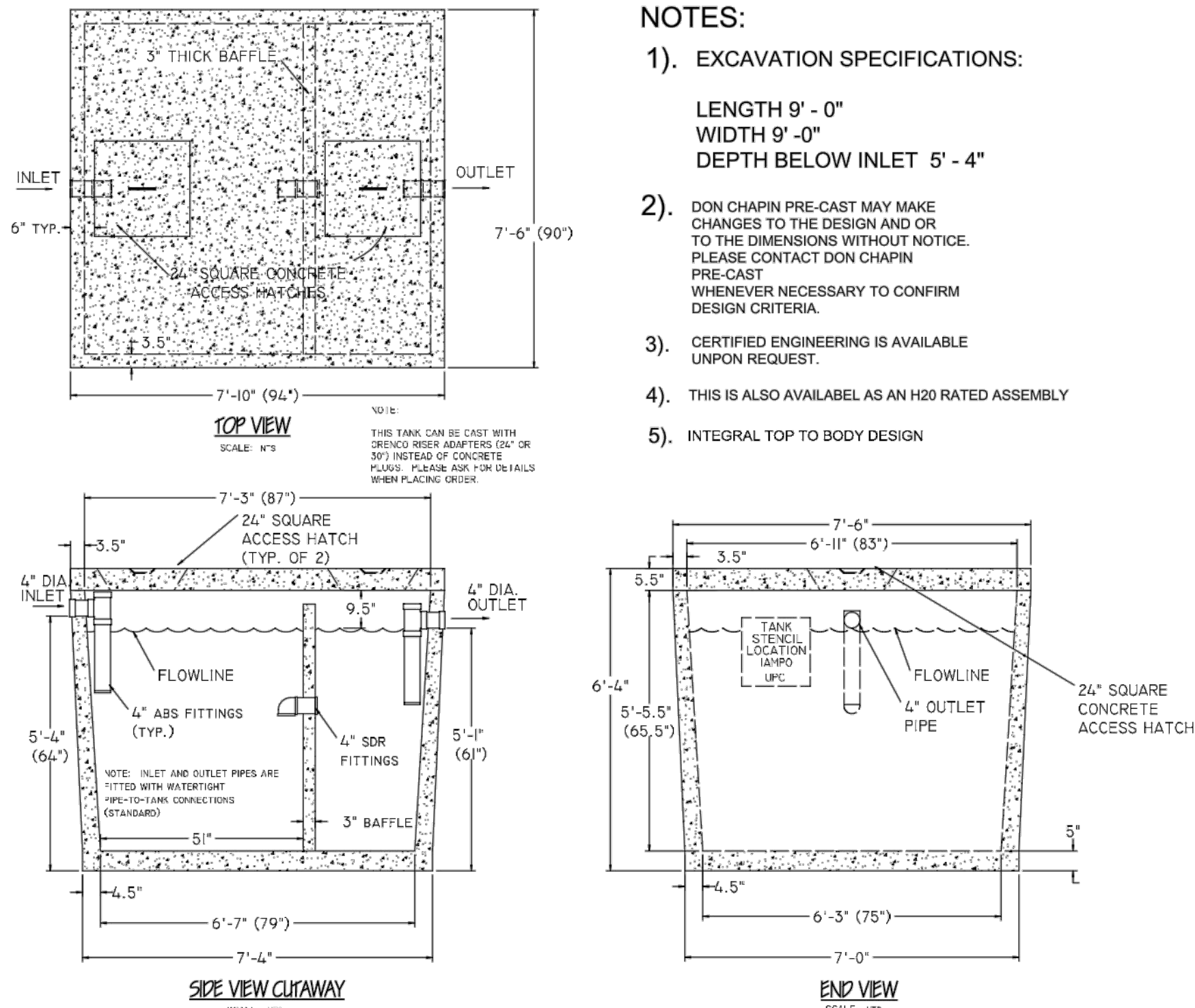


COMMENTS:

3 SOIL PROFILE

SS-3 NTS

Rev. 3/



NOTES:

- EXCAVATION SPECIFICATIONS:
 LENGTH 9' - 0"
 WIDTH 9' - 0"
 DEPTH BELOW INLET 5' - 4"
- DON CHAPIN PRE-CAST MAY MAKE CHANGES TO THE DESIGN AND OR TO THE DIMENSIONS WITHOUT NOTICE. PLEASE CONTACT DON CHAPIN PRE-CAST WHENEVER NECESSARY TO CONFIRM DESIGN CRITERIA.
- CERTIFIED ENGINEERING IS AVAILABLE UPON REQUEST.
- THIS IS ALSO AVAILABLE AS AN H20 RATED ASSEMBLY
- INTEGRAL TOP TO BODY DESIGN

DON CHAPIN PRE-CAST
 2735 BOLSA RD.
 HOLLISTER, CA 95023
 (831) 630-1042
 (831) 630-5763

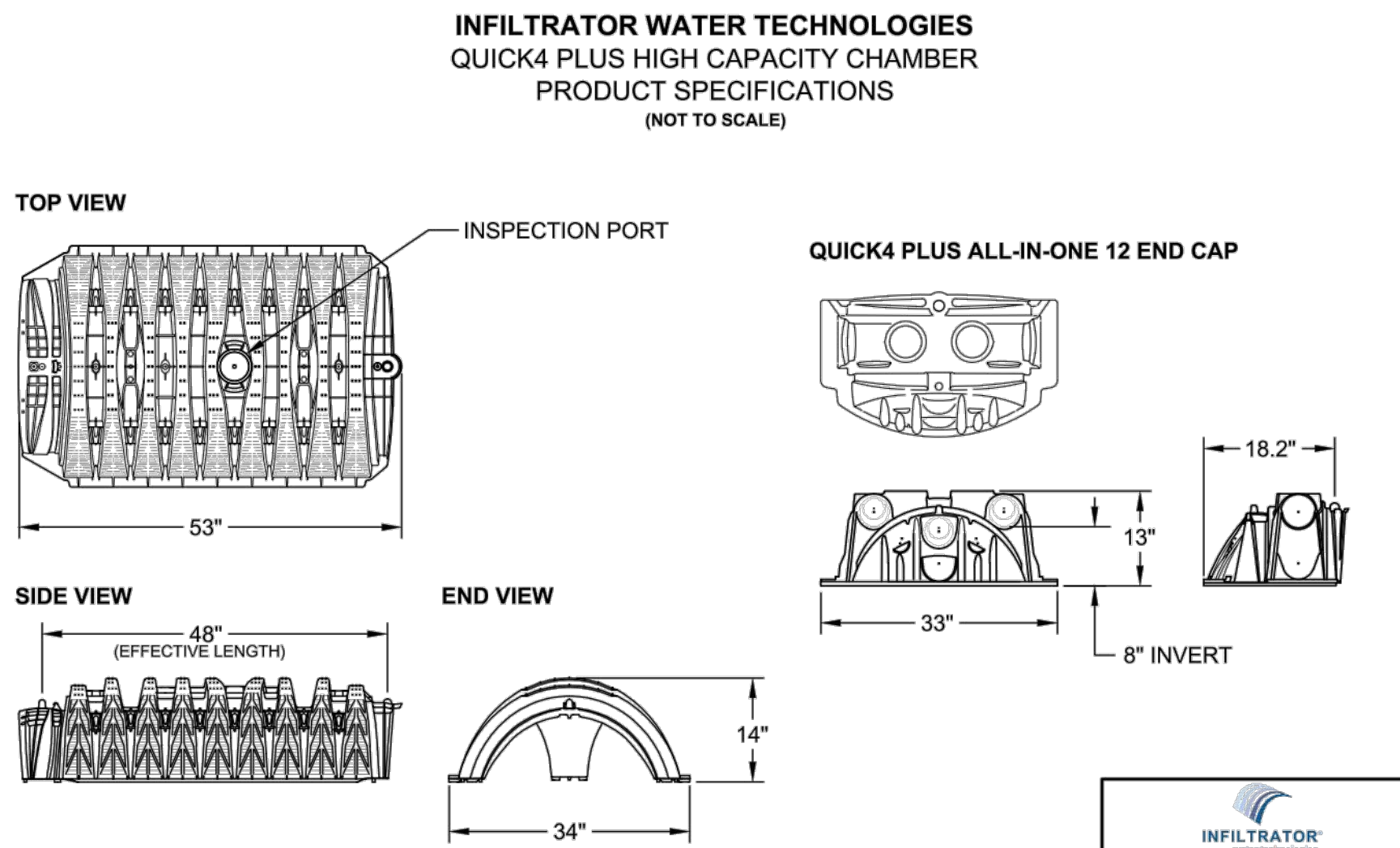
PRE-CAST CONCRETE WATER TIGHT
 SEPTIC TANK
 CAPACITY 1500 GALLONS
 MODEL IPS1500



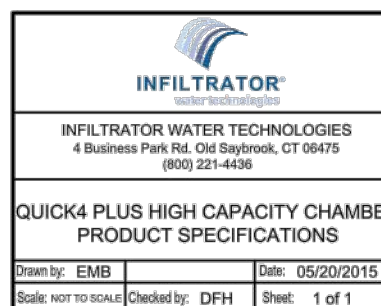
2/12/09

4 SEPTIC TANK

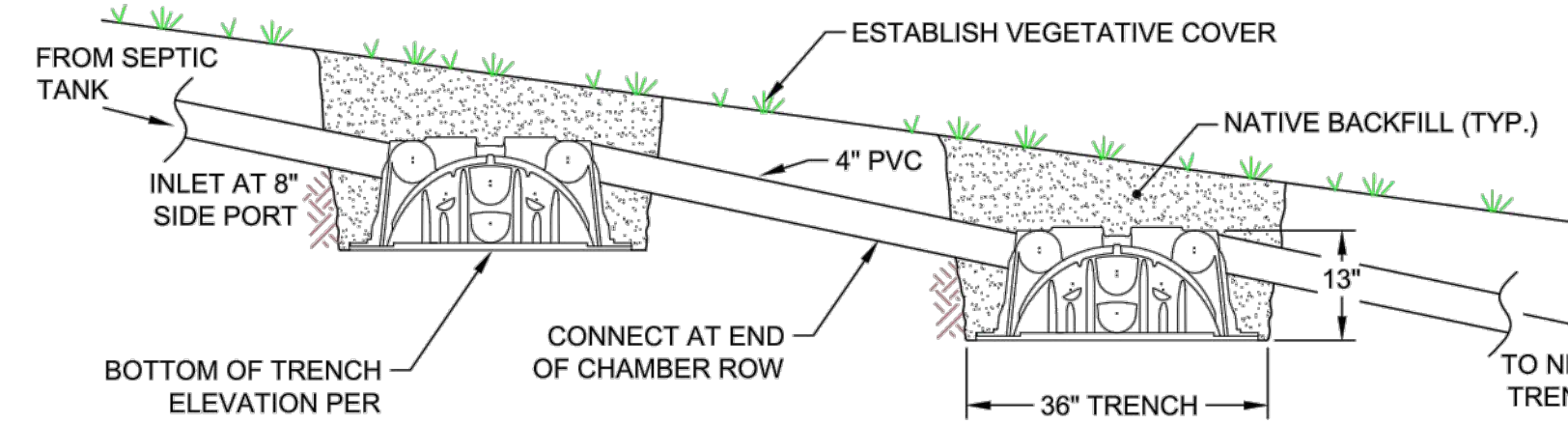
SS-3 NTS



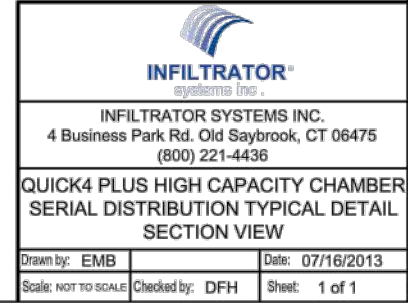
INFILTRATOR WATER TECHNOLOGIES QUICK4 PLUS HIGH CAPACITY CHAMBER PRODUCT SPECIFICATIONS (NOT TO SCALE)



INFILTRATOR SYSTEMS INC. QUICK4 PLUS HIGH CAPACITY CHAMBER SERIAL DISTRIBUTION TYPICAL DETAIL SECTION VIEW (NOT TO SCALE)



*NUMBER OF ROWS DETERMINED BY DESIGN
 AND CENTER TO CENTER SPACING PER CODE.



5 INFILTRATOR DETAILS

SS-3 NTS



LEA & BRAZE ENGINEERING, INC.
 CIVIL ENGINEERS & LAND SURVEYORS
 REGIONAL OFFICES:
 MAIN OFFICE: 10000 RAVEN HILL
 DUBLIN, CALIFORNIA 94568
 (510) 887-4086
 WWW.LEABRAZE.COM

LE-VU PROPERTY
 490 VISTA RIDGE DRIVE
 MILPITAS, CALIFORNIA
 SANTA CLARA COUNTY
 APN: 042-30-022

CONVENTIONAL
 OWTS DETAILS

REVISION 1	ZA
02-07-23	
REVISIONS	BY

JOB NO: 2220899

DATE: 01-05-23

SCALE: AS NOTED

DESIGN BY: ZA

CHECKED BY: JH

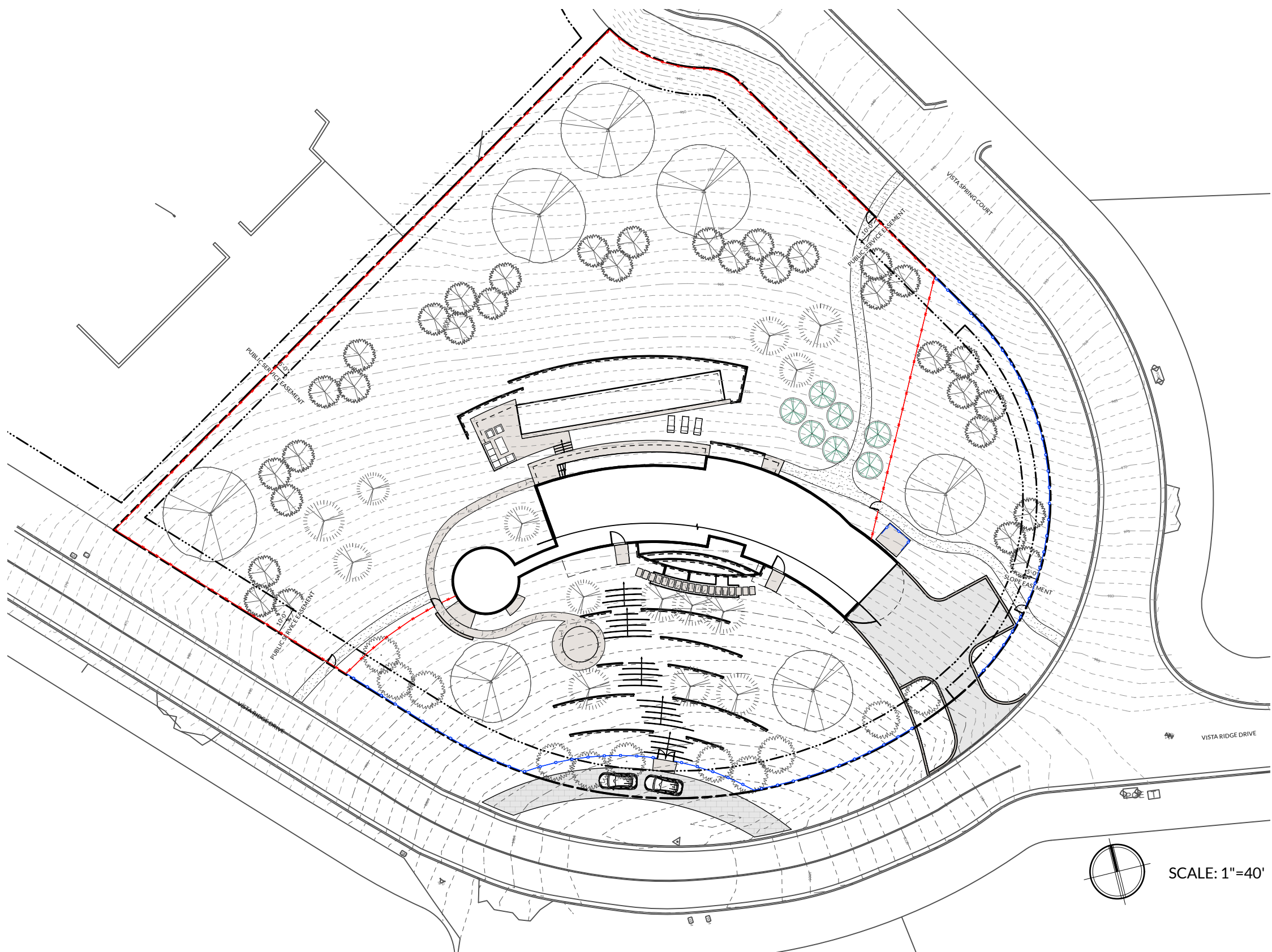
SHEET NO:

OWTS
 SS-3

03 OF 03 SHEETS

ABBREVIATION LEGEND	
+/-	PLUS OR MINUS
ADD	ADDENDUM, ADDITON
A.D.	AREA DRAIN
ADD'L	ADDITIONAL
AGGR	AGGREGATE
AR	ARBORIST REPORT
ARCH	ARCHITECTURAL
BLDG	BUILDING
BO	BOTTOM OF
BW	BOTTOM OF WALL
CLR	CLEAR
CJ	CONTROL JOINT
CMU	CONCRETE MASONRY UNIT
CONC	CONCRETE
CONT	CONTINUOUS
CTR	CENTER
DG	DECOMPOSED GRANITE
DIA	DIAMETER
DIM	DIMENSION
DN	DOWN
DS	DOWNSPOUT
DWGS	DRAWINGS
(E)	EXISTING
EA	EACH
EJ	EXPANSION JOINT
ENG	ENGINEER
EQ	EQUAL
EQUIP	EQUIPMENT
EXP	EXPANSION
EXT	EXTERIOR
FFE	FINISHED FLOOR ELEVATION
FG	FINISHED GRADE
FIXT	FIXTURE
FOC	FACE OF CONCRETE
FOF	FACE OF FINISH
FOPLY	FACE OF PLYWOOD
FOS	FACE OF STUD
FS	FINISHED SURFACE
FTG	FOOTING
FUT	FUTURE
GALV	GALVANIZED
GFI	GROUND FAULT INTERRUPT
HB	HOSE BIBB
HDR	HEADER
HT	HEIGHT
ID	INSIDE DIAMETER
JST	JOIST
JT	JOINT
LA	LANDSCAPE ARCHITECT
LOW	LIMIT OF WORK
LSK	LANDSCAPE SKETCH
MAX	MAXIMUM
MFR	MANUFACTURER

MISC	MISCELLANEOUS
MIN	MINIMUM
MTL	METAL
(N)	NEW
NA	NOT APPLICABLE
NOM	NOMINAL
NIC	NOT IN CONTRACT
NTS	NOT TO SCALE
OC	ON CENTER
OD	OUTSIDE DIAMETER
PA	PLANTED AREA
PIP	POURED IN PLACE
PL	PROPERTY LINE
PLYWD	PLYWOOD
POB	POINT OF BEGINNING
POC	POINT OF CONNECTION
POO	POINT OF ORIGIN
PP	POWER POLE
PSI	PER SQUARE INCH
PT	PRESSURE TREATED
PTDF	PRESSURE TREATED DOUGLAS FIR
RAD	RADIUS
REF	REFERENCE
REINF	REINFORCED
REV	REVISION
ROW	RIGHT OF WAY
RWD	REDWOOD
SAD	SEE ARCHITECTURAL DRAWINGS
SCD	SEE CIVIL DRAWINGS
SCHED	SCHEDULE
SECT	SECTION
SF	SQUARE FEET
SIM	SIMILAR
SMD	SEE MECHANICAL DRAWINGS
SPEC	SPECIFICATION
SPD	SEE PLUMBING DRAWINGS
SSD	SEE STRUCTURAL DRAWINGS
SS	STAINLESS STEEL
STD	STANDARD
STRUCT	STRUCTURAL
SQ	SQUARE
TBD	TO BE DETERMINED
TBR	TO BE REMOVED
T&G	TONGUE AND GROOVE
TC	TOP OF CURB
TME	TO MATCH EXISTING
TOC	TOP OF CONCRETE
TW	TOP OF WALL
TYP	TYPICAL
VIF	VERIFY IN FIELD
WL	WATER LEVEL
WM	WATER METER
W/O	WITHOUT



VISTA RIDGE RESIDENCE

LANDSCAPE IMPROVEMENTS

490 VISTA RIDGE DRIVE
MILPITAS, CA 95035

PROJECT DESCRIPTION

Addition of new driveway, guest parking, landscape retaining walls, paths, stairs, pool, entry fountain, perimeter fencing, auto gate, pedestrian gate, planting, irrigation, and low voltage lighting.

SITE LOCATION



SYMBOL LEGEND	
	ALIGN
	STAIR RISERS
	HOSE BIBB
	GAS
	ELECTRICAL OUTLET
	SPOT ELEVATION
	PROPERTY LINE
	EXISTING CONTOUR
	PROPOSED CONTOUR
	CENTER LINE
	MATERIALS CALLOUT
	REVISION CLOUD & NUMBER
	SETBACK LINE
	TREE TO BE REMOVED

DETAIL NUMBER
SHEET NUMBER

1
L0.03

DRAWING TITLE
SCALE 1"=1'-0"

PROJECT DIRECTORY

OWNER:
CHRISTY VU & SONNY VU
250 PERRY ST.
MILPITAS, CA 95035

ARCHITECT:
FOUGERON ARCHITECTS
521 FRANCISCO STREET
SAN FRANCISCO, CA 94133
CONTACT: TODD ARANAZ
415-641-5744

LANDSCAPE ARCHITECT:
ARTERRA LANDSCAPE ARCHITECTS
88 MISSOURI ST.
SAN FRANCISCO, CA 94107
CONTACT: GRETCHEN WHITTIER
415-861-3100

STRUCTURAL ENGINEER:
ENDRESTUDIO
4053 HARLAN ST. #113,
EMERYVILLE, CA 94608
510-898-6960

CIVIL ENGINEER:
LEA & BRAZE ENGINEERING INC.
2495 INDUSTRIAL PARKWAY WEST,
HAYWARD, CA 94545
510-887-4086

SURVEYOR:
MERIDIAN SURVEYING ENGINEERING
2958 VAN NESS AVENUE
415-440-4131

GEOTECH:
ROMIG ENGINEERS
1390 EL CAMINO REAL, 2ND FLOOR
650-591-5224

ENERGY CONSULTANT:
MONTEREY ENERGY GROUP, INC.
26465 CARMEL RANCHO BLVD.
SUITE #8
CARMEL, CA 93923
831-372-8328

SHEET INDEX - PLANNING SUBMISSION	
L0.0	COVER SHEET
L0.10	LANDSCAPE SITE PLAN
L0.11	SITE SECTIONS / ELEVATIONS
L0.12	LAYOUT PLAN
L0.13	PAVING PLAN & DETAILS
L0.21	WALLS & STAIRS DETAILS
L0.22	GATE & FENCE DETAILS
L0.30	PLANTING PLAN
L0.31	IRRIGATION PLAN
L0.32	IRRIGATION & PLANTING NOTES
L0.40	LIGHTING PLAN
L0.41	LIGHTING CUT SHEETS
L0.60	POOL DETAILS
L0.70	FOUNTAIN DETAILS

ARTERRA
LANDSCAPE ARCHITECTS
88 MISSOURI SAN FRANCISCO 94107
415.861.3100
arterrasf.com



VISTA RIDGE RESIDENCE

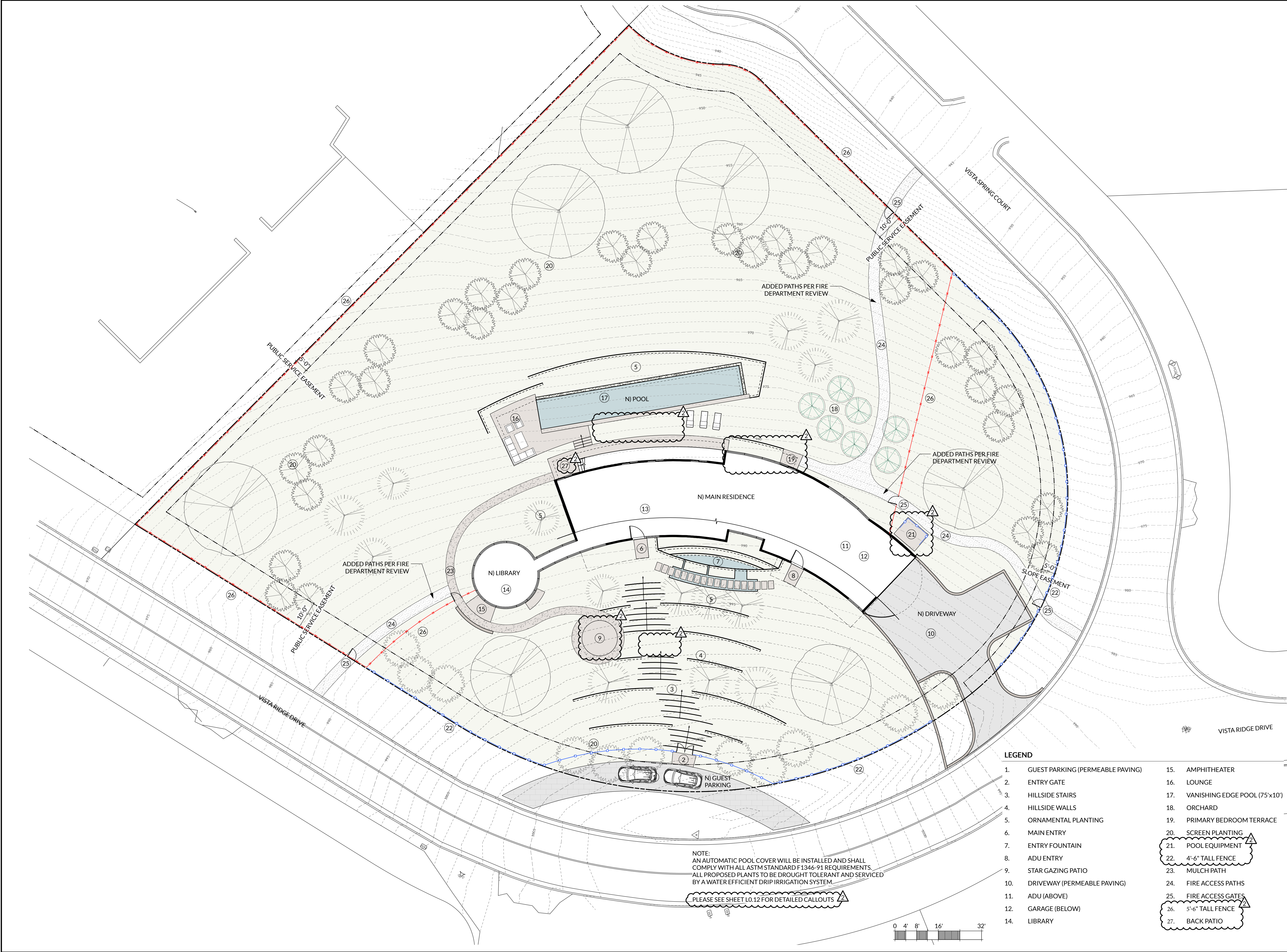
490 VISTA RIDGE DRIVE
MILPITAS, CA 95035
APN: 042-30-022

DATE:	ISSUE:
01.06.2023	PLANNING SUBMISSION
06.16.2023	PLANNING RESUBMITTAL
08.18.2023	PLANNING REVISION 2

SCALE: AS NOTED

COVER SHEET

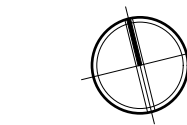
L0.0



VISTA RIDGE RESIDENCE
490 VISTA RIDGE DRIVE
MILPITAS, CA 95035
APN: 042-30-022

DATE:	ISSUE:
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06.16.2023	PLANNING RESUBMITTAL
08.18.2023	PLANNING REVISION 2

SCALE: 1/16" = 1'0"



LANDSCAPE
SITE PLAN

L0.10

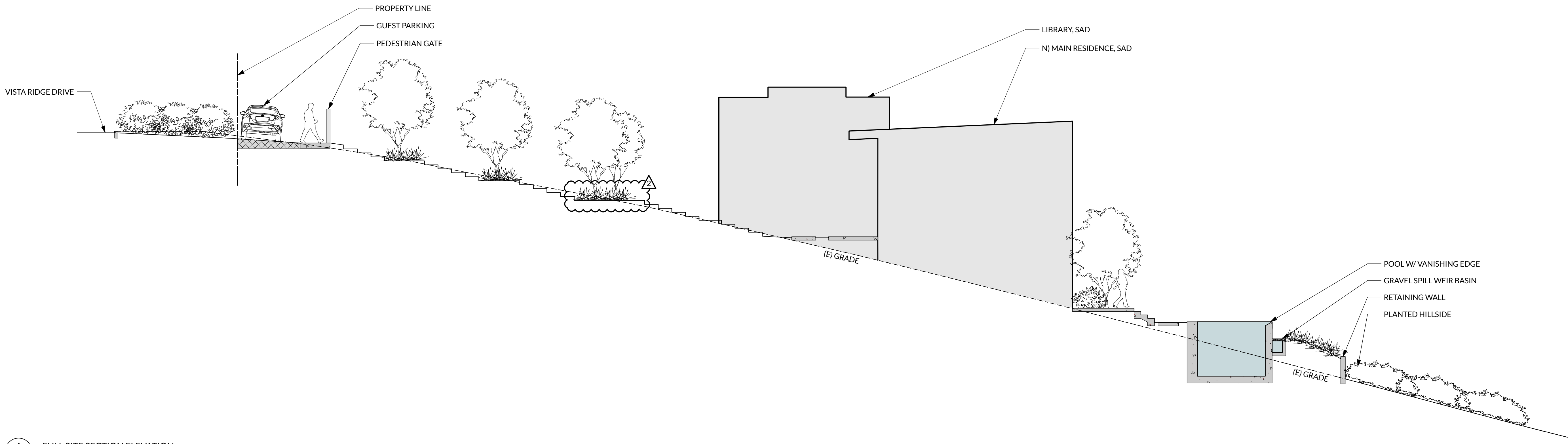
- LEGEND

 - 1. GUEST PARKING (PERMEABLE PAVING)
 - 2. ENTRY GATE
 - 3. HILLSIDE STAIRS
 - 4. HILLSIDE WALLS
 - 5. ORNAMENTAL PLANTING
 - 6. MAIN ENTRY
 - 7. ENTRY FOUNTAIN
 - 8. ADU ENTRY
 - 9. STAR GAZING PATIO
 - 10. DRIVEWAY (PERMEABLE PAVING)
 - 11. ADU (ABOVE)
 - 12. GARAGE (BELOW)
 - 14. LIBRARY
- 15. AMPHITHEATER
 - 16. LOUNGE
 - 17. VANISHING EDGE POOL (75'x10')
 - 18. ORCHARD
 - 19. PRIMARY BEDROOM TERRACE
 - 20. SCREEN PLANTING
 - 21. POOL EQUIPMENT
 - 22. 4'-4" TALL FENCE
 - 23. MULCH PATH
 - 24. FIRE ACCESS PATHS
 - 25. FIRE ACCESS GATES
 - 26. 5'-6" TALL FENCE
 - 27. BACK PATIO

NOTE:
AN AUTOMATIC POOL COVER WILL BE INSTALLED AND SHALL
COMPLY WITH ALL ASTM STANDARD F1346-91 REQUIREMENTS.
ALL PROPOSED PLANTS TO BE DROUGHT TOLERANT AND SERVICED
BY A WATER EFFICIENT DRIP IRRIGATION SYSTEM.

PLEASE SEE SHEET L0.12 FOR DETAILED CALLOUTS





1 FULL SITE SECTION ELEVATION
L0.11 Scale: 1/8" = 1'-0"

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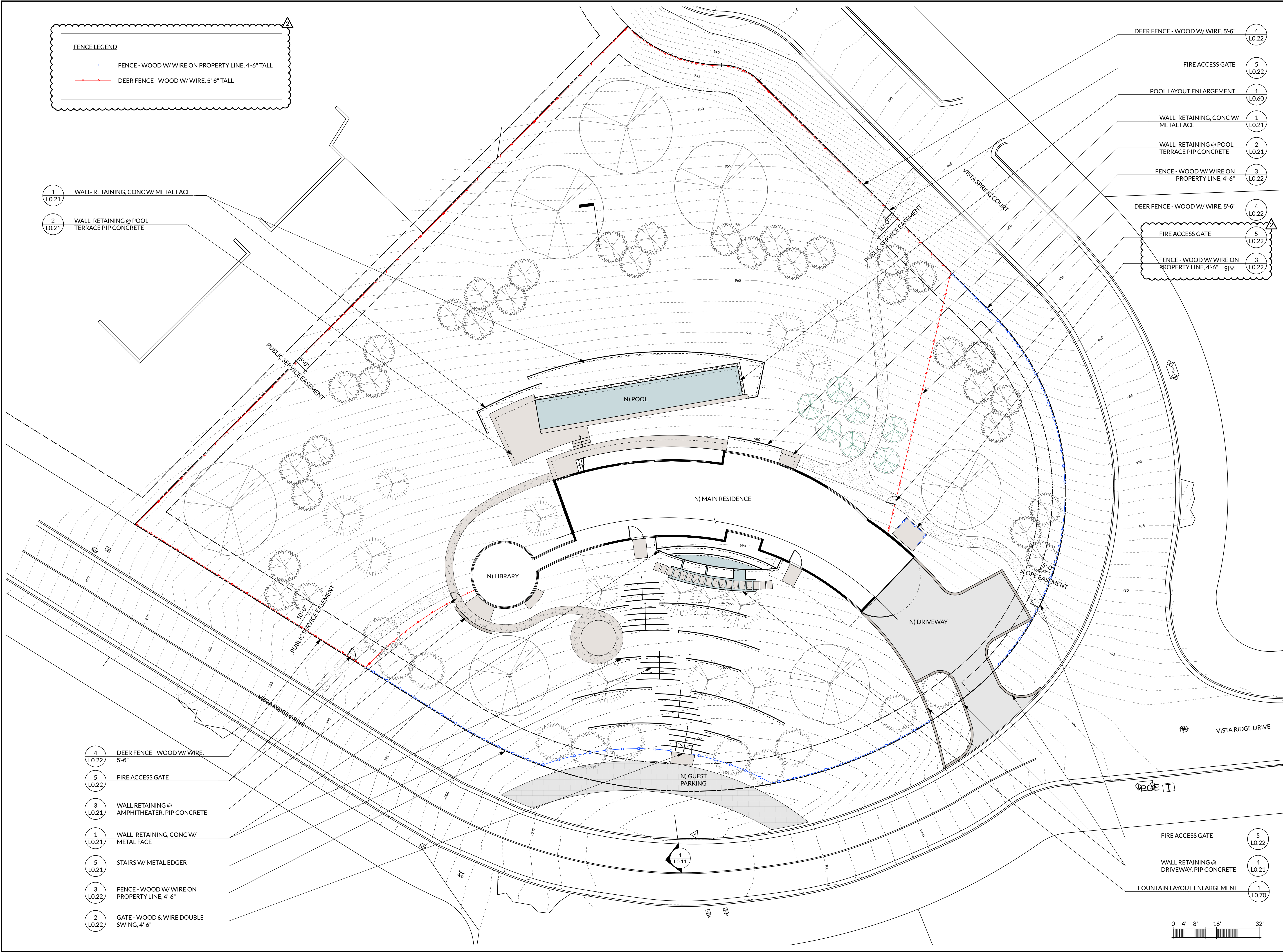
SCALE: AS NOTED

SITE SECTIONS
& ELEVATIONS

L0.11



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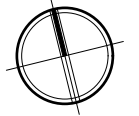
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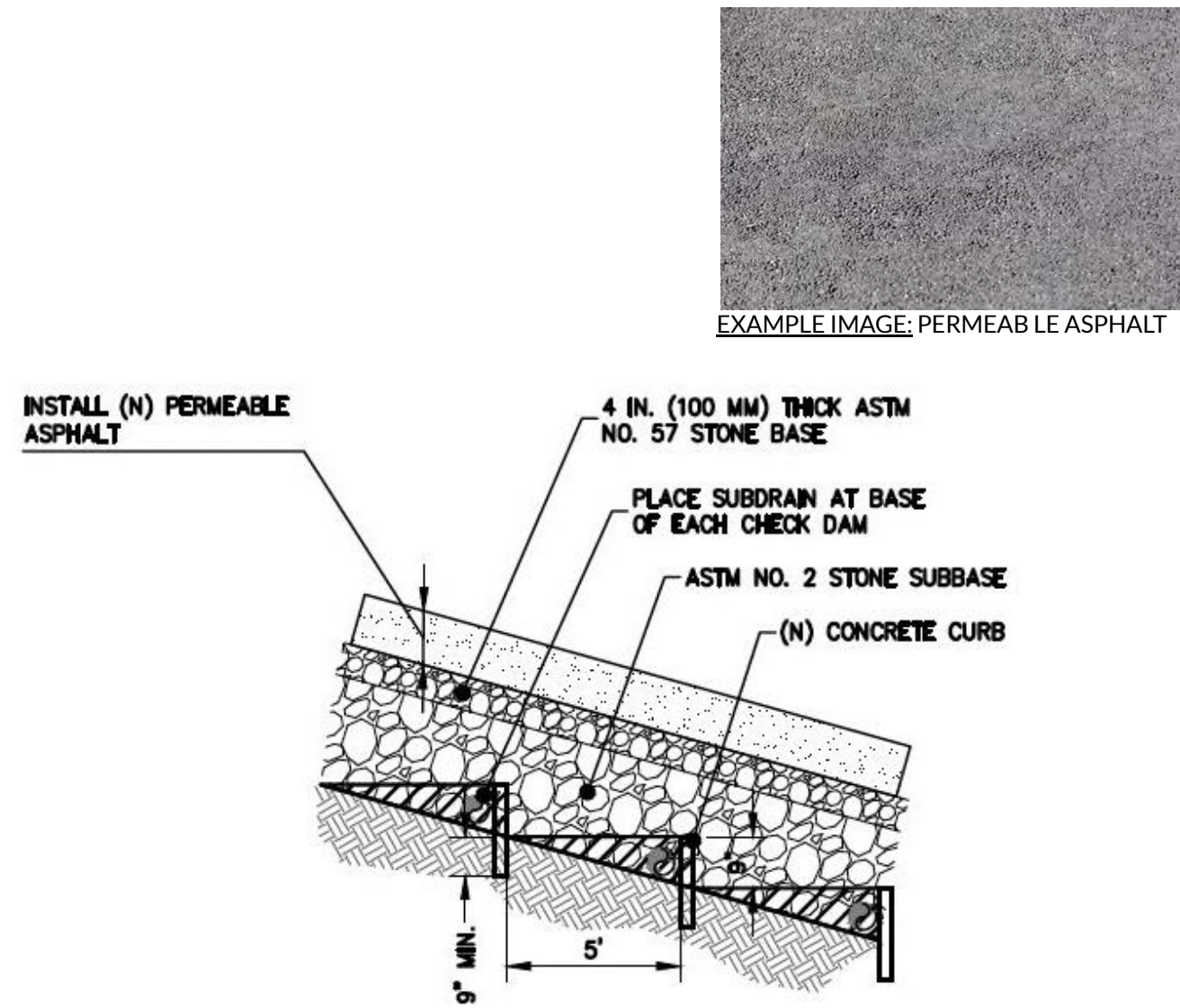
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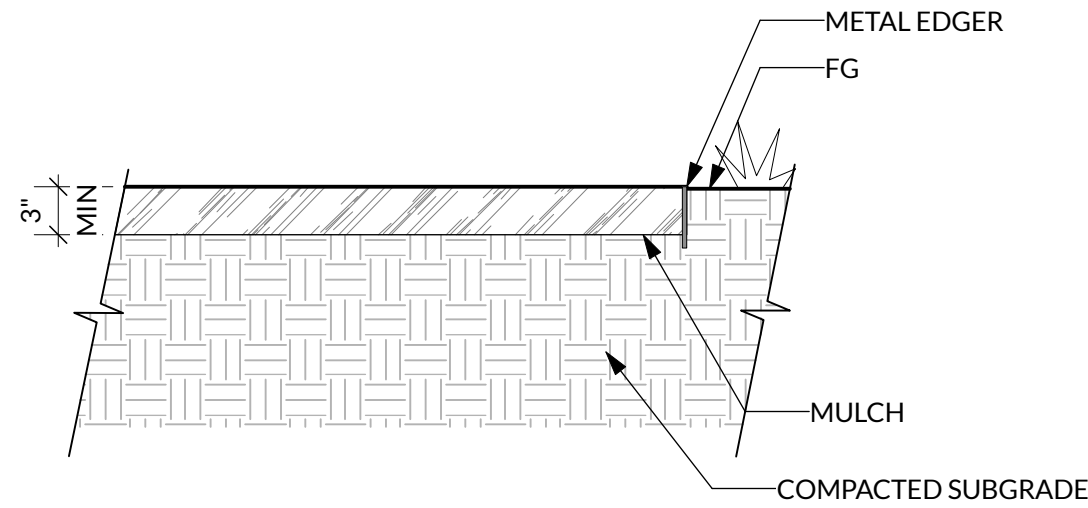


LAYOUT PLAN

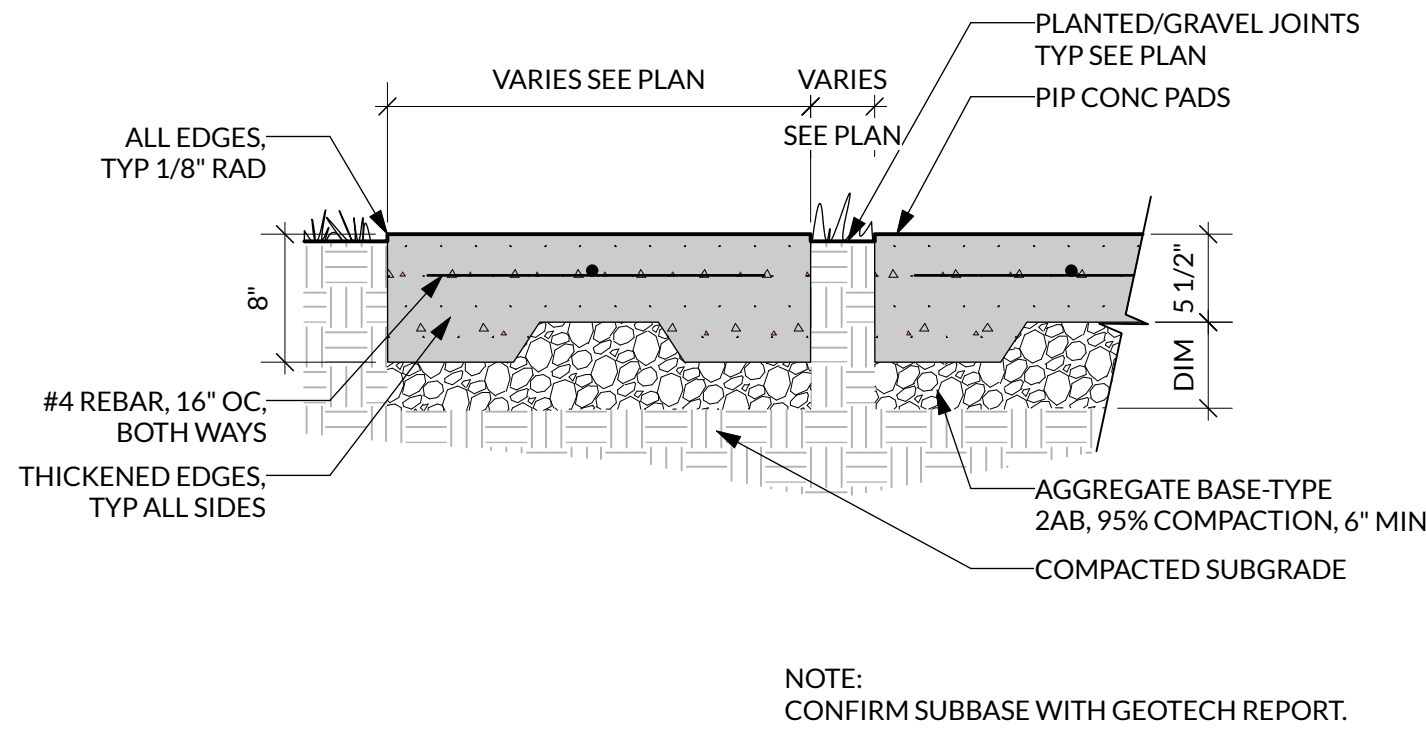
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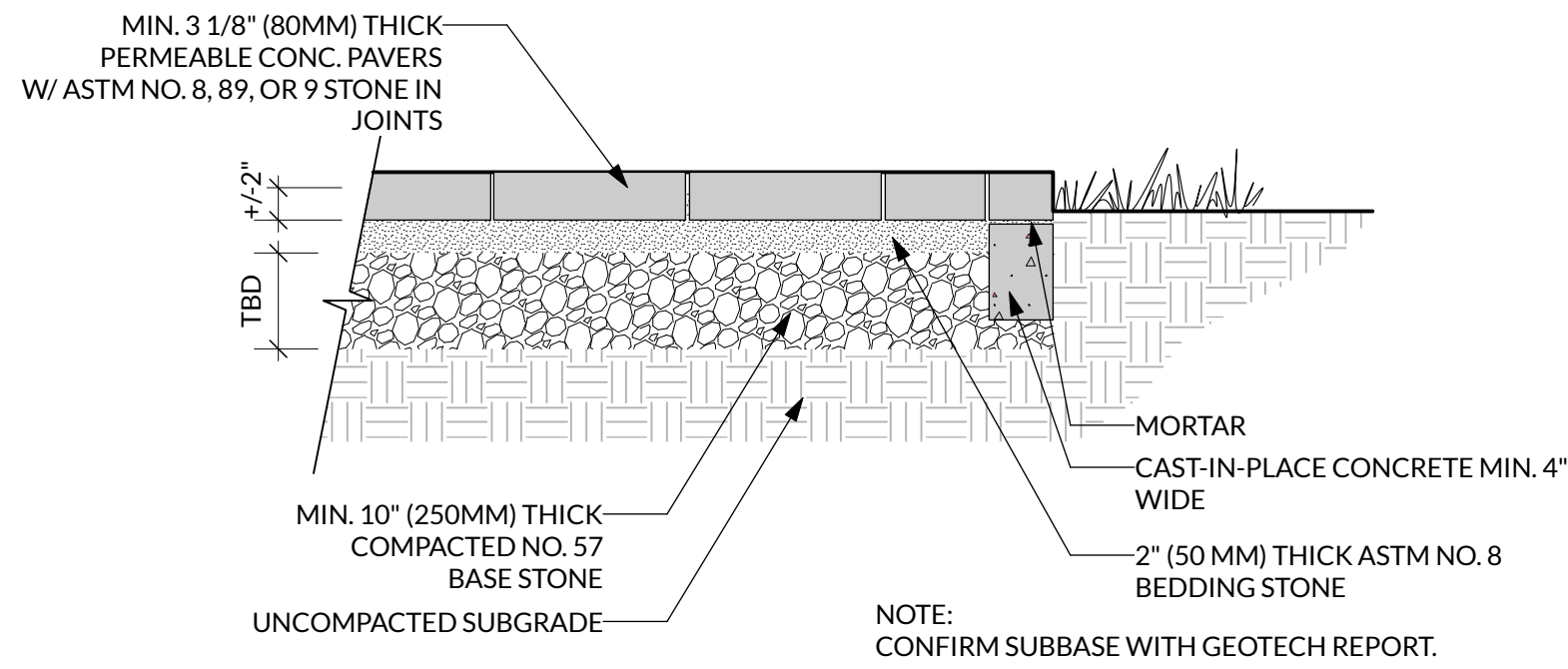
6 PERMEABLE ASPHALT - SEE CIVIL ENNGINEER DETAIL 4/C4.1
Scale: 1" = 1'-0"



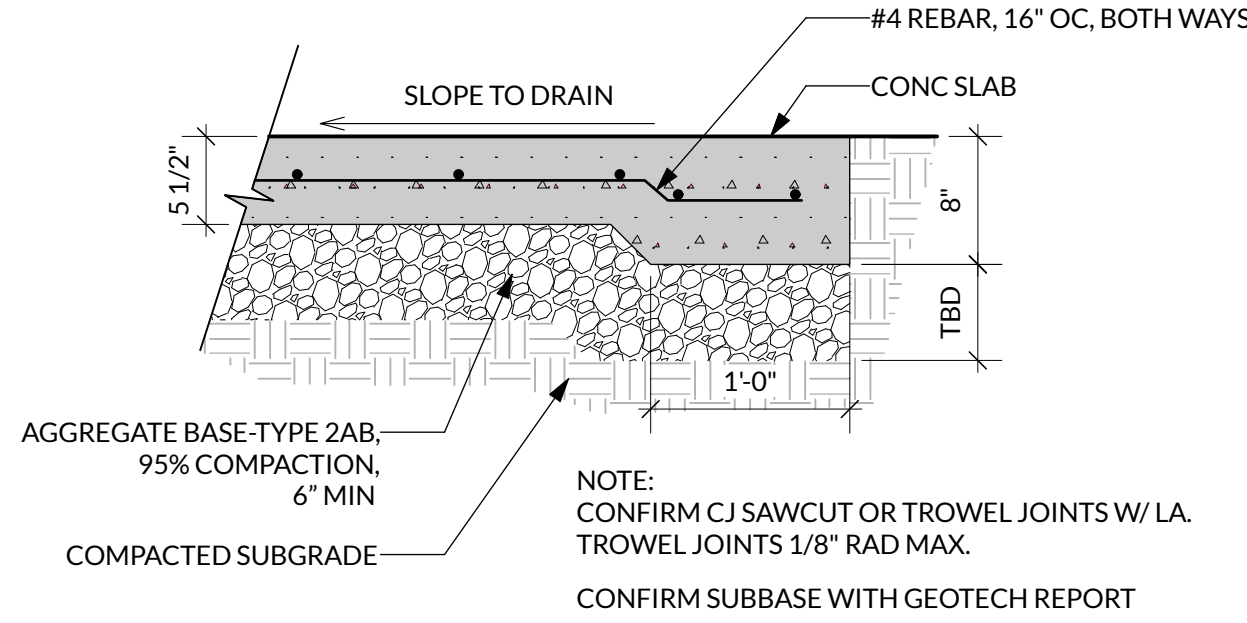
5 PAVING - MULCH PATH
Scale: 1" = 1'-0"



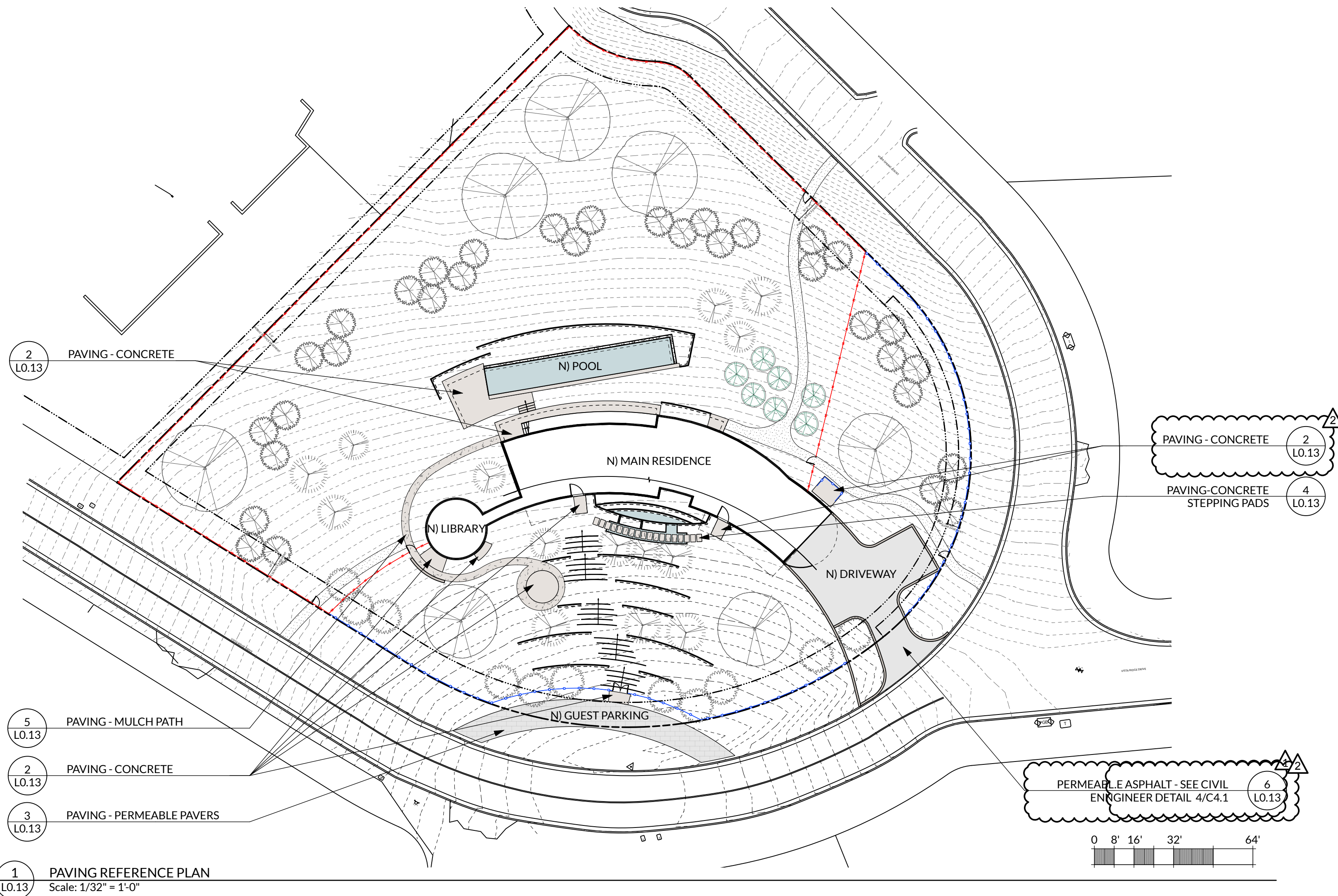
4 PAVING-CONCRETE STEPPING PADS
Scale: 1" = 1'-0"



3 PAVING - PERMEABLE PAVERS
Scale: 1" = 1'-0"



2 PAVING - CONCRETE
Scale: 1" = 1'-0"



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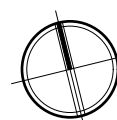
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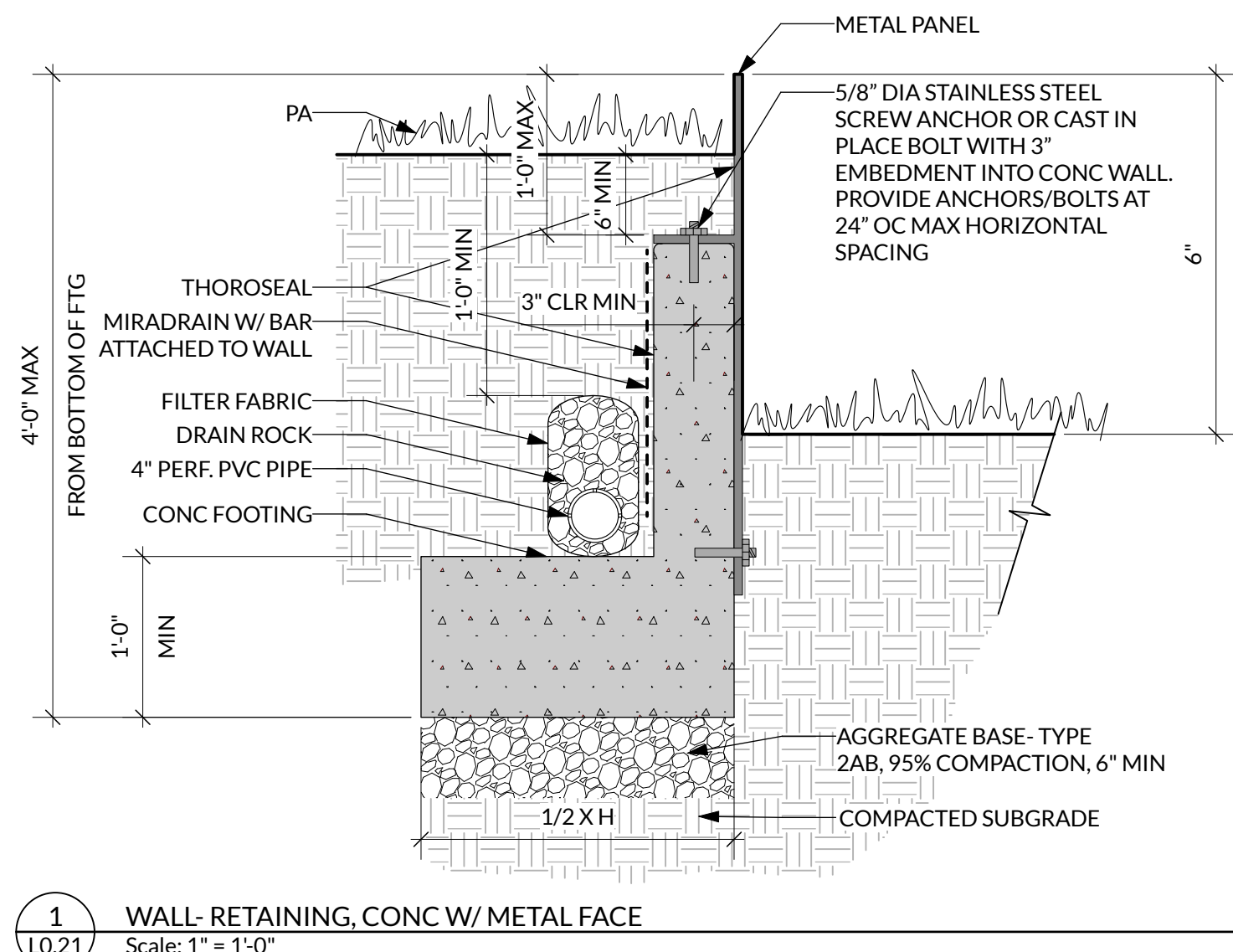
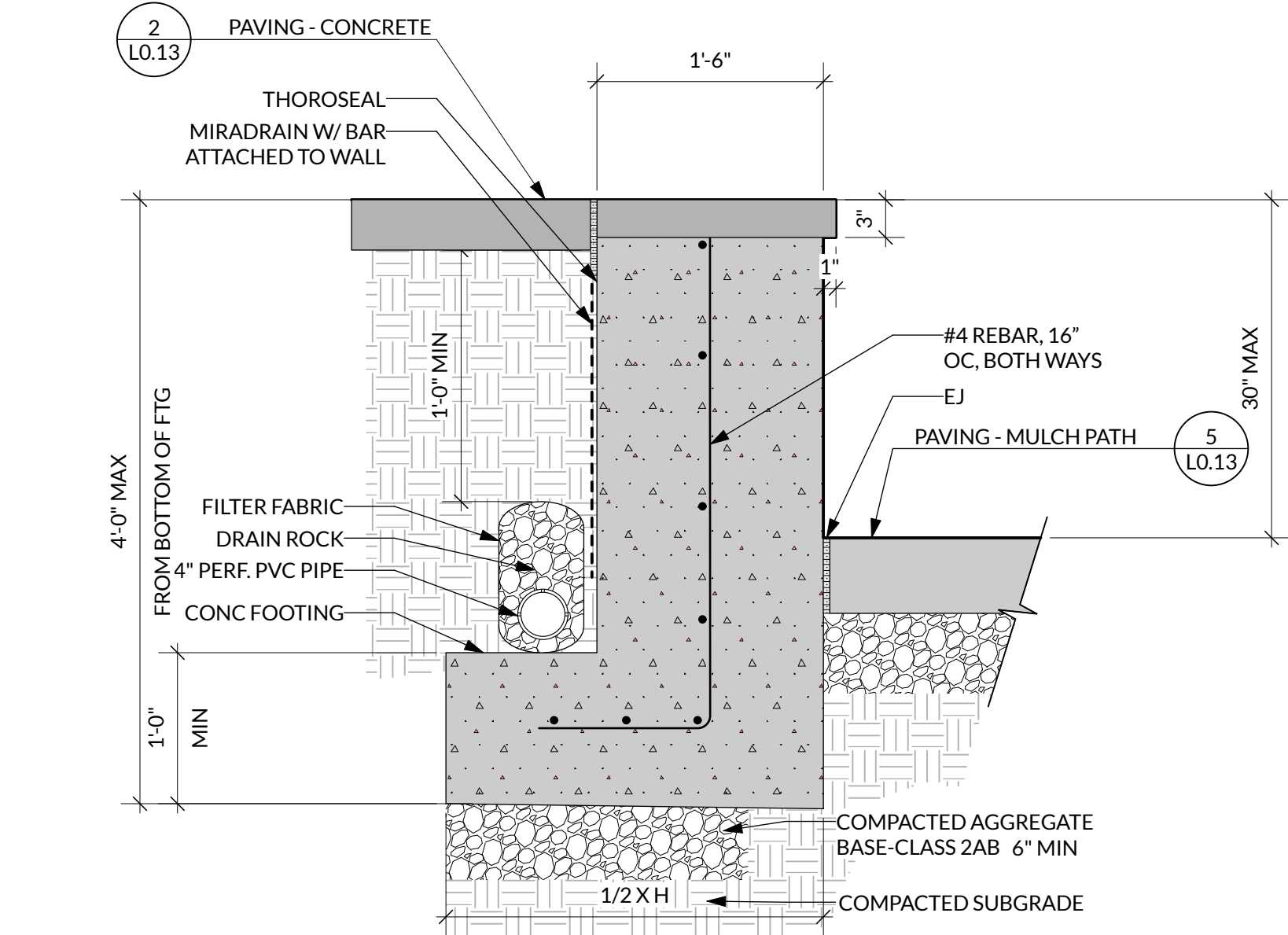
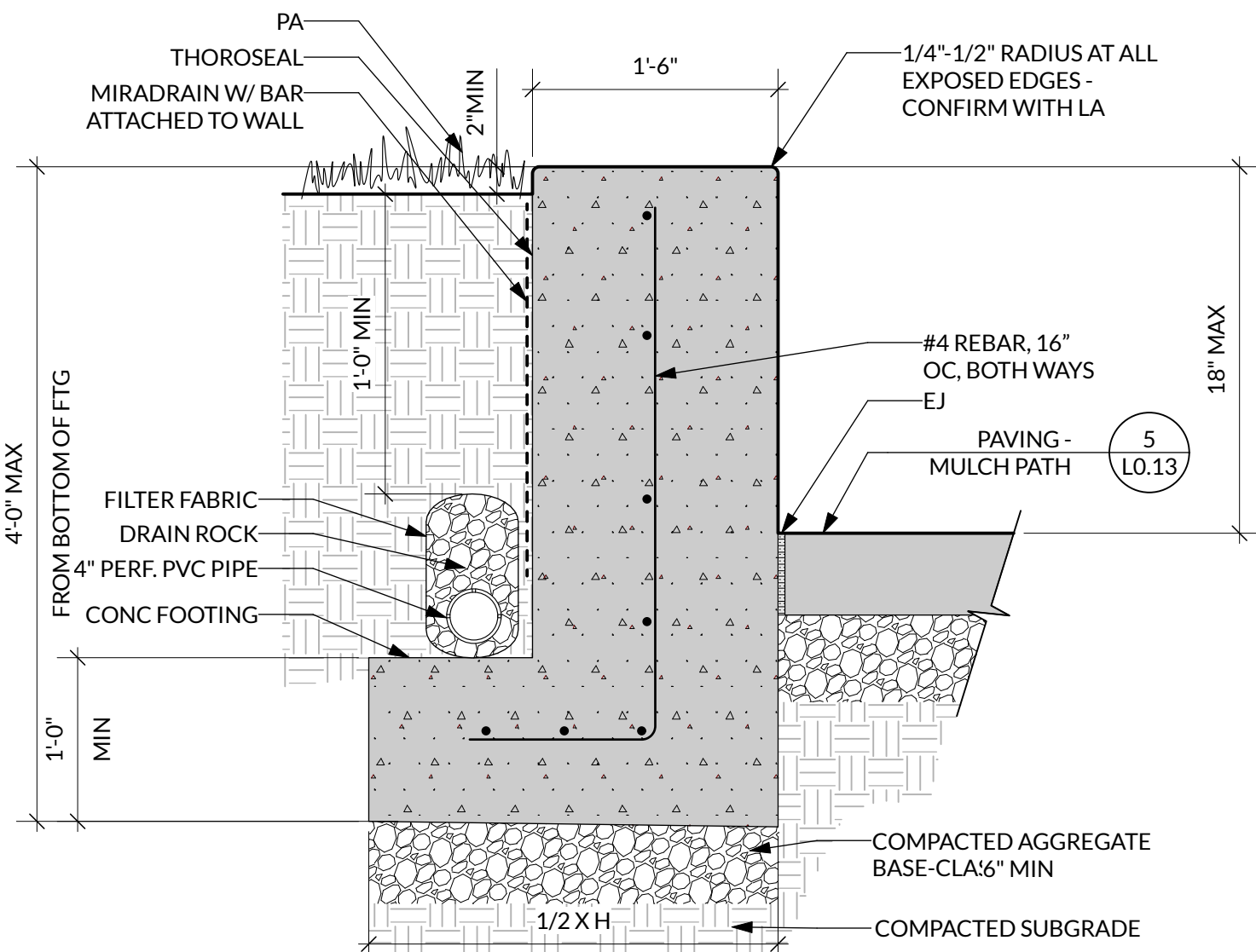
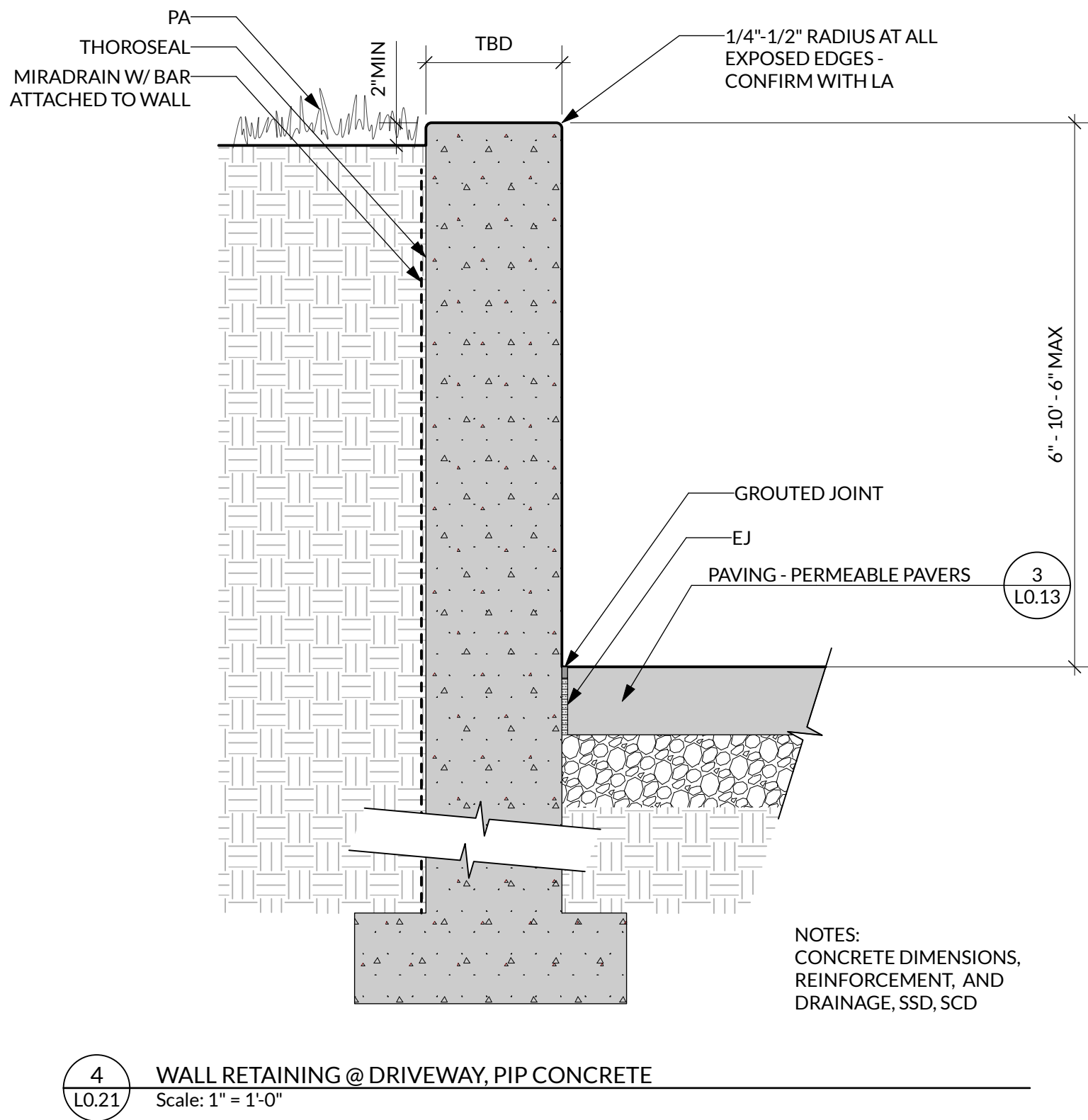
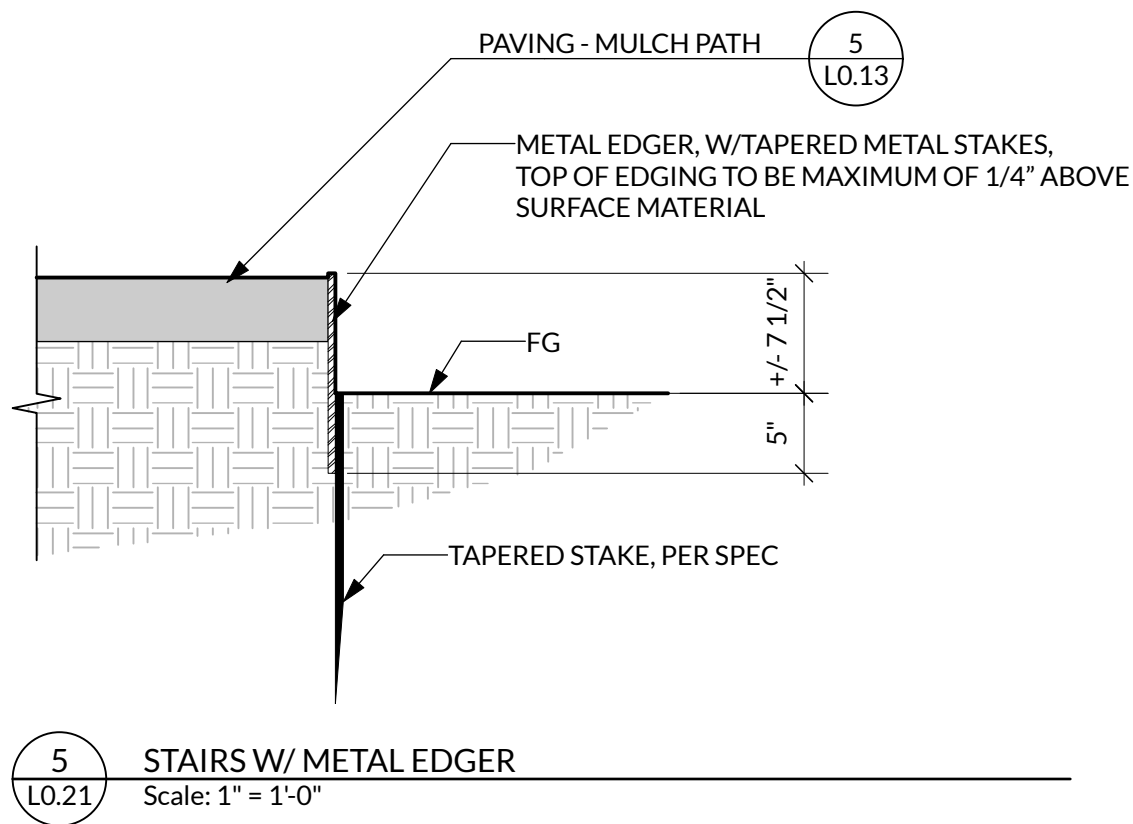
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SCALE: AS NOTED



PAVING PLAN
& DETAILS

L0.13



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WALLS & STAIRS
DETAILS

L0.21

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Plant List						
Symbol	Qty	ID	Botanical Name	Common Name	Scheduled Size	WUCOLS
Trees						
	11	FEI	Acca (Feijoa) sellowiana	Pineapple Guava	1 Gal	M
	14	CEC	Cercis canadensis	Eastern Redbud	1 Gal	M
	7	PRU	Prunus cerasifera 'Atropurpurea'	Purple Leaf Plum	36" Box	M
	7	QUA	Quercus agrifolia	Coast Live Oak	36" Box	VL
Shrubs						
	17	CEG	Ceanothus gloriosus	Pt. Reyes Ceanothus	5 Gal	L
	16	LMO	Lantana montevidensis	Trailing Lavender Lantana	5 Gal	L
	33	RHC	Rhamnus californica	Coffeeberry	1 Gal	L
	33	ROO	Rosmarinus officinalis	Rosemary	5 Gal	L
	74	TEF	Teucrium fruticans	Bush Germander	1 Gal	L
	40	WES	Westringia fruticosa	Coast Rosemary	5 Gal	L
Perennials						
	63	ANL	Acanthus mollis	Bear's Breeches	1 Gal	M
	109	ACH	Achillea millefolium	Common Yarrow	1 Gal	L
	99	AGN	Agapanthus africanus	Lily Of The Nile	1 Gal	M
	11	ASN	Artemisia schmidtiana 'Nana'	Dwarf Schmidt Wormwood	1 Gal	L
	119	ECW	Euphorbia characias subsp. wulfenii	Mediterranean Spurge	1 Gal	L
	96	PEN	Penstemon heterophyllus	Foothill Beardtongue	1 Gal	L
	38	PHJ	Phormium tenax	New Zealand Flax	1 Gal	L
	118	SCY	Santolina chamaecyparissus	Lavender Cotton	1 Gal	L
	23	STB	Stachys byzantina	Lamb's Ears	1 Gal	L
	123	VBA	Verbena tenuisecta	Moss Verbena	1 Gal	L
Cacti & Succulents						
	26	ALO	Aloe striata	Coral Aloe	1 Gal	L
Seed Mixes						
	28,500	SF		Pacific Coast Seed - Native Erosion Control Mix		



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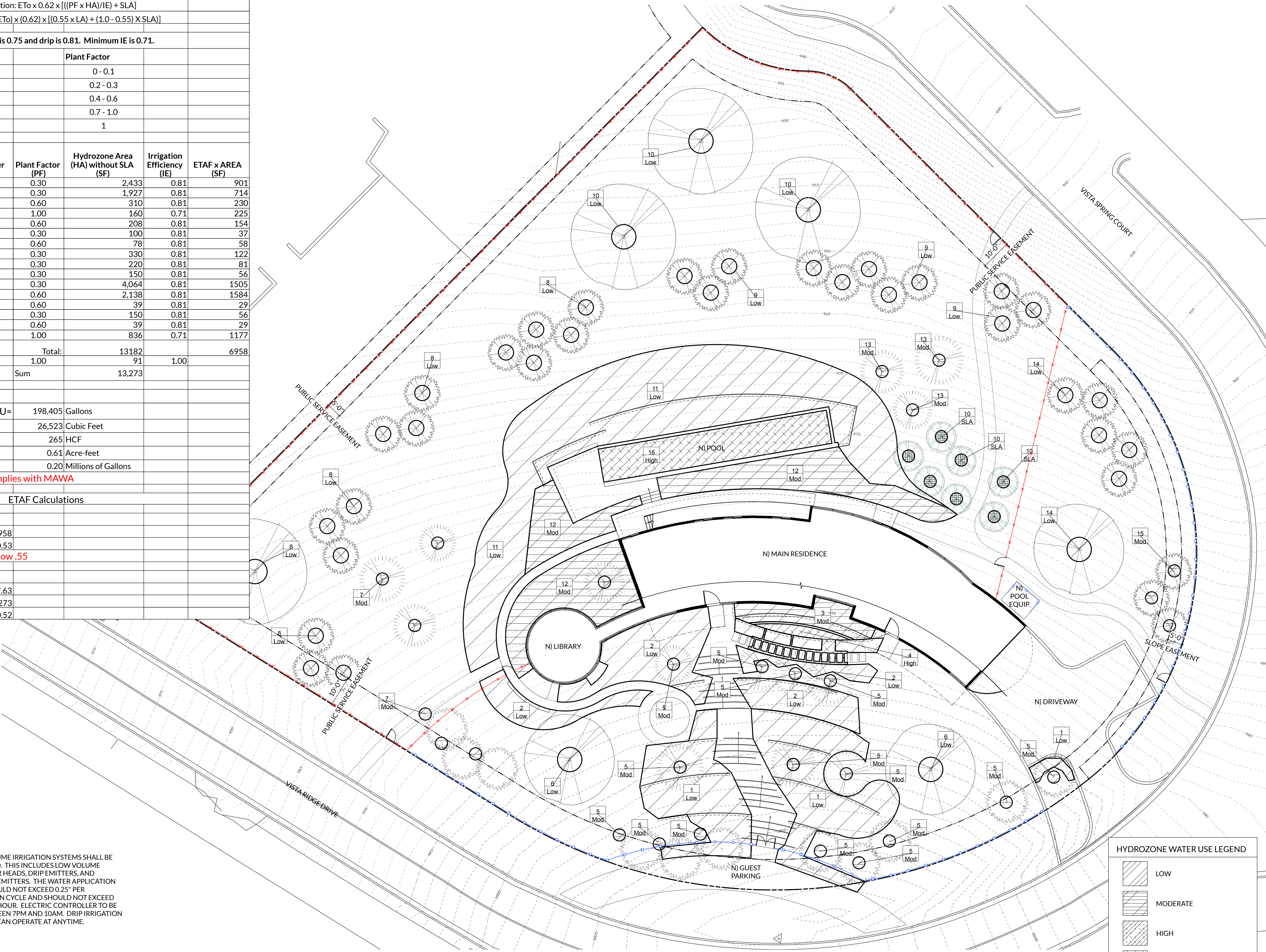


PLANTING PLAN

L0.30

WATER EFFICIENT LANDSCAPE WORKSHEET						
City:	Mill Valley	Reference ET _o :	45			
ETWU Equation: $ET_o \times 0.62 \times [((PF \times HA)/IE) + SLA]$						
MAWA Equation: $(ET_o) \times (0.62) \times [(0.55 \times LA) + (1.0 - 0.55) \times SLA]$						
Irrigation Efficiency for spray is 0.75 and drip is 0.81. Minimum IE is 0.71.						
Plant Water Use Type		Plant Factor				
Very Low		0 - 0.1				
Low		0.2 - 0.3				
Medium		0.4 - 0.6				
High		0.7 - 1.0				
SLA		1				
Hydrozone Number	Irrigation Method	Plant Water Use Type	Plant Factor (PF)	Hydrozone Area (HA) without SLA (SF)	Irrigation Efficiency (IE)	ETAF x AREA (SF)
Zone 1	Drip	Low	0.30	2,433	0.81	901
Zone 2	Drip	Low	0.30	1,927	0.81	714
Zone 3	Drip	Mod	0.60	310	0.81	230
Zone 4	Pool	High	1.00	160	0.71	225
Zone 5	Drip	Mod	0.60	208	0.81	154
Zone 6	Drip	Low	0.30	100	0.81	37
Zone 7	Drip	Mod	0.60	78	0.81	58
Zone 8	Drip	Low	0.30	330	0.81	122
Zone 9	Drip	Low	0.30	220	0.81	81
Zone 10	Drip	Low	0.30	150	0.81	56
Zone 11	Drip	Low	0.30	4,064	0.81	1505
Zone 12	Drip	Mod	0.60	2,138	0.81	1584
Zone 13	Drip	Mod	0.60	39	0.81	29
Zone 14	Drip	Low	0.30	150	0.81	56
Zone 15	Drip	Mod	0.60	39	0.81	29
Zone 16	Pool	High	1.00	836	0.71	1177
Total:				13182		6958
SLA				91	1.00	
Sum				13,273		
Results						
MAWA =	205,228	ETWU=	198,405 Gallons			
			26,523 Cubic Feet			
			265 HCF			
			0.61 Acre-feet			
			0.20 Millions of Gallons			
ETWU complies with MAWA						
ETAF Calculations						
Regular Landscape Areas						
Total ETAF x Area			6958			
Average ETAF			0.53			
ETAF is below .55						
All Landscape Areas						
Total ETAF x Area			6957.63			
Total Area			13273			
Sitewide ETAF			0.52			

NOTE:
LOW VOLUME IRRIGATION SYSTEMS SHALL BE INSTALLED. THIS INCLUDES LOW VOLUME SPRINKLER HEADS, DRIP EMITTERS, AND BUBBLER EMITTERS. THE WATER APPLICATION RATE SHOULD NOT EXCEED 0.25" PER IRRIGATION CYCLE AND SHOULD NOT EXCEED 0.75" PER HOUR. ELECTRIC CONTROLLER TO BE SET BETWEEN 7PM AND 10AM. DRIP IRRIGATION SYSTEMS CAN OPERATE AT ANYTIME.



HYDROZONE WATER USE LEGEND	
	LOW
	MODERATE
	HIGH
	SLA

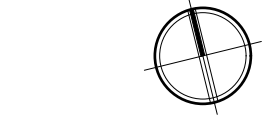
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IRRIGATION ZONE
PLAN/WELO
CALCULATIONS

L0.31

SECTION 1: GENERAL IRRIGATION NOTES

1.

THIS SPECIFICATION IS TO ESTABLISH PERFORMANCE STANDARDS FOR A BIDDER-DESIGNED IRRIGATION SYSTEM.
2.

CONTRACTOR SHALL VISIT SITE AND VERIFY ALL CONDITIONS SHOWN ON PLANS PRIOR TO COMMENCEMENT OF ANY WORK.
3.

THE IRRIGATION SYSTEM SHALL BE INSTALLED IN CONFORMANCE WITH ALL APPLICABLE STATE AND LOCAL CODES AND ORDINANCES (MWEL0) BY A LICENSED LANDSCAPE CONTRATOR AND EXPERIENCED WORKMEN. THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS AND FEES.
4.

INSTALL (10) HOSE BIBS ON IRRIGATION MAIN LINE. CONFIRM FINAL LOCATIONS ON SITE WITH LANDSCAPE ARCHITECT (LA).
5.

THE IRRIGATION SYSTEM SHALL BE DESIGNED TO OPERATE ACCORDING TO THE AVAILABLE STATIC PRESSURE AT POINT OF CONNECTION (POC.) CONTRACTOR IS RESPONSIBLE FOR VERIFYING AVAILABLE STATIC AND DYNAMIC PRESSURE PRIOR TO CONSTRUCTION AND INFORM LA IF STATIC PRESSURE IS LESS THAN 65 PSI.
6.

IF A SOIL REPORT HAS NOT YET BEEN GENERATED, CONTRACTOR SHALL GATHER A SOIL SAMPLE, SEND IT TO A LAB FOR ANALYSIS, AND BASE THE DRIP EMITTER LINE GRIDS AND FLOW RATE ON THE EMITTERS ON THE SOIL TYPE. SEE BELOW IN SECTION 5 FOR DETAILS.
7.

EVERY IRRIGATION VALVE MANIFOLD ON THE SITE SHALL HAVE AN ISOLATION VALVE ON THE UPSTREAM SIDE.
8.

USE ONLY ONE TYPE SERIES HEAD ON ANY VALVE/CIRCUIT. DO NOT MIX HEAD TYPES OR MANUFACTURERS. ALL IRRIGATION HEADS NEED TO HAVE A BUILT-IN CHECK VALVE AND BUILT-IN PRESSURE REGULATION. ALL HEADS NEED TO BE SET BACK 24" FROM NON-PERMEABLE SURFACES.
9.

IRRIGATION EQUIPMENT TO BE INSTALLED PER MANUFACTURER'S INSTRUCTIONS.
10.

AREAS OF TURF THAT ARE LESS THAN 8 FEET WIDE AND ARE ADJACENT TO IMPERMEABLE SURFACES SHALL BE IRRIGATED BY SUB-SURFACE DRIP.
11.

CONTRACTOR TO CONFIRM LOCATION OF EXISTING UTILITIES AND UNDERGROUND STRUCTURES PRIOR TO THE EXCAVATION OF TRENCHES. CONTRACTOR SHALL REPAIR ANY DAMAGE CAUSED BY, OR DURING PERFORMANCE OF HIS WORK AT NO ADDITIONAL COST TO THE OWNER. CALL UNDERGROUND ALERT (811) FOR UTILITY LOCATIONS.
12.

CONTRACTOR TO GUARANTEE COMPLETE AND EVEN COVERAGE OF IRRIGATION IN ALL PLANTED AREAS. LAWN/SPRAY SYSTEM SHALL HAVE COMPLETE, OVERLAPPING AND EVEN COVERAGE, WITH VALVES HYDROZONED TO ADDRESS DIFFERENT SUN, SHADE AND SLOPE ASPECTS.
13.

THE CONTRACTOR SHALL SIZE AND LOCATE ALL LINES AND SLEEVE AS REQUIRED. PARALLEL PIPES MAY BE INSTALLED IN A COMMON TRENCH. PIPES SHALL HAVE A SIX INCH HORIZONTAL SEPARATION AND ARE NOT TO BE INSTALLED DIRECTLY ABOVE ONE ANOTHER.
14.

BACKFILL TRENCHES WITH MATERIAL FREE OF ROCKS. EXCAVATIONS TO BE BACKFILLED TO 90% COMPACTION MINIMUM. CONTRACTOR TO REPAIR SETTLED TRENCHES FOR ONE YEAR AFTER COMPLETION OF WORK.
15.

INSTALL BACKFLOW PREVENTER AS PER LOCAL CODE AND ACCORDING TO MANUFACTURER'S SPECIFICATIONS. FINAL LOCATION TO BE DISCREET AND HIDDEN FROM VIEW. CONFIRM FINAL LOCATION ON SITE WITH LA. BACKFLOW PREVENTER SHALL BE INSTALLED PLUMB AND IN ALIGNMENT WITH ADJACENT PAVEMENT EDGES OR STRUCTURES.
16.

VALVE LOCATIONS ARE DIAGRAMMATIC. LOCATE IN GROUND COVER AREAS (NOT LAWN). LOCATE 12" MIN. FROM WALKS, WALLS, FENCES AND PARALLEL OR PERPENDICULAR TO THEM. VERIFY FINAL LOCATIONS WITH LA.
17.

CONTROLLER LOCATION IS DIAGRAMMATIC. VERIFY WITH LA. CONTRACTOR TO SUPPLY POWER AND INTERNET CONNECTION TO CONTROLLER, AS REQUIRED BY THE MANUFACTURER.
18.

SET OPERATION OF IRRIGATION CONTROLLER BETWEEN THE HOURS OF 10:00 PM AND 7:00 AM. COORDINATE ESTABLISHMENT IRRIGATION SCHEDULE WITH MANUFACTURER AND COORDINATE WITH GARDENER/OWNER.
19.

INSTALL ON-SITE WEATHER STATION (SENSOR) IN A SOUTHWEST LOCATION FREE FROM ANY OVERHANGS OR TREES. (HIGHEST WIND, SUNNIEST). CONFIRM FINAL LOCATION WITH LA.
20.

FLUSH MAIN SUPPLY LINES PRIOR TO THE INSTALLATION OF REMOTE CONTROL VALVES. PRESSURIZE MAINLINE FOR A MINIMUM OF 24 HOURS TO 100 PSI PRIOR TO BACKFILLING. FLUSH LATERAL LINES PRIOR TO THE INSTALLATION OF SPRINKLER HEADS OR DRIP. FLUSH ALL LATERAL LINES AFTER INSTALLATION OF SPRINKLER HEADS AND DRIP.
21.

IRRIGATION CONTROL WIRE SHALL BE #14 UL APPROVED FOR DIRECT BURIAL. COMMON WIRE TO BE WHITE IN COLOR. WIRES TO INDIVIDUAL CONTROL VALVES TO BE A COLOR OTHER THAN WHITE. SPLICES ARE TO BE MADE WITHIN A VALVE BOX USING A CRIMP TYPE COPPER WIRE CONNECTOR WITH A HEAT-SHRINK WATERPROOF JACKET. IN-LINE SPLICES SHALL BE SOLDERED. LEAVE TWENTY FOUR INCHES OF WIRE COIL AT EACH REMOTE CONTROL VALVE WIRE CONNECTION TO ALLOW VALVE BONNET REMOVAL WITHOUT DISCONNECTING CONTROL WIRES. IDENTIFY ALL STATION WIRES WITH A CHRUSTY ID TAG LOCATED AT EACH VALVE.
22.

INSTALL ONE (1) SPARE CONTROL WIRE FOR EVERY SIX (6) STATIONS ON THE CONTROLLER ALONG THE ENTIRE MAIN LINE. SPARE WIRES SHALL BE THE SAME COLOR (ONE WITH A WHITE STRIPE) AND OF A DIFFERENT COLOR THAN OTHER CONTROL WIRES. LOOP 36" EXCESS WIRE INTO EACH SINGLE VALVE BOX AND INTO ONE VALVE BOX IN EACH GROUP OF VALVES.
23.

THE IRRIGATION CONTRACTOR SHALL BE RESPONSIBLE FOR THE INSTALLATION OF SLEEVES AND CONDUITS OF SUFFICIENT SIZE UNDER ALL PAVED AREAS. MINIMUM SIZE TO BE 2".
24.

CONTRACTOR SHALL WARRANT THAT THE IRRIGATION SYSTEM WILL BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP FOR A PERIOD OF ONE YEAR AFTER COMPLETION OF WORK.

SECTION 2: POINT OF CONNECTION COMPONENTS

ORDER OF COMPONENTS:

1.

MANUAL SHUT-OFF VALVE (GATE VALVE OR BALL VALVE)
2.

REDUCED PRESSURE BACKFLOW PREVENTER
3.

IRRIGATION-ONLY WATER METER OR FLOW METER
4.

FLOW SENSOR

SECTION 3: PIPE SIZING

1.

FOR SPRINKLER ZONES WITH A FLOW BETWEEN 0GPM AND 8 GPM, ¾" SCHEDULE 40 PVC MINIMUM PIPE SIZE.
2.

FOR SPRINKLER ZONES WITH A FLOW BETWEEN 8 GPM AND 12 GPM, 1" SCHEDULE 40 PVC MINIMUM PIPE SIZE.
3.

FOR ALL ZONES LARGER THAN 12 GPM, CONSULT WITH LA.

SECTION 4: COMPONENT SCHEDULE

BACKFLOW PREVENTER
FEBCO #825Y-1" or approved equal

CONTROL VALVES
TORO Remote Control Valve, TPV Series

MAIN LINES
1120 SCH-40 PVC Solvent weld pipe with SCH 40 PVC solvent

WELD FITTINGS
18" Cover, min.

LATERAL LINES
1120-200 PSI PVC solvent weld pipe with SCH 40 PVC solvent

WELD FITTINGS
12" cover, min.

CONTROLLER
HUNTER ACC2 with SOLAR SYNC. Mount in accessible are for landscape maintenance crew.

WEATHER SENSOR SENSOR
HUNTER SOLAR SYNC mounted on SW side of property

SPRAY HEADS
HUNTER PRO SPRAY or RAINBIRD SAM PRS. Min 6" pop up in turf, 12" pop up in shrub areas.

VALVE BOXES
CARSON, black plastic

HOSE BIB
CHAMPION or BUCKNER with vacuum breaker

GATE VALVE
NIBCO, (line size)

NOTE: CONTRACTOR IS RESPONSIBLE FOR SUBMITTING A FULL LIST/CUT SHEETS OF ALL IRRIGATION EQUIPMENT TO LA FOR APPROVAL PRIOR TO PURCHASE.

SECTION 5: DRIP SYSTEM SCHEDULE - EMITTER LINE TUBING

IN-LINE EMITTER TUBING
NETAFIM TECHLINE CV

IN-LINE FILTER
TORO DRIP ZONE KIT WITH REMOTE CONTROL VALVE, WYE FILTER WITH 150 MESH SCREEN AND 30 PSI PRESSURE REGULATOR/ KBI PVC BALL VALVE OR SIMILAR. IF SITE STATIC PRESSURE IS LESS THAN 30 PSI, DO NOT INSTALL A PRESSURE REGULATOR ON DRIP ZONES.

NETAFIM GRID SPECIFICATIONS
EMITTER FLOW, EMITTER SPACING AND GRID ROW SPACING BASED ON SOIL TYPE OF SITE:

Soil Type	Emitter Flow	Emitter Spacing	Row Spacing	Application Rate
Coarse Sand	0.9 gph	12"	16"	1.11 in/hr
Sand	0.6 gph	12"	16"	0.73 in/hr
Sandy Loam	0.6 gph	12"	16"	0.73 in/hr
Loam	0.4 gph	18"	18"	0.30 in/hr
Clay Loam	0.4 gph	18"	18"	0.30 in/hr
Clay	0.4 gph	18"	18"	0.30 in/hr
Clay	0.26 gph	18"	18"	0.19 in/hr

SECTION 6: DRIP SYSTEM SCHEDULE - POINT SOURCE EMITTERS

THE RECOMMENDED DRIP METHOD IS EMITTER LINE TUBING GRIDS, AS SHOWN ABOVE.
WHEN USING INDIVIDUAL EMITTERS, USE THE FOLLOWING SCHEDULE:

Container size	# of .5 gph Emitters	Total Flow	Configuration
4"	1 Emitter	.5 gph	On root ball
1 gallon	2 Emitters	1 gph	Opposite sides of root ball
2 gallon	2 Emitters	1 gph	Evenly around root ball
5 gallon	4 Emitters	2 gph	Evenly around root ball
15 gallon	5 Emitters	2.5 gph	Evenly around root ball
24" Box	10 Emitters	5 gph	Concentric rings
36" Box	18 Emitters	9 gph	Concentric rings
48" Box	27 Emitters	13.5 gph	Concentric rings

SECTION 7: DRIP SYSTEM NOTES

1.

LOCATE IN-LINE FILTER, PRESSURE REGULATOR AND VALVE IN VALVE BOXES.
2.

FOR DRIP ZONES WITH A FLOW OF LESS THAN 4 GPM, ½" POLYETHYLENE TUBING MAY BE LEAD ALL THE WAY FROM THE VALVE TO THE DRIP ZONE.
3.

FOR DRIP ZONES WITH A FLOW BETWEEN 4 GPM AND 8 GPM, ¾" SCHEDULE 40 PVC SHALL RUN FROM THE VALVE TO THE BEGINNING OF THE ZONE.
4.

FOR DRIP ZONES WITH A FLOW BETWEEN 8 GPM AND 12 GPM, 1" SCHEDULE 40 PVC SHALL BE RUN FROM THE VALVE TO THE BEGINNING OF THE ZONE.
5.

LOCATE EMITTER DISCHARGE WITHIN THE WATERING BASIN OF EACH PLANT. SEE PLANTING PLAN FOR EXACT LOCATION AND SIZE OF PLANTS TO DETERMINE LOCATION OF EMITTERS. SECURE ABOVE GRADE EMITTER LINES TO FINISH GRADE WITH PLASTIC OR METAL STAPLES.
6.

INSTALL ONE MANUAL FLUSH VALVE FOR EACH DRIP SUB-ZONE ON THE EXHAUST HEADER AT THE HYDRAULIC OPPOSITE END FROM THE SUPPLY HEADER.
7.

INSTALL ONE DRIP ZONE FLOW INDICATOR WITHIN 3 FEET OF THE FLUSH VALVE FOR EACH ZONE.
8.

IF ½" INCH TUBING IS USED, INSTALL E.O.V.C. BUG CAPS AND TUBING STAKES AT THE DISCHARGE ENDS BY 'SALCO'. ¾" TUBING LENGTHS TO BE NO GREATER THAN SIX FEET.
9.

IN-LINE EMITTER TUBING SHALL BE INSTALLED AS A CLOSED LOOP GRID SYSTEM. ALL DRIP GRIDS SHALL BE SITUATED ON THE CONTOUR OF SLOPES AND NOT PERPENDICULAR TO THE SLOPE. INSTALL TUBING ON TOP OF FINISH GRADE AND UNDER MULCH. ENSURE THAT EACH PLANT HAS AN EMITTER ON ITS ROOT BALL TO ESTABLISH IT.
10.

POINT SOURCE DRIP (BUTTON EMITTERS, FLAG EMITTERS, SHRUBBLERS, AND VARI-SPRAYS) SHALL BE AVOIDED, IF POSSIBLE. INSTALL AN INLINE GRID IN ALL PLANTED AREAS.

SECTION 8: PRESSURE AND FLOW RECORDING

1.

CONTRACTOR SHALL MAINTAIN A SET OF 'AS-BUILT' DRAWINGS THROUGHOUT THE CONSTRUCTION AND PREPARE AND DELIVER A LEGIBLE COPY OF THE PLAN TO THE LA/OWNER UPON COMPLETION OF THE WORK AND BEFORE FINAL PAYMENT. THE IRRIGATION PLAN SHALL INDICATE LOCATIONS OF ALL UNDERGROUND PIPES, LOCATION OF SLEEVES, LOCATION OF VALVES AND ANY OTHER INFORMATION NECESSARY FOR LONG-TERM MAINTENANCE OF THE SYSTEM. ONE LAMINATED PLAN COPY AND ONE LAMINATED VALVE ZONE SCHEDULE MUST BE PLACED AT THE IRRIGATION CONTROLLER.
2.

CONTRACTOR SHALL INCLUDE BASE FLOW READING IN GALLONS PER MINUTE FOR EACH VALVE ZONE ON THE AS-BUILT IRRIGATION DRAWING.
3.

CONTRACTOR SHALL NOTE THE STATIC PRESSURE ON THE AS-BUILT IRRIGATION DRAWING.

4.

CONTRACTOR TO PROVIDE ONE IRRIGATION BINDER TO THE LA/OWNERS. AT FINAL WALK THROUGH, BINDER TO INCLUDE AS-BUILT IRRIGATION DRAWING, VALVE MAP, MANUFACTURER'S OPERATING INSTRUCTIONS AND WARRANTY AND REPAIR INFORMATION.
5.

CONTRACTOR TO PROVIDE AN IRRIGATION AUDIT REPORT (ALL PROJECTS UNDER 2500SF CAN BE CONDUCTED BY THE INSTALLING CONTRACTOR. FOR ALL PROJECTS OVER 2500 SF, A QUALIFIED CLIA IRRIGATION AUDITOR MUST BE HIRED.)

PLANTING NOTES
REFER TO GENERAL LANDSCAPE NOTES

GENERAL
THIS PLANTING DESIGN APPLIES HYDROZONE/XERISCAPE PRINCIPLES INCLUDING NATIVE AND LOW WATER USE PLANTS GROUPED WITH LIKE WATER AND SUN NEEDS. ANY SUBSTITUTIONS OR REVISIONS SHALL COMPLY WITH THESE PRINCIPLES AND BE APPROVED BY THE LA.

AS A SEPARATE LINE ITEM ON THE BID FORM, INCLUDE AN ALLOWANCE OF 15% FOR ADDITIONAL PLANTS.

PREPARATION
PLANTING SHALL BE PERFORMED BY PERSONS FAMILIAR WITH THIS TYPE OF WORK AND UNDER THE SUPERVISION OF A QUALIFIED PLANTING FOREMAN.

LANDSCAPE CONTRACTOR IS RESPONSIBLE FOR AMENDING SOIL IN ALL PLANTING AREAS AND BRINGING ALL PLANTING AREAS UP TO FINISH GRADE. SOIL MUST BE AMENDED BEFORE PLANTS ARE SET OUT.

IMPORTED TOPSOIL SHALL BE APPROVED BY LA. CONTRACTOR TO PROVIDE SOURCE AND TESTING DATA PRIOR TO DELIVERY TO THE SITE.

NOTIFY LA IF GOPHER BASKETS ARE ADVISED.

HARDSCAPE, IRRIGATION MAIN LINE AND EDGERS ARE TO BE INSTALLED AND ACCEPTED BY LA PRIOR TO SETTING PLANTS.

SOIL AMENDMENT
PROVIDE 2" COVER OF DIESTIL TURKEY MANURE (LYNGSO) OR APPROVED EQUAL, OVERALL PLANTED AREAS. INCORPORATE EVENLY INTO THE TOP 12" OF SOIL. AMEND PLANT PITS WITH SOIL MIX.

DO NOT TILL SOIL UNDER EXISTING TREE CANOPIES. AMEND NEW PLANT PITS ONLY.

SOIL MUST BE AMENDED PRIOR TO DELIVERY AND PLACEMENT PLANTS ON SITE. BILL OF LADING FOR AMENDMENTS SHALL SUBMITTED TO THE LANDSCAPE ARCHITECT FOR APPROVAL.

PLANTING
SELECT PLANT MATERIAL THAT IS HEALTHY, VIGOROUS, NATURAL IN FORM AND FREE OF PESTS AND DISEASE. ALL PLANT MATERIAL TO BE APPROVED BY THE LA PRIOR TO PLANTING.

ALL TREES SHALL BE ACCEPTED OR SELECTED BY LA PRIOR TO DELIVERY TO THE SITE. CONFIRM WITH LA METHOD OF APPROVAL; PHOTO APPROVAL OR NURSERY INSPECTION.

PLANT SELECTION HAS BEEN CAREFULLY COORDINATED WITH THE OWNER, WITH SPECIFIC VARIETIES BEING SELECTED FOR SPECIFIC REASONS. CONFIRM FINAL VARIETIES PRIOR TO ORDERING. IF SPECIES IS NOT INDICATED ON THE PLANT LIST, CONFIRM WITH LA PRIOR TO ORDERING. IF PLANT MATERIAL SPECIFIED IS NOT AVAILABLE, LA MAY SELECT ALTERNATIVE VARIETIES. NO UNAPPROVED SUBSTITUTIONS WILL BE ACCEPTED ON SITE.

PLANT MATERIAL LOCATIONS SHOWN ARE DIAGRAMMATIC AND MAY BE SUBJECT TO CHANGE IN THE FIELD BY THE LA BEFORE THE MAINTENANCE PERIOD BEGINS. LA RESERVES THE RIGHT TO MAKE MINOR ADJUSTMENTS IN TREE LOCATIONS AFTER PLANTING AND AT NO COST TO THE OWNER.

PLANT TREES BEFORE CONTAINER STOCK. PAINT OUT OR STAKE LOCATIONS OF TREES FOR APPROVAL PRIOR TO DIGGING TREE PITS.

DEEPLY SOAK EACH PLANT IN THE CONTAINER, PRIOR TO PLANTING. THEN THOROUGHLY SOAK THE PLANT PIT, AFTER PLANTING.

PLANT CROWNS ARE TO BE SET SLIGHTLY HIGHER THAN EXISTING GRADE, TO ENSURE POSITIVE DRAINAGE AND TO AVOID CROWN ROT. TREES ARE TO BE SET HIGHER THAN EXISTING GRADE TO ACCOMMODATE FOR SETTLING. CONFIRM HEIGHT WITH LA. ENSURE THAT SOIL IS BACKFILLED UNIFORMLY WITH NO AIR POCKETS BETWEEN ROOTBALL AND NATIVE SOIL.

REMOVE ALL EXISTING STAKES, TIES AND LABELS FROM PLANT MATERIAL, AT TIME OF PLANTING. LEAVE LABELS ON ROSES AND FRUIT TREES.

DOUBLE STAKE ALL TREES, 15 GALLON AND 24" BOX, WITH RUBBER & WIRE TREE TIES. USE THREE STAKES FOR LARGER TREES.

MULCH
FINISH ALL PLANTER AREAS WITH 3" MINIMUM OF FOREST FLOOR MULCH, OR APPROVED EQUAL. CONFIRM WITH LA PRIOR TO DELIVERY TO THE SITE.

LEAVE PLANTERS IN A CLEAN, SMOOTH CONDITION. HOLD MULCH BACK 2" FROM CROWN OF TREES. DO NOT BURY CROWNS.

ALL IRRIGATION LINE SHALL BE COVERED AND NO VISIBLE.

HILLSIDE PLANTINGS (25% SLOPE AND GREATER)
PREPARE PLANT PITS AS DETAILED AND INSTALL PLANTS AND SUB IRRIGATION LINES.

INSTALL JUTE MESH AFTER PLANTING OF LARGER CONTAINER PLANTINGS AND INSTALLATION OF SUB IRRIGATION.

PLANT SMALLER PLANT MATERIAL (1 GALLON AND SMALLER) AND SET SURFACE IRRIGATION AFTER INSTALLATION OF JUTE MESH.

MULCH ENTIRE AREA AFTER ALL PLANTING, IRRIGATION AND JUTE MESH ARE INSTALLED. COMPLETELY COVER MESH WITH A MINIMUM 3" OF MULCH.

SOD INSTALLATION
PREPARE SOIL AS DETAILED, INCLUDING SAND LAYER AND GOPHER WIRE.

CONFIRM SOD TYPE, PRIOR TO ORDERING.

THOROUGHLY SOAK AND ROLL SOIL TO SETTLE AND SMOOTH, PRIOR TO INSTALLATION OF SOD.
CONFIRM FINISH GRADE, RELATIVE TO PAVED AREAS, PRIOR TO INSTALLATION OF SOD.

KEEP SOD IRRIGATED AND MOWED THROUGH 30-DAY ESTABLISHMENT PERIOD.

SEEDING
TBD

SUBMITTALS
A. CONTRACTOR TO SUBMIT PLANT LIST PRIOR TO PURCHASING

B. CONTRACTOR TO PROVIDE BILL OF LADING/RECEIPTS FOR SOIL AMENDMENTS AND MULCH, PRIOR TO PLACING PLANTS.

C. CONTRACTOR TO SUBMIT COPIES OF SHIPPING ORDERS FOR ALL PLANT MATERIAL, TO CONFIRM VARIETIES OF PLANTS SHIPPED.

AT COMPLETION
REFER TO IRRIGATION NOTES & SPECIFICATIONS. ENSURE THAT IRRIGATION EMITTERS ARE PROPERLY PLACED SO THAT ROOT BALLS RECEIVE WATER AND CROWN OF PLANT WILL NOT ROT.

THE CONTRACTOR SHALL MAINTAIN ALL PLANTED STOCK FOR A PERIOD OF 30 DAYS AFTER FINAL ACCEPTANCE BY THE OWNER.

THE CONTRACTOR SHALL GUARANTEE A PERIOD OF 90 DAYS FOR CONTAINER STOCK AND TREES IN 24" BOX TREES AND LARGER SHALL BE GUARANTEED FOR ONE YEAR AFTER FINAL ACCEPTANCE BY THE OWNER.

PLEASE NOTE: FINAL IRRIGATION AND PLANTING INSTALLATION TO BE IN FULL COMPLIANCE WITH MILPITAS RESOLUTION NO 6066 EXHIBIT "A" HILLSIDE LANDSCAPING WATER CONSERVATION POLICY.

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VISTA RIDGE RESIDENCE

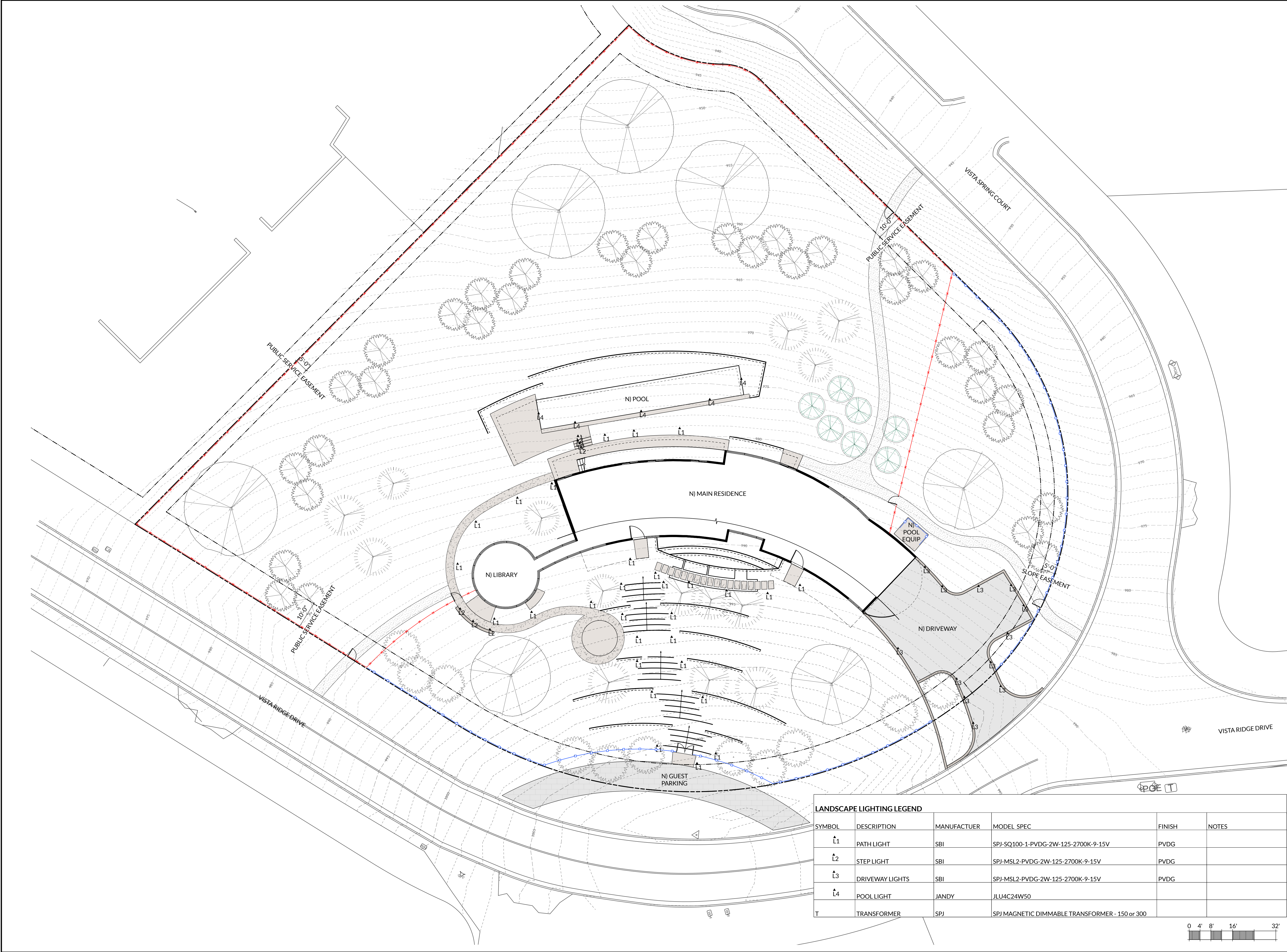
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APN: 042-30-022

DATE:	ISSUE:
△ 06.16.2023	PLANNING RESUBMITTAL
△ 08.18.2023	PLANNING REVISION 2

SCALE: 1/16" = 1'-0"

IRRIGATION & PLANTING NOTES

L0.32



LANDSCAPE LIGHTING LEGEND					
SYMBOL	DESCRIPTION	MANUFACTUER	MODEL SPEC	FINISH	NOTES
L1	PATH LIGHT	SBI	SPJ-SQ100-1-PVDG-2W-125-2700K-9-15V	PVDG	
L2	STEP LIGHT	SBI	SPJ-MSL2-PVDG-2W-125-2700K-9-15V	PVDG	
L3	DRIVEWAY LIGHTS	SBI	SPJ-MSL2-PVDG-2W-125-2700K-9-15V	PVDG	
L4	POOL LIGHT	JANDY	JLU4C24W50		
T	TRANSFORMER	SPJ	SPJ MAGNETIC DIMMABLE TRANSFORMER - 150 or 300		



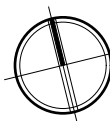
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08.18.2023	PLANNING REVISION 2

SCALE: 1/16" = 1'0"



LIGHTING PLAN

L0.40

Technical Details

INCLUDED ACCESSORIES

Every light includes a construction cover, robust installation tool and white and gray cosmetic trim rings.

SMALLER SIZE, MORE FLEXIBILITY

Up to eight inches shorter than our previous models, HydroCool™ lights are only 4½" (6W) or 5½" (12W and 24W) in length to fit even the narrowest walls for ultimate design flexibility.

MULTI-COLOR AND WHITE LIGHT OPTIONS

Color options for use with all major automation systems. In addition to Daylight White (5000K), Warm White (2700K) lights provide incandescent-like lighting and meet Dark Sky Community requirements.

WATTAGE SELECTOR GUIDE

POOL FINISH	Color Lights	ILLUMINATION DISTANCE		RECOMMENDED POWER (Watts)
		Up to 12 ft	Up to 16 ft	
Light		Up to 12 ft	Up to 16 ft	6
		12 – 20 ft	16 – 24 ft	12
		20 ft +	24 ft +	24
Medium		Up to 10 ft	Up to 14 ft	6
		10 – 16 ft	14 – 22 ft	12
		16 ft +	22 ft +	24
Dark		Up to 8 ft	Up to 12 ft	6
		8 – 12 ft	12 – 20 ft	12
		12 ft +	20 ft +	24

Visit Jandy.com for part numbers and full list of available models.

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Forever Bright

SPECIFICATION FEATURES

Finish: Our naturally etched finishes will withstand the test of time. All finishes are individually treated insuring consistency. Our meticulous application results in a fixture that truly becomes "a one of a kind".

Electrical: Available in 9-15V or 120V

Labels: ETL Standard Wet Label
C-ETL

Recessed Fixture

DESCRIPTION

Model#: SPJ-MSL2
Engine: FB-2WREC-TA-2-B-2700K
Wattage: 2W
Lumens: 125
Color Temp: 2700K
Electrical: 9-15V, 120V
LED: Nichia

ORDERING INFORMATION

Model#	Finishes	Wattage	Lumens	Color Temp.	Electrical
SPJ-MSL2	PVDG	2W	125	2700K	9-15V

V = Verde M = Moss AG = Aged Brass MBR = Matte Bronze SB = Satin Brass GM = Gun Metal B = Black R = Rusty PVP = PVD Polished PVDG = PVD Graphite

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4
L0.41

POOL LIGHT-L4
Scale: NTS

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SPECIFICATION FEATURES

Finish: Our naturally etched finishes will withstand the test of time. All finishes are individually treated insuring consistency. Our meticulous application results in a fixture that truly becomes "a one of a kind".

Electrical: Available in 9-15V or 120V

Labels: ETL Standard Wet Label
C-ETL

Recessed Fixture

DESCRIPTION

Model#: SPJ-MSL2
Engine: FB-2WREC-TA-2-B-2700K
Wattage: 2W
Lumens: 125
Color Temp: 2700K
Electrical: 9-15V, 120V
LED: Nichia

ORDERING INFORMATION

Model#	Finishes	Wattage	Lumens	Color Temp.	Electrical
SPJ-MSL2	PVDG	2W	125	2700K	9-15V

V = Verde M = Moss AG = Aged Brass MBR = Matte Bronze SB = Satin Brass GM = Gun Metal B = Black R = Rusty PVP = PVD Polished PVDG = PVD Graphite

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3
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DRIVEWAY LIGHT-L3
Scale: NTS

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SPECIFICATION FEATURES

Finish: Our naturally etched finishes will withstand the test of time. All finishes are individually treated insuring consistency. Our meticulous application results in a fixture that truly becomes "a one of a kind".

Electrical: Available in 9-15V or 120V

Labels: ETL Standard Wet Label
C-ETL

Recessed Fixture

DESCRIPTION

Model#: SPJ-MSL2
Engine: FB-2WREC-TA-2-B-2700K
Wattage: 2W
Lumens: 125
Color Temp: 2700K
Electrical: 9-15V, 120V
LED: Nichia

ORDERING INFORMATION

Model#	Finishes	Wattage	Lumens	Color Temp.	Electrical
SPJ-MSL2	PVDG	2W	125	2700K	9-15V

V = Verde M = Moss AG = Aged Brass MBR = Matte Bronze SB = Satin Brass GM = Gun Metal B = Black R = Rusty PVP = PVD Polished PVDG = PVD Graphite

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2
L0.41

STEP LIGHT-L2
Scale: NTS

Forever Bright

SPECIFICATION FEATURES

Finish: Our naturally etched finishes will withstand the test of time. All finishes are individually treated insuring consistency. Our meticulous application results in a fixture that truly becomes "a one of a kind".

Electrical: Available in 9-15V

Labels: ETL Standard Wet Label
C-ETL

Contemporary Path Light

DESCRIPTION

Model#: SPJ-SQ100-1
Material: Solid Brass
Engine: FB-2WREC-TA-2-B-2700K
Wattage: 2W
Lumens: 125
Color Temp: 2700K
Mounting: 1/2" NPT
LED: Nichia

ORDERING INFORMATION

Model#	Finishes	Wattage	Lumens	Color Temp.	Electrical
SPJ-SQ100-1	PVDG	2W	125	2700K	9-15V

V = Verde M = Moss AG = Aged Brass MBR = Matte Bronze RC = Raw Copper GM = Gun Metal B = Black R = Rusty PVP = PVD Polished PVDG = PVD Graphite

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1
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PATH LIGHT-L1
Scale: NTS

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08.18.2023	PLANNING REVISION 2

SCALE: AS NOTED

LIGHTING CUT SHEETS

L0.41

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CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Waive the Second Reading and Adopt Ordinance No. 38.854 Amending the Zoning Code Contained in Title XI, Chapter 10, Section 3.03 of the Milpitas Municipal Code to Allow a Zoning Designation Change of a Certain Parcel (APN 022-38-007) Within the Zoning Map (Staff Contact: Jay Lee, Planning Director, 408-586-3077; and Lillian VanHua, Senior Planner, 408-586-3073)
Category:	Consent Calendar-Community Development
Meeting Date:	12/5/2023
Recommendation:	Move to waive the second reading and adopt Ordinance 38.854 amending the Zoning Code contained in Title XI, Chapter 10, Section 3.03 of the Milpitas Municipal Code to allow a Zoning Designation change of a Certain Parcel (APN 022-38-007), located on the west side of California Circle, from the MP Industrial Park Zoning District to the MXD Mixed Use Zoning District.

BACKGROUND:

This Ordinance was introduced at the City Council meeting held on November 7, 2023. The Ordinance is now ready for its second reading and adoption.

The proposed rezoning will allow the development of a multi-family residential project consisting of 13 residential buildings, up to 51 feet in height, and one residential apartment building, up to 78 feet in height, for a total of 206 residential units. A General Plan Text Amendment, Site Development Permit, Conditional Use Permit, Vesting Tentative Map, Density Bonus Permit, and Tree Removal Permit for this project were approved at the November 7, 2023 City Council meeting.

ANALYSIS:

Waiving the second reading is commonplace for ordinances previously considered by the Council and returning for adoption without substantial changes from the initial introduction.

FISCAL IMPACT:

Given the potential impact of the Project being located within an existing industrial zone, a Fiscal Impact Analysis was completed. Economic & Planning Systems' (EPS) Fiscal Impact Analysis found that the City would financially benefit from the Project and related zone change. Moreover, the annual net positive impact on the General Fund is expected to be \$169,000.

The City expects to see this annual net positive impact on the General Fund following full project construction.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

An environmental assessment was conducted according to the California Environmental Quality Act of 1970 (CEQA), as amended, and state guidelines implementing CEQA. The City prepared the DEIR and circulated this document for the required 45-day public review on July 7, 2023. The public review period ended on August 21, 2023. A public comment meeting on the DEIR was held on August 3, 2023. The CEQA Clearinghouse project number is: 2022110251.

The DEIR identified the following significant and unavoidable environmental impacts related to aesthetics:

- **Impact AES-1:** The Project would develop multiple structures at a maximum building height that is greater than the existing building structures on-site. Accordingly, this increase in height would result in significant view blockages of public scenic resources (i.e., the eastern open hillsides) from public

viewpoints, specifically for bicyclists travelling northbound along Coyote Creek Trail, and motorists travelling southbound along McCarthy Boulevard. As such, the Project would result in substantial adverse effects to scenic vistas, and the impact would be significant and unavoidable.

The contents of the Final EIR include the Draft EIR, comments received during the public comment period on the Draft EIR, and responses to comments. The Final EIR included Findings of Fact along with a Statement of Overriding Considerations and the Mitigation Monitoring Program (MMP) for the Project.

Given that significant and unavoidable impacts would remain with respect to aesthetics, a Statement of Overriding Considerations has been prepared. On November 7, 2023, the City Council approved a Resolution certifying the EIR, approving the Mitigation Monitoring Program and made findings that while there are significant unavoidable impacts, there are other economic, legal, social, technological, environmental, and other considerations that outweigh these impacts and warrant approving the Project.

RECOMMENDATION:

Move to waive the second reading and adopt Ordinance No. 38.854 amending the Zoning Code contained in Title XI, Chapter 10, Section 3.03 of the Milpitas Municipal Code to allow a Zoning Designation change of a Certain Parcel (APN 022-38-007), located on the west side of California Circle, from the MP Industrial Park Zoning District to the MXD Mixed Use Zoning District.

ATTACHMENT(S):

(a) Ordinance No. 38.854

REGULAR

NUMBER: 38.854

TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING THE ZONING CODE CONTAINED IN TITLE XI, CHAPTER 10, SECTION 3.03 OF THE MILPITAS MUNICIPAL CODE TO ALLOW A ZONING DESIGNATION CHANGE OF A CERTAIN PARCEL WITHIN THE ZONING MAP

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of November 7, 2023 upon motion by Vice Mayor Chua 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:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Michael Mutalipassi, City Attorney

RECITALS AND FINDINGS:

WHEREAS, on April 12, 2022, Pulte Homes Company LLC (Applicant) submitted an application to the City of Milpitas requesting a General Plan Text Amendment, Zoning Map Amendment, Site Development Permit, Conditional Use Permit, Vesting Tentative Map, Density Bonus Permit, Tree Removal Permit, and Environmental Assessment to allow the development of a multi-family residential project consisting of 13 residential buildings, up to 51 feet in height, and one residential apartment building, up to 78 feet in height, for a total of 206 residential units. The project will also include 393 vehicle parking spaces, a 0.32-acre internal park, and associated site improvements on a 6.7-acre site at 1355 California Circle (Project). The project thus consists of and requires:

- a. General Plan Text Amendment No. GP22-0001: To remove language associated with the California Circle Specific Plan within the General Plan 2040 by amending the Neighborhood Commercial Mixed-Use (NCMU) designation (pg. LU-6), removing the “California Circle Specific Plan Overlay” statement (pg. LU-8) and amending Action LU-2b (pgs. LU-17 and LU-18); and
- b. Zoning Map Amendment No. ZA22-0001: To amend the zoning map to change the property zoning designation from Industrial Park (MP) to Mixed-Use District (MXD); and for the property identified as 1355 California Circle (APN 022-38-007); and
- c. Site Development Permit No. SD22-0003: To allow the development of a multi-family residential project consisting of 13 residential buildings, up to 51 feet in height, and one residential apartment building, up to 78 feet in height, for a total of 206 residential units on a 6.7-acre site; and
- d. Conditional Use Permit No. UP22-0001: To allow residential units as condominiums and associated subdivision, and tandem parking configuration; and
- e. Vesting Tentative Map No. MT22-0011: To establish 14 lots, 131 residential condominium spaces and related common areas; and
- f. Density Bonus Permit No. DB22-0003: To ensure compliance with State Density Bonus law and regulations and grant modification of the distribution requirements so affordable units can be constructed in the apartment building only; and
- g. Tree Removal Permit No. TR23-0021: To remove 27 ordinance-sized trees and replace them with 269 new trees.

WHEREAS, pursuant to the California Environmental Quality Act (Public Resources Code, § 21000 et seq.), the State CEQA Guidelines (California Code of Regulations, title 14, § 15000 et seq.) (Collectively, “CEQA”), the City of Milpitas is the lead agency for the proposed Project described above; and

WHEREAS, General Plan (GP) Amendment No. GP22-0001 proposes an amendment within the City of Milpitas General Plan Text to allow for changes associated with policy direction for the Neighborhood Commercial Mixed-Use (NCMU) general plan land use designation and the reference of a future California Circle Specific Plan. Such proposed Amendment has been initiated by resolution for approval by the City Council, separate from this Ordinance; and

WHEREAS, Zoning Map Amendment No. ZA22-0001 proposes an amendment within the City of Milpitas Zoning map to change of zoning designation from Industrial Park (MP) to Mixed Use District (MXD) for APN 022-38-007, which has been initiated by this Ordinance; and

WHEREAS, on October 11, 2023, the Planning Commission held a duly-noticed public hearing on the subject application and associated project, and considered evidence presented by City staff, the

applicant, and other interested parties and recommended the City Council approve the proposed amendments; and

WHEREAS, per Milpitas Municipal Code § XI-10-57.02(G)(3), the City Council finds the Zoning Map Amendment set forth herein to be consistent with the General Plan because the proposed zoning (MXD) is an implementing zoning district of the existing Neighborhood Commercial Mixed Use (NCMU) general plan designation; and

WHEREAS, per Milpitas Municipal Code § XI-10-57.02(G)(3), the City Council likewise finds that the Zoning Code Amendment set forth herein will not adversely affect the public health, safety and welfare because the zoning map amendment will implement a land use designation that is consistent with the permitted general plan land use designation. An environmental consultant has reviewed the project and that traffic, environmental impacts, access to essential services, and community well-being will not be impacted in a manner that would significantly affect public health, safety and welfare. If the project is developed, it has been conditioned to comply with federal, state, and local laws and regulations related to public health, safety, and welfare. This includes zoning ordinances, building codes, environmental regulations, and safety standards; and

WHEREAS, on November 7, 2022 the City Council held a duly-noticed public hearing on the proposed action, and considered evidence presented by City staff and other interested parties; and

WHEREAS, the City Council finds that with approval (by separate resolution) of the General Plan Text Amendment No. GP22-0001, and the adoption (by this ordinance) of Zoning Map Amendment No. ZA22-0001, the General Plan Map and Zoning Map will be internally consistent; and

WHEREAS, prior to taking action on this Ordinance, the City Council has taken separate action by resolution to certify the 1355 California Circle Project EIR (State Clearinghouse No. 2022110251) associated with the Project.

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. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XI, CHAPTER 10, SECTION 3.03

Title XI, Chapter 10, Section 3.03 ("Zoning Map"), Table XI-10-6.04-1 is hereby amended, as attached hereto in **Exhibit 1**.

SECTION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT

The adoption of this Ordinance is under the authority of the 1355 California Circle Project EIR (EIR)(State Clearinghouse No. 2022110251); that was prepared to conform to the requirements of the California Environmental Quality Act (CEQA), the CEQA Guidelines (Title 14, California Code of Regulations §15000 et seq.) and the regulations and policies of the City of Milpitas. The purpose of this EIR is, among other things, to provide objective information regarding the environmental consequences of the

proposed Project to the decision makers and the public and to identify measures to substantially lessen or avoid significant adverse environmental effects of the project.

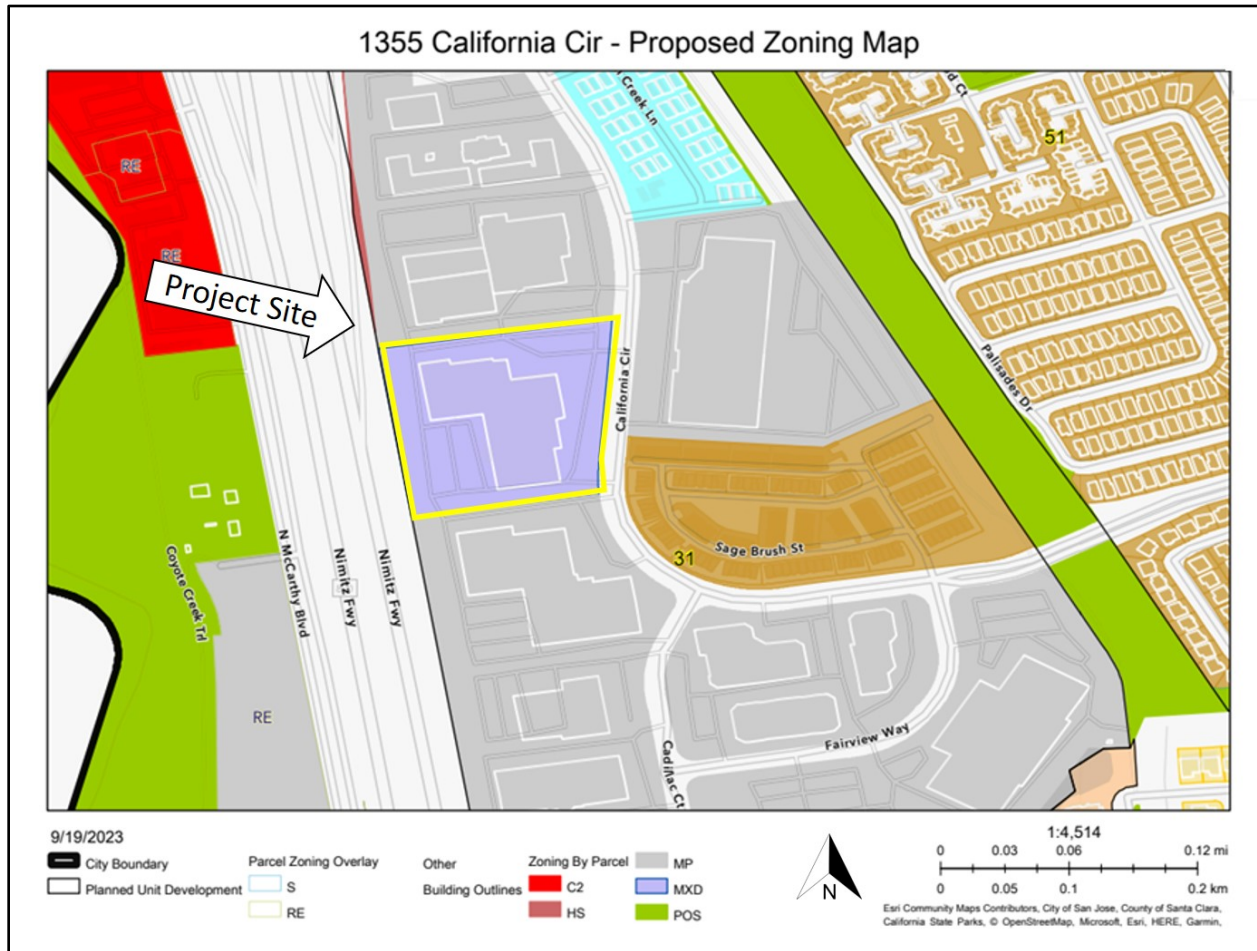
SECTION 4. SEVERABILITY

The provisions of this Ordinance are severable, and the invalidity of any phrase, clause, provision or part shall not affect the validity of the remainder.

SECTION 5. 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 Clerk of the City of Milpitas shall cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.

Exhibit 1: Zoning Map





CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive an Update on Storm Drain System Emergency Repairs and Improvements at Evans Road and Piedmont Creek and Determine that the Condition Continues to Constitute an Emergency (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	12/5/2023
Recommendation:	(1) Receive an update on the storm drain system emergency repairs and improvements at Evans Road and Piedmont Creek (in the amount of \$137,519); and (2) Determine by a four-fifths vote that the condition continues to constitute an emergency.

Background:

Pursuant to Public Contract Code section 22050 and the attached [Council Resolution No. 9134](#), the Director of Public Works, in the case of emergency, may authorize a repair of a public facility and procure the work without giving notice for bids. An emergency is defined as “a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.” Additionally, State law requires the Public Works Director, as the City official with delegated authority to take emergency action, to report any emergency authorization and the reason(s) for the authorization to the City Council not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action. Further, the Public Works Director is required to report why the emergency would not permit a delay resulting from a competitive solicitation for bids and the City Council is required to review the emergency action at every regularly scheduled meeting thereafter until the emergency repair is completed. The City Council shall continue to review the emergency action at every regularly scheduled meeting thereafter until the action is terminated. At each review, the City Council shall determine, by a four-fifths vote, whether there is a need to continue the action.

Analysis:

Consistent with applicable State law and Council Resolution, on November 21, 2023, the Public Works Director declared an emergency and authorized the City to contract with local contractor, Able Construction Inc., for the storm drain system emergency repairs and improvements at Evans Road and Piedmont Creek. Further, within the required timeframe the Public Works Director informed the City Council via the attached [Information Memorandum](#) on November 21, 2023 regarding the emergency authorization, the reasons for the authorization, and the cost for repair in the amount of \$137,519.

Staff is currently working with the contractor to execute contracts and finalize repair timeline based on parts and equipment availability.

Fiscal Impact:

Funding for these repairs is available in the City’s Capital Improvement Program (CIP) budget. CIP Project 3715 - Storm Drain System Rehabilitation Project will fund \$137,519 for the storm drain system emergency repairs and improvements at Evans Road and Piedmont Creek. As of November 24, 2023, the balance in CIP 3715 is \$1,611,359.

California Environmental Quality Act:

The emergency repair work is exempt from CEQA, per CEQA Guidelines Section 15301, Existing Facilities and 15302, Replacement or Reconstruction. Moreover, the project is an emergency repair to publicly or privately

owned service facilities necessary to maintain service essential to the public health, safety or welfare and is exempt from CEQA pursuant to Cal. Code Regs., tit. 14, § 15269.

Recommendations:

1. Receive an update on the storm drain system emergency repairs and improvements at Evans Road and Piedmont Creek.
2. Determine by a four-fifths vote that the condition continues to constitute an emergency.

Attachment:

Emergency Declaration – Storm Drain System Repairs and Improvements at Evans Road and Piedmont Creek
Memorandum

MEMORANDUM

Public Works Department



DATE: November 21, 2023

TO: Mayor and Council

FROM: Ned Thomas, City Manager

THROUGH: Christian Di Renzo, Public Works Director

SUBJECT: Emergency Declaration – Storm Drain System Repairs and Improvements at Evans Road and Piedmont Creek

This memorandum serves to inform the City Council about two emergency storm drain system improvement projects that will need to be completed in advance of this year's rainy season. Project #1 includes repairing and rehabilitating an existing storm drain pipeline and inlet structure, which are corroded and can no longer convey stormwater. This project is located on the north side of Evans Road adjacent to Michael Street. Project #2 includes replacing weirs and riprap along Piedmont Creek, within the creek bed. This project is located along Piedmont Road, immediately south of Aguilar Court.

Pursuant to Public Contract Code section 22050 and [Resolution No. 9134](#), the Public Works Director is authorizing immediate emergency repairs and dispensing with public bidding requirements.

Background

During the winter of 2022, the San Francisco Bay region experienced twelve atmospheric rivers which culminated into higher-than-average stormwater runoff into the City's storm drain system network (System). The System, which is currently unfunded and, as a result, aging and deteriorating, experienced failures throughout the winter season. The City's operations and maintenance (O&M) staff took precautions to mitigate the adverse impacts resulting from System deficiencies, however, the two locations comprising this emergency declaration experienced failures which exceeded the operational capacity of O&M staff and stretched thin the resources available to adequately perform preventative maintenance on other parts of the System (refer to accompanying pictures).

The National Weather Service has stated a Super El Niño is anticipated to continue through the Northern Hemisphere spring (with an 80% chance during March-May 2024). This type of system is expected to produce more frequent storm events with higher-than-average intensities. Due to the existing deficiencies and greater likelihood of additional failures at these two locations in the System, any one significant storm event presents considerable safety concerns to the public and City O&M staff.

Project #1 - Evans Road Storm Drain Replacement Project

The storm drain system on Evans Road, for a section adjacent to the inlet structure, comprises of a corrugated metal pipe, 30-inches in diameter, conveying stormwater runoff from the

455 E. Calaveras Blvd., Milpitas, CA 95035

www.milpitas.gov

hillside. The pipe drains into an inlet connected to the City's valley floor System, which is pumped into local creeks and ultimately to the lower San Francisco Bay. The pipe is extremely brittle due to corrosion and therefore susceptible to failures. At present, a section of the pipe along the invert connecting to the inlet structure has washed out and is no longer a closed conduit, therefore unable to adequately convey water. Consequently, stormwater flows out of the pipe before reaching the inlet and floods Evans Road and adjacent streets.

Project #2 - Piedmont Creek Weir and Riprap Rehabilitation Project

Piedmont Creek originates in the hillside and flows downstream towards Piedmont Road. For its entire length, Piedmont Creek, including a section along Piedmont Road, is a natural, unlined creek bed until it reaches its point of terminus south of Aguilar Court, where it drains into an inlet connected to the City's valley floor System. Natural creeks rely on tree and plant roots to reduce the rate of flow and prevent the creek banks from eroding or washing out. Piedmont Creek lacks these natural features therefore, during rain events which produce high rates of runoff, the volume of water in the creek combined with the high rate of flow washes out soils and vegetation from the hillside and deposits them at the base of the creek along Piedmont Road. The remainder of the sediment and debris flow to the System inlet which clogs the inlet and downstream piping, resulting in the localized flooding of Piedmont Road and adjacent streets. In 1999 the City initiated a project to install weirs and riprap along sections of Piedmont Creek to mitigate this hazard. The project included obtaining easements from private property owner(s) to build a maintenance road from Piedmont Road to the creek. The project was subsequently completed and requires on-going maintenance to monitor and replace sections of weir and riprap as needed. Due to insufficient funds, this maintenance work has not been performed on a recurrent schedule and the riprap and weirs have either failed or washed out and need to be replaced.

Discussion

Pursuant to Public Contract Code section 22050 and [Resolution No. 9134](#), the Director of Public Works, in case of emergency, may authorize a repair of a public facility and procure the work without giving notice for bids to let contracts. An emergency is defined as "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services." Additionally, State law requires the Public Works Director, as the City official with delegated authority to take emergency action, to report any emergency authorization and the reason(s) for the authorization to the City Council not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action. The Public Works Director will provide the City Council with an update on the emergency repairs at the December 5th City Council meeting. The City Council is required to review the emergency action at every regularly scheduled meeting thereafter until the emergency repair is completed. At each review, the City Council shall determine, by a four-fifths vote, whether there is a need to continue the action.

The City's Public Works Engineering Division, in concert with O&M staff, investigated the failures at both locations and developed a viable and cost-effective solution. The projects were designed in summer 2023 and plans were distributed to local contracting firms to obtain cost estimates. The City received interest for the project from one local contractor, Able

Construction Inc., who provided cost estimates for completing the work in accordance with the project plans.

Due to the existing condition of the System at these two locations and the likelihood of persistent flooding in the coming winter season and, as authorized by [Resolution No. 9134](#), the Public Works Director will be authorizing an agreement with Able Construction Inc., for the following scope of work:

DRAFT SCOPE OF WORK	Cost Estimates
Evans Road Storm Drain Replacement Project	
Replace Storm Drain Piping	\$ 27,296
Repair Storm Drain Inlet Structure	\$ 21,423
Evans Road Sub-Total	\$ 48,719
Piedmont Creek Weir and Riprap Rehabilitation Project	
Construct Weirs and Channel Protection	\$ 88,800
PW/IT PD Sub-Total	\$ 88,800
TOTAL PROJECT COST	\$137,519



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive an Update on the Emergency Repairs to the HVAC System and Equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings (Staff Contact: Christian DiRenzo, Public Works Director, 408-586-2602)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	12/5/2023
Recommendation:	1) Receive an update on the emergency repairs to the HVAC system and equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings; and 2) Approve the termination of the emergency declaration.

BACKGROUND:

Pursuant to Public Contract Code section 22050 and the attached [Council Resolution No. 9134](#), the Director of Public Works, in the case of emergency, may authorize a repair of a public facility and procure the work without giving notice for bids. An emergency is defined as “a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.” Additionally, State law requires the Public Works Director, as the City official with delegated authority to take emergency action, to report any emergency authorization and the reason(s) for the authorization to the City Council not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action. Further, the Public Works Director is required to report why the emergency would not permit a delay resulting from a competitive solicitation for bids and the City Council is required to review the emergency action at every regularly scheduled meeting thereafter until the emergency repair is completed. The City Council shall continue to review the emergency action at every regularly scheduled meeting thereafter until the action is terminated. At each review, the City Council shall determine, by a four-fifths vote, whether there is a need to continue the action.

Consistent with applicable State law and Council Resolution, on April 27, 2023, the Public Works Director declared an emergency and authorized the City to contract with its existing HVAC maintenance contractor, Environmental Systems Inc. (ESI), for the emergency repairs to the HVAC system at City Hall and the Public Works, Information Technology and Police Department buildings. The [Information Memorandum](#) issued on that date outlined the various equipment issues and provided a cost estimate of \$ 899,300.

STATUS UPDATE:

All emergency repairs have been completed for the HVAC systems at City Hall and Public Works, Information Technology and Police Department Buildings. Accordingly, the Public Works Director is hereby terminating the emergency declaration. The total cost for the repairs was \$899,300.

FISCAL IMPACT:

Funding for these repairs was encumbered in the City’s Capital Improvement Program (CIP) budget in CIP Project 3499 - HVAC Systems Repairs for \$620,000 for the upgrades to the Building Management System (BMS) and Variable Air Flow (VAV) boxes at both buildings. The remaining repairs were encumbered in CIP Project 3406 – City Building Improvements in the amount of \$279,300.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The emergency repair work is exempt from CEQA, per CEQA Guidelines Section 15301, Existing Facilities and 15302, Replacement or Reconstruction.

RECOMMENDATION:

1. Receive an update on the emergency repairs to the HVAC system and equipment at City Hall and at the Public Works/Information Technology/Police Department Buildings; and
2. Approve the termination of the emergency declaration.

ATTACHMENT(S):

None



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve and Authorize the City Manager to Execute an Agreement with Imperial Maintenance Services, Inc. For a Five-Year Term in an Amount Not-to-Exceed \$2,486,863.50 to Provide Janitorial Services for City Facilities, Subject to Annual Appropriation of Funds (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	12/5/2023
Recommendation:	1. Approve and authorize the City Manager to execute an agreement with Imperial Maintenance Services, Inc. for a five-year term in an amount not-to-exceed \$2,486,863.50 to provide janitorial services for city facilities, subject to the annual appropriation of funds; and 2. Approve a budget amendment to appropriate \$50,000 to the Department of Public Works FY 2023-24 Operating Budget.

BACKGROUND:

The Public Works Facilities Division is responsible for the maintenance of 12 City-owned buildings that require janitorial services, five (5) of which are serviced via contract: City Hall, Sports Center, Library Parking Garage, Fire Station #1 Administration, and the Public Works Administration and Corp Yard.

On December 11, 2018, the City entered into a contract with Nova Commercial, Inc. to perform janitorial services for city facilities for a five-year contract term which is set to expire on January 6, 2024. In order to provide continued janitorial services for city buildings, a Request for Proposals (RFP) was issued to solicit proposals from qualified vendors. The bid included a base bid of the five (5) existing buildings, add alternates for the remaining seven (7) buildings¹, as well as requesting quotes for the provision of day porter services. The base bid estimates range from \$1,989,028 to \$3,692,929 for a five (5) year term. The add alternate locations that were advertised were deemed too cost-prohibitive (and therefore will continue to be maintained by staff) to include in the award. Prices for these additional sites ranged from a low of \$1,861,004 to a high of 3,037,728 for a five (5) year term.

ANALYSIS:

On October 24, 2023, the City issued RFP 24-036 for Janitorial Services for city facilities. The RFP was publicly noticed in accordance with the City's municipal code and advertised on the city's website. A mandatory bid walk was held on November 1, 2023, with nineteen (19) contractors in attendance. Ten (10) bids were received at the bid close on November 10, 2023. Five (5) of the bids were disqualified for being non-responsive with the required submittals. Five (5) bids were reviewed and rated with Imperial Maintenance Services, Inc. receiving the top rating with a final score of 81.83.

The evaluation committee reviewed proposals based on the following weighted criteria:

1. Overall proposal – 10%
2. Technical competence and experience – 20%
3. Proposed compensation – 25%

¹ Add alternate sites included: Police Department, Fire Department Trailer, Community Center, Senior Center, Jose Higuera Adobe, and the Sal Cracolice Building.

4. Operation plan – 30%
5. Financial condition and resources – 10%
6. References – 5%

Bid Proposal Scoring

	Bid Proposer	Final Score
1	Imperial Maintenance Services, Inc	81.83
2	Quality Cleaning Professionals, LLC	68.5
3	Nova Commercial Co, Inc	68.17
4	Executive Facility Services, Inc	64.17
5	Karla's Janitorial & Suppliers, LLC	58.67
6	EcoBrite Services	Disqualified
7	Impec Group, LLC	Disqualified
8	Joncowest	Disqualified
9	Premier Property Preservation, LLC	Disqualified
10	Z&C Services	Disqualified

Bid Proposal Cost

	Bid Proposer	Base Bid Total Cost (5-Year)
1	Imperial Maintenance Services	\$1,989,028.50
2	Karla's Janitorial & Suppliers, LLC	\$2,206,646.40
3	Quality Cleaning Professionals, LLC	\$2,472,834.00
4	Nova Commercial Co, Inc	\$2,819,928.76
5	Executive Facility Services, Inc	\$3,058,179.48

In addition to the routine services for the five (5) City buildings (and the remaining seven buildings as add alternates), staff had also solicited day porter services to enhance cleaning throughout all the sites. Imperial Maintenance Services, Inc.'s proposal for day porter services \$497,835 over a five (5) year contract term. The proposed day porter service would be provided Monday-Friday from 6:30am-3:30pm to address any janitorial emergencies, restocking of restrooms, and ensure that all facilities are attended to until staff begin their custodial shift at 2PM each afternoon. The day porter service is not restricted to the five base bid buildings but, rather, will be provided to all 12 buildings. There is currently little, if any, janitorial services being provided throughout the facilities for much of the day until staff begin their shift so this is deemed to be a favorable service enhancement.

Staff recommends the City Council award the contract for janitorial services to Imperial Maintenance Services, Inc. to include the base bid and day porter services as an add alternate and authorize the City Manager to execute the agreement in an amount not to exceed \$2,486,863.50. The pricing proposal is subject to annual adjustments of up to 5% in years 2-5 whereas the price increase is 1.8% between years 1 and 2.

POLICY ALTERNATIVE(S):

Alternative 1: Reject all bids and re-issue an RFP for janitorial services for City facilities.

Pros: None

Cons: Would result in a lag of janitorial services between the expiration of the current contract and the execution of a new one. Current staffing levels are inadequate to address this void.

Reason for Not Recommending: Not proceeding with the janitorial services would have an impact on the various departments operating within the buildings as well adversely affecting citizens visiting said facilities.

FISCAL IMPACT:

There is \$388,133.00 budgeted for janitorial services in the FY 2023-24 Public Works Operating Budget, though \$197,834.58 has been encumbered for Nova Commercial Co., Inc. to provide janitorial services through January 5, 2024. For the remainder of FY 2023-24 it is estimated that an additional \$50,000 will need to be appropriated to the Department of Public Works Operating Budget in order to accommodate the increase due to the recommended contract award to Imperial Maintenance Services, Inc. Funding for the remaining years of this contract will be subject to annual appropriations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action is continuing administrative or maintenance activity and is not a project pursuant to Cal. Code Regs., tit. 14, § 15378.

RECOMMENDATION:

1. Approve and authorize the City Manager to execute an agreement with Imperial Maintenance Services, Inc. for a five-year term in an amount not-to-exceed \$2,486,863.50 to provide janitorial services for city facilities, subject to the annual appropriation of funds; and
2. Approve a budget amendment to appropriate \$50,000 to the Department of Public Works FY 2023-24 Operating Budget.

ATTACHMENT(S):

- (a) Agreement
- (b) 24-036 Bid Tab
- (c) Budget Change Form

CITY OF MILPITAS
AGREEMENT FOR JANITORIAL SERVICES

1. PARTIES AND DATE.

This Agreement for **Janitorial Services** ("Agreement") is made and entered into as of _____ ("Effective Date") by and between the City of Milpitas, a municipal corporation organized under the laws of the State of California with its principal place of business at 455 E. Calaveras Boulevard, Milpitas, California 95035 ("City") and **Imperial Maintenance, Inc.**, a stock corporation with its principal place of business at **8830 Cherry Hills Place, Stockton, CA 95209** ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. RECITALS.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provision of certain janitorial services required by City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing janitorial services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Contractor to render such services for the **24-036 Janitorial Services** project ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the services and advice on various issues affecting the decisions of City regarding the Project and on other programs and matters affecting City ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term.

The term of this Agreement shall be from **the date first written above** through **January 7, 2029**, 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.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee of City. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel

performing the Services under this Agreement on behalf of Contractor shall also not be employees of City and 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 of Services under this Agreement 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, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Contractor represents that it has the skilled personnel required to perform the Services in conformance with such conditions. In order to facilitate Contractor's conformance with the Schedule, City shall respond to Contractor's submittals in a timely manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence and experience upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to City, or who are determined by City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by Contractor at the request of City. The key personnel for performance of this Agreement are as follows: **Alfonso Solis.**

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

3.2.6 Contractor's Representative. Contractor hereby designates **Alfonso Solis**, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Agreement. Contractor's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, contractors and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by contractors in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the calling necessary to perform the Services. Contractor

warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services 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 Services, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from City, any services necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein, and shall be fully responsible to City for all damages and other liabilities provided for in the indemnification provisions of this Agreement arising from the Contractor's errors and omissions.. Any employee of Contractor or its subcontractors who is determined by City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to City, shall be promptly removed from the Project by Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 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 Project or the Services, 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 Services. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance. Contractor 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, Contractor shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required therein.

3.2.11 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, 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: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Million Four Hundred Eighty-Six Thousand Eight Hundred Sixty-Three Dollars and Fifty Cents (\$2,486,863.50)** without written approval of City's City Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within forty-five (45) days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 California Labor Code Requirements

(a) Contractor 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 \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor 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 Contractor and all subcontractors 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 Contractor and all subcontractors performing such Services must be registered with the Department of Industrial Relations. Contractor shall maintain registration for the duration of the Project and require the same of any subcontractors, 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 Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Services, 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 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.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred and fees charged under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

(a) Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been fully and adequately rendered to City through the effective date of the termination, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

(b) Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data, as defined below, and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

(c) Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

Imperial Maintenance Services, Inc.
8830 Cherry Hills Place
Stockton, CA 95209
Attn: Alfonso Solis

City:

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

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after

deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.4 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all costs of such action.

3.5.5 Indemnification. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold 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, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, subcontractors and subcontractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages, attorneys' fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its officials, officers, employees, agents or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs, including reasonable attorneys' fees, 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 City or its officials, officers, employees, agents or volunteers. This Section 3.5.5 shall survive any expiration or termination of this Agreement.

3.5.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be supplemented, amended or modified by a writing signed by both Parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Santa Clara County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 City's Right to Employ Other Contractors. City reserves the right to employ other Contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.13 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

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

3.5.16 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.17 Prohibited Interests. 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 Agreement, no member, 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.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. 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. Contractor shall also comply with all relevant provisions of any minority business enterprise program, affirmative action plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.19 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California 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 agrees to comply with such provisions before commencing the performance of the Services.

3.5.20 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the

individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.22 Employment Adverse to City. Contractor shall notify City, and shall obtain City's written consent, prior to accepting work to assist with or participate in a third-party lawsuit or other legal or administrative proceeding against City during the term of this Agreement.

3.5.23 Conflict of Employment. Employment by Contractor of personnel currently on the payroll of City shall not be permitted in the performance of this Agreement, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by Contractor of personnel who have been on City's payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon Contractor securing this or related Agreements with City, is prohibited.

3.5.24 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification and confidentiality obligations, and the obligations related to receipt of subpoenas or court orders, shall survive any such expiration or termination.

3.5.25 Subcontracting. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.5.26 Wage Theft Prevention

(a) Contractor, and any subcontractor 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, 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 AGREEMENT 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 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 Contractor or a subcontractor it employs to perform work under this Agreement 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 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.

**SIGNATURE PAGE FOR AGREEMENT
FOR JANITORIAL SERVICES
BETWEEN THE CITY OF MILPITAS
AND IMPERIAL MAINTENANCE SERVICES, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first written above.

CITY OF MILPITAS

Approved By:

Ned Thomas, City Manager

Date

Approved:

Lauren Lai, CPA, MPA
Finance Director/Risk manager

Approved As To Form:

Michael Mutalipassi, City Attorney

Approved As To Content:

Christian Di Renzo, Public Works Director

**IMPERIAL MAINTENANCE SERVICES,
INC.**

Signature

Name

Title

Date

EXHIBIT “A” SCOPE OF SERVICES

Contractor’s proposal shall address how the Contractor will deliver the indicated services. Work tasks shall include, but are not necessarily limited to, those items listed in Attachment A.1 Schedule of Services.

The contractor shall be an independent contractor capable of providing experienced, knowledgeable and professional staff. The contractor shall be responsive and maintain excellent working relationships with government officials and City staff. The contractor shall always provide adequate staffing levels and adhere to established schedules. The contractor shall comply with all federal, state, and local laws, rules, regulations, ordinances, and statutes.

Routine Services

Successful Proposer will be responsible for the daily cleaning of City facilities listed above that meet the needs of the building occupants and the operation of the City. See Attachment A.1 Schedule of Services.

Periodical Services

Successful Proposer shall have adequate additional resources at their disposal to complete monthly, quarterly, bi-annual, and annual periodical services in addition to their normal staff levels utilized to complete the day-to-day tasks required in the buildings, as identified in Attachment A.1 Schedule of Services.

Periodical Service dates for rental sites may be adjusted seasonally or based on rental activity. Contractor will be notified in advance of rental schedules and when to provide services. Contractor shall provide an annual schedule for these services to the Project Manager or their designee for planning purposes.

Periodical services are identified as. See Attachment A.1 Schedule of Services

- Carpet Bonnet Cleaning (Quarterly)
- Carpet Extraction (Bi-Annual)
- Floor stripping and waxing (Quarterly)
- Strip and Seal Stone, Concrete and Ceramic/Tile Floors (Bi-Annual)
- Exterior window washing (Bi-Annual)

Day Porter Services – Add Alternate

Contractor shall provide specialized day porter services Monday-Friday between the hours of 6:30 a.m. and 3:30 p.m. to respond to janitorial emergencies, monitoring and replenishing City restrooms, ensuring all exterior and interior entrances are clean to prevent soil and moisture deposits over high traffic areas and other cleaning as necessary. Day Porter services will be provided at all City facilities.

Service Hours

Services shall be provided during non-business hours to not interfere with building operations, special events or alternate shifts of the building being services. Contractors will be provided a monthly calendar on programmed events that impact the cleaning of the building. See the Building Inventory table for service hours per building.

Holidays

There are twelve (12) City holidays on which the contractor may need to provide services to City facilities, upon request from the City Project Manager or their designee based on building use or event schedule. A

list of all City holidays can be found here: [City of Milpitas Holiday Closures | Milpitas, CA.](#)

Building Inventory

Building Name/Address	Service Hours	Service Days/Week	Approx. Sq. Ft.
City Hall 455 E. Calaveras Blvd.	5:00 p.m.- 12:00 a.m.	Monday-Friday	96,000
Public Works / IT 1265 N. Milpitas Blvd.	5:00 p.m.- 12:00 a.m.	Monday-Friday	15,400
Main Fire Station No. 1 777 S. Main St.	6:00 p.m. - 9:00 p.m.	Monday-Friday	2,800
Milpitas Sports Center/Annex 1325 E. Calaveras Blvd	9:00 p.m. - 12:00 a.m.	Monday-Sunday	28,619
Library Parking Garage 160 N. Main St.	5:00 p.m.- 12:00 a.m.	Monday-Sunday	126,131

DAY PORTER SERVICES - ADD ALTERNATE

Contractor shall provide specialized day porter services Monday-Friday between the hours of 6:30 a.m. And 3:30 p.m. To respond to janitorial emergencies, monitoring and replenishing City restrooms, ensuring all exterior and interior entrances are clean to prevent soil and moisture deposits over high traffic areas and other cleaning as necessary. Day Porter services will be provided at all City facilities.

SUPPLIES & EQUIPMENT

Contractor shall furnish all cleaning materials, supplies, and equipment which is required to perform the cleaning assignments outlined in this Scope of Work.

Contractor shall supply all necessary equipment required to provide the services mentioned including, but not limited to, vacuums, carts, mops, dust mops, cleaning chemicals, and specialized equipment. Janitorial closets are available at some locations. Locations with janitorial closets will be presented at the mandatory walk-through.

Contractor shall be prepared to service all City facilities with Contractor-supplied equipment. All materials and supplies shall be of commercial quality only and no additional charges shall be made by the contractor for providing and maintaining materials and equipment consistent with providing the services described in Attachment A.1 Schedule of Services.

Contractor shall comply with all regulations and safety precautions listed on the product and equipment labels.

1. All products used on City facilities will be at the sole discretion and approval of City Project Manager or their designee. Contractor shall supply list of all cleaning products used at City facilities annually for review and acceptance by City Project Manager or their designee. Any changes to the products must be reviewed by the Project Manager or their designee. Please see Attachment B Environmentally Required

Janitorial Services, Cleaners, Methods, and Supplies.

2. The contractor shall furnish and keep in good working order all necessary tools and equipment such as, but not limited to cleaners, mops, brooms, buffers, ladders, hoses, vacuums, etc. All supplies and/or equipment used by the contractor must be approved by the City Project Manager or their designee. Any non-complying equipment or supplies shall be changed out at the request of the City Project Manager or their designee. Janitorial closets areas shall be kept clean, free of debris and odor at all times. All supplies and equipment shall be stored in a neat and orderly manner and in such a way as to prevent injury to City or contractor's employees. An equipment inventory is to be kept with the contractor's on-site supervisor.
3. Contractor shall fill all restroom dispensers daily and in the proper manner per manufacturer specifications with the following products which shall be provided by the City: toilet tissue; paper hand towels; toilet seat covers; trash can liners; liquid hand soap; sanitary napkins.

SITE SUPERVISOR

1. The Contractor will assign a Site Supervisor to provide supervision during all scheduled cleaning hours Monday – Sunday and special work assignments upon written request of City Project Manager or their designee. The janitorial supervisor will be required to fluently speak, read, write, and understand English. Weekly janitorial supervisor's reports are to be submitted to the City Project Manager or their designee noting any building deficiencies needing correction.
2. The Site Supervisor shall carry a cell phone by which the City staff will be able to communicate with him/her. Contractor's staff shall not use any City phone except for reporting an emergency to 911.
3. The Contractor shall provide a list of all employees assigned to each work site. The list shall include name, address, phone number and driver's license number. Also required will be the employee's work schedule and assignment. This list shall be kept current and provided by Contractor at each monthly coordination meeting.
4. All employees shall satisfactorily pass a City background screening before working at any facility.

EMPLOYEE CONDUCT

Employees of the Contractor while performing work under this contract, WILL NOT:

1. Be accompanied in their work area by acquaintances, family members, assistants, or any other person unless such person is an on-duty authorized Contractor employee.
2. Remove any City property or personal property, equipment, monies, or any other items from the buildings.
3. Engage in horseplay or loud, boisterous behavior.
4. Be under the influence of alcohol or drugs.
5. Gamble in any way on City property.
6. Smoke in any building or smoke within 25 feet of any City building or facility.
7. Turn on or use any equipment other than City supplied or Contractor's, such as City's computers, typewriters, copiers, fitness equipment, or radios, etc.
8. Use any City telephone except to report an emergency to 911.
9. Open any desk, file cabinet, drawer, or storage cabinet.
10. Remove any items from offices or desks.
11. Consume any food or beverage, other than that brought with or purchased by the employee, and in only in areas designated as break or lunchrooms.
12. Engage in non-work-related conversations with City employees, government officials or the public.

EMPLOYEE TRAINING

The Contractor shall provide to its employees' environmental, health and safety training to ensure compliance with all federal, state and local laws or regulations. Training documents must be made available, if/when requested by the City.

EMPLOYEE REMOVAL

The Contractor shall remove from service on the premises of the City any employee of the Contractor who, in the opinion of the City, is not performing the services in a proper manner, or who is incompetent, disorderly, abusive, dangerous, or disruptive, or does not comply with rules and regulations of the City. Contractor shall in no way interpret such removal to require dismissal or other disciplinary action of the employee.

EMPLOYEE APPEARANCE & IDENTIFICATION

Contractor personnel shall present a neat appearance and be easily recognized as Contractor employees. The Contractor shall provide each employee with an identification badge and uniform. The badge shall include the employee's photograph, employee's first and last name, and Contractor's name. The uniform and identification shall be available prior to entering any City building and shall be worn at all times while working in the City. The uniform at a minimum shall be a uniform shirt with the Contractor's name or logo on it.

MEETINGS, REPORTING, & INSPECTIONS

1. Meetings, Reporting and Inspections

The Contractor's account manager and janitorial supervisor will meet with the City Project Manager and/or their designee at a monthly coordination meeting to review work sites to ensure compliance with all contract Specifications.

2. **Building Control Log:** The Contractor's janitorial supervisor will be responsible for maintaining a "Building Control Log" which will be the focal point for communications. The contractor's staff will be responsible for signing in daily on the log and sharing work related comments for analysis. This log will be reviewed at the monthly coordination meeting.
3. **Status Reports:** A report is to be given to the City Project Manager or their designee daily if, and when, unusual circumstances arise; e.g., suspicious people are observed, lighting inoperable, etc. This report shall be emailed to City Project Manager or their designee as soon as possible.
4. **Regular Inspections:** The Contractor's account manager and janitorial supervisor will meet with the City Project Manager or their designee in addition to the Monthly Coordination Meeting as needed.

SPECIAL ASSIGNMENTS

The Contractor can expect to support special events during and outside of normal duty hours for special functions at the City facilities for open houses, rentals or dignitary visits, etc. The Contractor shall adjust the service schedule so that these services will be performed after the event. In cases where the work is out the normal work schedule, the Contractor shall quote all hourly rates per person for the special assignment to the City Project Manager or their designee in writing for approval by the City Project Manager or their designee.

KEY CARDS & KEYS

Contractor will be required to have available the keys and key card provided by the City at all times while providing service to the City. All doors are to be unlocked and locked as required by each building's specification. The contractor is responsible for after-hours security during performance of janitorial duties. All doors must be locked and shut during the performance of said duties.

Lost keys or card-keys will be replaced by the contractor at the rate of Fifty Dollars and Zero Cents (\$50.00) per key or card-key, and the contractor will be financially responsible for all costs of re-keying any or all locks affected by lost keys in his/her control.

CITY EQUIPMENT

City equipment such as computers, fax machines, telephones (except in the case of reporting an emergency to 911), copiers, TV's and other City equipment are prohibited from any use by Contractor for any reason. Contractor will be financially responsible for any loss, damages, or accrued charges for any unauthorized and/or inappropriate usage this equipment.

CARE OF BUILDINGS

The Contractor and all employees shall regularly observe general conditions of all building areas and report problems to employee's supervisor. In case of emergency, the Contractor's employees shall notify the City's Dispatch by dialing 408-586-2400, then by calling the Project Manager or their designee immediately.

GENERAL GUIDELINES FOR CLEANING IN CITY BUILDINGS

Please refer to Attachment A.1 Schedule of Services.

Building Amenities Matrix

Facility Name	Elevators	Stairwells	Classrooms	Office & Workstations	Conference Rooms	Restrooms	Kitchen	Breakrooms & Kitchenettes	Balconies & Patios	Fitness Room	Parking Garage	Showers & Locker Rooms
City Hall												
Milpitas Sports Center/Annex												
Public Works/IT & Corp Yard												
Library Parking Garage												
Fire Station #1 Admin												

EXHIBIT "B"
SCHEDULE OF SERVICES

GENERAL GUIDELINES	
Service Description	Frequency
Check entire facility on arrival and correct any deficiencies	Daily
Report any occurrence that may be out of the ordinary	Daily
Keep all access doors locked while cleaning	Daily
Lock all doors and leave only designated lights on	Daily
Keep janitorial closets neat and orderly	Daily
Gather waste from trash cans and recycle bins, place in specific dumpsters	Daily
Clean trash receptacles, replace soiled liners in trash cans	Daily
Clean lobby doors and glass inside and out	Daily
Clean all lobby entryway and mats (interior and exterior)	Daily
Clean receptionist countertop and area	Daily
Wipe down drinking fountains	Daily
Spot clean all glass doors and lobby areas that are visible to the general public.	Daily
Clean door hardware and frames inside and out	Daily
Spot clean fingerprints on light switches and doors	Daily
Dust handrails	Daily
Wipe tables and chairs	Daily
Sweep and mop all hard surfaces	Daily
Vacuum all carpeted areas	Daily
Clean and polish door kick plates and thresholds	Weekly
Dust all cleared work surfaces and low partition walls	Weekly
High dust all cleared horizontal surfaces	Weekly
Clean baseboards	Monthly
Clean and dust all overhead light fixtures and vents	Monthly
Detail dust window ledges, blinds, picture frames, moldings, bulletin boards, etc.	Monthly
Clean all windows interior and exterior to a height of 8 feet (squeegee)	Monthly
Vacuum upholstered furniture	Monthly
Wash all interior glass above a height of 8 feet (squeegee)	Quarterly

LOBBIES & COMMON AREAS	
Service Description	Frequency
Wipe handrails	Daily
Clean, dust and polish furniture	Daily
Align furniture	Daily

CITY COUNCIL CHAMBERS/CONFERENCE ROOMS	
Service Description	Frequency
Clean and dust A/V equipment	Daily
Wipe down and disinfect tables, furniture, counters, and sinks.	Daily
Align furniture	Daily
Clean, dust and polish furniture	Weekly

OFFICE & WORKSTATION AREAS	
Service Description	Frequency
Align furniture	Daily
Clean, dust and polish furniture	Daily
Clean window ledges and partitions	Weekly

CLASSROOMS	
Service Description	Frequency
Wipe down and disinfect tables, counters, and sinks.	Daily
Fill all dispensers to manufacturer's specifications	Daily
Align furniture	Daily

BREAK ROOMS/KITCHENETTES/BALCONIES/PATIO AREAS	
Service Description	Frequency
Wipe down dining area and patio tables and chairs	Daily
Wipe clean counter tops, sinks and cabinets	Daily
Replenish paper towels and soap to manufacturer's specifications	Daily
Clean all patios and balconies floors	Daily
Wipe down interior and exterior of microwave	Daily
Wipe down exterior of refrigerator	Daily
Clean and dust balcony walls	Weekly
Wipe down interior of refrigerator	Weekly

RESTROOMS/SHOWERS/LOCKER ROOMS	
Service Description	Frequency
Clean and polish all stainless-steel dispensers	Daily
Empty, clean, polish & disinfect sanitary napkin receptacles	Daily
Fill all dispensers to manufacturer's specifications	Daily
Clean and sanitize all fixtures, handles, toilets and urinals	Daily
Clean and polish mirrors	Daily
Clean and disinfect all doors, partitions, and vanity surfaces	Daily
Clean and sanitize all floor mats	Daily
Wipe down shower walls	Daily
Clean and disinfect walls	Weekly
Clean and flush floor and shower drains with drain cleaner	Weekly
Clean lockers and walls	Weekly
Clean and polish all doors and hardware.	Monthly
Machine scrub all shower and restroom floors.	Monthly
Detail clean grout lines in walls and/or floors (steam)	Monthly

KITCHEN	
Service Description	Frequency
Wipe clean counter tops, sinks and cabinets	Daily
Replenish paper towels and soap to manufacturer's specifications	Daily
Wipe down interior and exterior of microwave	Daily
Wipe down exterior of refrigerator	Daily
Wipe down interior of refrigerator	Weekly
Wipe down exterior of oven	Weekly
Power wash, disinfect, and dry floor mats (Senior Center kitchen)	2x Week
Clean interior of oven	Monthly

FITNESS AREAS	
Service Description	Frequency
Clean, wipe, dust, and sanitize all exercise equipment	Daily
Sweep or dust mop and damp mop all floor surfaces	Daily
Spot clean window and mirror glass (prints & smudges)	Daily
Fill all dispensers to manufacturer's specifications	Daily
Fully clean all windows and mirrors	Weekly

ELEVATORS	
Service Description	Frequency
Wipe handrails	Daily
Clean elevator cabs, doors, and button panels	Daily
Vacuum or mop cab floor	Daily
Clean elevator tracks	Weekly
Extract carpet or machine scrub hard surfaces in cab floor	Quarterly

STAIRWELLS	
Service Description	Frequency
Wipe handrails	Daily
Sweep stairs and landings	Daily
Damp mop landings	Daily
Strip and wax stairs and landings (stairwells in buildings)	Quarterly
Pressure wash stairwells (Library Garage only)	2x Month

PARKING GARAGE/OVERPASS	
Service Description	Frequency
Gather waste from all trash cans and recycle bins, place in specific dumpsters	Daily
Clean and dust stairwell ledges, rails and landings	Daily
Check entryways, parking lot and stairwell for debris and remove	Daily
High dust, remove cobwebs	Daily
Clean elevator cabs, doors, and button panels polish inside and out	Daily
Mechanical sweep of parking lots	Monthly
Clean/Dust/Wipe Emergency Call Boxes	2x Month
Pressure washing parking lot in high traffic areas (near elevators, stairwells, entrances) and to remove stains in the parking lot. (Library Garage only)	2x Month

HARD FLOOR CARE	
Service Description	Frequency
Sweep and/or dust mop all hard floor surfaces	Daily
Damp mop all hard floor surfaces	Daily
Sweep, damp mop and disinfect all restroom and shower floors	Daily
Machine scrub all stone, concrete and ceramic/tile floors.	Monthly
Spray buff VCT areas.	Monthly
Strip & wax VCT areas	Quarterly
Strip and seal all stone, concrete and ceramic/tile floors	2x Year

CARPET FLOOR CARE	
Service Description	Frequency
Vacuum all carpet.	Daily
Spot clean high traffic area carpets.	Daily
Spot clean all other carpet.	Weekly
Detail vacuum edges, under desks & around furniture	Monthly
Carpet Bonnet buff high traffic carpets	Quarterly
Shampoo & extract carpets	2x Year

WINDOW WASHING	
Service Description	Frequency
Wash all exterior perimeter glass 8' and higher	2x Year
Sports Center – Clean interior and exterior glass surrounding the pool. (June-Aug.)	Daily

EXHIBIT "C"
COMPENSATION

Pricing Table – Year 1

Building Name/Approx Square Footage	Time Allotment (hrs/week)	Labor (\$/hr)	Weekly Total (\$/week)	Monthly Total Cost	Annual Total Cost
City Hall 96,000 sq ft	80	\$38.50	\$3,080.00	\$14,500.00	\$174,000.00
Public Works / IT 15,400 sq ft	17.5	\$38.50	\$673.75	\$2,926.00	\$35,112.00
Main Fire Station No. 1 2,800 sq ft	7.5	\$38.50	\$288.75	\$1,254.00	\$15,048.00
Milpitas Sports Center/Annex 28,619 sq ft	45.5	\$38.50	\$1,751.75	\$7,608.00	\$91,296.00
Library Parking Garage 126,131 sq ft	28	\$38.50	\$1,078.00	\$4,682.00	\$56,184.00
		Totals	\$6,872.25	\$30,970.00	\$371,640.00
Add Alternates					
Day Porter Service	45	\$38.50	\$1,732.50	\$7,507.50	\$90,090.00
	Year 1 Grand Total		\$8,604.75	\$38,477.50	\$461,730.00

Pricing Table – Year 2

Building Name/Approx Square Footage	Time Allotment (hrs/week)	Labor (\$/hr)	Weekly Total (\$/week)	Monthly Total Cost	Annual Total Cost
City Hall 96,000 sq ft	80	\$40.43	\$3,234.40	\$14,015.73	\$168,188.80
Public Works / IT 15,400 sq ft	17.5	\$40.43	\$707.52	\$3,065.94	\$36,791.30
Main Fire Station No. 1 2,800 sq ft	7.5	\$40.43	\$303.22	\$1,313.97	\$15,767.70
Milpitas Sports Center/Annex 28,619 sq ft	45.5	\$40.43	\$1,839.56	\$7,971.44	\$95,657.38
Library Parking Garage 126,131 sq ft	28	\$40.43	\$1,132.04	\$4,905.50	\$58,866.08
		Totals	\$7,216.74	\$31,272.58	\$375,271.26
Add Alternates					
Day Porter Services	45	\$40.43	\$1,819.35	\$7,883.85	\$94,606.20
	Year 2 Grand Total		\$9,036.09	\$39,156.43	\$469,877.46

Pricing Table – Year 3

Building Name/Approx Square Footage	Time Allotment (hrs/week)	Labor (\$/hr)	Weekly Total (\$/week)	Monthly Total Cost	Annual Total Cost
City Hall 96,000 sq ft	80	\$42.45	\$3,396.00	\$14,716.00	\$176,592.00
Public Works / IT 15,400 sq ft	17.5	\$42.45	\$742.87	\$3,219.12	\$38,629.50
Main Fire Station No. 1 2,800 sq ft	7.5	\$42.45	\$318.37	\$1,379.62	\$16,555.50
Milpitas Sports Center/Annex 28,619 sq ft	45.5	\$42.45	\$1,931.47	\$8,369.72	\$100,436.70
Library Parking Garage 126,131 sq ft	28	\$42.45	\$1,188.60	\$5,150.60	\$61,807.20
		Totals	\$7,577.31	\$32,835.06	\$394,020.90
Add Alternates					
Day Porter Services	45	\$42.45	\$1,910.25	\$8,277.75	\$99,333.00
	Year 3 Grand Total		\$9,487.56	\$41,112.81	\$493,353.90

Pricing Table – Year 4

Building Name/Approx Square Footage	Time Allotment (hrs/week)	Labor (\$/hr)	Weekly Total (\$/week)	Monthly Total Cost	Annual Total Cost
City Hall 96,000 sq ft	80	\$44.57	\$3,565.60	\$15,450.93	\$185,411.20
Public Works / IT 15,400 sq ft	17.5	\$44.57	\$779.97	\$3,379.89	\$40,558.70
Main Fire Station No. 1 2,800 sq ft	7.5	\$44.57	\$334.27	\$1,448.52	\$17,382.30
Milpitas Sports Center/Annex 28,619 sq ft	45.5	\$44.57	\$2,027.93	\$8,787.71	\$105,452.62
Library Parking Garage 126,131 sq ft	28	\$44.57	\$1,247.96	\$5,407.82	\$64,893.92
		Totals	\$7,955.73	\$34,474.87	\$413,698.74
Add Alternates					
Day Porter Services	45	\$44.57	\$2,005.65	\$8,691.15	\$104,293.80
	Year 4 Grand Total		\$9,961.38	\$43,166.02	\$517,992.54

Pricing Table – Year 5

Building Name/Approx Square Footage	Time Allotment (hrs/week)	Labor (\$/hr)	Weekly Total (\$/week)	Monthly Total Cost	Annual Total Cost
City Hall 96,000 sq ft	80	\$46.80	\$3,744.00	\$16,224.00	\$194,688.00
Public Works / IT 15,400 sq ft	17.5	\$46.80	\$819.00	\$3,549.00	\$42,588.00
Main Fire Station No. 1 2,800 sq ft	7.5	\$46.80	\$351.00	\$1,521.00	\$18,252.00
Milpitas Sports Center/Annex 28,619 sq ft	45.5	\$46.80	\$2,129.40	\$9,227.40	\$110,728.80
Library Parking Garage 126,131 sq ft	28	\$46.80	\$1,310.40	\$5,678.40	\$68,140.80
		Grand Total	\$8,353.80	\$36,199.80	\$434,397.60
Add Alternates					
Day Porter Services	45	\$46.80	\$2,106.00	\$9,126.00	\$109,512.00
	Year 5 Grand Total		\$10,459.80	\$45,325.80	\$543,909.60

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.

 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 \$1,000,000.00 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 \$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 combined single limit 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 combined single limit 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):

___ Insurance appropriate 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 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 \$1,000,000.00 per accident for bodily injury or disease. *(Not required if Contractor or Consultant provides written verification it has no employees)*

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.

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. 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.

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.

Cyber Liability Insurance

___ Cyber Liability Insurance with limits not less than \$1,000,000 per claim.

Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor or Consultant in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.

The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

Surety Bonds:

Contractor shall provide the following Surety Bonds:

____ Bid Bond
____ Performance Bond
____ 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.

Other Insurance Provisions:

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

X Additional Insured Status and Primary/Non-Contributory Language:

Contractor's general liability and automobile liability policies shall be primary and shall not seek contribution from the City's coverage and be endorsed to add the City and its elected and appointed officials, officers, attorneys, agents employees and volunteers as additional insureds under such policies using Insurance Services Office form CG 20 10 (or equivalent) on the general liability policy. For construction projects, an endorsement providing completed operations coverage for the additional insured on the general liability policy, ISO form CG 20 37 (or equivalent), is also required.

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.

____ Loss Payee Status – 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.

X 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.



PURCHASING DIVISION

RFP FOR: Janitorial Services

RFP NO: 24-036

DUE DATE: November 10, 2023

BUYER: R. Yamashita

**Imperial Maintenance Services, Inc.
8830 Cherry Hills Place
Stockton, CA 95209**

Executive Facility Services, Inc
1228 San Gabriel Court
Watsonville, CA 95076

Karlas Janitorial & Suppliers, LLC
1485 Bayshore Blvd, MB 205
San Francisco, CA 94124

Nova Commercial Co, Inc.
PO Box 759
Hayward, CA 94543

Quality Cleaning Professionals. LLC
111 N. Market Street
San Jose, CA 95113

EcoBrite Services
2795 W. Executive Parkway Suite 141
Lehi, WA 84043

Impec Group LLC
3350 Scott Blvd #8
Santa Clara, CA 95045

Joncowest
268 N. Lincoln Ave Suite 8
Corona, CA 92882

Premier Property Preservation, LLC
7449 Studio Road
West Hills, CA 91304

Z&C Services
PO Box 18032
Irvine, CA 92604

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Final Score

81.83

64.17

58.67

68.17

68.5

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* Disqualified – incomplete proposal/minimum requirements not met

** Disqualified -- Did not attend the mandatory bid walk

****Pending BID AWARD NOTICE** City Council Date: December 5, 2023**

Pending AWARD TO: Imperial Maintenance Services, Inc.

CODE KEY: INA = Information Not Available NS = Not Stated NB = No Bid DY = Days WK = Weeks HR = Hours

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From (Credit)		To (Debit)	
	Account	Amount	Account	Amount
Check one: ☒ Budget Appropriation ☐ Budget Transfer	100-2902	\$50,000	100-3999	\$50,000

Recommendation:

1. Approve and authorize the City Manager to execute an agreement with Imperial Maintenance Services, Inc. for a five-year term in an amount not-to-exceed \$2,486,863.50 to provide janitorial services for city facilities, subject to the annual appropriation of funds; and
2. Approve a budget amendment to appropriate \$50,000 to the Department of Public Works FY 2023-24 Operating Budget.

BACKGROUND:

The Public Works Facilities Division is responsible for the maintenance of 12 City-owned buildings that require janitorial services, five (5) of which are serviced via contract: City Hall, Sports Center, Library Parking Garage, Fire Station #1 Administration, and the Public Works Administration and Corp Yard.

On December 11, 2018, the City entered into a contract with Nova Commercial, Inc. to perform janitorial services for city facilities for a five-year contract term which is set to expire on January 6, 2024. In order to provide continued janitorial services for city buildings, a Request for Proposals (RFP) was issued to solicit proposals from qualified vendors. The bid included a base bid of the five (5) existing buildings, add alternates for the remaining seven (7) buildings , as well as requesting quotes for the provision of day porter services. The base bid estimates range from \$1,989,028 to \$3,692,929 for a five (5) year term. The add alternate locations that were advertised were deemed too cost-prohibitive (and therefore will continue to be maintained by staff) to include in the award. Prices for these additional sites ranged from a low of \$1,861,004 to a high of 3,037,728 for a five (5) year term.

ANALYSIS:

On October 24, 2023, the City issued RFP 24-036 for Janitorial Services for city facilities. The RFP was publicly noticed in accordance with the City's municipal code and advertised on the city's website. A mandatory bid walk was held on November 1, 2023, with nineteen (19) contractors in attendance. Ten (10) bids were received at the bid close on November 10, 2023. Five (5) of the bids were disqualified for being non-responsive with the required submittals. Five (5) bids were reviewed and rated with Imperial Maintenance Services, Inc. receiving the top rating with a final score of 81.83.

The evaluation committee reviewed proposals based on the following weighted criteria:

1. Overall proposal – 10%
2. Technical competence and experience – 20%
3. Proposed compensation – 25%
4. Operation plan – 30%
5. Financial condition and resources – 10%
6. References – 5%

Bid Proposal Scoring

	Bid Proposer	Final Score
1	Imperial Maintenance Services, Inc	81.83
2	Quality Cleaning Professionals, LLC	68.5
3	Nova Commercial Co, Inc	68.17
4	Executive Facility Services, Inc	64.17
5	Karla's Janitorial & Suppliers, LLC	58.67
6	EcoBrite Services	Disqualified
7	Impec Group, LLC	Disqualified
8	Joncowest	Disqualified
9	Premier Property Preservation, LLC	Disqualified
10	Z&C Services	Disqualified

Bid Proposal Cost

	Bid Proposer	Base Bid Total Cost (5-Year)
1	Imperial Maintenance Services	\$1,989,028.50
2	Karla's Janitorial & Suppliers, LLC	\$2,206,646.40
3	Quality Cleaning Professionals, LLC	\$2,472,834.00
4	Nova Commercial Co, Inc	\$2,819,928.76
5	Executive Facility Services, Inc	\$3,058,179.48

In addition to the routine services for the five (5) City buildings (and the remaining seven buildings as add alternates), staff had also solicited day porter services to enhance cleaning throughout all the sites. Imperial Maintenance Services, Inc.'s proposal for day porter services \$497,835 over a five (5) year contract term. The proposed day porter service would be provided Monday-Friday from 6:30am-3:30pm to address any janitorial emergencies, restocking of restrooms, and ensure that all facilities are attended to until staff begin their custodial shift at 2PM each afternoon. The day porter service is not restricted to the five base bid buildings but, rather, will be provided to all 12 buildings. There is currently little, if any, janitorial services being provided throughout the facilities for much of the day until staff begin their shift so this is deemed to be a favorable service enhancement.

Staff recommends the City Council award the contract for janitorial services to Imperial Maintenance Services, Inc. to include the base bid and day porter services as an add alternate and authorize the City Manager to execute the agreement in an amount not to exceed \$2,486,863.50. The pricing proposal is subject to annual adjustments of up to 5% in years 2-5 whereas the price increase is 1.8% between years 1 and 2.

POLICY ALTERNATIVE(S):

Alternative 1: Reject all bids and re-issue an RFP for janitorial services for City facilities.

Pros: None

Cons: Would result in a lag of janitorial services between the expiration of the current contract and the execution of a new one. Current staffing levels are inadequate to address this void.

Reason for Not Recommending: Not proceeding with the janitorial services would have an impact on the various departments operating within the buildings as well adversely affecting citizens visiting said facilities.

FISCAL IMPACT:

There is \$388,133.00 budgeted for janitorial services in the FY 2023-24 Public Works Operating Budget, though \$197,834.58 has been encumbered for Nova Commercial Co., Inc. to provide janitorial services through January 5, 2024. For the remainder of FY 2023-24 it is estimated that an additional \$50,000 will need to be appropriated to the Department of Public Works Operating Budget in order to accommodate the increase due to the recommended contract award to Imperial Maintenance Services, Inc. Funding for the remaining years of this contract will be subject to annual appropriations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

Per 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:

1. Approve and authorize the City Manager to execute an agreement with Imperial Maintenance Services, Inc. for a five-year term in an amount not-to-exceed \$2,486,863.50 to provide janitorial services for city facilities, subject to the annual appropriation of funds; and
2. Approve a budget amendment to appropriate \$50,000 to the Department of Public Works FY 2023-24 Operating Budget.

ATTACHMENT(S):

- (a) Agreement
- (b) 24-036 Bid Tab
- (c) Budget Change Form

☐ Check if City Council Approval required.

Meeting: December 5, 2023

Requested by:	Department Head: Christian Di Renzo	Date: December 5, 2023
Reviewed by:	Finance Director: Lauren Lai	Date: December 5, 2023
Approved by:	City Manager: Ned Thomas	Date: December 5, 2023
Date approved by City Council, if required:		Confirmed by:

FI/24786/V

Form 30-222 (Rev. 1/92)



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Legislative Update from State Senator Aisha Wahab (Staff Contact: Matt Cano, Deputy City Manager, 408-586-3012)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	12/5/2023
Recommendation:	Accept the Legislative Update presentation from California State Senator Aisha Wahab.

BACKGROUND:

The office of California State Senator Aisha Wahab approached City staff with a request for Senator Wahab to provide a presentation to the Mayor and City Council on State Legislative Updates. City staff coordinated with Senator Wahab's office to schedule this presentation for the December 5, 2023 City Council meeting.

ANALYSIS:

A copy of the presentation to be provided by California State Senator Aisha Wahab is attached to this agenda report.

POLICY ALTERNATIVE(S):

Not applicable

FISCAL IMPACT:

There is no fiscal impact to the City's operating budget.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

RECOMMENDATION:

Accept the Legislative Update presentation from California State Senator Aisha Wahab

ATTACHMENT(S):

(a) State Legislative Update Presentation provided by the Office of State Senator Aisha Wahab



AISHA WAHAB

— CALIFORNIA STATE SENATOR • 10TH DISTRICT —

Legislative Update

The Contents

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Authored and Signed into Law

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Grant Wins

Authored and Signed Into Law



SB 461 – Cultural Observance of Holiday Time

- Permits state employees to use existing holiday time for their own cultural or religious observances.

SB 462 – CalSAWS Data Sharing

- Clarifies rules around data sharing between agencies and simplifies access to safety net services for people who move between counties

SB 463 – Reunification of Parental Cooperation

- Removes mandated penalization of parents attempting reunification with their children, but have barriers to participation in programs.

Authored and Signed Into Law



SB 464 – Survivors of Sexual Assault Bill of Rights

- Expands the rights of victims and survivors of sexual assault and increases rape kit testing.

SB 465 – Refugee Services on DSS Website

- Increases access to resources and information on the DSS website for refugees.

SB 555 – Stable Affordable Housing Act

- Identifies pathways for 1.4M stable, affordable homes for Californians via public, nonprofit, cooperative housing production, and acquisition

Co-Authored and Signed Into Law



AB 12 (Haney) - Rental Deposit Fairness
AB 230 (Reyes) - Menstual Equity for All Act of 2021
AB 278 (Reyes) - High School Dream Resource Centers
AB 373 (Gipson) - Intersession programs: foster children and homeless youth
AB 452 (Addis) - Justice for Survivors Act
AB 567 (Ting) - Criminal Records Relief
AB 701 (Villapudua) - Controlled substances: fentanyl
SB 14 (Grove) - Human Trafficking
SB 474 (Becker) - Canteens
SB 525 (Durazo) - Minimum wage: health care workers.
SB 545 (Rubio) - Juveniles Transfer to Court of Criminal Jurisdiction
SB 567 (Durazo) - Rent Caps and Just Cause
SB 616 (Gonzalez) - Paid Sick Days for All Working Californians
SB 673 (Bradford) - Emergency notification: Ebony Alert: missing Black youth.

Public Safety

200+

Bills heard in committee

95%

Bills that passed committee

Public Safety

- **Senate Joint Resolution No. 7 - The Right to Safety Resolution**

Calls on Congress to call a narrowly focused Constitutional Convention enact 4 common sense firearms regulations.

- **Co-Authored and Signed into Law**

SB 14 (Grove) - Designates human trafficking of a minor as a serious felony, making it a strike for purposes of the Three Strikes Law.

AB 452 (Addis) - Eliminates the statute of limitations applicable to civil actions for damages resulting from childhood sexual assault that arise on or after January 1, 2024.

- **Supported**

AB 442 (Villapudua) - Expands misdemeanor sexual battery to include a person who causes another, against their will, to masturbate or touch an intimate part of either those persons or a third person.

SB 268 (Alvarado-Gil) - Makes it a violent felony punishable under Three Strikes law to drug a person to become unconscious and then rape that unconscious person.

- **Pending for Next Session**

SB 400 (Wahab) - Increases police transparency by allowing departments to proactively share why an officer was terminated; if they so choose.

Fentanyl

18

Bills Co-Authored and/or Supported

6

Bills Specifically Address Fentanyl in Schools and/or Colleges and Universities

12

Signed into Law

Fentanyl

- **Signed into Law**

AB 701 (Asm. Villapudua – Co-Author), which would increase penalties for violating fentanyl possession and sale laws.

AB 889 (Asm. Joe Patterson), which requires schools to annually inform parents or guardians of the dangers associated with using synthetic drugs and post this information on their respective internet websites.

AB 1027 (Asm. Petrie-Norris – Co-Author), which requires social media companies to post policies regarding the sale of controlled substances on the platform, store for 90 days information that violates those policies, and to state when that information can be shared with law enforcement.

- **Supported**

AB 1060 (Asm. Ortega – Co-author), which removes financial barriers to purchasing naloxone which is the medication used to reverse an opioid overdose.

Milpitas Budget Wins

- City of Milpitas
 - \$1.6M- Milpitas SMART
- County of Santa Clara
 - \$500k - Annual Fellowship at Each Faith Based Reentry Resource Center





\$10.6M

Secured for
District 10 in
23-24 Budget

District Budget Wins

City of Hayward

\$1.2M – Hayward Evaluation and Response Teams

\$2.5M – Stack Youth and Family Center Phase II Construction

County of Santa Clara

\$500k – Annual Fellowship at Each Faith Based Reentry Resource Center

City of Santa Clara

\$1.8M– Santa Clara Overnight Care Locations

City of Fremont

\$500k – Housing Navigation Center

\$1.5M – Commercial District Wi-Fi Access Expansion Project

City of Milpitas

\$1.6M– Milpitas SMART

BART Board

\$1M– Next Generation Fare Gates Project

District Grant Wins

- \$45 Million for Housing
 - Awarded by California Strategic Growth Council and California Department of Community Development
 - Will transform a vacant lot into 128 affordable homes in Fremont
- \$12 Million for Housing
 - Awarded by California Department of Housing and Community Development
 - Will rehabilitate an existing Hayward development to support extremely low-income individuals.
- \$650 Thousand for Climate Change
 - California Governor's Office of Planning and Research
 - Will develop a climate adaptation planning process.

District Office Events

February

- Black History Month
- Free Tax Preparation Webinar

March

- Nowroz
- International Women's Day

April

- Earth Day Clean-ups

May

- Cinco De Mayo

June

- Juneteenth Event

July

- Immigration Fair
- Started Mobile Hours
- Backpack Giveaway and Community Closet

August

- Backpack Giveaway

September

- Senior Resource Fair

October

- Red Ribbon Week

November

- Turkey Giveaways-provided 870+ Turkeys to families throughout the district.

Upcoming Events:

December

- Small Business Workshop
- Winter Clothing Giveaway



AISHA WAHAB

CALIFORNIA STATE SENATOR • 10TH DISTRICT

SMALL BUSINESS WORKSHOP

Friday, December 1st, 2023

10:00 AM - 1:00 PM

FREMONT CHAMBER

39488 Stevenson Place, Suite 100
Fremont, California 94539



Aisha Wahab
State Senator

GUEST SPEAKERS



California Office of Small
Business Advocate



State of California
GoGreen Financing



Office of Small Business
and DVBE Services
Procurement Division



East Bay Small Business
Development Center

Key Discussions & Insights

- ✓ Business Planning
- ✓ State Lending Options
- ✓ Growth & Market Strategies
- ✓ Resources Available to Small Businesses

SCAN



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CO-HOSTED BY



FREMONT
CHAMBER OF COMMERCE

FOR ANY QUESTIONS, PLEASE CONTACT OUR OFFICE AT:

(510) 794-3900



District Office

510-794-3900

nurges.gheyszada@sen.ca.gov

Follow Us On Social Media!



@senaishawahab



Senator Aisha Wahab



@aishabbwahab



Questions?



AISHA WAHAB
— CALIFORNIA STATE SENATOR • 10TH DISTRICT —

Thank You



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive a Presentation and Consider a Request from the Cities Association of Santa Clara County for Approval of a Joint Powers Agreement to Establish the Cities Association of Santa Clara County Joint Powers Authority (Staff Contact: Ned Thomas, City Manager, 408-586-3059)
Category:	Leadership and Support Services
Meeting Date:	12/5/2023
Recommendation:	1. Receive a presentation from the Cities Association of Santa Clara County 2. Consider approval of the proposed Joint Powers Agreement ("JPA"). 2. If approved, delegate authority to the City Council's Cities Association of Santa Clara County Board ("CASCC Board") representative to report approval of the JPA at the CASCC Board Meeting. 3. If approved, authorize the City Manager to execute the JPA.

Background:

Over thirty years ago, the cities and towns in Santa Clara County ("Member Agencies") established the Cities Association of Santa Clara County (CASCC) to improve cooperation and collaboration on issues of common interest. The intent was to consolidate and maintain the functions and purposes of the Inter-City Council, the Santa Clara County Mayor's Conference, and the City Selection Committee for Santa Clara County. In 1990, the Member Agencies entered into an agreement to provide some structure and outline the purpose and function of the CASCC, eventually adopting bylaws and operating as an unincorporated association.

In 2017, the CASCC began reviewing its organizational structure. In August 2020, the CASCC Board voted 12 ayes with three absences (Los Altos Hills, Monte Sereno, San José) to take the necessary steps to form a Joint Powers Agency (JPA). The vote took place after a presentation considering both a JPA and a 501(c)4. The presentation noted that:

- Since CASCC formation, California and federal law has changed.
- CASCC was not originally registered as a governmental entity and attempts to do so with the IRS have been unsuccessful.
- CASCC is growing with respect to its involvement in projects of mutual interest (e.g., Planning Collaborative, SCSC Airplane Noise Roundtable, Silicon Valley Clean Energy, City Selection Committee).

Over the past two years, the CASCC has conducted outreach and solicited input on the proposed draft JPA Agreement. The CASCC circulated a draft agreement to all City and Town Attorneys in the County for their review and input and incorporated significant changes into the agreement. The Acting Executive Director and the General Counsel at the time attended two virtual meetings with most of the Town or City Attorneys or Assistant City Attorneys on September 14 and September 28, 2022. The entire JPA agreement was reviewed each time. A separate and additional meeting was held by the Santa Clara City Attorneys Roundtable on September 16, 2022, where the JPA document was again reviewed.

CASCC representatives presented a draft JPA Agreement at the Santa Clara County City Managers Association ("SCCCMA") meeting on October 12, 2022. Following that meeting, the City Managers submitted a list of 17 questions regarding the JPA to CASCC representatives. Due to changes in CASCC over the last year, including a new General Counsel and the rotation of new City Council Board representatives, the answers to those questions were not completed until August 2023. These responses were circulated to the SCCCMA members (see Attachment B). On August 9, 2023, CASCC representatives again met with the SCCCMA to discuss previous questions, review the proposed JPA, and receive additional input.

On September 14, 2023 the Draft Agreement was considered by the CASC Board. In response to various issues raised at the meeting, the CASC Board directed that the Draft Agreement be revised to clarify that the JPA would not hire employees and to provide language allowing (but not requiring) the CASC Board to appoint a working committee composed of professional staff from the Member Agencies to review new initiatives and provide input to the JPA Board. With these changes, the CASC Board unanimously approved transmittal of the Draft Agreement to the City and Town Councils of the proposed Member Agencies for their consideration. The resulting draft JPA Agreement is provided as Attachment 1.

To form the JPA, a formal JPA Agreement must be approved by the CASC Board of Directors and then executed by each Member Agency that wishes to join the JPA. To date, twelve cities in Santa Clara County have voted to support the new JPA, and formation of the new JPA is expected in February 2024.

On October 17, 2023, the Milpitas City Council considered the draft JPA Agreement as part of the consent agenda and approved staff recommendations regarding desired revisions to the draft JPA Agreement. Since most cities and towns in Santa Clara County have now voted to support the new JPA, Mayor Montano has requested that the Council reconsider the pros and cons of joining the new JPA.

Analysis:

Development of the proposed JPA Agreement has been led by CASC's Executive Board (to be renamed the Executive Committee with the proposed JPA). Executive Board members have spent significant time and effort, working with their Executive Director and General Counsel to draft the agreement, seek input, and respond to feedback to date. CASC has incorporated many suggestions into the draft Agreement, and staff appreciates their effort to address the issues raised.

At present, CASC operations are governed by a set of bylaws that have been in place for several years. Upon formation of new JPA, Member Agencies represented on the governing board would work together to update the existing bylaws. In conjunction with the future bylaws for the Agency, the CASC also plans to prepare a personnel policy handbook with policies that apply to the organization's independent contractors and Board members. These policies may include topics such as safety-related policies and a policy prohibiting discrimination, harassment, and retaliation. As part of this policy development, the Agency would identify which entity or resources would administer these rules (for example, General Counsel or a third-party entity). By joining the JPA at the beginning, the City of Milpitas would have input on the bylaws and other key policy documents for the new organization.

Other Organizational Structures Considered

The CASC previously considered both a 501(c)(4) nonprofit organization and a JPA. In 2020, the CASC Board voted unanimously to create a joint powers authority based on factors such as time and cost of forming the new entity and the compatibility of the JPA government structure with the goals and purpose of the CASC. Between 2020 and 2022, events have transpired that have underscored the need for indemnification, access to insurance, and that structure a JPA can afford its members.

Overview of Proposed Agreement

The JPA restates the same purposes expressed for the creation of the CASC. Consistent with the Joint Exercise of Powers Act (Government Code section 6500 et seq.), the agreement defines the power and scope of the JPA and specifically prohibits the JPA from acquiring real property, levying taxes, hiring employees or exercising any eminent domain power. Under the proposed JPA, the CASC Executive Board would be replaced by an Executive Committee. The Executive Committee may only take on those powers approved by the Authority's Board of Directors. For example, the Executive Committee is not permitted to authorize any investigations into the business of the Authority without the Board's approval.

Like the CASC, the JPA would also be charged with administering the City Selection Committee ("CSC"), which involves establishment of the application process, scheduling and holding meetings for appointments to be made, keeping track of committee and board appointments, terms, and resignations, coordinating with the County Clerk and disseminating meeting minutes, and troubleshooting where necessary. The CSC is a state-mandated entity charged with making appointments to various regional and local boards and committees. Each

city and town in Santa Clara County will continue to participate in the CSC even if the city or town is not a member of CASC. Appointments to the local boards and committees will be based on majority votes of the city/town CSC representatives.

Of note, the CASC provides more benefits to its members beyond administering the CSC. The CASC provides an opportunity for all 15 cities and towns in Santa Clara County to work together on regional issues, advocate at the county, regional and state levels, and provide a significant voice in policymaking at the state level. Notable achievements by the CASC include the single-use plastic bag ban ordinances passed by all 15 cities and towns originated with the CASC, the Healthy Cities Dashboard developed in conjunction with Santa Clara County Department of Public Health, delivery of a county-wide symposia on timely and important topics such as housing and sustainability, providing technical assistance to city staff for Housing Element Updates through the Regional Planning Collaborative, and providing feedback and endorsements for legislative bills under consideration. The CASC is also a great way for representatives from the different cities to share ideas, create professional connections and collaborate on similar issues affecting all the cities and towns.

Advantages of Forming the JPA

1. As a governmental agency, the Agency would have access to insurance and risk pools that are not available to an unincorporated association.
2. The Agency may be a more attractive recipient of sponsorships and donations, potentially easing pressure on the budget and therefore on the Members (see Fiscal Impact section below).
3. The JPA clarifies liability issues and is drafted so that the entity indemnifies the members of the Agency.
4. The formation of the Agency would clarify the tax status of the organization.

Fiscal Impact:

The primary fiscal impacts are related to the future dues structure and cost allocation that would be associated with the JPA. Annual dues are based on the size of each Member Agency, and the JPA would continue this approach. Milpitas' Membership Dues to CASC in FY22-23 and FY23-24 were \$19,665 and the dues were paid from City Council's budget. The CASC reported a budget of \$293,403 total revenues and \$212,159 total expenses for fiscal year FY2022-23.

The CASC Board has expressed a desire not to increase the membership dues in light of current economic conditions. Therefore, for the FY24-25 membership dues, the Executive Director intends to propose a budget to the JPA Board of Directors that preserves the same dues structure as FY23-24 whereby each Member Agency will be asked to pay the same amount in dues as in previous years.

In the event not all 15 cities join the Agency, the budget proposal would preserve the same dues, but the JPA Board would be required to make some budget adjustments. The Executive Director would advise the Board on how the JPA budget may be revised, providing all relevant information and data. Also, after FY24-25, it is anticipated that an annual CPI adjustment would be recommended.

California Environmental Quality Act:

The action is an organizational or administrative activity of the City government that will not result in direct or indirect physical changes in the environment and is not a project pursuant to Cal. Code of Regs., tit. 14, § 15378.

Recommendations:

1. Receive a presentation from the Cities Association of Santa Clara County
2. Consider approval the proposed Joint Powers Agreement ("JPA").
3. If approved, delegate authority to the City Council's Cities Association of Santa Clara County Board ("CASC Board") representative to report approval of the JPA at the CASC Board Meeting.
4. If approved, authorize the City Manager to execute the JPA.

Attachments

1. Attachment A: Draft Agreement
2. Attachment B: City Managers' Questions and CASC Answers

JOINT POWERS AGENCY AGREEMENT FOR CITIES ASSOCIATION OF SANTA CLARA COUNTY

This Joint Powers Agreement (“Agreement” or “JPA”) for the Cities Association of Santa Clara County is entered into by and among the cities (“Members”), which are organized and existing under the Constitution and laws of the State of California in which public agencies are located in the County of Santa Clara, and upon approval and full execution of the Agreement, creates the Cities Association of Santa Clara County Joint Powers Agency (“Agency”).

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 *et seq.*) permit two or more public agencies by agreement to jointly exercise powers common to the Members; and

WHEREAS, the public agency Members executing this JPA are cities or towns within the jurisdiction of the County of Santa Clara (“County”); and

WHEREAS, the Cities Association of Santa Clara County has existed as an unincorporated association since 1990 and desires to formalize the relationship between its City and Town members and form a Joint Powers Agency in order to carry out activities for the good of all its Members; and

WHEREAS, the Members executing this Agreement, desire to join together to create a separate Joint Powers Agency for the purpose of promoting cooperation among the Members; advocating for positive action; enhancing the quality of life for the residents of the County and their individual cities; and encouraging other joint and cooperative endeavors among the public agencies for their mutual benefit.

NOW, THEREFORE, the Parties agree to the following:

AGREEMENT

ARTICLE 1 - DEFINITIONS

- 1.1 “Associate Member” shall mean any non-city local agency, located within jurisdictional authority of the County of Santa Clara, and shall have duly executed and delivered to the Agency an Associate Membership Agreement in the form of and as further provided in the Bylaws of the Agency, as further provided in Article 32 herein.
- 1.2 “Agency” shall mean the Cities Association of Santa Clara County Joint Powers Agency created by this Agreement.
- 1.3 “Board of Directors” or “Board” shall mean the governing body of the Agency.
- 1.4 “Executive Committee” shall mean the Executive Committee of the Board of Directors of the Agency.

- 1.5 “Fiscal Year” shall mean that period of twelve (12) months which is established by the Board of Directors or the Bylaws as the fiscal year of the Agency, which shall run from July 1 to June 30 of each year.
- 1.6 “Government Code” shall mean the California Government Code, as amended.
- 1.7 “Joint Powers Law” shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code, known as the Joint Exercise of Powers Act, as amended.
- 1.8 “Legislative Body” shall mean the legislative board of each Public Agency that is a Member of the Agency.
- 1.9 “Member” shall mean any city which has executed this Agreement and has become a member of the Agency. The complete list of Members is set forth in Exhibit “A” attached hereto and incorporated herein by this reference.
- 1.10 “Parties” shall mean Members or Associate Members who are party to this Agreement.
- 1.11 “Public Agency” shall mean public agency as defined in Government Code Section 6500, as amended.
- 1.12 Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neutral gender shall be construed to include each other gender, when appropriate, and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions herein shall be construed to effectuate the purposes set forth and to sustain the validity of those purposes.

ARTICLE 2 - CREATION AND PURPOSES

- 2.1 This Agreement is entered into by the Members in order to:
 - 2.1.1 Review, study, develop consensus positions, and take action on issues of interest to Members;
 - 2.1.2 Focus on local and regional matters that are important to our future;
 - 2.1.3 Develop a common agenda for Santa Clara County cities;
 - 2.1.4 Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
 - 2.1.5 Establish and administer the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
 - 2.1.6 Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;

- 2.1.7 Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
- 2.1.8 Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
- 2.1.9 Strengthen the Members' and Agency's standing at the regional, State and Federal level;
- 2.1.10 Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;
- 2.1.11 Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
- 2.1.12 Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
- 2.1.13 Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

ARTICLE 3 - PARTIES TO AGREEMENT

Each Member, as a Party to this Agreement, intends to and does contract with all other Members as Parties to this Agreement and, with other Public Agencies as may later be added as Parties to this Agreement pursuant to the Joint Powers Law. The withdrawal of any party from this Agreement, pursuant to Article 20, shall not affect this Agreement or the remaining Members' obligations.

ARTICLE 4 – FORMATION; TERM

This Agreement shall become effective when fully executed and returned to the Agency by at least eight (8) Members, but only as to those Members that have executed the Agreement. The Agency shall promptly notify all Members in writing of the effective date. After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar joint powers authority, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5 - CREATION OF THE AGENCY

Pursuant to the Joint Powers Law, there is hereby created a public entity, separate and apart from the Parties hereto, to be known as the "Cities Association of Santa Clara County Joint Powers

Agency” with powers as are set forth herein. Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist.

ARTICLE 6 - POWERS OF THE AGENCY

6.1 Subject to the terms of this agreement, the Agency shall have all of the powers of a public agency as defined in the Government Code Section 6500 as amended and all additional powers set forth in the Joint Powers Law and other statutes applicable to the Joint Powers Agency created hereby and is authorized to do all acts necessary for the exercise of these powers on behalf of its Members. Powers include, but are not limited to, the following, in the Agency’s own name:

- 6.1.1 To make and enter into contracts;
- 6.1.2 To incur debts, liabilities, and obligations and to encumber personal property;
- 6.1.3 To acquire, hold, or dispose of personal property, contributions, and donations of personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities;
- 6.1.4 To sue and be sued in its own name, and to settle any claim against it;
- 6.1.5 To receive and use contributions and advances from Members as provided in Government Code Section 6504, as amended including contributions or advances of personnel and equipment;
- 6.1.6 To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5, as amended;
- 6.1.7 To acquire, construct, manage, maintain, or operate title to personal property, or rights, or any interest therein;
- 6.1.8 To retain the services of agents, contractors, and consultants;
- 6.1.9 To receive, collect, and disburse monies;
- 6.1.10 To conduct studies, tests, evaluations, and similar activities;
- 6.1.11 To contract for services from Members, including in-kind services;
- 6.1.12 To conduct public outreach and education;
- 6.1.13 To participate in pilot and demonstration projects;
- 6.1.14 To charge for services, programs, and/or systems;
- 6.1.15 To work with elected officials and local, regional, state, and federal agencies, including other joint powers agencies and unincorporated associations to pursue funding, enter agreements and otherwise carry out the purposes of the Agency; and

6.1.16 Subject to this Agreement or the Bylaws of the Agency, and only as authorized by the Joint Powers Law, to exercise other reasonable and necessary powers in furtherance or support of any purpose of the Agency.

ARTICLE 7 - RESTRICTIONS ON POWERS

- 7.1 Pursuant to and to the extent required by Government Code Section 6509, as amended, the Agency shall be restricted in the exercise of its powers and shall exercise its powers in the same manner as the Town of Los Gatos is restricted in its exercise of similar powers; provided that, if the Town of Los Gatos shall cease to be a Member, then the Agency shall be restricted in the exercise of its power in the same manner as another Member agreed to by the majority of the Board of Directors. Unless expressly provided for, the Agency does not, by virtue of this Section or this Agreement, subject itself to the internal policies or ordinances of any Member.
- 7.2 The Agency shall not have the power of eminent domain.
- 7.3 The Agency shall not have the power of taxation. The Agency may not impose taxes but may receive the proceeds of taxes imposed by other entities or public funds from other entities.
- 7.4 The Agency shall not have the power to acquire, purchase, hold or dispose of real property.
- 7.5 The Agency shall not have the power to hire employees.
- 7.6 The Agency shall not have the power to issue debt.

ARTICLE 8 - BOARD OF DIRECTORS

- 8.1 The Agency shall be governed by the Board of Directors, which shall be composed of one Director representing each Member. Each Member's Legislative Body, according to its own procedures, shall appoint a Member of the Legislative Body as a Director to represent the Member on the Board of Directors. The Director shall serve at the pleasure of their respective Legislative Body. The Legislative Body of each Member shall also appoint one alternate Director ("Alternate") who shall participate in and vote at any meeting of the Board when the primary Director is absent. Any vacancy in a Director or Alternate position shall be filled by the appointing Member's Legislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member, the new Member shall be entitled and required to appoint a Director and one alternate Director. Every Director or Alternate shall be a Council Member or Mayor of their individual Member city.
- 8.2 A Director and/or Alternate shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Agency receives written notice from the appointing Member of the removal and/or replacement of the Director or Alternate; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the Director or Alternate; (4) the Agency receives written notice from the Member that the Director or Alternate is no longer qualified as provided in the first paragraph of this Article 8; or as set forth in Article 21.

- 8.3 The Board of Directors shall have the following powers and functions:
- 8.3.1 Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Agency, either directly or by delegation to other bodies or persons;
 - 8.3.2 The Board shall elect an Executive Committee, as provided in Article 11;
 - 8.3.3 The Board shall be the policy setting body of the Agency;
 - 8.3.4 The Board shall appoint or retain the services of necessary agents, consultants, or independent contractors in accordance with Article 14;
 - 8.3.5 The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Agency. Adoption of the budget may not be delegated. The Board shall adopt their budget no later than the first April 30th following formation and then subsequently by April 30th of each successive year. The Board shall review, set, and adopt annual dues to be funded by Agency Members;
 - 8.3.6 The Board shall receive, review and act upon periodic reports and audits of the funds of the Agency, as required under Article 16 of this Agreement;
 - 8.3.7 The Board may adopt policies regarding personnel, conflicts of interest and other matters necessary or convenient for the efficient operation of the Agency;
 - 8.3.8 The Board shall adopt a set of priorities and work plan for each fiscal year; and
 - 8.3.9 Subject to the terms of this Agreement, the Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Agency.

ARTICLE 9 – MEETINGS OF THE BOARD OF DIRECTORS

- 9.1 The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution, or in the Bylaws, the date, time, and location of each regular meeting. The Board or Executive Director, in consultation with the President of the Board as provided in Article 10 below, may call special meetings.
- 9.2 Each meeting of the Board of Directors, including without limitation, regular, adjourned regular and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.
- 9.3 The Agency shall require the Secretary/Treasurer or designee to take and maintain minutes of all regular, adjourned regular and special meetings. As soon as practicable after each meeting, the Secretary/Treasurer or designee shall forward to each Board Member, a copy of the minutes of the meeting.
- 9.4 A majority of the Members of the Board shall constitute a quorum for the transaction of business. Unless otherwise required by law, a vote of the majority of a quorum of the members

present at a meeting is sufficient to take any action, unless otherwise specified in this Agreement. However, less than a quorum may adjourn the meeting to a future date.

9.5 Each Member of the Board shall have one vote.

ARTICLE 10 - OFFICERS

The Board shall elect as Officers of the Agency President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Agency, the Board shall elect the President, First Vice President, Second Vice President, Secretary/Treasurer, and Immediate Past President, at the November Board of Directors meeting, or the first meeting held on or after November 1 of each year. Of the Officers, the President, and at least two other Officers, must also be members of the Board of Directors. The remaining Officers may be the elected or appointed Mayor or Council Member of any Member of the Agency regardless of whether they are on the Board of Directors. Each Officer shall assume the duties of his or her office upon election. If the President ceases to be a Member of the Board, the resulting vacancy shall be filled at the next meeting of the Board held after the vacancy occurs, or at a special meeting of the Board called to fill the vacancy. The President shall preside at and conduct all meetings of the Board. Should the Board President not be available then the highest-level Officer, who is a member of the Board of Directors, shall preside. If that individual is unavailable, then any Director appointed by the President may preside. The Board may appoint other officers as it considers necessary. The duties of the Secretary/Treasurer are set forth in Articles 16 and 17 of this Agreement. The Secretary/Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Secretary/Treasurer, as provided in the Joint Powers Law.

ARTICLE 11 - EXECUTIVE COMMITTEE

At such time as there are nine Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of three (3) Officers consisting of the President, First Vice President, and Secretary/Treasurer, which shall exist thereafter. At such time as there are 11 Members, the Board shall establish and elect an Executive Committee of the Board which shall consist solely of five (5) Officers, with the addition of the Immediate Past President, which shall exist thereafter. Should the Immediate Past President no longer hold elected office then a Member at Large may be appointed by the Board to serve on the Executive Committee. The qualifications of the Member at Large are that they must be an elected or appointed Mayor or Council Member of a Member of the Agency but need not be on the Board of Directors. The terms of office of the Members of the Executive Committee shall be one year. The Executive Committee shall conduct the business of the Agency between meetings of the Board, exercising all those powers as provided for in this Article, or as otherwise delegated to it by the Board.

The Executive Committee, subject to approval by the Board of Directors, shall exercise all powers or duties of the Board relating to the entering, approval and execution of agreements, leases, and other instruments of or relating to the finances of the Joint Powers Agency within the previously

approved annual budget or amended budget. The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency's annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall obtain approval from the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee. Each meeting of the Executive Committee shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 12 - COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Agency or it may, in the Bylaws or by resolution, delegate this power to the Executive Committee by Resolution. Members of committees, except as otherwise stated in this Agreement, shall be appointed by the President. Each committee shall have those duties as determined by whichever Agency body created it or as otherwise set forth in the Bylaws. Each committee shall meet on the call of its chairperson and shall report to and be directed by whichever entity created it. No more than one representative from each jurisdiction shall serve on each committee. Membership of any committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate decision-making powers and duties only to a committee, a majority of the members of which are Board Members. Any committee, except the City Selection Committee, in which a majority of the members are not Board Members may function only in an advisory capacity. The Legislative Action Committee shall be a permanent Committee of the Agency chaired by the Second Vice President and whose members shall be appointed by the Agency Members. Should there be no Second Vice President, the Legislative Action Committee shall be chaired by the First Vice President. All standing committees shall abide by the Ralph M. Brown Act, Government Code Section 54950 *et seq.*, as amended.

ARTICLE 13 – CITY SELECTION COMMITTEE

The City Selection Committee is established pursuant to State law and the Agency shall administer the City Selection Committee as follows: The City Selection Committee shall be a permanent committee of the Agency, consisting of the Mayor of each City or Town, consistent with Government Code 50270, as amended. The Agency shall allow all cities in the County to participate in the City Selection Committee, whether or not they are members of the Agency.

ARTICLE 14 – PROFESSIONAL SERVICES

14.1 The Board of Directors may contract with individuals or companies to provide the following services at the pleasure of the Board of Directors:

- 14.1.1 Executive Director. The Board shall contract with a consultant or independent contractor to fulfill the following duties of an Executive Director: manage the affairs of the Agency, subject to the general supervision and policy direction of the Board and the Executive Committee; oversee the day-to-day activities of the Agency; select and manage the activities of all consultants and independent contractors to the Agency; be responsible for required filings by the Agency with the State of California; prepare or delegate the preparation of all meeting notices, minutes, and required documentation of the Agency; prepare and propose an annual budget; prepare reports and recommendations for consideration by the Executive Committee or Board; be responsible for billing and collection of annual dues; maintain the records of the Agency; assist Local Agencies in the preparation and filing of applications for participation in the financing programs of the Agency; expedite the processing of these applications; pay all invoices, taxes and amounts due; and perform other duties as are assigned by the Board and Executive Committee. The Executive Director may have the authority to sign agreements, applications, and other documents on behalf the Agency, if authorized by the Board or Executive Committee. The Executive Director shall have the Authority to enter into individual Agreements with a single vendor over the course of a fiscal year, on behalf of the Agency, up to the amount set by the Bylaws.
- 14.1.2 General Counsel. The Board shall contract with a consultant, independent contractor, or law firm to fulfill the duties of General Legal Counsel. The General Counsel shall take direction from the majority of the Board of Directors. The General Counsel shall be a member in good standing of the California State Bar. The General Counsel shall be responsible for the legal affairs of the Agency;
- 14.1.3 Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual financial audits of the Agency;
- 14.1.4 Other services. The Executive Director may hire additional consultants and independent contractors, as appropriate, based upon a previously approved budget;
- 14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System (“PERS”), nor shall any agent, consultant or independent contractor of the Agency become a member of PERS or be entitled to a pension or retirement from PERS as a result of service to the Agency; and
- 14.1.6 The consultants and independent contractors fulfilling the duties of Executive Director, the Auditor, the General Counsel and any other consultants or independent contractors who provide services to the Agency shall be compensated in such manner as shall be approved by the Board and as permitted by applicable law.

ARTICLE 15 - SIGNIFICANT PROGRAMS

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. If the Board deems it necessary, it may

appoint a working committee to study the significant program or activity and provide input to the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$10,000 or more in annual expenditures; this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into a specific program or project Agreement that includes relevant terms regarding the particular affected Members, and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These limited scope Agreements shall be subject to approval by the Board by a two-thirds vote of the Members.

ARTICLE 16 - ACCOUNTS AND RECORDS

- 16.1 The Agency shall adopt an operating budget pursuant to Section 8.3.5 of Article 8 of this Agreement.
- 16.2 The Secretary/Treasurer of the Agency or the Executive Director shall establish and maintain funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Agency shall be open to and made available for inspection at all reasonable times upon request by authorized representatives of the Members.
- 16.3 The Agency shall adhere to the standard of strict accountability for funds and report all receipts and disbursements as set forth in the Joint Powers Law.
- 16.4 Auditor's Report. The Auditor, within one hundred and twenty (120) days after the close of each Fiscal Year, shall give a complete written report of all financial activities for the prior Fiscal Year to the Board.
- 16.5 The Agency shall either make or contract with a Certified Public Accountant to make an annual Fiscal Year audit of all accounts and records of the Agency, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed as a public record and be provided to each of the Members, and with the County Auditor of the County of Santa Clara. Costs of the audit shall be considered a general expense of the Agency. Any costs of the audit shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for this purpose.

ARTICLE 17 - RESPONSIBILITIES FOR FUNDS AND PROPERTY

- 17.1 The Secretary/Treasurer, or his or her designee, shall have the custody of and disburse the Agency's funds. Proceeds of similar obligations of the Agency may be deposited with a trustee, agent or other depository and shall not be considered the Agency's funds for purposes of this Article. The Secretary/Treasurer may delegate disbursements to persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of Section 17.2 below.

- 17.2 The Secretary/Treasurer or designee shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Secretary/Treasurer shall review the financial statements and the annual audit of the Agency.
- 17.3 Pursuant to Government Code Section 6505.1, as amended, the Executive Director, the Secretary/Treasurer, and other persons as the Board may designate, shall have charge of, handle, and have access to the property of the Agency. The Agency shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in a form specified by the Board of Directors, covering any officers or agents of the Agency who are authorized to hold or disburse funds of the Agency and any officers or agents who are authorized to have charge of, handle and have access to property of the Agency.

ARTICLE 18 - MEMBER RESPONSIBILITIES

- 18.1 Each Member shall have the following responsibilities:
- 18.1.1 To appoint its Director and Alternate to, or remove its Director and Alternate, from the Board, as set forth in Article 8;
- 18.1.2 To consider proposed amendments to this Agreement as set forth in Article 29;
- 18.1.3 To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement; and
- 18.1.4 If a Member provides written notice to the Agency of its election to relinquish its status as a Member, or if a Member fails to be represented at four (4) or more consecutive regular meetings of the Board of Directors, then that Member may be deemed to be a suspended Member, with all the rights and duties of an Associate Member, upon action of the Board of Directors duly adopted. Prior to the suspension, the President shall contact the Mayor and request that another Council Member be appointed or that reinstatement for the current Member be requested. The suspension shall be approved by the Board of Directors. Promptly following that action by the Board of Directors, the Member may be reinstated by informing the Board of its intent to be reinstated within thirty (30) days and to attend all future meetings either via the Director or Alternate. Removal of a Member for failure of the Director to attend meetings shall not relieve the Member from its obligations under any outstanding agreements relating to the Agency's financial obligations, except in accordance with this Agreement.

ARTICLE 19 - NEW MEMBERS

With the approval of the Board, any city located within the County of Santa Clara may become a party as a Member to this Agreement. A city requesting membership shall apply by presenting to the Agency, a resolution of the Legislative Body of the City, evidencing its approval of this Agreement. The date that the applying city will become a Member will be determined by the Board. The Agency shall

accept new Members upon a majority affirmative vote of the entire Board and upon payment of any Board determined assessments and fees.

ARTICLE 20 - WITHDRAWAL

A Member may terminate its membership in the Agency at any time upon giving one hundred and eighty (180) days written notice of withdrawal to the Agency. The notice shall be given to the Board of Directors. The effective date shall be the conclusion of the first Board Meeting which occurs after the one hundred and eighty (180) day notice period has passed. Any Member who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations incurred or accrued through the end of the current fiscal year of the Agency. The withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Agency then in effect. In the event of a disagreement between the Agency and the withdrawing Member as to whether the withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Agency, the determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Agency shall provide funds to the Agency, proportionate to their responsibility for the current fiscal year, as if the Member had never left the Agency. A withdrawing Member shall, in all events, remain liable for its proportionate share of: (i) its full amount of its proportionate share of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Agency prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time of the notice of withdrawal.

ARTICLE 21 - REMOVAL

If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can remove the Director and request that the Member who appointed the Director appoint a new Director. The Board may, by two-thirds majority vote of the entire Board, remove a Member based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement as described above. Failure to pay dues within 60 days following notice shall result in a Member becoming suspended with all the rights of an Associate Member. A suspended Member shall immediately have its voting rights restored upon full payment of dues.

ARTICLE 22 - OBLIGATIONS OF AGENCY

The debts, liabilities, and obligations of the Agency shall not be the debts, liabilities, and obligations of the Members. Any Member may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the Agency. Nothing in this Agreement shall be interpreted to limit the applicability of the provisions of Government Code Section 895.6.

ARTICLE 23 - TERMINATION AND DISTRIBUTION OF ASSETS

This Agreement may be terminated at any time that no financial obligations of the Agency are outstanding, with the approval of two-thirds of the Members. Upon termination of this Agreement, all assets of the Agency shall, after payment of all unpaid costs, expenses and charges incurred under this Agreement, be distributed among the parties to this Agreement, in accordance with the respective contributions of each of the Parties.

ARTICLE 24 - LIABILITY OF BOARD OF DIRECTORS, OFFICERS, AND COMMITTEE MEMBERS

- 24.1 The Members of the Board of Directors, Officers, and Committee Members of the Agency shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be individually liable for any mistake of judgment, or any other action made, taken, or omitted by them in good faith, nor for any act or omission by any agent, consultant or independent contractor selected with reasonable care, nor for loss incurred, resulting from any action made, taken, or omitted by them in good faith and with reasonable care through investment of Agency funds, or failure to invest.
- 24.2 No Director, Officer, or Committee Member shall be responsible for any act or omission of any other Director, Officer, or Committee Member. Unless otherwise required by law, no Director, Officer, or Committee Member shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement.
- 24.3 The funds of the Agency shall be used to defend, indemnify, and hold harmless the Agency for any Director, Officer, or Committee Member, for their actions taken within the scope of the Agency. Nothing herein shall limit the right of the Agency to purchase insurance to provide coverage for these types of losses.
- 24.4 These indemnification and defense obligations shall survive the termination of the Agreement as to any acts or omissions occurring before such termination.

ARTICLE 25 - INDEMNIFICATION

To the fullest extent allowed by law, the Agency shall defend, indemnify, and save harmless the Members and their governing bodies, officers, agents and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Agency or the activities undertaken pursuant to this Agreement.

ARTICLE 26 - BYLAWS

The Board shall adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Agency. The provisions of the Bylaws, as modified from time to time, shall establish the operating procedures and standards for the Agency.

ARTICLE 27 - NOTICES

The Agency shall address notices, billings, and other communications to a Member as directed by that Member. Each Member shall provide the Agency with the email and physical address to which communications are to be sent. Members shall address notices and other communications to the Agency, at the office address of the Agency, or the email address of the Agency as directed by the Member and as set forth in the Bylaws.

ARTICLE 28 - CODES

The Agency shall adopt and observe a Code of Conduct and Conflict of Interest Policy. The Agency shall comply with all requirements of the Fair Political Practices Commission as required by law or regulation.

ARTICLE 29 - AMENDMENT

This Agreement may be amended at any time by vote of the Members, acting through their Legislative Bodies. Any amendment of this Agreement shall become effective upon receipt by the Agency of notice of the approval of the amendment by two thirds of the Legislative Bodies of the Members.

ARTICLE 30 - SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected.

ARTICLE 31 - PROHIBITION AGAINST ASSIGNMENT

No Member may assign any right, claim, or interest it may have under this Agreement, and no creditor, assignee or third-party beneficiary of any Member shall have any right, claim, or title to any part, share, interest, fund, or asset of the Agency. This Agreement shall be binding upon and shall inure to the benefit of successors of the Members. This Agreement is intended solely for the benefit of the

Agency and its Members. No third party shall be deemed a beneficiary of this Agreement or have any rights against the Agency or its Members.

ARTICLE 32 - ASSOCIATE MEMBERS

Any Public Agency located within the jurisdictional authority of the County of Santa Clara may, with the approval of the Board of Directors, become an Associate Member of the Agency by executing and delivering to the Agency an Associate Membership Agreement and providing an Associate Membership fee and as further provided in the Bylaws. An Associate Member shall not be entitled to representation on the Board of Directors, or to vote on any matter coming before the Board of Directors or the Agency, unless a separate written agreement is entered into between the Associate Member and the Agency.

ARTICLE 33 - LIBERAL CONSTRUCTION

The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Agency.

ARTICLE 34 - NON-WAIVER

No waiver of the breach of default of any of the covenants, agreements, restrictions, or conditions of this Agreement by any Member shall be construed to be a waiver of any succeeding breach of the same or other covenants, restrictions, or conditions of this Agreement. No delay or omission of exercising any right, power, or remedy in the event of a breach or default shall be construed as a waiver or a variation of any of the terms of this Agreement or any applicable agreement.

ARTICLE 35 - REMEDIES FOR BREACH

If any Member shall default on any obligation contained in this Agreement, the default shall not excuse any other Member from fulfilling its respective obligations under this Agreement. Any Member shall be entitled to pursue all legal and equitable remedies against another Member in response to any alleged default under this Agreement. Any and all of the remedies provided to the Members, hereunder or by law now or hereafter enacted, are cumulative and the exercise of one right or remedy shall not impair the Members to any other remedy.

ARTICLE 36 - ARTICLE HEADINGS

All article headings are for reference only and are not intended to define or limit the scope of any provision of this Agreement.

ARTICLE 37 - DISPUTE RESOLUTION

- 37.1 The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant, or condition of this Agreement ("Dispute") may first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation, or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation.
- 37.2 Each Member shall bear its own costs, attorney's fees, and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Santa Clara County, California.

ARTICLE 38 – INSURANCE

If available, the Agency shall obtain insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Agency. Insurance under this provision may include an insurance pool program.

ARTICLE 39 - FILING WITH SECRETARY OF STATE

The Executive Director of the Agency shall file a notice of this Agreement with the office of the California Secretary of State within thirty (30) days of its effective date, as required by Government Code Section 6503.5, as amended and within seventy (70) days of its effective date as required by Government Code Section 53051, as amended.

ARTICLE 40 - COUNTERPARTS

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

ARTICLE 41 - AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties and supersedes any prior written Agreement between the Members on the same topic.

Answers to City Managers Questions re: Cities Association of Santa Clara County (“CASCC”) and Proposed Joint Powers Authority (“JPA”)
August 7, 2023

GENERAL

Question #1. a.: What do we want this organization to be?

Answer #1. a.: The goals and purposes of the organization will not change. Here are the stated goals of the CASCC:

- To review, study, develop consensus positions, and recommend on issues of interest to Santa Clara County cities;
- To develop a common agenda for Santa Clara County cities;
- To serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government, including the Peninsula Division of the League of California Cities;
- To serve as the City Selection Committee pursuant to Government Code section 50270 et seq. and make appointments to regional and local bodies as provided by law;
- To assist in the development of state-wide legislative policy through the structure of the League of California Cities;
- To serve as a source of education, information, and networking for officials from all cities in Santa Clara County;
- To provide a forum for non-city individuals, groups and organizations, and the private sector to address items of interest to Santa Clara County cities.

And here are the stated purposes of the proposed JPA:

1. Review, study, develop consensus positions, and take action on issues of interest to Members;
2. Focus on local and regional matters that are important to our future;
3. Develop a common agenda for Santa Clara County cities;
4. Serve as a unified voice for Santa Clara County cities in relationship to other agencies, organizations, and levels of government;
5. Establish the City Selection Committee pursuant to Government Code Section 50270 *et seq.*, as amended and make appointments to regional and local bodies as provided by law;
6. Serve as a source of education, information, and networking for officials from all cities in Santa Clara County;
7. Provide a forum for non-city individuals, groups and organizations and the private sector to address items of interest to Santa Clara County cities;
8. Reduce duplication of effort by sharing information and provide a unified voice and strong advocacy on legislation and other important issues that affect its Members;
9. Strengthen the Members’ and Agency’s standing at the regional, State and Federal level;
10. Strive to respect local control, provide regional perspective, and make a difference to elevate the quality of life throughout the County;

11. Provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems;
12. Provide a method for the Members to collaborate and jointly develop policies that benefit the region; and
13. Collaborate in such a way that is efficient, saves the jurisdictions the expense of individual effort, and creates positive outcomes.

Question #1. b.: What are the goals in forming this separate JPA as opposed to something less structured?

Answer #1. b.: Currently, the CASC is an unincorporated association under the California Corporations Code. Since its creation, the member agencies have executed some agreements to provide a bit more structure to the association. In 1990, the CASC's member cities also entered into an agreement governing the operation of the organization, later amended on June 30, 1995. A copy of that Agreement is attached. As authorized by this Agreement, the CASC has also adopted bylaws, available on the organization's website. The existing Agreements set forth a structure that is similar to what a Joint Powers Agreement would establish for a JPA.

If the Cities Association becomes a JPA, neither the purpose nor the budget process would change. However, the JPA structure addresses concerns that have been raised about the CASC such as liability and insurance. The JPA would have access to insurance that is not currently available. Governmental immunities would apply to the JPA that do not apply to an unincorporated association. A JPA would also clarify the tax status of the organization. The governance and organizational structure are also familiar to the members.

Question #1. c. How is forming the JPA furthering those goals.

Answer #1. c.: The most effective CASC is one that is permanent, has governmental immunities to liabilities and employs an organizational structure that is both equitable and highly functional. Also, it will insulate the individual city/town members from future individual liability that an unincorporated association would arguably not do. The CASC has accomplished much in the past and can accomplish many of the same programs and should the Board of Directors wish to, additional tasks with the new, permanent structure. In addition, the formation of a JPA eliminates potential tax issues as governmental entities are generally not subject to federal and State tax-related requirements.

Question #2: Are there better organizational forms such as public benefits corporation or nonprofit organization?

CASC previously considered both a 501 (c) (4) non-profit social welfare organization and a JPA. In 2020, the Board of Directors chose to pursue a JPA based on factors, such as the time and cost of forming the new entity and the compatibility of the JPA structure and membership of

ANSWERS TO CITY MANAGER'S QUESTIONS RE: CASC JPA

August 7, 2023

the association. Considering the events that have transpired since the Board of Directors made the decision in 2020, we are even more convinced the JPA structure is best suited to the needs of the CASC for the reasons stated above and the fact that the CASC members are elected Council members appointed by their respective agencies and the CASC administers the Cities Selection Committee.

Question #3: What models/example joint powers agreements were used to develop the proposed CASC JPA?

Answer #3: The proposed JPA was developed by the two prior General Counsels, including Gary Baum, and he utilized the following examples: Silicon Valley Regional Interoperability Authority JPA (click on JPA document link) <https://svria.org/resources/documents/> Silicon Valley Animal Control Authority JPA (click on JPA link) <https://www.svaca.com/about-us>

Question #4: What issues, structural or otherwise, is the association facing that can only or uniquely be solved by the formation of a JPA?

The JPA would provide a governmental structure for the CASC. As a JPA, the CASC would have governmental immunities and the liability of its members would be clarified. The JPA would have also access to some risk pools that insure governmental entities. The JPA structure itself would create a backbone of organization by clearly setting forth the scope of the JPA's authority.

See answer to Question 1c above.

Question #5: Are there examples of issues that the JPA can address, particularly that cannot be accomplished through a less formal structure?

See answers to Questions #3 and #4.

Collaboration amongst our cities is one of the key advantages of the CASC, which helps to strengthen our region. It is noteworthy, that in a county as populous and diverse as Santa Clara County, our cities have been able to come together and have some notable successes that could only have happened through CASC. For example, the work of the CASC during the COVID-19 pandemic resulted in a stronger partnership with our County, paving the way for greater trust and collaboration in the future. In recognition of their hard work, the CASC was awarded the President's Medal for Exemplary Service During the COVID-19 Pandemic by the SCC Board of Supervisors. Also, our cities collectively implemented ordinances to ban single-use plastic bags in each of our cities. Perhaps one of the most timely advantages of the CASC and JPA membership would be the ability to apply for regional and statewide grants, such as the

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multi-year Regional Early Action Planning (REAP) Grant from ABAG. CASC contracts with Community Planning Collaborative to lead this effort. Currently, all of our cities benefit from the technical assistance provided by the Planning Collaborative. Formed in October of 2019, the Santa Clara County Planning Collaborative is a shared effort among the county's jurisdictions to help address the region's housing challenges. The jurisdictions, by working together collaboratively, save money, time, and resources by sharing information and capacity; maintain & facilitate relationships with non-profits, affordable housing advocates, and key governmental organizations.

For cities that are part of the JPA, they would be able to participate in sessions with legislators and other councilmembers to benchmark and share ideas. They would also have the opportunity to vote and advocate on issues together with their fellow cities. During COVID, different groups were able to reach out to the Cities Association knowing they would be able to reach all 15 cities. Also, having a group with all 15 cities participating would complement the SCC City Managers and City Attorneys groups.

Question #6: The primary purpose or goal of the formation described today (10/12/22), was for all cities to continue to participate. If that is the case will the final document be able to be ratified without each of the cities consenting?

The CASC functions best when all cities and towns within the County are members. Each of the individual Council members who serve on the CASC board will present the JPA to their respective agencies for approval with the goal of having all the current members cities and towns participate in the JPA. It is important to note that all cities and towns would continue to participate in the City Selection Committee (CSC) even if they are not members of the JPA. Government Code Section 50270 designates the mayors of all cities and towns within the County to serve on the CSC. The purpose of the CSC is to appoint city representatives to boards, commissions, and agencies as required by law. In Santa Clara County, CASC houses the CSC and takes responsibility for all the administrative tasks related to the CSC.

While it is the goal of the CASC and the JPA process that all cities and towns become members, the JPA is drafted so that it becomes effective once eight members join. Should the number of members fall below 7 then Article 4 of the JPA would apply:

After one full year after the initial formation of the Agency, should the membership fall below seven (7) Members due to the withdrawal of Members and the membership level remains at below seven (7) Members for a period of at least one (1) year and a similar JPA, with the same or similar powers and functions is formed containing a majority of cities in the County of Santa Clara, the Agency shall change its name and permit the new organization to take on the name of the Agency. Notwithstanding

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the name change, this Agreement shall continue in effect until terminated as provided herein. The termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Agency shall not operate to terminate this Agreement with respect to the remaining Members.

Note, this provision was added at the request of the City/Town Attorneys all of which provided input into the final draft of the JPA.

FISCAL MANAGEMENT

Question #1: How will member agencies be able to review proposed annual budget and proposed assessments in advance of adoption by the JPA board?

Answer: #1: Like the process set forth in the bylaws and the process followed by the SVRIA, section 8.3.5 of the JPA requires the Board of Directors to adopt its budget by April 30 of each year. This process is designed to ensure that city/town members can consider and incorporate any increase or decrease in their dues into their budget planning before they are required to adopt their own budgets. Only the Board of Directors may adopt the budget at a publicly noticed meeting, the Executive Committee may not adopt the budget. Notice of proposed budget figures will be sent to the City Managers in advance of any budget adoption meeting. If April 30 is too late for city/town budget planning, an alternative date of March 30 could be considered.

Question #2: Is it assumed that the dues structure/formula will be determined after approval of the JPA, or will this be established in advance of approval?

Answer: #2: While the dues will be established after approval of the JPA, no significant increases are anticipated. The adoption of any dues structure or formula would need to be considered as part of the annual budget process. The dues' structure and related provisions will be incorporated into the bylaws for the JPA. The CASCC will share information regarding its proposed budget and dues as soon as possible in each budget cycle, and will share with its member cities and towns, their elected officials, and city managers in a transparent manner. The goal is to submit next year's fiscal year budget, with the final Joint Powers Agreement, in December 2023.

Question #3: How will the JPA address disagreements on the dues structure, particularly if dues will increase with a JPA?

Answer #3: It is neither assumed nor anticipated that the dues will increase because of the change in organizational structure. It is anticipated that annual dues will increase to reflect cost

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of living increases. As set forth in the current bylaws, the Board adopts a budget every year in the same timeline as its member agencies and a majority vote is required to adopt a budget.

Question #4: Has the association considered CalPERS costs in a potential JPA?

Answer#4: Yes, CASC has considered this matter. CASC obtains services from independent contractors and does not have employees. CalPERS membership is not mandatory for a JPA. The JPA has been drafted to address this issue and specifically states the JPA will not contract with CalPERS. See JPA provision 14.1.5:

14.1.5 The Agency shall not contract with or become a member of the California Public Employees Retirement System ("PERS"), nor shall any employee of the Agency become a member of PERS or be entitled to a pension or retirement from PERS because of service to the Agency; and

In addition, the following change will be made to the JPA to address the issue:

14.1.6 The Agency shall not contract with or provide any pension to any employee of the Agency, nor shall any employee of the Agency be entitled to a pension or retirement Benefits, aside from Social Security as a result of service to the Agency.

Question #5: What is the extent of the Dissolution Plan and Tax Liability and who will be responsible?

Answer #5: The Dissolution Plan for CASC has been discussed by the City/Town Attorney's group and researched by a few of its members. A consensus on the approach to dissolution has been reached with the City/Town Attorney's Group. Article 5 of the JPA it states: "Upon formation of the Agency as described in Article 4, the Cities Association of Santa Clara County, an unincorporated association shall follow the process of dissolution and cease to exist." The CASC will follow the procedure for dissolution set forth in California Corporations Code Section 18410. Upon approval of the JPA by eight Members, the current CASC Board of Directors will pass a resolution following the Corporations Code procedure and transfer the assets and liabilities of CASC. The City/Town Attorneys discussed the possibility of only transferring the assets and not the liabilities of CASC. However, the consensus of this group was that this approach may be rejected by the courts so that path is not recommended and will not be followed.

PERSONNEL MANAGEMENT

Question #1: Who is responsible for evaluating the performance of the Executive Director, and taking any associated personnel action?

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Statement #1: Difficult personnel issues can occur in any organization. It is in everyone's interest to establish a structure for handling such issues in advance of actual situations.

Response to Statement #1: Agreed.

Answer#1: The Executive Director provides services to CASC as an independent contractor. Only a majority of the Board of Directors may take action regarding the contract of the Executive Director or any performance evaluation process. The JPA will be modified to clarify this issue.

Just to reiterate from Question 4 above, all services provided to CASC will be through independent contractors, not salaried employees.

DECISIONMAKING

Question #1: How will the JPA determine whether to pursue new initiatives, such as grants, that may not clearly exceed the \$50,000 Significant Programs threshold? How will the JPA determine its ability to perform its associated responsibilities?

Answer #1: The JPA at Article 15 Substantial Programs states:

If the Board desires to create significant programs or activities which will utilize substantial resources of the Agency, it shall do so by a vote of the Board. Substantial resources and significant program or activity shall be defined as any program or activity requiring \$50,000 or more in annual expenditures, this amount shall be increased by the annual cost of living CPI index. Any new significant program or activity shall require a work plan and a two-thirds vote of the Members in order to be initiated. When a new significant program is intentionally designed to be limited in scope, such that it only provides benefits to particular Members, the Agency may enter into specific program or project Agreement that includes relevant terms, by the particular affected Members and any such Agreement shall be approved by the Board prior to or at the same time as formation of the significant program. These Agreements shall be subject to approval by the Board of Directors by a two-thirds vote of the Members.

First and foremost, the JPA's programs and activities will be limited to its available budget. If a new initiative or grant becomes available, the Board would discuss the level of interest at a public meeting and whether it should pursue it.

Second, the CASC also intends to amend this JPA provision to define a Substantial Program as any program or activity requiring \$10,000 or more (subject to CPI adjustments) - rather than \$50,000 or more - in annual expenditures, in order to exercise greater fiscal oversight.

Statement #1: For example, the SVRIA JPA establishes a Working Committee with specified composition, that is responsible for recommending a budget, accepting grants, and awarding contracts, as well as recommending an Executive Director.

Response to Statement #1: The Executive Committee performs a similar role to that of SVRIA's Working Committee, but its powers have been limited based upon input from the City Managers and City/Town Attorneys. Should the CASC Board of Directors wish to create a new committee, such as the Working Committee with significant powers, the concept, scope, staffing and resources implications would need to be considered by the Board of Directors.

While SVRIA is a JPA model that was considered in the formation of the CASC JPA, it should be noted that SVRIA's annual budget exceeds \$5 million (for FY 23 and beyond). By comparison, the CASC annual budget is currently under \$300K. Currently, it is sufficient for the Executive Committee to perform some, not all, functions of the SVRIA Working Committee. At some point in the future, the CASC Board of Directors may consider formation of a Working Committee, and may choose to do so with input from the City Managers and/or the City Attorneys.

Question #2: How will the JPA determine its position and activities related to legislative advocacy? How will individual Director's responsibility to the JPA be reconciled with positions of their respective agencies?

Answer #2:

Role of the Legislative Action Committee ("LAC")

LAC advocates on behalf of all 15 cities on issues of mutual interest, provides legislative updates to cities, and organizes emergency responses to urgent issues. LAC acts as the convening body for all 15 cities to discuss and take positions on legislative bills, and local and state measures ("Bills/Measures"). The LAC meetings allow for collaboration, advocacy, and education. It allows the cities to delve into an issue and discuss how the issue may affect their cities. LAC is also guided by the Legislative Guiding Principles and the Housing Position Paper, which were both adopted by the Cities Association Board and aim to be representative of all 15 cities.

Benefit to cities from LAC

Cities benefit from the LAC in many ways. An organization consisting of 15 cities with over 1.9 million residents has a louder and more impactful and effective voice compared to each city advocating on its own behalf, especially smaller cities. Legislators have said repeatedly that they pay attention to the positions taken by the Cities Association. Legislators and local groups

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seek the Cities Association's endorsement because they understand the importance and influence of an endorsement from the Cities Association.

LAC also provides an opportunity for legislators to present an idea for a potential Bill/Measure and solicit feedback on how such a Bill/Measure may impact cities, or what provisions would cities support/oppose. This is also a great opportunity for Cities to weigh in and give feedback to help shape a bill before it moves forward. Legislators/groups have also shared that it is much easier for them to come to Cities Association and reach all 15 cities at the same time than try to reach each Council individually. For many of the presentations, the legislators will attend the LAC meeting, which gives the cities face to face time with legislators.

Another benefit is LAC provides a forum for cities to learn from each other, hear different perspectives, and better understand the potential impact of a Bill/Measure. Often, this results in the cities being better informed on the pressing issues happening at the state and local levels.

Decision-making process for LAC

The LAC agenda normally consists of (1) an educational item whereby a legislator or group presents on a potential or new Bill/Measure, the intent being to educate and answer any questions representatives may have, or (2) a few Bills/Measures for discussion and action, to recommend a position to the Cities Association Board. It is the Board that makes the final decision on the Cities Association's position on a particular Bill/Measure. Some cities have the same Councilmember serve on LAC and the Board, while others will have different Councilmembers serve on each body. Therefore, although the discussion and presentation at the Board level is not as in depth as the LAC meeting, sometimes the discussion and vote at the Board level are different from what happened at the LAC meeting.

LAC's recommendation to the Board is based on what majority of the cities support. The practice is for the LAC Chair to communicate the recommended position to the full Board and include the minority position(s) or any concerns expressed during the discussion at the LAC meeting.

One of the ways the CASC communicates its position on a particular Bill/Measure is to send a letter to the applicable body. In recent years, the CASC has made an effort to include the concerns of the "minority position" in the letter, and advocate that certain bills carve out an exemption for smaller cities, recognizing that all 15 cities are unique, diverse and range from populations of a few thousand to one million people.

Every city has its own approach to how it votes on a Bill/Measure at a LAC meeting. Some cities will only vote on a Bill/Measure if their full Council has taken a position on the particular item. Other cities will vote on the item if it aligns with a position taken on a similar issue by its Council. If an item is not controversial like housing, then most cities will vote on the item, even if their full Councils have not considered the item.

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How to make LAC even better

The CASCC Executive Committee has continued to identify ways to improve LAC because of the value it provides to the cities. Here are some things we are already considering, and we welcome any suggestions you may have:

- Need staff support to be better prepared for LAC meetings. This work can be time consuming as it requires analyzing bills, researching the support and oppose positions and legislative history, and tracking the status of the Bill/Measure. To date, this work has fallen to the LAC Chair, CASCC Executive Director, and/or the Board President's staff. If cities, like San Jose, are willing to share their legislative staff with the CASCC, at no cost, it is worth exploring, provided the work is objective and does not reflect the position of that city.
- Continue to do a better job of including the minority voices in our advocacy and any unique impacts to smaller cities.
- Provide a LAC calendar at the beginning of the year that gives dates when LAC will be considering certain bills to give cities an opportunity to have their Councils take a position on the bill before it goes to LAC.
- Have cities suggest bills they want LAC to consider.
- Continue to have the Board members report back to their Councils and City Managers on the impactful and valuable work the CASCC is doing.

Question #3: How does the organization work if/when not all cities join? If not all or enough members join, how does the association act as the appointing body for various regional commissions.

Answer #3: The Agency will be formed once eight cities/towns approve the JPA (See JPA Article 8). The participating members would meet and operate as a JPA. Given Government Code provisions governing the CSC, all cities are permitted to participate in these Committee meetings and the appointment process even if they are not members of the JPA (See JPA Article 13). The JPA would continue to administer the CSC.

At the request of the City/Town Attorneys provisions were added to Article 8 that after one year of formation should membership fall to less than seven members for a period of one year that the Agency is required to release the CASCC name to a new JPA should one be formed. On a related note, the Executive Committee is not activated until there are nine members, and it will then consist of three members, in order to address any potential ties in voting. If the JPA

has eleven or more members, the Executive Committee would then consist of five members (See JPA Article 11). The CASCC intends to amend JPA Article 11 to capture this approach.

For cities that are part of the JPA, they would be able to participate in sessions with legislators and other councilmembers to benchmark and share ideas. They would also have the opportunity to vote and advocate on issues together with their fellow cities. During COVID, different groups were able to reach out to the Cities Association knowing they would be able to reach all 15 cities. Also, having a group with all 15 cities participating would complement the SCC City Managers and City Attorneys groups.

Question #4: Does the proposed power of the executive committee have the potential to allow the executive board to make decisions at the expense of some or all of the members?

Answer #4: The proposed JPA has been drafted to address concerns regarding the authority of the Executive Committee (formerly known as the “Executive Board”). Additional changes will be made to the JPA to clarify that the Executive Committee cannot make personnel decisions and that new powers can only be vested in the Executive Committee following a vote of the Board of Directors on the issue. The Executive Committee will not have the authority to make personnel decisions or decisions related to the contract for the Executive Director.

The JPA currently reads as follows: at Article 11: “The Executive Committee may have additional powers delegated to it by the Board, except for the adoption of the Agency’s annual budget. Any additional powers and duties delegated shall be specified in a Resolution adopted by the Board. The Executive Committee shall provide notice to the Board before authorizing or conducting any investigations into the business of the Agency and before taking personnel action. These actions must be authorized by a majority vote of the Executive Committee.”

The reference to personnel action will be removed and the Executive Committee will be prohibited from taking any personnel actions.

Question #5 What is a situation where the association would need to issue debt, purchase land, or hire or terminate multiple employees?

Answer#5: The provisions authorizing the JPA to issue debt or purchase land will be removed. It is unknown whether the Agency would ever need to hire or terminate an employee, but those decisions would be made by the Board of Directors and memorialized in a budget adopted by the Board of Directors, not the Executive Committee. (See answer to PERSONNEL MANAGEMENT #1)