



STUDY SESSION AND REGULAR MEETING OF THE MILPITAS CITY COUNCIL

MINUTES
TUESDAY, MARCH 3, 2026

The City Council of the City of Milpitas convened in a Regular Meeting of the Milpitas City Council on March 3, 2026, 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 City Council meeting to order at 5:06 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien

ABSENT: None

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

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

NOES: None

STUDY SESSION

1. Receive a Staff Presentation on the Preliminary FY2027 2031 Five-Year General Fund Financial Forecast and Provide Feedback on Desired Service Levels to Inform FY2026 27 Budget Development (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)

Acting City Manager Hernandez provided opening remarks and Finance Director Cofresí-Howe presented the report.

There were no public speakers.

Councilmember Lam inquired about the difference between the adopted and amended FY 2025–26 budgets. Finance Director Cofresí-Howe explained that the amendments reflect Council-approved actions, including grants and union contracts, and noted that a detailed memorandum would be provided. Councilmember Lam also asked about the current sales tax rates and transfers to the IT and Storm Drain Funds. Finance Director Cofresí-Howe stated that these transfers reflect longstanding Council policies intended to support future capital projects.

Councilmember Chua requested a three-year comparative analysis of interest earnings from the City's reserves. She also asked about funding related to Main Street revitalization. Assistant City Manager Cano clarified the distinction between \$100,000 in Council-allocated funds and \$750,000 received through Congressman Ro Khanna's office for specific signal and lighting improvements.

Councilmember Chua expressed concern regarding the gap between revenues and expenditures and emphasized the need to increase revenue while reducing expenditures.

Councilmember Lien asked about the uninsured claims payable. Budget Manager Alice Vurich and Human Resources Director Kelli Parmley explained that these represent workers' compensation reserves. Councilmember Lien requested aggregate data regarding claims. She also asked about the remaining one percent of expenditure drivers beyond personnel (79.1%) and services and supplies (19.9%). Finance Director Cofresí-Howe explained that the remaining amount includes debt service, operating transfers, and fund reductions. Councilmember Lien further inquired about cost containment and operational efficiencies. Human Resources Director Parmley described the City's strategic recruitment process, which requires justification and multiple levels of approval before vacancies may be filled.

Councilmember Chua also raised concerns regarding overtime and the workers' compensation process, including the effectiveness of the City's third-party administrator. Human Resources Director Parmley explained that the administrator manages claims processing and noted that a recent independent audit provided recommendations for improvements. She also described the Ready Rebound program launched in December to advocate for injured workers and support return-to-work efforts. Councilmember Chua suggested delays may occur during the administrator's approval process and directed staff to conduct a statistical analysis of Sedgwick's effectiveness and provide performance data.

Vice Mayor Barbadillo commented on the upcoming June budget adoption, noting that only six meetings remain before the budget must be finalized. He expressed concern about responses indicating that information was not available and directed staff to maintain a comprehensive list of information requests from Council and staff to ensure timely responses prior to budget adoption. The Vice Mayor also asked staff to provide detailed information regarding the reported \$28.5 million structural deficit reduction, including specific actions taken rather than general references to cost containment, interest income, and organizational assessments. He requested a clear roadmap demonstrating how the deficit was reduced, supported by data. The Vice Mayor also asked Economic Development staff to provide data demonstrating how City actions contributed to increases in sales tax and transient occupancy tax revenues. Regarding overtime, he requested data showing how staffing structures affect overtime costs to inform potential policy discussions.

Councilmember Lam additionally requested citywide overtime totals and annual departmental breakdowns.

Mayor Montano directed staff to provide comparative information regarding business license tax structures in other cities to inform the upcoming business tax modernization ballot measure.

Staff confirmed that responses to the Council's requests would be provided through information memoranda and future presentations. Assistant City Manager Cano summarized the follow-up items for tracking purposes.

At 6:56 PM, Following the conclusion of the item, the City Council recessed until the start of the Regular City Council meeting.

CALL REGULAR MEETING TO ORDER

Mayor Montano called the Regular City Council meeting to order at 7:07 PM following the Study Session break.

PRESENTATIONS

Mayor Montano and the City Council presented proclamations in recognition of Red Cross Month and Youth Art Month.

ADJOURN TO CLOSED SESSION

Acting City Attorney Christopher Creech briefed the public on two closed session items.

The City Council adjourned to Closed Session at 7:15 pm.

(a) CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6

Agency's Designated Representative(s): Rick Bolanos, Liebert Cassidy Whitmore

Employee Organization(s): Professional and Technical Employees, Mid-Management and

Confidential Employees, Milpitas Employees Association, International Association of Firefighters,

Milpitas Police Officers Association, Unrepresented Employees

(b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: APN Nos. 028-34-001 through 028-34-094

Agency's Negotiator(s): Assistant City Manager Matt Cano

Negotiating Parties: City of Milpitas and Milpitas Community Museum

Under Negotiation: Price and terms of payment

CLOSED SESSION ANNOUNCEMENT:

The City Council reconvened in Open Session at 8:31 PM.

Acting City Attorney Creech had no report out from Closed Session.

PLEDGE OF ALLEGIANCE

Vice Mayor Barbadillo led the pledge of allegiance.

INVOCATION

Councilmember Chua provided the invocation. Councilmember Lam offered additional comments on the Lunar New Year.

PUBLIC FORUM

There were the following public speakers:

1. Voltaire Montemayor

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

Acting City Attorney Creech asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest. Acting City Attorney Creech 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 City Council Code of Conduct.

CONSENT CALENDAR

Mayor Montano asked if there were any changes to the Consent Calendar.

There were no public speakers.

After discussion, motion: to approve the Consent Calendar.

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

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

NOES: None

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

Received City Council Calendar of Meetings for March 2026.

3. Approve City Council Meeting Minutes (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Approved City Council Meeting minutes of February 17, 2026.

4. 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.

5. Receive and Review the List of Agenda Items Requested by City Councilmembers (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received the list of items that have been requested by City Councilmembers and received consensus in previous meetings to date.

6. Authorize and Approve Travel Request for Mayor Montano, Councilmember Chua, and Councilmember Lam to Sacramento, CA for the CalCities City Leader Summit (Staff Contact: Matt Cano, Assistant City Manager, 408-586-3012)

Authorized and approved travel to Sacramento, CA, for Mayor Montano, Councilmember Chua, and Councilmember Lam to Sacramento, CA for the CalCities City Leader Summit to be held on April 22-24, 2026, for a combined estimated total amount of \$6,000, budgeted under the Individual Elected Official allocation for Conferences/Meetings/Trainings.

7. Establish Accessibility Compliance Fund (CASP) (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)

Adopted **Resolution No. 9483** establishing the Accessibility Compliance Fund as a separate special revenue fund and authorizing the transfer of previously collected fees to the fund.

8. **Adopt a Resolution to Accept the Improvements, Authorize the City Engineer to File a Notice of Completion and Issue a Notice of Final Acceptance After the One-Year Warranty for the Hammond Way Streetlight Project (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)**

Adopted **Resolution No. 9484** to accept the improvements; and Authorize the City Engineer to file a Notice of Completion and issue a Notice of Final Acceptance after one-year warranty period for Hammond Way Streetlight Project, CIP No. 4301.

9. **Adopt a Resolution to Accept the Improvements, and Authorize the City Engineer to File a Notice of Completion and Issue a Notice of Final Acceptance After the One-Year Warranty for Street Sealing Project 2024 (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)**

Adopted **Resolution No. 9485** to accept the improvements; and Authorize the City Engineer to file a Notice of Completion and issue a Notice of Final Acceptance after the one-year warranty for Street Sealing Project 2024, CIP No. 3424, 3426, 4283, 4305 and 7118.

PUBLIC HEARINGS

10. **Conduct the 2026 Weed Abatement Public Hearing and Adopt a Resolution to Abate the Weeds (Staff Contact: Arthur Belton, Deputy Fire Chief/Fire Marshal, 408-586-3384)**

Acting City Manager Hernandez introduced the item. Deputy Fire Chief Belton presented the report.

Mayor Montano opened the public hearing.

There were the following public speakers:

1. Voltaire Montemayor

Mayor Montano closed the public hearing.

Councilmember Lam asked about minimum weed height requirements, with Deputy Chief Belton clarifying the standard is 6 inches but emphasizing inspectors focus on larger landscape fire hazards rather than precise measurements.

After discussion, motion: to adopt **Resolution No. 9486** directing the County of Santa Clara Consumer and Environmental Protection Agency Weed Abatement Program to abate the nuisance, keep an account of the cost, and embody such account in a report and assessment list to the City Council in accordance with the Milpitas Municipal Code.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

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

NOES: None

11. **Approval of Issuance of Tax and Equity Fiscal Responsibility Act (TEFRA) Tax-Exempt Revenue Bonds by the California Municipal Finance Authority for An Amount Not Exceeding \$25,000,000 to Finance the CA Circle Family Apartments, An Affordable Housing Development Located at 1355 California Circle (Staff Contact: Matt Cano, Assistant City Manager, 408-586-3012)**

Acting City Manager Hernandez and Assistant City Manager Cano introduced the item. Special Projects Associate Hom presented the report.

Mayor Montano opened the public hearing.

There were the following public speakers:

1. Voltaire Montemayor

Mayor Montano closed the public hearing.

Vice Mayor Barbadillo asked staff for confirmation that the city's role was ministerial with no financial liability and questioning any additional benefits beyond the \$13,500 issuance fee. Special Projects Associate Hom explained the primary benefit was achieving affordable housing goals.

Mayor Montano inquired about the 55-year term and post-expiration options. Jared Suzuki from the California Municipal Finance Authority explained properties could be recovenanted, convert to market rate, or pursue other options depending on ownership decisions. The Mayor expressed concern about displacement risks after covenant expiration, referencing past Sunny Hills apartment issues, and asked about odor disclosures given proximity to the landfill.

Councilmember Lam asked about rental versus purchase units and rent determination processes. Jared Suzuki explained the state rent schedules by AMI levels. The Councilmember compared affordability to Section 8 vouchers, with developer representative Oren Hillel clarifying no project-based vouchers were included but tenant-based vouchers could be accepted.

Mayor Montano asked about application processes for residents seeking affordable units. Developer Representative Hillel explained pre-leasing marketing plans would be developed 3-6 months before lease-up in coordination with city staff, with construction targeted to begin in June 2026.

After discussion, motion: to adopt **Resolution No. 9487** approving the California Municipal Finance Authority's issuance of tax-exempt revenue bonds for the benefit of CA Circle Family Apartment LP to finance the multi-family affordable housing development located at 1355 California Circle, pursuant to the requirements of TEFRA..

Motion/Second: Vice Mayor Barbadillo / Mayor Montano

Motion carried by the following:

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

NOES: None

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Acting City Manager Hernandez thanked staff and council for productive budget conversations.

Councilmember Chua requested that the city attorney's office utilize four hours to prepare a legal brief reviewing the city council vacancy ordinance unchanged since 1976, including existing framework analysis, gap identification, and modernization recommendations. There was unanimous consensus to move forward with the item. Councilmember Chua spoke on bringing forward recognition of women for International Women's Month celebrations.

Councilmember Lam asked to change the Science, Technology and Innovation Commission name to the "Technology Commission". Assistant City Manager Cano noted this would be included in the April

commission name review item already scheduled for council prioritization.

Mayor Montano asked for Councilmember Lien to speak with the Library Commission about potentially shortening their name from "Library Education Advisory Commission" to "Library Commission" for the April discussion.

ADJOURNMENT

Mayor Montano adjourned the meeting at 9:12 PM.

The foregoing minutes were approved by the Milpitas City Council on March 17, 2026.



Suzanne Guzzetta
Milpitas City Clerk