



Special/Regular Meeting Agenda
City Council

Mark Turner - Mayor
Marilyn Librers - Mayor Pro Tem
Gino Borgioli - Council Member
Rene Spring - Council Member
Yvonne Martínez Beltrán - Council Member

Wednesday, June 26, 2024 6:00 PM

Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037

AMENDED AGENDA - This agenda has been amended to include remote participation.

Council Member Yvonne Martinez Beltran will be participating remotely as follows:

Kumiai Inn, Benito Juarez 1451, Encanto Sur, 21440, Tecate, B.C., Mexico

Public comment shall be allowed from this location.

Morgan Hill City Council meetings are held in person with the option for the public to attend in-person or participate by teleconference/video conference. Information on how the public may observe and participate in the meeting is below.

MEETING PARTICIPATION

Morgan Hill City Council meetings are held in person. The community may attend in person or via Zoom (video/teleconference). The meetings are also live-streamed on the City's website, Facebook page, and Channel 17.

Those wishing to participate in the meetings remotely must register in advance at <https://bit.ly/CityCouncilZoomRegistration>. Additionally, Zoom participants must be running the latest version or will be required to update to the latest version before being able to join the meeting remotely.

Remote participation is also available by calling (669) 900-9128 and entering webinar

id: 873 3200 8380#. Dial *9 to raise your hand, and be called upon to speak for up to 3 minutes. Dial *6 to unmute.

PUBLIC COMMENT

Public comment may be offered verbally at the meeting or in writing before the meeting.

Those attending remotely may only offer public comment for items on the agenda in one of four categories:

- Consent Calendar
- Other Business
- Public Hearings
- Closed Session

Public comment will be heard from those attending in person first with the submission of a speaker card. Once that is complete, we will move to those on Zoom who have their hand raised. Following public comment from Zoom, we will close the public comment period for that item.

Remote public comment for items not on the agenda will not be accepted.

Written public comment may be submitted to the City Clerk:

- In person at the City Council Meeting;
- Via email to ccpubliccomment@morganhill.ca.gov; or
- Hand delivered or mailed to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037

Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) so that your comments can be submitted to the members of the City Council with sufficient time to review them. You may continue to provide written comments up to noon on Wednesday (the day of the meeting), although Council Members may not have sufficient time to review them before the meeting. Public comments submitted to the City Clerk after noon (12:00 p.m.) the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website. It is recommended that you do not include any personal information that you do not want to be posted on the web. Please be advised that communications directed to the City Council are public records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless exempt from disclosure under the applicable law. Communications will NOT be edited for redactions and will be printed/posted as submitted.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and

you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259 or by email at cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two full business days before the start of the meeting.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Martinez Beltran

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

This opportunity for public comment is for items that are not on the agenda. If you would like to make comments on an item that is on the agenda, please wait until we get to that item to offer your comments. Members of the public are entitled to address the City Council concerning any item within the Morgan Hill City Council's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda. Public comment is intended for comments. Questions posed during public comment are not generally answered. If you have questions, please send them to the City Clerk at ccpubliccomment@morganhill.ca.gov to receive a response. (See additional noticing at the end of this agenda)

ADOPTION OF AGENDA

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

1. **APPROVE A CONSULTANT AGREEMENT WITH BIGGS CARDOSA ASSOCIATES, INC. FOR THE COMPLETION OF DESIGN AND ENGINEERING WORK FOR GRADE SEPARATIONS FOR DUNNE AND TENNANT AVENUE AND DOWNTOWN CALTRAIN STATION PEDESTRIAN CROSSING FOR THE NOT TO EXCEED AMOUNT OF \$2 MILLION, INCLUDING A CONTINGENCY OF \$200,000**

Recommendation:

1. Approve an agreement with Biggs Cardosa Associates, Inc. for design and engineering work for Phase 1 for grade separations for Dunne Avenue and the Downtown Caltrain Station Pedestrian crossing for an amount not to exceed \$1 million (\$900,000 with \$100,000 contingency);
2. Authorize the City Manager to increase the maximum compensation paid to Biggs Cardosa Associates, Inc. by \$1 million (\$900,000 with \$100,000 contingency) for design and engineering work for Phase 2 to include Tennant Avenue upon award and receipt of the Federal Railroad Administration grant; and
3. Authorize the City Manager to execute the Agreement with Biggs Cardosa Associates, Inc. and necessary amendments.

2. **APPROVE OBJECTIVE DEVELOPMENT STANDARD WAIVERS AND DENY CONCESSION REQUEST FOR THE BARNELL - HAREN PROPERTIES LLC RESIDENTIAL PROJECT AT BARNELL AVENUE AND DUNNE AVENUE (LJ COMMONS)**

Recommendation:

Adopt resolution approving the request for four waivers and denying the request for a concession to the City's Objective Development Standards for residential development.

3. **APPROVE REQUEST BY EDEN HOUSING, INC. (EHI) TO WAIVE THE 2023 ANNUAL SURPLUS PAYMENT TO CITY FOR VILLA CIOLINO AFFORDABLE APARTMENTS TO MAKE NECESSARY REPAIRS**

Recommendation:

Authorize the approval of a waiver for the receipt of the 2023 annual payment from Villa Ciolino's surplus cash in the amount of \$101,197 to support the property's urgent rehabilitation needs.

4. **APPROVE THIRD AMENDMENT TO AGREEMENT WITH CITY OF GILROY FOR PROVIDING STAFF SERVICES**

Recommendation:

Authorize the City Manager to execute the Third Amendment to the City of Gilroy Staff Services Agreement for Stormwater Permitting Requirements and Environmental Management Services.

5. **APPROVE THE CLOSEOUT ANALYSIS REPORT FOR THE REASSESSMENT DISTRICT 2015-1 (MORGAN HILL RANCH)**

Recommendation:

1. Adopt resolution declaring the remaining reassessment revenue fund balance to be surplus, ordering the disposition of such surplus; and
2. Approve the Closeout Analysis Report for the Reassessment District 2015-1 (Morgan Hill Ranch).

6. **APPROVE THE JUNE 19, 2024 CITY COUNCIL MEETING MINUTES**

Recommendation:

Approve minutes.

7. **AUTHORIZE EXECUTION OF COST SHARING AGREEMENT WITH VALLEY WATER FOR THE UPPER LLAGAS FLOOD CONTROL PROJECT PHASE 2B**

Recommendation:

1. Authorize the City Manager to execute and administer a cost-share agreement with Valley Water for the construction of improvements supporting the Upper Llagas Creek Flood Control Project for up to \$4.5 million; and
2. Authorize the City Manager to make minor modifications to the agreement as necessary with the approval of the City Attorney.

8. **AWARD THE EAST DUNNE HILLSIDE WATER RESERVOIR PROJECT TO AZUL WORKS, INC. IN THE AMOUNT OF \$8,296,000 AND APPROVE CONSULTANT AGREEMENT WITH KENNEDY/JENKS CONSULTANTS FOR CONSTRUCTION SUPPORT SERVICES FOR A NOT TO EXCEED AMOUNT OF \$300,000**

Recommendation:

1. Approve the East Dunne Hillside Water Reservoir Project plans and specifications;

2. Award contract to Azul Works, Inc. for the East Dunne Hillside Water Reservoir Project in the amount of \$8,296,000;
3. Authorize expenditures of construction contingency not to exceed \$829,600;
4. Approve consultant agreement with Kennedy/Jenks Consultants for Construction Support Services for a not to exceed amount of \$300,000; and
5. Authorize the City Manager to execute and administer the construction contract with Azul Works, Inc. and consultant agreement with Kennedy/Jenks Consultants.

9. RECEIVE MONTHLY BUDGET UPDATE AND MAY 2024 FINANCIAL AND INVESTMENT REPORTS

Recommendation:

Accept and file report.

PUBLIC HEARINGS

10. AWARD THE ENERGY SERVICES CONTRACT TO SYSERCO ENERGY SOLUTIONS, INC. FOR DESIGN AND CONSTRUCTION OF SOLAR SYSTEMS AT MULTIPLE CITY FACILITIES IN THE AMOUNT OF \$7,583,500

Recommendation:

1. Open and close the Public Hearing;
2. Authorize the City Manager to execute and administer an energy service contract with Syserco Energy Services for \$7,583,500;
3. Authorize contingency funds of \$379,175; and
4. Adopt a resolution making findings in compliance with California Government Code Section 4217.12 on Energy Conservation Contracts.

OTHER BUSINESS

11. AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH HOTEL MOHI BY APPELLATION FOR A TRANSIENT OCCUPANCY TAX AND SALES TAX SHARING AGREEMENT

Recommendation:

Authorize the City Manager to prepare and execute a Transient Occupancy Tax (TOT) and Sales Tax Sharing Agreement for the Hotel MOHI by Appellation project based on the Draft Deal Points as memorialized by KMA.

12. RECEIVE WASTEWATER RATE STUDY REPORT, ADOPT RESOLUTION DECLARING INTENT TO IMPLEMENT NEW WASTEWATER RATES AND

**COMMENCING PROPOSITION 218 NOTICES, AND SET AUGUST 28, 2024,
AS THE DATE FOR A PUBLIC HEARING**

Recommendation:

1. Receive Wastewater Rate Study report;
2. Consider implementing an alternative rate structure of a 100% fixed wastewater rate charge for residential customers and/or an additional wastewater meter account charge for those residential customers with detached Accessory Dwelling Units (ADU);
3. Adopt resolution declaring intent to adjust wastewater rates and authorizing the commencement of Proposition 218 noticing; and
4. Set August 28, 2024, as the date for the Public Hearing and adoption of new wastewater rates.

PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEMS

**13. PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL
INITIATED AGENDA ITEM**

Recommendation:

Determine if the majority of the City Council wants the following item agendized at a future meeting for discussion:

Bring Viva Calle to Morgan Hill.

FUTURE COUNCIL INITIATED AGENDA ITEMS

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the City Council less than 72 hours prior to an open meeting, will be made available for public inspection at the City Clerk's Counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the City Council concerning any item described in the notice of this meeting during consideration of that item. If you wish to address the Council on any item on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk before the City Council discussion on the item. You are not required to give your name on the speaker card to speak to the Council, but it is very helpful. When you are called, proceed to the podium, and the Mayor will recognize you. If participating via Zoom, please raise your virtual hand to be called. When called, you will be unmuted and recognized for speaking. If you wish to address the City Council on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less. Please note that public comment for items not on the agenda are not accepted virtually.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the City Council.

Persons interested in proposing an item for the City Council agenda should contact a member of the City Council who may request an item on the agenda for a future City Council meeting. Council discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the City Council, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of City Council Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.

Strategic Priorities 2024-2025

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Engagement
- Economic Development and Tourism
- Transportation
- Healthy Community

City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives