



**Meeting Minutes
City Council**

Steve Tate - Mayor
Larry Carr - Mayor Pro Tem
Rich Constantine - Council Member
Caitlin Jachimowicz - Council Member
Rene Spring - Council Member

Wednesday, April 19, 2017 5:00 PM

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

SPECIAL/REGULAR MEETING

(5:00 P.M. Workshop / 7:00 P.M. Regular Meeting)

SPECIAL MEETING

5:00 P.M.

CALL TO ORDER

Mayor Tate called the meeting to order at 5:01 p.m.

ROLL CALL ATTENDANCE

Minutes Clerk Angie Gonzalez called the roll.

Attendee Name	Title	Status	Arrived
Steve Tate	Mayor	Present	
Larry Carr	Mayor Pro Tem	Present	
Rich Constantine	Council Member	Present	
Caitlin Jachimowicz	Council Member	Present	
Rene Spring	Council Member	Present	

DECLARATION OF POSTING AGENDA

Minutes Clerk Angie Gonzalez declared the posting of the agenda.

WORKSHOPS

1. **THE PURPOSE OF THE BELOW MARKET RATE (BMR) HOUSING PERCENTAGES WORKSHOP IS TO DISCUSS HOW THE CITY CREATES AFFORDABLE HOUSING THROUGH THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM, AND EXPLORE IF THE CITY COUNCIL WOULD LIKE TO MODIFY THE 8% ON-SITE BMR AFFORDABLE PROVISION IN THE RDCS PROCESS. ADDITIONALLY, DURING THE WORKSHOP THE HOUSING TEAM WILL REVIEW THE EXISTING INVENTORY AND BELOW MARKET RATE UNITS AGING OUT OF THE BMR PROGRAM**

Housing Manager Rebecca Garcia gave a presentation and answered questions along with Assistant City Manager for Community Development Leslie Little.

2. **THE PURPOSE OF THE ECONOMIC BLUEPRINT WORKSHOP IS TO REVIEW THE PROPOSED ECONOMIC BLUEPRINT. THE ECONOMIC BLUEPRINT OFFERS A FRAMEWORK THAT WILL INFORM THE CITY'S LAND USE, POLICY AND INVESTMENT DECISIONS AND GUIDE ECONOMIC DEVELOPMENT EFFORTS WITH A PRIMARY GOAL TO ATTRACT JOBS AND INVESTMENT INTO OUR COMMUNITY AND ENSURE LONG TERM ECONOMIC PROSPERITY- PLEASE SEE ITEM 17 FOR MORE INFORMATION**

Economic Development Coordinator John Lang and Economic Development Manager Edith Ramirez gave a presentation and answered questions.

REGULAR MEETING

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Mayor Tate announced that Council Member Spring will join him at Booksmart from 9:30-11 a.m. Saturday morning for Coffee with the Mayor. He spoke about the Legislative Action Committee of the Cities Association. Their purpose is to track legislation that is going through at the state level and find bills that they want to take a position on. They want to oppose bills that would take powers away from local government or support bills that give local governments more kinds of capabilities. There are so many bills being introduced into legislature this year and we need to pay attention a little bit more. He proposed a future agenda item to discuss appointing one of the Council Members to be the representative to the Legislative Action Committee to the Cities Association. Traditionally the League and Silicon Valley Leadership go to Sacramento to do lobbying on a Wednesday in April and it conflicts with our Council meeting. He suggested re-scheduling that Council meeting next year so that we can take part in the lobbying exercise. The Cities Association is pushing what they call Equitable Communities. They are pushing that all communities pass a similar type of resolution. What we did in December was a memo to our community; we might want to follow-up and adopt a resolution as well. He concluded by stating that Silicon Valley Clean Energy is up and running, and that the League of California Cities Bocce Tournament is tomorrow night.

CITY MANAGER'S REPORT

City Manager Steve Rymer recognized our newly hired and promoted teammates.

New Hires

Leo Rocha- Utility Worker I
Jennifer Carman- Community Development Director
Shawn Lopez- Building Inspector I
Maria Angeles- Sr. Engineer for Land Development
Kenna Wright- Public Safety Dispatcher
Kyle Tolentino- Multiple Services Officer (start date of April 9, 2017)

Promotions

Charlie Ha- Supervising Civil Engineer

He concluded by speaking to the evening's supplements and presentations.

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin announced that our new Assistant City Attorney, Cynthia Hasson, will start on Monday. She will be primarily assigned to land use and planning and will be assigned to advise the Planning Commission. He addressed a communication received from a member of the public expressing some concern on an action taken last January on a feasibility study for quiet crossings. He reiterated his conclusion that there is no conflict for Councilmember Carr. Train noise would have a material impact on the entire Council and any time there is an impact that would affect more than 20% of the population of the community, it qualifies for the Public Generally Exception.

OTHER REPORTS

No other reports.

PRESENTATIONS

YAC PRESENTATION - ASSET #9 - SERVICE TO OTHERS

PUBLIC COMMENT

Mayor Tate opened public comment at 7:28 p.m.

Brian Faircloth was called to speak.

Diana Wood was called to speak.

Steven Shonk was called to speak.

Hearing no further requests to speak, the public comment was closed.

ADOPTION OF AGENDA

MOTION

Adopt the agenda as posted.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Rich Constantine, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

CONSENT CALENDAR

MOTION

Approving consent calendar items 5 and 7 through 16.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Rich Constantine, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

3. ITEM PULLED FOR DISCUSSION

4. ITEM PULLED FOR DISCUSSION

5. RESOLUTION AUTHORIZING A CALIFORNIA NATURAL RESOURCES AGENCY URBAN GREENING GRANT PROGRAM APPLICATION

Recommendation:

Adopt resolution approving the following actions:

1. Authorizing staff to prepare and submit an Urban Greening Program Grant Application to the California Natural Resources Agency for the development of a biking and walking path along Butterfield Boulevard from San Pedro Avenue to Railroad Avenue, and
2. Authorizing the City Manager to negotiate and execute the Urban Greening Program grant agreement.

6. ITEM PULLED FOR DISCUSSION

7. APPROVAL OF AQUATICS CENTER CONCESSIONAIRE LICENSE AGREEMENT

Recommendation:

Authorize the City Manager to execute, administer and further negotiate as necessary a Concessionaire License Agreement with Sycamore Concessions Corporation for the provision of food and beverage concessions at the Morgan Hill Aquatics Center.

8. POLICE DEPARTMENT VEHICLE FLEET SERVICE AGREEMENT

Recommendation:

1. Award Police Vehicle Service Agreement to Frank's Auto; and
2. Authorize City Manager to execute the agreement.

9. RECOMMENDATIONS TO PREVENT FUTURE SEWER SPILLS, ACCELERATE NEW SEWER TRUNK LINE, AND AWARD FIRST AMENDMENT FOR DESIGN SERVICES CONTRACT WITH HYDROSCIENCE ENGINEERS FOR THE NEW SEWER TRUNK LINE PROJECT

Recommendation:

1. Direct staff to implement projects to repair leaking sewer manholes and sewer pipes, and maximize flow in the existing sewer trunk line in Highland Avenue;
2. Award First Amendment to professional services agreement with HydroScience Engineers, Inc. to provide sewer trunk line design from Cohansey Avenue to Renz Lane for an additional \$521,900; and
3. Approve and authorize the City Manager to execute and administer the professional services agreement.

10. FIRST AMENDMENT TO MAINTENANCE SERVICE AGREEMENT WITH PETERSON POWER SYSTEMS, INC.

Recommendation:

1. Approve First Amendment to maintenance service agreement with Peterson Power Systems, Inc. to increase the not-to-exceed fee amount to \$211,095 for the routine and variable-costs maintenance services for the City's fleet of twenty-four standby generators; and
2. Authorize City Manager to execute First Amendment.

11. LEADERSHIP MORGAN HILL 2017 ANIMAL IMPOUND FACILITY IMPROVEMENT PROJECT

Recommendation:

Approve the concept for the Leadership Morgan Hill 2017 class project located at the Animal Impound Facility.

12. FEBRUARY 2017 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

13. CLASSIFICATION AND COMPENSATION STUDY

Recommendation:

1. Authorize Koff & Associates to conduct a limited classification and citywide compensation study;
2. Authorize the City Manager to execute and administer a services contract with Koff & Associates for an amount not-to-exceed \$72,125; and
3. Direct staff to include a review of the City's adopted Long-Term Labor Policy, Principles, and Strategies as part of the May 17, 2017 City Council agenda.

14. RECLASSIFICATION OF MUNICIPAL SERVICES ASSISTANT AND SUPPORT SERVICES SUPERVISOR AND HOUSING MANAGER SALARY INCREASE

Recommendation:

1. Approve the recommended increase in the salary range for Housing Manager;
2. Approve the reclassification of the Municipal Services Assistant position in the Housing Division to a Housing Coordinator classification; and
3. Approve the reclassification of the Support Services Supervisor position in the Development Services Department to a Management Analyst classification.

15. APPROVE CONSULTING SERVICES AGREEMENT FOR INTERSECTION CAPACITY ANALYSIS STUDY WITH MOTT MACDONALD

Recommendation:

1. Adopt resolution amending the Fiscal Year 2016-17 budget and appropriating an additional \$45,000 from the Traffic Impact Fund (309) for the Intersection Capacity Analysis study (CIP Project No. 575015); and
2. Award Consultant Services Agreement for the Intersection Capacity Analysis Study to Mott MacDonald.

16. ADOPT ORDINANCE 2233, NEW SERIES, AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING AN AMENDED DEVELOPMENT AGREEMENT FOR THE DUNNE HILL MEADOW SIX LOT RESIDENTIAL DEVELOPMENT LOCATED ON THE NORTHEASTERLY CORNER OF EAST DUNNE AVENUE AND HILL ROAD (ASSESSOR'S PARCEL NUMBER 728-11-026)

Recommendation:

Waive the reading, adopt Ordinance No. 2233, New Series, and declare that said title, which appears on the agenda, shall be determined to have been read by title and further reading waived.

ITEMS PULLED FROM CONSENT

3. ADOPT RESOLUTION COMMEMORATING THE VICTIMS OF THE HOLOCAUST

Recommendation:

Adopt resolution commemorating the victims of the Holocaust during the Days of Remembrance April 23, 2017 to April 30, 2017.

Council Member Caitlin Robinett Jachimowicz presented the staff report.

MOTION

Motion to approve staff recommended action.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Caitlin Jachimowicz, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

4. ADOPT RESOLUTION ENCOURAGING THE CELEBRATION OF THE MONTH OF JUNE AS LESBIAN, GAY, BISEXUAL, TRANSGENDER, AND QUEER/QUESTIONING PRIDE MONTH

Recommendation:

1. Adopt resolution encouraging the celebration of the month of June as Lesbian, Gay, Bisexual, Transgender, and Queer/Questioning Pride Month; and
2. Authorize the display of the Pride flag at City Hall during the month of June to commemorate Pride Month.

Council Member Rene Spring presented the staff report.

Mayor Tate opened public comment at 7:40 p.m.
Brian Faircloth was called to speak.
Hearing no further requests to speak, the public comment was closed.

MOTION

Motion to approve staff recommended action.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Rene Spring, Council Member
SECONDER:	Rich Constantine, Council Member
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

6. FINAL MAP APPROVAL OF DUNNE MURPHY - TRACT NO. 10387

Recommendation:

Adopt resolution approving the following actions:

1. Approve Final Map;
2. Authorize the City Manager to execute the Subdivision Improvement Agreement with Live Oak Investments LLC;
3. Authorize the City Manager to execute a Stormwater Best-Management-Practices (BMP) Operation and Maintenance Agreement pending review and approval by the City Attorney; and
4. Authorize the recordation of the Final Map and the Subdivision Improvement Agreement.

Mayor Tate opened public comment at 7:46 p.m.
Scott Murray was called to speak.
Hearing no further requests to speak, the public comment was closed.

MOTION

Motion to table the item to the May 3, 2017 Meeting.

RESULT:	TABLED [UNANIMOUS]	Next: 5/3/2017 5:00 PM
MOVER:	Larry Carr, Mayor Pro Tem	
SECONDER:	Steve Tate, Mayor	
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring	

OTHER BUSINESS

17. ADOPTION OF ECONOMIC BLUEPRINT

Recommendation:

1. Hold Economic Blueprint workshop;
2. Adopt Economic Blueprint; and
3. Direct staff to develop a budget recommendation to implement the Economic Blueprint for City Council consideration on May 3, 2017.

Economic Development Manager Edith Ramirez presented the staff report.

Mayor Tate opened public comment at 8:30 p.m.
Kathy Sullivan was called to speak.
John Horner was called to speak.
Liam Downey was called to speak.
Hearing no further requests to speak, the public comment was closed.

MOTION

Motion to approve staff recommended action.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Mayor Pro Tem
SECONDER:	Rich Constantine, Council Member
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

18. ANNEXATION EIR/LAFCO SETTLEMENT AND URBAN SERVICE AREA (USA) EXPANSION AND ANNEXATION REQUESTS

Recommendation:

1. Accept Report;
2. Provide direction regarding the preparation of an Annexation EIR; and
3. Provide direction regarding the timing and acceptance of Urban Service Area expansion and Annexation requests.
4. If necessary, direct staff to return at a subsequent City Council meeting to discuss the existing policies governing the filing, frequency, and timing of USA expansion and annexation requests.

Assistant City Manager for Community Development Leslie Little presented the staff report.

Mayor Tate opened public comment at 8:54 p.m.

Andy Pashby was called to speak.

Doug Muirhead was called to speak.

Hearing no further request to speak, the public comment was closed.

RESULT:	NO ACTION TAKEN
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19. LONG-TERM WATER CONSERVATION POLICY DISCUSSION

Recommendation:

Direct staff to prepare an updated Water Conservation Ordinance that institutes additional long-term water conservation measures and return to the City Council with the updated ordinance at the May 17th Council Meeting.

Program Administrator Anthony Eulo presented the staff report.

Mayor Tate opened public comment at 9:25 p.m.

Doug Muirhead was called to speak.

Hearing no further requests to speak, the public comment was closed.

MOTION

Motion to approve staff recommended action.

RESULT:	DIRECTED [UNANIMOUS]
MOVER:	Larry Carr, Mayor Pro Tem
SECONDER:	Rich Constantine, Council Member
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

PUBLIC HEARING

20. RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDCS) AVAILABLE ALLOTMENTS FOR 2017 COMPETITION YEAR

Recommendation:

1. Adopt resolution establishing 215 Fiscal Year 2019/20 allotments for the 2017 RDCS competition; and
2. Direct staff to schedule a study session to comprehensively review RDCS outstanding processing and procedural questions including but not limited to multi-year project administration, adding allotments to agreements administratively, and the practice of swapping allotments.

Principal Planner John Baty presented the staff report.

Mayor Tate opened the public hearing at 10:12 p.m.

John Telfer was called to speak.

Hearing no further requests to speak, the public hearing was closed.

MOTION

Motion to adopt resolution establishing 200 Fiscal Year 19/20 allotments for the 2017 RDCS Competition using the resolution provided that has the Planning Commission justifications in it.

RESULT:	DEFEATED [2 TO 3]
MOVER:	Larry Carr, Mayor Pro Tem
SECONDER:	Steve Tate, Mayor
AYES:	Tate, Carr
NAYS:	Constantine, Jachimowicz, Spring

MOTION

Council Member Constantine motioned to adopt resolution establishing the 215. Motion dies for the lack of a seconder.

RESULT:	LACK OF SECONDER
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MOTION

Motion to adopt resolution establishing 195 allotments.

RESULT:	ADOPTED [4 TO 1]
MOVER:	Rene Spring, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Carr, Jachimowicz, Spring
NAYS:	Constantine

MOTION

Motion to extend the meeting to 11:30 p.m.

RESULT:	EXTEND [UNANIMOUS]
MOVER:	Rich Constantine, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

21. SITE REVIEW, SR2017-0004: DEPOT – SUNSWEET MORGAN HILL LLC: REQUEST FOR A SITE, ARCHITECTURE AND LANDSCAPE PLAN APPROVAL FOR A MIXED-USE PROJECT CONSISTING OF 83 RESIDENTIAL UNITS AND 8,051 SQUARE FEET OF COMMERCIAL SPACE LOCATED ON THE WEST SIDE OF DEPOT STREET BETWEEN EAST THIRD STREET AND EAST FOURTH STREET.

Recommendation:

Recommend City Council approve the Site Review application request pursuant to the attached resolution.

Interim Planning Manager Terry Linder presented the staff report.

Mayor Tate opened the public hearing.

Rocke Garcia was called to speak.

Reyad Katwan was called to speak.

Hearing no further requests to speak, the public hearing was closed.

MOTION

Motion to approve staff recommended action.

RESULT:	ADOPTED [4 TO 1]
MOVER:	Rich Constantine, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz
NAYS:	Spring

22. DEVELOPMENT AGREEMENT AMENDMENT APPLICATION AAE2016-0010: WALNUT GROVE-NEWLAND: REQUEST FOR A DEVELOPMENT AGREEMENT AMENDMENT TO ADD FOUR FISCAL YEAR 2018-2019 BUILDING ALLOTMENTS FOR A NINE LOT SUBDIVISION. THE PROPERTIES, IDENTIFIED BY ASSESSOR PARCEL NUMBER(S) 726-07-089, 726-07-023 AND 726-07-024 ARE LOCATED ON THE EAST SIDE OF WALNUT GROVE, SOUTH OF DIANA AVENUE

Recommendation:

1. Open and close public hearing;
2. Waive first and second reading of Development Agreement Amendment Ordinance; and
3. Introduce Development Agreement Amendment Ordinance.

Interim Planning Manager Terry Linder presented the staff report.

Mayor Tate opened the public hearing.

Hearing no requests to speak, the public hearing was closed.

MOTION

Motion to waive the first and second reading for the development agreement amendment ordinance.

RESULT:	WAIVED [UNANIMOUS]
MOVER:	Rich Constantine, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

MOTION

Motion to introduce the development agreement amendment ordinance.

RESULT:	INTRODUCE [UNANIMOUS]
MOVER:	Rich Constantine, Council Member
SECONDER:	Larry Carr, Mayor Pro Tem
AYES:	Tate, Carr, Constantine, Jachimowicz, Spring

CLOSED SESSION

City Attorney Donald Larkin read the closed session into the record.

OPPORTUNITY FOR PUBLIC COMMENT

Mayor Tate opened public comment at 11:13 p.m.

Hearing no requests to speak, the public comment was closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 11:14 p.m.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Authority: Government Code 54957(b)(1)

Title: City Manager

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to: Government Code Section 54956.9(d)(2)

Number of Cases: One (1)

CLOSED SESSION ANNOUNCEMENT

City Attorney Donald Larkin announced that there was no reportable action.

FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

ADJOURNMENT

There being no further business, Mayor Tate adjourned the meeting at 11:43 p.m.

MINUTES PREPARED BY:

Angie Gonzalez, Minutes Clerk



Sustainable Morgan Hill Vision

Morgan Hill is a socially responsible, environmentally conscious, and economically sound community that embraces inclusiveness with participation by all.

CITY COUNCIL ONGOING PRIORITIES

Enhancing Public Safety · Protecting the Environment · Maintaining Fiscal Responsibility ·
Supporting Our Youth, Seniors, and Entire Community · Fostering a Positive Organizational Culture ·
Preserving and Cultivating Public Trust · Preserving Our Cultural Heritage

2017 STRATEGIC PRIORITIES

High Speed Rail

Inclusiveness

Infrastructure

Regional Initiatives

Telecommunications

2017 STRATEGIC PRIORITIES:



High Speed Rail

The City of Morgan Hill will directly advocate for our community's needs through our communications, discussions, and decisions. We will continue to engage the community, the High Speed Rail Authority, our state and federal legislators, and other regional agencies to mitigate negative impacts and convey our position that the High Speed Rail Authority should only use the existing Highway 101 right-of-way to avoid all impacts to residents, schools, and businesses. Should the Authority decide the 101 right-of-way is not feasible, we will strongly advocate for the route with the least impact on Morgan Hill.



Inclusiveness

We will celebrate the diversity, history, and culture of our community. Through City Council workshops, community meetings, and researching successes in other communities, the City will listen to and collaborate with the community to define how inclusiveness will be further woven into our community's fabric and to increase public participation. The City's communications, services, public spaces, and projects will embrace all community members as partners, advancing our vision of being a socially responsible community.



Infrastructure

The City will review its streets, parks, and public facilities infrastructure needs initially by updating its 2014 infrastructure study to quantify the funding gap. We will identify potential funding options as ongoing revenue is insufficient to fund our vital community assets at a sustainable level without significantly impacting existing service levels that our community has come to expect. Morgan Hill will actively work with the Valley Transportation Agency, the County, and the State to secure funding for the Santa Teresa extension and road maintenance. We will continue to work closely with our community to inform them of the needs and engage them to find an affordable and sustainable solution.



Regional Initiatives

City Council and staff will focus on influencing regional decisions that benefit Morgan Hill. This regional involvement will include, but not be limited to, partnering with the League of California Cities, Valley Transportation Authority, Santa Clara Valley Water District, Cities Association of Santa Clara County, the City of Gilroy, Santa Clara County, Morgan Hill Unified School District, the Local Agency Formation Commission, the Open Space Authority, and Silicon Valley Clean Energy to advance projects that further Sustainable Morgan Hill.



Telecommunications

The City will collaborate with the private sector to explore ways to provide fast, reliable access and wireless connectivity for residents and businesses. The 2016 Telecommunications Infrastructure and Economic Development Blueprint reports will be the foundation for continuing discussions with broadband providers, public utilities, and other infrastructure service providers in developing an implementation plan for growing our telecommunications infrastructure. The plan will be used to signal Morgan Hill's support for business expansion.