CITY OF MORGAN HILL

Special - Regular Meeting Agenda

City Council

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

Wednesday, October 3, 2018 5:30 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

SPECIAL/REGULAR MEETING

(5:30 P.M. Closed Session/ 7:00 P.M. Regular Meeting)

A special meeting of the City Council is called at 5:30 p.m. for the purpose of conducting a closed session.

SPECIAL MEETING

5:30 P.M.

CALL TO ORDER

(Mayor Tate)

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2
(Deputy City Clerk Bigelow)

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT

CLOSED SESSION ANNOUNCEMENT

ADJOURN TO CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATOR

Authority:	Pursuant to Government Code Section 54957.6
City Negotiators	Christina Turner City Manager; Cindy Murphy Assistant City Manager for Administrative Services; Michelle Katsuyoshi Human Resources Director; Edward Kreisberg, Meyers Nave; Jesse Lad, Meyers Nave
Employee Organization:	Morgan Hill Police Officers Association
	Employees Covered under Management Resolution #17-042
	AFSCME Local 101
	Morgan Hill Community Service Officers Association

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to:	Government Code Section 54956.9(d)(2)
Number of Cases:	One (1)

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to:	Government Code Section 54956.8
Property:	APN 817-21-001
Agency Negotiators:	Christina Turner and Anthony Eulo
Negotiating Parties:	Fountain Oaks Ranch, LLC
Under Negotiation:	Price and Terms of Payment

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Authority:	Government Code 54957 (b)(1)
Title:	City Manager

REGULAR MEETING

7:00 P.M.

The City Council has adopted a policy that regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority of the City Council.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Spring

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PROCLAMATIONS

Proclaiming the week of October 7-13, 2018 as Fire Prevention Week

RECOGNITION

Recognizing the Chiala Family for their generous donation to City of Morgan Hill in Memory of Rick Chiala

PUBLIC COMMENT

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. (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.

Time Estimate for Consent Calendar: 1 - 10 Minutes

1. ACCEPT FEDERAL EMERGENCY MANAGEMENT AGENCY GRANT – ASSISTANCE TO FIREFIGHTERS 2017

Recommendation:

1. Accept the Assistance to Firefighters Grant award in the amount of $142,764; and
2. Adopt a resolution amending the Fiscal Year 2018-19 Budget, appropriating $157,040 in the General Fund (010) for the related Grant expenditures.

2. ADOPTION OF A RESOLUTION OPPOSING PROPOSITION 6

Recommendation:

Adopt resolution opposing Proposition 6, which would repeal Senate Bill 1 (SB 1), also known as the "Road Repair and Accountability Act of 2017."

3. ACCEPTANCE OF OUTDOOR SPORTS CENTER ARTIFICIAL TURF REPLACEMENT PROJECT

Recommendation:

1. Accept as complete the Outdoor Sports Center Artificial Turf Replacement Project;
2. Authorize the City Engineer to sign the attached Notice of Completion; and
3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

4. AWARD EL TORO FIRE STATION ROOF REPLACEMENT PROJECT

Recommendation:

1. Award a contract to Andy's Roofing Company, Inc. in the amount of $71,773;
2. Authorize the expenditure of contingency funds not to exceed $14,355; and
3. Authorize City Manager to execute and administer that certain construction contract with Andy's Roofing Company, Inc.

5. APPROVAL OF IMPROVEMENT AGREEMENT AND STORMWATER BEST-MANAGEMENT-PRACTICES OPERATION AND MAINTENANCE AGREEMENT WITH MORGAN HILL RETAIL ESTATE, LLC (TOWBIN DODGE)

Recommendation:

1. Approve an Improvement Agreement with Morgan Hill Retail Estate, LLC;
2. Authorize the City Manager to execute the Improvement Agreement;
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 Improvement Agreement and the Stormwater BMP Operation and Maintenance Agreement.

6. APPROVE AGREEMENT AND INTERFUND LOAN FOR PURCHASE OF PROPERTY (APN 767-01-052) FOR THE HALE AVENUE EXTENSION PROJECT

Recommendation:

1. Approve Possession and Use Agreement with Glenda and Rocke Garcia for fee property (APN 767-01-052) for the Hale Avenue Extension project;
2. Approve expenditure of $3,563,200 for said property into an escrow account;
3. Authorize the City Manager to execute all documents and make minor modifications as necessary in order to consummate the transaction; and
4. Adopt resolution amending the Fiscal Year 2018-19 Budget and authorizing an interfund loan to the Traffic Impact Fund (309) of up to $2.25 million from the Local Drainage Impact Fund (303).

PUBLIC HEARING

7. APPROVE DISPOSITION AND DEVELOPMENT AGREEMENT FOR HALE LUMBER SITE INCLUDING VACATION OF 0.29 ACRES OF DEPOT STREET AND REALIGNMENT OF A PORTION OF DEPOT STREET TO CHURCH STREET AT EAST DUNNE AVENUE INTERSECTION

Recommendation:

1. Adopt Addendum to the 2035 General Plan Final Environmental Impact Report (FEIR) and Downtown Specific Plan FEIR; and
2. Adopt resolution approving a Disposition and Development Agreement with Latala Group, LLC for the sale of .29 acres of Depot Street, the re-alignment of Depot Street to Church Street at the East Dunne intersection, and the purchase of 3,000 square feet of office space within the mixed-use project.

Estimated Time: 60 Minutes

8. APPROVE GENERAL PLAN AND ZONING AMENDMENT TO CHANGE THE GENERAL PLAN LAND USE DESIGNATION FROM PUBLIC FACILITIES TO MIXED-USE AND THE ZONING CLASSIFICATION FROM PUBLIC FACILITIES TO DOWNTOWN MIXED USE (MU-D) ON HALF OF A 0.29 ACRE PORTION OF DEPOT STREET LOCATED AT THE CORNER OF DEPOT STREET AND EAST DUNNE AVENUE

Recommendation:

1. Adopt resolution approving an amendment to the 2035 General Plan;
2. Waive first and second reading of the ordinance;
3. Introduce ordinance approving a Zoning amendment;
4. Determine Project Consistency with the General Plan; and
5. Adopt an Addendum to the 2035 General Plan Final Environmental Impact Report (FEIR) and Downtown Specific Plan FEIR.

Estimated Time: 15 Minutes

9. AMEND CHAPTER 5.32 - MASSAGE ESTABLISHMENT, AND INSTATE AN ANNUAL REGULATORY FEE FOR RELATED COMPLIANCE ACTIVITIES

Recommendation:

1. Open/close public hearing;
2. Waive the first and second reading of the ordinance;
3. Introduce Massage Establishment Amendment Ordinance; and
4. Adopt resolution establishing an Annual Regulatory Fee for Massage Establishments.

Estimated Time: 15 Minutes

10. APPROVE AMENDMENTS TO THE MORGAN HILL MUNICIPAL CODE BY AMENDING SECTION 2.08.040 OF CHAPTER 2.08 (CITY MANAGER) OF TITLE 2 TO AMEND THE CITY MANAGER'S POWERS AND DUTIES AND BY AMENDING CHAPTER 3.04 OF TITLE 3 RELATED TO PURCHASING OF GOODS AND SERVICES

Recommendation:

1. Open/Close Public Hearing;
2. Waive the first and second reading of the Ordinance to amend Section 2.08.040 of Chapter 2.08 of Title 2 of the Municipal Code to increase the signature authority of the City Manager;
3. Introduce Ordinance by title;
4. Waive the first and second reading of the Ordinance to amend Chapter 3.04 of Title 3 of the Municipal Code to revise the regulations pertaining to the purchasing of goods and services; and
5. Introduce this Ordinance by title.

Estimated Time: 10 Minutes

OTHER BUSINESS

11. DE PAUL HEALTH CENTER PROPERTY DISCUSSION

Recommendation:

Discuss Verity Health System's Bankruptcy as it relates to the De Paul Health Center Property in Morgan Hill.

Estimated Time: 5 Minutes

12. APPROVE FUNDING AGREEMENT FOR DOWNTOWN TREE LIGHTING

Recommendation:

1. Authorize the City Manager to negotiate, execute and administer all necessary agreements and documents to accept $15,000 from the Morgan Hill Downtown Association, for the purpose of funding tree lighting in Downtown Morgan Hill; and
2. Adopt resolution amending the Fiscal Year 2018/19 Budget appropriating $30,000 in the General Fund (010).

Estimated Time: 15 Minutes

13. INTRODUCE THE 2018 STORM DRAINAGE SYSTEM MASTER PLAN

Recommendation:

Receive the 2018 Storm Drainage System Master Plan.

Estimated Time: 15 Minutes

14. JUNE 2018 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

Estimated Time: 10 Minutes

15. APPROVE CITY COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2019

Recommendation:

1. Review and adjust the 2019 City Council meeting schedule as deemed appropriate; and
2. Approve 2019 City Council meeting schedule.

Estimated Time: 5 Minutes

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 that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Council on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order 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 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 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 plan an item on the agenda for a future City Council meeting. Should your comments require Council action, your request may be placed on the next appropriate agenda. 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 michelle.wilson@morganhill.ca.gov.

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, (408)779-3117 (fax) or by email michelle.wilson@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

Sustainable Morgan Hill Vision

Morgan Hill is a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

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 · Enhancing Diversity and Inclusiveness

2018 STRATEGIC PRIORITIES

Community Engagement and Messaging

Economic Development and Telecommunications

Financial Stewardship

Infrastructure

Regional Initiatives

2018 STRATEGIC PRIORITIES:

Community Engagement and Messaging

The City of Morgan Hill will tell our story through outreach and by working closely with our community in presenting our vision, priorities, and financial needs, and by engaging citizens and business owners to find affordable and sustainable solutions. The City's communications, services, public spaces, and projects will embrace all community members as partners, encouraging public participation.

Economic Development and Telecommunications

The Economic Blueprint will continue to be implemented, with a primary goal of attracting jobs and investment into our community. 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 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 with private sector partnerships. The plan will be used to signal Morgan Hill's support for business expansion.

Financial Stewardship

We will be financial stewards of the City's assets to ensure long-term fiscal sustainability. New revenue sources, including a possible tax measure, will be considered to fund increasing costs to deliver services and complete infrastructure projects. The City will closely manage its expenditures to maintain its general fund reserve. The labor contracts will be negotiated using the City's adopted Employee Compensation Guiding Principles.

Infrastructure

The City will review its streets, parks, and public facilities infrastructure needs 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 transportation projects and road maintenance. For High Speed Rail, we will strongly advocate for the route with the least impact on Morgan Hill.

Regional Initiatives

City Council and staff will focus on influencing regional decisions that benefit Morgan Hill. A regional approach will be employed to address many priorities, including but not limited to, homelessness, animal services, teen suicide, High Speed Rail, and land use (Catholic High School, Outdoor Sports Center, agricultural preservation, and city limits). This regional involvement will include partnering with the League of California Cities, Valley Transportation Authority, Caltrain, 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.