



**Meeting Minutes
City Council**

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, September 4, 2019 6:00 pm

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

SPECIAL/REGULAR MEETING

A special meeting of the City Council was called at 6:00 p.m. for the purpose of conducting a closed session.

SPECIAL MEETING

6:00 p.m.

CALL TO ORDER

Mayor Constantine called the meeting to order at 6:00 p.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Absent	
Yvonne Martinez Beltran	Council Member	Late	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda.

CLOSED SESSION

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

OPPORTUNITY FOR PUBLIC COMMENT

The public comment was opened at 6:01 p.m.

There being no requests to speak, the public comment was closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 6:01 p.m.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to: Government Code Section 54956.9(d)(4)

Number of Cases: One (1)

RECONVENE

REGULAR MEETING

7:00 P.M.

The regular meeting convened at 7:02 p.m.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member McKay spoke regarding the tragic shooting on July 28th at the Gilroy Garlic Festival. This terrible and traumatic event has shown us how strong the community of Gilroy is and how strong the bond we have together is. There has been a huge outpouring of assistance with the Gilroy Community Foundation raising \$1.3 million in donations from around the world. He shared that there will be a benefit concert in Gilroy this Saturday from noon to 9:00 pm.

He shared that all of the City Council members, the Mayor, and the City Manager attended the Indian Flag Raising Ceremony and Independence Day Celebration. It was a great showing of support for our local Indian Community. It was another great way to celebrate the diversity we have in our city.

CITY MANAGER'S REPORT

City Manager Christina Turner spoke to the evening's supplements and presentations.

She shared that the City of Morgan Hill is proud to announce the start of the Economic Development team's first Annual Choose Morgan Hill Speaker Series. To learn more, go to www.choosemorganhill.com. You can join us for in-depth conversations about the business sectors that drive the Morgan Hill economy. This kicks off tomorrow night at the Granada Theatre at 6:30 pm where we will be covering economic development.

She also announced that on Saturday, September 14th we will be holding the 2019 Get Fit Run and Family Fun Fest. You can choose a 5k, 10k, or 1 mile fun run. You can go to our website to register.

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin shared that there was no reportable action from the evening's earlier closed session.

OTHER REPORTS

None.

RECOGNITIONS

Rita Chavez Medina
For Advocacy and Support of Voter's Rights

PROCLAMATIONS

Proclaiming September 2019 as National Preparedness Month
Jennifer Ponce

Honoring Jacob's Heart Children's Cancer Support Services and Proclaiming September 2019 as
Childhood Cancer Awareness Month
Fatima Alabbad

PRESENTATIONS

HEALTHIER KIDS FOUNDATION - SUNNY OCHOA AND MARIA PASILLA

PUBLIC COMMENT

PUBLIC COMMENT SUPPLEMENT

PUBLIC COMMENT SUPPLEMENT 2

PUBLIC COMMENT SUPPLEMENT 3

The public comment was opened at 7:22 p.m.

Jeff Bernstein was called to speak.

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

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	John McKay, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Carr, McKay
ABSENT:	Spring, Martinez Beltran

CONSENT CALENDAR

MOTION:

Approving consent calendar items 1 through 8 and 10 through 13.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Carr, McKay
ABSENT:	Spring, Martinez Beltran

1. APPROVE CONSULTANT AGREEMENT WITH MAZE & ASSOCIATES FOR AUDIT SERVICES FOR THREE FISCAL YEARS

Recommendation:

Authorize the City Manager to execute and administer a consultant agreement with Maze & Associates for the not to exceed amount of \$111,853 for audit services for three fiscal years.

2. APPROVE UPDATES TO THE PUBLIC ART INVENTORY

Recommendation:

Approve updated Public Art Inventory.

3. APPROVE AGREEMENT WITH CIVIC FOUNDRY LLC FOR INFORMATION TECHNOLOGY SERVICES

Recommendation:

1. Approve agreement with Civic Foundry LLC for Information Technology management for a not to exceed amount of \$180,000; and
2. Authorize the City Manager to execute and administer the agreement.

4. APPROVE STORMWATER BEST MANAGEMENT PRACTICES (BMP) OPERATION AND MAINTENANCE AGREEMENT FOR THE SHOE PALACE PROJECT LOCATED AT 745 JARVIS DRIVE (PORTION OF ASSESSOR PARCEL NUMBERS 726-30-012 & 726-30-013)

Recommendation:

1. Approve a Stormwater Best Management Practices (BMP) Operation and Maintenance Agreement for the Shoe Palace Project located at 745 Jarvis Drive (Portion of APNs: 726-30-012 & 726-30-013); and
2. Authorize the City Manager to execute the Stormwater BMP Operation and Maintenance Agreement pending review and approval by the City Attorney.

5. ACCEPT SUBDIVISION PUBLIC IMPROVEMENTS - ALTIMIRA - TRACT NO. 10411

Recommendation:

1. Accept the Subdivision Public Improvements for Altimira – Tract No. 10411;
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

6. AWARD MORGAN HILL LIBRARY ADDITION PROJECT TO SELDEN & SON

Recommendation:

1. Approve the Morgan Hill Library Addition Project plans and specifications;
2. Award contract to Selden & Son for the Morgan Hill Library Addition Project in the amount of \$1,985,800;
3. Authorize expenditure of construction contingency funds not to exceed \$198,580; and
4. Authorize the City Manager to execute and administer the construction contract with Selden & Son pending review and approval by the City Attorney.

7. AWARD CENTENNIAL RECREATION CENTER POOL DECK RESURFACING PROJECT TO FLEXGROUND SURFACES, INC.

Recommendation:

1. Award contract to Flexground Surfaces, Inc. in the amount of \$56,224; and authorize the expenditure of contingency funds not to exceed \$20,000; and
2. Authorize the City Manager to execute and administer that certain construction contract with Flexground Surfaces, Inc.

8. ADOPT RESTATED INTERNAL REVENUE SERVICES (IRS) SECTION 125 FLEXIBLE BENEFITS PLAN DOCUMENT FOR THE CITY OF MORGAN HILL

Recommendation:

1. Adopt resolution approving the City of Morgan Hill's Section 125 flexible benefits plan; and
2. Authorize the City Manager, or designee, to serve as the Plan Administrator.

9. ITEM PULLED FOR DISCUSSION

10. ADOPT RESOLUTION APPROVING APPLICATION FOR PER CAPITA PROP 68 GRANT FUNDING

Recommendation:

Adopt resolution authorizing a grant agreement with the State of California.

11. RATIFY CITY POSITION ON PENDING LEGISLATION SB 266 PUBLIC EMPLOYEES' RETIREMENT SYSTEM: DISALLOWED COMPENSATION: BENEFIT ADJUSTMENTS

Recommendation:

1. Receive legislative correspondence in opposition of SB 266 Public Employees' Retirement System: disallowed compensation: benefit adjustments; and
2. Ratify City's position.

12. APPROVE THE JULY 17, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

13. APPROVE THE JULY 26, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

ITEM PULLED FOR DISCUSSION

9. ADOPT THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION AND CORRESPONDING SALARY SCHEDULE EFFECTIVE DECEMBER 29, 2019

Recommendation:

Adopt the Management, Professional, and Confidential Employees Resolution and corresponding salary schedule effective December 29, 2019.

MOTION:

Approving the recommended action.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Carr, McKay
ABSENT:	Spring, Martinez Beltran

PUBLIC HEARING

14. ADOPT RESOLUTION UPDATING THE CITY'S SELECT DEVELOPMENT IMPACT FEES

Recommendation:

1. Open/close the public hearing;
2. Adopt Final Draft of Development Impact Fee Update Study prepared by Willdan Financial Services; and
3. Adopt resolution updating the City's select Development Impact Fees.

Finance Director Dat Nguyen, along with Carlos Villareal with Willdan Financial, provided the report.

The public hearing was opened at 7:47 p.m.

Kristina Lawson was called to speak.

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

The meeting was recessed at 8:01 p.m.

The meeting was reconvened at 8:10 p.m.

The public hearing was re-opened at 8:10 p.m.

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

MOTION:

Continuing the item to the October 2, 2019 City Council Meeting, requesting that the law firm of Hanson Bridgett submit a list of priority documents to the City by Friday, September 6, 2019.

RESULT:	CONTINUED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

15. INTRODUCE ORDINANCE APPROVING A DEVELOPMENT AGREEMENT WITH APPLETREE INVESTMENT, LLC. FOR A 6-LOT SINGLE-FAMILY RESIDENTIAL SUBDIVISION PROJECT PROPOSED ON A 1.13-ACRE PARCEL LOCATED ON THE SOUTHWEST CORNER OF OLD MONTEREY ROAD AND MUSTARD AVE LOCATED

AT 18755 OLD MONTEREY ROAD. (APN 764-24-061) (OLD MONTEREY-KELLY VO PROJECT)

Recommendation:

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

Principal Planner Gina Paolini provided the report.

The public hearing was opened at 8:23 p.m.

There being no requests to speak, the public hearing was closed.

MOTION:

Waiving the first and second reading of the ordinance.

RESULT:	WAIVED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

MOTION:

Introducing the ordinance.

RESULT:	INTRODUCED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

16. APPEAL OF THE PLANNING COMMISSION DISTRIBUTION OF THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) BUILDING ALLOTMENTS FOR FISCAL YEAR 2020-21. THE APPLICANT REQUESTED 246 RESIDENTIAL BUILDING ALLOTMENTS AND WAS DENIED RDSCS BUILDING ALLOTMENTS BY THE PLANNING COMMISSION. THE PROPERTY, IDENTIFIED BY ASSESSOR PARCEL NUMBER 728-30-001, IS LOCATED ON THE NORTH SIDE OF HALF ROAD BETWEEN CONDIT ROAD AND MISSION VIEW DRIVE. (FILE NO. AAE2019-0007 (RDSCS2019-0006) HALF-DIVIDEND (FORMERLY BROOKFIELD))

Recommendation:

1. Grant a hearing de novo;
2. Open/close public hearing; and
3. Adopt resolution denying the appeal and reaffirming the distribution of the Residential Development Control System (RDSCS) Building Allotments for Fiscal Year 2020-21.

Principal Planner Gina Paolini and Community Development Director Jennifer Carman provided the report.

The public hearing was opened at 8:33 p.m. The following people were called to speak:

Dick Oliver

Tim

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

MOTION:

Approving the recommended action.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Yvonne Martinez Beltran, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

OTHER BUSINESS

17. ACCEPT PRELIMINARY JUNE 2019 FINANCIAL AND INVESTMENT REPORT, CITY MANAGER SIGNATURE AUTHORITY REPORT, AND DIRECT THE CITY MANAGER TO TRANSFER THE FY2018-19 GENERAL FUND'S SURPLUS TO THE CITY'S PENSION AND OPEB TRUSTS

Recommendation:

1. Accept and file report; and
2. Direct the City Manager to transfer the FY2018-19 General Fund's surplus, pending completion of the year-end audit, to the City's Pension and OPEB Trusts.

Finance Director Dat Nguyen provided the report.

The public comment was opened at 9:30 p.m.

There being no requests to speak, the public comment was closed.

MOTION:

Approving the recommended actions.

RESULT:	DIRECTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	Yvonne Martinez Beltran, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

18. APPROVE RESPONSE TO GRAND JURY REPORT TITLED "INQUIRY INTO GOVERNANCE OF THE VALLEY TRANSPORTATION AUTHORITY"

Recommendation:

Authorize the City Manager to file the Response to the Civil Grand Jury Report, "Inquiry into Governance of the Valley Transportation Authority", dated June 18, 2019 with the Presiding Judge of the Santa Clara County Superior Court.

Assistant City Manager Leslie Little provided the report.

The public comment was opened at 9:56 p.m.

There being no requests to speak, the public comment was closed.

MOTION:

Approving the recommended action.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	John McKay, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

19. INTRODUCE ORDINANCE AMENDING CHAPTER 6.36- ANIMAL AND LAND USE, OF TITLE 6 - ANIMALS OF THE CITY OF MORGAN HILL MUNICIPAL CODE TO ALLOW HOBBYIST BEEKEEPING

Recommendation:

1. Waive first and second reading of Ordinance amending Chapter 6.36 “Animals and Land Use” to allow hobbyist beekeeping; and
2. Introduce Ordinance amending Chapter 6.36 “Animals and Land Use” to allow hobbyist beekeeping.

Program Administrator Anthony Eulo introduced Community Services Intern Tino Lee to provide the report.

The public comment was opened at 10:11 p.m.

There being no requests to speak, the public comment was closed.

MOTION:

Waiving the first and second reading of the ordinance.

RESULT:	WAIVED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

MOTION:

Introducing the ordinance.

RESULT:	INTRODUCED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay
ABSENT:	Spring

20. PROVIDE DIRECTION REGARDING BUILDING ELECTRIFICATION INCENTIVES AND REQUIREMENTS INCLUDING REACH CODES

Recommendation:

Provide policy direction to staff on electrification initiatives.

Program Administrator Anthony Eulo, along with John Sutt from Silicon Valley Clean Energy, provided the presentation.

The public comment was opened at 10:41 p.m.

There being no requests to speak, the public comment was closed.

Council provided direction to staff.

RESULT: NO ACTION TAKEN

FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:51 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk