



Meeting Minutes City Council

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

Wednesday, December 2, 2020 5:30 pm

Virtual Meeting

SPECIAL/REGULAR MEETING

A special meeting of the City Council was called at 5:30 pm for the purpose of conducting an Affordable Housing and Homelessness Workshop.

5:30 p.m. Workshop

7:00 p.m. Regular Meeting

SPECIAL MEETING

5:30 P.M. Workshop

CALL TO ORDER

Mayor Constantine called the meeting to order at 5:30 pm.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

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

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda

WORKSHOP

1. AFFORDABLE HOUSING AND HOMELESSNESS WORKSHOP

Recommendation:

1. Receive report;
2. Approve the BEGIN downpayment assistance guidelines;
3. Adopt resolution authorizing the City to become a member of the California Community Housing Agency JPA; supporting the California Community Housing Agency's Issuance of Tax-Exempt Bonds for the production, preservation, and protection of Middle-Income Rental Housing; and Authorizing the City Manager or Designee to enter into purchase option agreements with the California Community Housing Agency for middle-income rental housing created within City limits;
4. Adopt resolution endorsing the 2020 Community Plan to End Homelessness; and
5. Direct City Manager to return to City Council with the Morgan Hill Inclusionary Housing Ordinance (IHO) amended to require low, lower moderate- and moderate-income units in all new ownership developments.

Any City Council actions will be taken during item 20 during the regular meeting.

Housing Manager Rebecca Garcia, introduced the teammates that will be presenting with her; Assistant City Manager Leslie Little, Julius Nyanda with House Keys, and Housing Coordinator Christie Thomas and thanked the rest of the team and community that make all of the housing work possible.

RESULT:	NO ACTION TAKEN
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The meeting recessed at 7:05 pm.

REGULAR MEETING

7:00 P.M.

The Regular meeting was called to order at 7:10 pm.

CITY MANAGER'S REPORT

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

Wastewater Bonds:

Council recently approved the issuance of wastewater bonds to help fund several capital projects. Today, the City sold \$17,685,000 in bonds. Stifel, Nicolaus & Company serving as the underwriter. The market was extremely strong enabling us to achieve an all-in cost of funds for a 30-year bond for 2.47%. The financing will fund improvements to the treatment plant and collection system in the amount of \$20 million. Debt service was structured to work around existing bond obligations.

December Meetings:

Special Council Meeting on Wednesday, December 9, 2020 for certification of election results.

Regular City Council Meeting on Wednesday, December 16, 2020.

CITY ATTORNEY'S REPORT

None.

PUBLIC COMMENT

The public comment opened at 7:13 pm.

David Dworkin, David Dindak, Gena Guglielmo, and Brittney Sherman thanked Council Member McKay for his contributions to the community and announced that he has been selected as the Morgan Hill Chamber of Commerce 2021 Man of the Year.

The following people were called to speak:

Brian Faircloth

Heather Geddes

David Dindak

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

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

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

CONSENT CALENDAR

MOTION:

Approving consent calendar items 2 through 8, 11, 12, 14 through 16, 18 and 19.

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

2. ACCEPT COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Recommendation:

Accept the City's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020.

3. ADOPT RESOLUTION APPROVING AND MAKING FINDINGS RELATED TO THE AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR 2019-20

Recommendation:

Adopt resolution making findings for unexpended development impact fees and accept the annual development impact fee report.

4. ACCEPT THE ANNUAL SB 165 REPORT FOR COMMUNITY FACILITIES DISTRICT NO. 2014-1 (FISHER CREEK)

Recommendation:

Accept and file the report.

5. ACCEPT DOWNTOWN CROSSWALK SAFETY IMPROVEMENTS PROJECT

Recommendation:

1. Accept as complete the Downtown Crosswalk Safety Improvements Project in the final amount of \$123,309;
2. Authorize the City Engineer to sign the Notice of Completion; and
3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

6. ACCEPT TENNANT AVENUE SEWER PROJECT

Recommendation:

1. Accept as complete the Tennant Avenue Sewer Main Project in the final amount of \$2,287,821;
2. Authorize the City Engineer to sign the Notice of Completion; and
3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

7. ACCEPT MORGAN HILL LIBRARY ADDITION PROJECT

Recommendation:

1. Accept as complete the Morgan Hill Library Addition Project in the final amount of \$2,072,574;
2. Authorize the City Engineer to sign the Notice of Completion; and
3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

8. ADOPT RESOLUTION INITIATING 2021 HAZARDOUS VEGETATION PROGRAM

Recommendation:

Adopt resolution declaring weeds and brush to be a nuisance and setting the hazardous vegetation public hearing on February 3, 2021.

9. ITEM PULLED FOR DISCUSSION

10. ITEM PULLED FOR DISCUSSION

11. APPROVE IMPROVEMENT AGREEMENT WITH BW MORGAN HILL, LLC (BLUEWAVE EXPRESS CARWASH)

Recommendation:

1. Approve and authorize the City Manager to execute and administer an Improvement Agreement with BW Morgan Hill, LLC; and
2. Authorize the recordation of the Improvement Agreement.

12. APPROVE GENERATOR MAINTENANCE SERVICES AGREEMENT

Recommendation:

Approve and authorize the City Manager to execute and administer a three year agreement with Odyssey Power Corporation in the not-to-exceed amount of \$225,000 for annual, preventive maintenance, and emergency repair and rentals for the City's 28 standby generators.

13. ITEM PULLED FOR DISCUSSION

14. APPROVE AMENDED AND RESTATED IMPROVEMENT AGREEMENT WITH MONUMENT LAND COMPANY LLC AND ACCEPT PUBLIC IMPROVEMENTS AT THE INTERSECTION OF MONTEREY ROAD AND COCHRANE ROAD

Recommendation:

1. Approve an Amended and Restated Improvement Agreement with Monument Land Company LLC Relating to Reimbursement for Right-of-Way Improvements Constructed for City by Developer/Property Owner;
2. Authorize the City Manager to execute the Amended and Restated Improvement Agreement;
3. Authorize the recordation of the Amended and Restated Improvement Agreement;
4. Adopt resolution amending the Fiscal Year 2020-21 budget to appropriate \$191,145 from Local Drainage (303), Local Drainage – Non AB1600 (304), Sewer Operations (640), Water Operations (650), and Water Impact (651) funds to reimburse the Developer for the public improvements at the intersection of Monterey Road and Cochrane Road;
5. Accept the Public Improvements at the intersection of Monterey Road and Cochrane Road;
6. Authorize the City Engineer to sign a Notice of Completion; and
7. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

15. APPROVE PURCHASE OF FEE TITLE LAND AND A PUBLIC SERVICE EASEMENT FOR HALE AVENUE EXTENSION PROJECT

Recommendation:

1. Approve the purchase of Fee Title Land and a Public Service Easement of portions of APN 764-16-028 for a total amount of \$94,000 plus escrow and closing costs from the Morgan Hill Unified School District for the Hale Avenue Extension Project; and
2. Authorize the City Manager to execute all documents and make minor modifications as necessary in order to complete the transaction.

16. APPROVE THE NOVEMBER 18, 2020 MEETING MINUTES

Recommendation:

Approve Minutes.

17. ITEM PULLED FOR DISCUSSION

18. RECEIVE MONTHLY BUDGET UPDATE AND OCTOBER 2020 FINANCIAL AND INVESTMENT REPORTS

Recommendation:

Accept and file report.

19. REJECT PROPOSALS FOR WATER WELL AND PUMP STATION REPAIRS, MAINTENANCE, AND REHABILITATION SERVICES AND REBID THE PROJECT

Recommendation:

1. Reject proposals for Water Well and Pump Station Repairs, Maintenance, and Rehabilitation Services per Municipal Code Section 3.04.170; and
2. Approve and authorize the City Manager to execute an amendment for the current service agreement with Salinas Pump for these services to extend the term to June 30, 2021 and increase the amount by \$240,000, to a new not-to-exceed amount of \$898,967.

ITEMS PULLED FOR DISCUSSION

9. ADOPT RESOLUTION AMENDING THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION AND SALARY SCHEDULE TO INCLUDE APPOINTED CITY CLERK POSITION (THIS RESOLUTION RESCINDS RESOLUTION NO. 20-048)

Recommendation:

Adopt resolution amending the Management, Professional, and Confidential Employees Resolution and salary schedule to include appointed City Clerk position.

City Manager Christina Turner provided the report.

The Public comment opened at 7:36 pm.

Joe Baranowski was called to speak.

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

MOTION:

Approving the recommended actions.

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

10. APPROVE THE RENAMING OF THE MORGAN HILL LIBRARY IN HONOR OF FORMER MAYOR STEVE TATE

Recommendation:

Approve the renaming of the Morgan Hill Library in honor of Former Mayor Steve Tate.

City Manager Christina Turner provided the report.

The public comment opened at 7:52 pm. The following people were called to speak:

Armando Benavides

Roger Knopf

Michael Donaldson

David Gerard

Roberto Aguirrez

Brian Sullivan

Joe Baranowski

Sally Casas

Mario Banuelos

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

MOTION:

Approving the recommended action, directing staff to work with the Library District on the specifics and organizing of the name change and that any costs incurred be paid for by the public not the Library District.

RESULT:	APPROVED [3 TO 2]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Carr, McKay
NAYS:	Martinez Beltran, Spring

13. APPROVE INCENTIVE AND FEE FREEZE AGREEMENTS FOR A NEW AUTOMOBILE DEALERSHIP

Recommendation:

1. Adopt resolution authorizing the City Manager to execute and administer an Incentive Agreement, consistent with the Auto Dealer Economic Development Strategy, with TSC Motors, Inc. for a new automobile dealership at the Auto Mall Planned Development Site on Condit Road;
2. Make findings of consistency with Section 53083(a)(6)(b) of the Government Code (AB 562); and
3. Direct the City Manager to execute an Impact Fee Freeze Agreement with TSC Motors, Inc. for the development of a 27,000 square foot new vehicle dealership to be located at 17085 Condit Road.

Economic Development Manager John Lang provided the report.

Public comment opened

Joe Baranowski was called to speak.

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

MOTION:

Approving the recommended actions.

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

17. DELEGATE THE COMPLETION AND ACCEPTANCE AUTHORITY OF PUBLIC IMPROVEMENTS MADE SUBJECT TO CITY COUNCIL APPROVED IMPROVEMENT AGREEMENTS FROM THE CITY COUNCIL TO THE CITY ENGINEER

Recommendation:

Delegate the completion and acceptance authority of public improvements made subject to the City Council approved Improvement Agreements from the City Council to the City Engineer.

Public comment opened at 9:10 pm. There being no requests to speak, public comment closed.

MOTION:

Approving the recommended action and directing staff to bring back periodic reports to the City Council.

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

The meeting recessed at 9:10 pm and reconvened at 9:20 pm.

OTHER BUSINESS

20. APPROVE BEGIN PROGRAM GUIDELINES, AND ADOPT RESOLUTIONS TO JOIN CALIFORNIA COMMUNITY HOUSING AGENCY'S JOINT POWERS AGREEMENT AND ENDORSING THE SANTA CLARA COUNTY'S 2020 COMMUNITY PLAN TO END HOMELESSNESS

Recommendation:

1. Approve the BEGIN downpayment assistance guidelines;
2. Adopt resolution authorizing the City to become a member of the California Community Housing Agency JPA; supporting the California Community Housing Agency's Issuance of Tax-Exempt Bonds for the production, preservation, and protection of Middle-Income Rental Housing; and Authorizing the City Manager or Designee to enter into purchase option agreements with the California Community Housing Agency for middle-income rental housing created within City limits;
3. Adopt resolution endorsing the 2020 Community Plan to End Homelessness;
4. Direct City Manager to return to City Council with the Morgan Hill Inclusionary Housing Ordinance (IHO) amended to require low, lower moderate- and moderate-income units in all new ownership developments; and

Housing Manager Rebecca Garcia provided the report.

Public comment opened at 9:50 pm.

Matthew Reed was called to speak

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

MOTION:

Approving the recommended action and directing staff to change the upper limit of the moderate income to 110%.

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

21. APPROVE SERVICE AGREEMENTS FOR BROADBAND SERVICES FOR THE CITY OF MORGAN HILL

Recommendation:

1. Authorize the City Manager and City Attorney to negotiate final terms and execute Master Services Agreement and Service Order with Wave Business Solutions, LLC for a period of 20 years in an amount not-to-exceed \$2,400,000 for a dark fiber lease for intranet connectivity between City facilities, and the installation of telecommunications conduit in the City; and
2. Authorize the inclusion of Monterey Road Conduit Construction Option and direct City Manager to apply and execute all related documents for the Economic Development Administration Infrastructure Grant.

Economic Development Manager John Lang provided the report and presentation.

MOTION:

Extending the meeting to 12:00 am.

RESULT:	EXTENDED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Yvonne Martinez Beltran, Mayor Pro Tem
AYES:	Constantine, Martinez Beltran, Carr, McKay, Spring

Public comment opened at 11:40 pm.
Elise Brentnall was called to speak.
There being no further requests to speak, public comment closed.

MOTION:

Approving the recommended actions.

RESULT:	AUTHORIZED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Rene Spring, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay, Spring

PUBLIC HEARING

22. INTRODUCE ORDINANCE AMENDING SECTION 8.28.040 (ENUMERATION OF UNLAWFUL NOISES) OF CHAPTER 8.28 (NOISE) OF TITLE 8 (HEALTH AND SAFETY) AND AMENDING VARIOUS CODE PROVISIONS WITHIN TITLE 18 (ZONING) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL IMPLEMENTING MINOR AMENDMENTS DUE TO CLERICAL ERRORS AND INCONSISTENCIES; AMENDING CHAPTER 18.52 (FENCES AND WALLS) OF TITLE 18 (ZONING) TO CLARIFY AND ESTABLISH DESIGN AND SCREENING REQUIREMENTS OF FENCES AND WALLS; AND TO ESTABLISH CHAPTER 18.115 (GENERAL PLAN AMENDMENTS) OF TITLE 18 (ZONING) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL ESTABLISHING PROCEDURES FOR AMENDING THE GENERAL PLAN (ZA2020-0001: MUNICIPAL CODE AMENDMENT)

Recommendation:

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

MOTION:

Continuing Item 22 to the December 16, 2020 City Council Meeting.

RESULT:	CONTINUED TO A FUTURE MEETING [UNANIMOUS] Next: 12/16/2020 7:00 PM
MOVER:	Rich Constantine, Mayor
SECONDER:	John McKay, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay, Spring

MOTION:

Extending the meeting to 12:30 am.

RESULT:	EXTENDED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Rene Spring, Council Member
AYES:	Constantine, Martinez Beltran, Carr, McKay, Spring

FUTURE COUNCIL INITIATED AGENDA ITEMS

Council Member Spring asked the City to consider a Town Hall meeting covering the topics of internet and broadband.

CLOSED SESSION

City Attorney Donald Larkin announced the closed session items.

OPPORTUNITY FOR PUBLIC COMMENT

Public comment opened at 12:01 am. There being no requests to speak, public comment closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 12:30 am.

CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9.

One case

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Govt. Code 54956.9(d)(1))

Name of case: City of Morgan Hill v. Bushey (Case No. 16-CV-292595)

The City Attorney will report out on the results of the closed session at the December 16, 2020 City Council Meeting.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:30 am.

MINUTES PREPARED BY:

Michelle Bigelow, City Clerk