



**Meeting Minutes
City Council**

Rich Constantine - Mayor
John McKay - Mayor Pro Tem
Gino Borgioli - Council Member
Yvonne Martinez Beltran - Council Member
Rene Spring - Council Member

Wednesday, June 2, 2021 5:30 pm

Virtual Meeting

SPECIAL/REGULAR MEETING

A special meeting of the City Council was called at 5:30 p.m. for the purpose of conducting a Housing Workshop: State Mandates for Housing Production.

5:30 p.m.

Housing Workshop: State Mandates for Housing Production

7:00 p.m.

Regular City Council Meeting.

CALL TO ORDER

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

ROLL CALL ATTENDANCE

City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Remote	
John McKay	Mayor Pro Tem	Remote	

Gino Borgioli	Council Member	Remote	
Yvonne Martinez Beltran	Council Member	Remote	
Rene Spring	Council Member	Remote	

DECLARATION OF POSTING AGENDA

City Clerk Michelle Bigelow declared the posting of the agenda.

HOUSING WORKSHOP

This workshop is the second in a series of Housing Workshops that will look at the current and future state of housing in Morgan Hill. This workshop is called "State Mandates for Housing Production." Staff will present and discuss the following:

1. What is the Housing Element and Regional Housing Needs Allocation (RHNA)?
2. What are the recent laws that affect housing production, application processing, and City regulations?
3. What laws are expected in the future?

City Manager Christina Turner introduced the workshop and turned the presentation over to Housing Manager Rebecca Garcia and Development Services Director Jennifer Carman.

Public comment opened at 6:38 p.m.

Brian Sullivan was called to speak.

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

WORKSHOP PRESENTATION

PROCLAMATION

Proclaiming the Month of June 2021 as Pride Month

CITY COUNCIL REPORTS

Council Member Borgioli shared that at the South County Regional Wastewater Authority (SCRWA) meeting, Director John Varela shared that he is unsure of the amount of water that Valley Water has to sustain our area going forward in the drought. Director Varela encouraged Council Members to reach out to talk to him about the possible situation that is brewing in our area.

CITY MANAGER'S REPORT

City Manager Christina Turner shared that the City received notice that Valley Water's Board of Directors will be considering the declaration of a water shortage emergency condition in the county. The Special Board meeting will be on Wednesday June 9th at 1:00 p.m., more information is available on Valley Water's website. Staff will be returning to the City Council on June 16th to discuss this matter further.

She shared that we have two more Housing Workshops, one on Wednesday June 16th on Housing Affordability and one on June 23rd on Housing and Long Term Sustainability. We will also have a Community Town Hall on Thursday, June 10th on creating inclusive communities through design form.

She announced that the Aquatic Center is opening daily for summer recreation swim on Wednesday, June 7th. Swimming lessons are available, as are many other recreation opportunities. Updated information is available on the City's website.

She shared that the City held a Pride Month flag raising ceremony at 9:00 a.m. on June 1st. It was a very well attended event. This is a powerful way that we demonstrate that we are an inclusive community and we recognize that all people in our community deserve to be treated respectfully and fairly. Our Pride flag will be displayed at three locations throughout the City during the month of June; at City Hall, the Community and Cultural Center, and the Centennial Recreation Center.

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

CITY ATTORNEY'S REPORT

None.

OTHER REPORTS

None.

PUBLIC COMMENT

Public comment opened at 7:08 p.m.

Joe Baranowski was called to speak.

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

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

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

CONSENT CALENDAR

MOTION:

Approving consent calendar items 1 through 9.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Gino Borgioli, Council Member
SECONDER:	John McKay, Mayor Pro Tem
AYES:	Constantine, McKay, Borgioli, Martinez Beltran, Spring

1. APPOINTMENT OF COMMISSIONERS TO THE MORGAN HILL PLANNING COMMISSION

Recommendation:

Reappoint Laura Gonzalez Escoto, Malisha Kumar, and Mohamad Habib to serve on the Morgan Hill Planning Commission with terms ending June 1, 2025.

2. APPROVE SCHOOL RESOURCE OFFICER MEMORANDUM OF UNDERSTANDING FOR FISCAL YEAR (FY) 2021-22

Recommendation:

Authorize the City Manager to execute and administer the Memorandum of Understanding with the Morgan Hill Unified School District accepting funds for one School Resource Officer in the amount of \$130,000 for Fiscal Year 2021-22.

3. AWARD 2021 PAVEMENT REHABILITATION PROJECT TO A. TEICHERT & SON, INC. DBA TEICHERT CONSTRUCTION

Recommendation:

1. Approve 2021 Pavement Rehabilitation Project plans and specifications;
2. Award contract to A. Teichert & Son, Inc. DBA Teichert Construction for the 2021 Pavement Rehabilitation Project in the amount of \$2,131,400;
3. Authorize expenditure of construction contingency not to exceed \$532,850; and
4. Authorize the City Manager to execute and administer the construction contract with A. Teichert & Son, Inc. DBA Teichert Construction.

4. APPROVE REFINANCING FOR SKEELS HOTEL APARTMENTS

Recommendation:

Authorize City Manager to negotiate and approve re-subordination of existing City loan in the principal amount of \$153,331 and accrued interest of approximately \$74,000 for 13-unit Affordable Housing Apartment Complex.

5. APPROVE AMENDMENT TO CONSULTANT AGREEMENT WITH HOUSEKEYS, INC FOR BELOW MARKET RATE (BMR) AND LOAN ADMINISTRATION SERVICES

Recommendation:

1. Approve Second Amendment to Consultant Agreement, for BMR and Loan Administration services through June 30, 2022, for an additional \$550,000, totaling \$2,150,000 from July 1, 2018 – June 30, 2022; and
2. Authorize the City Manager to execute and administer the contract.

6. APPROVE SERVICE MAINTENANCE AGREEMENT WITH SALINAS PUMP COMPANY

Recommendation:

Approve and authorize the City Manager to execute a three-year agreement with Salinas Pump Company in the total not-to-exceed amount of \$750,000 for on-call routine and emergency repair, maintenance, and rehabilitation of the City's water wells and booster stations.

7. ADOPT RESOLUTION AUTHORIZING THE CITY TO CONTINUE PARTICIPATION IN THE SANTA CLARA COUNTY ABANDONED VEHICLE ABATEMENT SERVICE AUTHORITY PROGRAM

Recommendation:

Adopt resolution authorizing the City of Morgan Hill to continue participation in the 10-year term of the Santa Clara County Abandoned Vehicle Abatement Service Authority Program.

8. ADOPT ORDINANCE 2322, NEW SERIES, AMENDING CHAPTER 13.20 ("SEWERS AND INDUSTRIAL WASTE") OF TITLE 13 ("PUBLIC SERVICES") TO REQUIRE THE INSPECTION AND REPAIR OF PRIVATE SEWER LATERALS AND PRIVATE SANITARY SEWER COLLECTION SYSTEMS

Recommendation:

Waive the reading, adopt Ordinance No. 2322, 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.

9. ADOPT ORDINANCE 2323, NEW SERIES, ADDING SECTION, 13.04.335 (“PLUMBING FIXTURE RETROFIT REGULATIONS”) OF CHAPTER 13.04 (“WATER SYSTEM”) OF TITLE 13 (“PUBLIC SERVICES”), ESTABLISHING WATER EFFICIENCY STANDARDS FOR INTERIOR PLUMBING FIXTURES WHEN CHANGES IN OWNERSHIP OF REAL PROPERTY OCCUR

Recommendation:

Waive the reading, adopt Ordinance No. 2323, 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.

PUBLIC HEARING

10. TAX AND EQUITY FISCAL RESPONSIBILITY ACT (TEFRA) HEARING APPROVING ISSUANCE OF BONDS FOR DEPOT COMMONS AFFORDABLE HOUSING APARTMENTS AT 17145 DEPOT STREET AND THE WILLOWS AFFORDABLE HOUSING APARTMENTS AT 50 W. EDMUNDSON AVENUE WITHIN THE CITY OF MORGAN HILL

Recommendation:

1. Open/close public hearing consistent with the requirements of the Federal Tax and Equity Fiscal Responsibility Act ("TEFRA") and Section 147 (f) of the Internal Revenue Code of 1986, as amended (the "Code"); and
2. Adopt resolution approving the issuance of bonds by the California Municipal Finance Authority (CMFA), for the acquisition, rehabilitation, expansion and improvement of two multifamily rental housing facilities: Depot Commons, located at 17145 Depot Street and The Willows, located at 50 W. Edmundson Avenue.

Housing Manager Rebecca Garcia provided a presentation and report.

The public hearing opened at 7:17 p.m.

Sally Casas was called to speak.

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

MOTION:

Approving the recommended action.

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

11. APPROVE RESOLUTION ORDERING ANNUAL ASSESSMENTS AND RELATED ACTIONS FOR CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1 (DISTRICT)

Recommendation:

1. Open the Public Hearing; and
2. Continue the item to the June 16, 2021 City Council Meeting.

Public Services Director Chris Ghione provided the report.

The public hearing opened at 7:21 p.m. and will remain open until the June 16, 2021 City Council Meeting.

MOTION:

Continuing this item to June 16, 2021.

RESULT:	CONTINUED [UNANIMOUS]
MOVER:	John McKay, Mayor Pro Tem
SECONDER:	Rene Spring, Council Member
AYES:	Constantine, McKay, Borgioli, Martinez Beltran, Spring

OTHER BUSINESS

12. RECEIVE REPORT REGARDING SENATE BILL (SB) 743 LEVEL-OF-SERVICE (LOS) TO VEHICLE-MILES-TRAVELED (VMT)

Recommendation:

Accept presentation by Staff and Nelson\Nygaard Consulting Associates, Inc. regarding the City's implementation of State Senate Bill (SB) 743 transition from Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) metric for transportation analysis under the California Environmental Quality Act (CEQA).

Principal Planner Adam Paszkowski, along with Meghan Weir and Brian Manford with Nelson Nygaard provided a presentation and report.

Public comment opened at 8:47 p.m. The following people were called to speak:

Joe Baranowski

Armando Benavides

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

RESULT:	NO ACTION TAKEN
----------------	------------------------

13. RECEIVE REPORT AND PROVIDE DIRECTION ON FRAMEWORK FOR DIVERSITY, EQUITY, AND INCLUSION WORK PROGRAM.

Recommendation:

Receive report and provide direction on framework for Diversity, Equity, and Inclusion work program.

City Manager Christina Turner introduced the item and turned the presentation over to Assistant City Manager Edith Ramirez who provided a presentation and report.

Public comment opened at 9:25 p.m. The following people were called to speak:

Armando Benavides

Joe Baranowski

Sally Casas

Dave Mathews

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

RESULT:	NO ACTION TAKEN
----------------	------------------------

FUTURE COUNCIL INITIATED AGENDA ITEMS

Council Member Martinez Beltran asked for a conversation about housing, transportation, and impact fees.

CLOSED SESSION

City Attorney Donald Larkin announced the closed session item.

OPPORTUNITY FOR PUBLIC COMMENT

Public comment opened at 9:51 p.m. There being no requests to speak, public comment closed.

The meeting recessed at 9:51 p.m. and reconvened at 9:55 p.m.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 9:55 p.m.

Conference with Legal Counsel - Existing Litigation

Authority: Pursuant to CA Govt. Code Section 54656.9(a).

Case Name: Alanis v. City of Morgan Hill

Case Numbers: Workers' Compensation Claim No: MHL1800006

ADJOURNMENT

There being no further business, the meeting adjourned at 10:12 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, City Clerk