



**Special - Regular Meeting Agenda
City Council**

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

Wednesday, June 21, 2017 5:30 PM

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

SPECIAL/REGULAR MEETING

(5:30 Council/Commissioner Sexual Harassment Training / 6:00 P.M. Commission Interviews / 7:00 P.M. Regular Meeting)

SPECIAL MEETING

A special meeting of the City Council is called at 5:30 p.m. for the purpose of conducting sexual harassment training and commission interviews.

5:30 P.M.

CALL TO ORDER

Mayor Tate

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Wilson

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Wilson

COMMISSION INTERVIEWS

1. INTERVIEWS TO FILL ONE (1) VACANCY ON THE LIBRARY, CULTURE, AND ARTS COMMISSION AND ONE (1) VACANCY ON THE PLANNING COMMISSION

Recommendation:

1. Discuss the characteristics/traits that a successful applicant(s) would possess;
2. Conduct Interviews;
3. Council Members identify top applicant(s) and provide recommendation to the Mayor; and
4. Discuss and/or appoint applicant(s).

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 Carr

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PRESENTATIONS

YAC Presentation - Asset #10 Safety

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

2. SECOND AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT WITH HARRIS & ASSOCIATES FOR LAND DEVELOPMENT REVIEW

Recommendation:

Adopt resolution:

1. Approving the Second Amendment to the professional service agreement with Harris & Associates for land development review services to increase the fee by \$110,000 for a total not-to-exceed amount of \$175,000 and extending the term of the agreement through June 30, 2018; and
2. Authorizing the City Manager to execute the Second Amendment.

3. UTILITY BILLING - PRINTING, MAILING, AND ELECTRONIC BILL PRESENTMENT AND PAYMENT (EBPP) SERVICES

Recommendation:

Authorize the City Manager to execute an agreement with Infosend not to exceed \$158,752, for utility bill printing, mailing, and electronic bill presentment and payment services.

4. AWARD HVAC MAINTENANCE AND REPAIR AGREEMENT

Recommendation:

Approve the following actions:

1. Award a Maintenance Services Agreement to Mechanical Technologies Corporation dba MTECH Corp for \$104,394 (\$52,197 annually for preventative maintenance for a Two-Year Period plus additional repair costs to be performed on an as-needed basis and pre-approved by City Maintenance Staff) Subject to Future Annual Budget Appropriations by the City Council; and
2. Authorize the City Manager to execute and administer that certain Maintenance Services Agreement with Mechanical Technologies Corp. dba MTECH Corp.

5. RESOLUTION DECLARING END OF LEVEL 1 WATER SUPPLY SHORTAGE CONDITION

Recommendation:

Adopt resolution declaring end of level 1 water supply shortage condition.

6. ADOPT ORDINANCE 2049, AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING DEVELOPMENT AGREEMENT, DA2017-0002: BUTTERFIELD MWEST FOR APPROXIMATELY 39 ACRES IN THE MORGAN HILL RANCH BUSINESS PARK. THE PROPERTIES ARE LOCATED ON THE WEST SIDE OF BUTTERFIELD BOULEVARD BETWEEN JARVIS DRIVE AND DIGITAL DRIVE (APN'S 726-25-046, -047, -059, -066, -067, -070, -073, -078 AND -079)

Recommendation:

Waive the reading, adopt Ordinance No. 2249, 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.

7. APPROVE THE MAY 17, 2017 MEETING MINUTES

Recommendation:

Approve Minutes.

8. APPROVE THE MAY 19, 2017 MEETING MINUTES

Recommendation:

Approve Minutes.

9. APPROVE THE MAY 24, 2017 MEETING MINUTES

Recommendation:

Approve Minutes.

10. COMMISSION FISCAL YEAR 17/18 WORK PLANS

Recommendation:

1. Approve the proposed Parks and Recreation Commission FY 2017/18 Work Plan; and
2. Approve the proposed Library, Culture and Arts Commission FY 2017/18 Work Plan.

11. APRIL 2017 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

PUBLIC HEARING

12. CITY COUNCIL TRANSITION TO BY-DISTRICT ELECTIONS

Recommendation:

Open/close the public hearing.

Estimated Time: 30 Minutes

**13. CITY OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1
RESOLUTION ORDERING ANNUAL ASSESSMENTS AND RELATED ACTIONS**

Recommendation:

1. Open and close the Public Hearing; and
2. Adopt resolution confirming Fiscal Year 17/18 annual assessments and ordering the levy of assessments for the District.

Estimated Time: 5 Minutes

OTHER BUSINESS

14. DOWNTOWN SPECIAL EVENTS AND STREET CLOSURES

Recommendation:

Approve the proposed Downtown Special Events Street Closure Policy.

Estimated Time: 45 Minutes

15. MEMORANDUM OF UNDERSTANDING WITH THE MORGAN HILL HISTORICAL SOCIETY

Recommendation:

Authorize the City Manager to execute and subsequently administer a memorandum of understanding with the Morgan Hill Historical Society for the operation of Villa Mira Monte.

Estimated Time: 10 Minutes

16. PARKS AND RECREATION CAPITAL FUNDING REPORT

Recommendation:

Adopt resolution amending the Fiscal Year 2017/18 Budget appropriating funding for capital improvement projects relating to park and recreation facilities.

Estimated Time: 15 Minutes

17. DEVELOPMENT OF A USE TAX INCENTIVE PROGRAM

Recommendation:

1. Waive the first and second reading of the ordinance amending Title 3 of the Morgan Hill Municipal Code to add a new Chapter 3.21 to create a use tax incentive program; and
2. Introduce the ordinance.

Estimated Time: 10 Minutes

18. IMPLEMENTATION OF A DEVELOPMENT IMPACT FEE FREEZE PROGRAM

Recommendation:

Adopt resolution freezing development impact fees based upon Fiscal Year 16/17 for new commercial or industrial development for the next three years through fiscal year FY 19/20 in order to stimulate new development in Morgan Hill.

Estimated Time: 15 Minutes

PUBLIC HEARING

19. CONTINUATION OF ADOPTION OF ORDINANCE 2247, NEW SERIES, AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO DEVELOPMENT AGREEMENT DA 14-10 (AAE2017-0018): DUNNE BUSK GRANTING A SIX-MONTH EXTENSION FOR SEVEN (7) FISCAL YEAR 2015-2016 AND FIVE (5) FISCAL YEAR 2016-2017 BUILDING ALLOTMENTS (APN 817-19-044)

Recommendation:

Waive the reading, adopt Ordinance No. 2247, 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.

Estimated Time: 5 Minutes

20. APPROVE RDCS COMPETITION MANUAL - SECTION I, II, AND IV

Recommendation:

Adopt resolution approving RDCS Competition Manual Section I – Competition Manual Overview, Section II – Competition Criteria Summary, and Section IV – RDCS Implementation Policies.

Estimated Time: 30 Minutes

21. DEVELOPMENT AGREEMENT AMENDMENTS FOR EAH AFFORDABLE HOUSING SCATTERED SITE PROJECT A. AAE2017-0023 (DAA-15-06): MONTEREY – EAH; B. AAE2017-0024 (DAA-15-07): CIOLINO – EAH; AND AAE2017-0025 (DAA-15-08): EAST DUNNE - EAH

Recommendation:

1. Open/close public hearing on Development Agreement Amendment requests A through C;
2. Waive first and second reading of Development Agreement Amendment Ordinances A, B, and C incorporating extension of allotments due to rain delays; and
3. Introduce Development Agreement Amendment Ordinances A, B, and C (by individual roll call vote.)

Estimated Time: 15 Minutes

22. DEVELOPMENT AGREEMENT AMENDMENT, AAE2017-0013, ZONING AMENDMENT, AAE2017-0021: BUTTERFIELD - DIVIDEND: REQUEST FOR APPROVAL OF A DEVELOPMENT AGREEMENT AMENDMENT AND ZONING AMENDMENT; ADD SIX LOTS AND APPROVE EXTENSION TO THE COMMENCEMENT OF CONSTRUCTION DEADLINES. THE PROPERTY IS LOCATED ON THE NORTHWEST CORNER OF THE INTERSECTION OF BUTTERFIELD BOULEVARD AND EAST CENTRAL AVENUE. (APN 726-26-005 & 008)

Recommendation:

1. Open/close public hearing on Development Agreement Amendment and Zoning Amendment requests;
2. Waive first and second reading of Development Agreement Amendment Ordinance adding six lots and incorporating extension of allotments due to rain delays;
3. Introduce Development Agreement Amendment Ordinance;
4. Waive first and second reading of Zoning Amendment Ordinance amendment to Precise Development Plan and Planned Development Overlay; and
5. Introduce Zoning Amendment Ordinance.

Estimated Time: 15 Minutes

23. APPROVAL OF AN ORDINANCE ADOPTING A DEVELOPMENT AGREEMENT AMENDMENT FOR THE MONTEREY GUNTER PROJECT UNDER SETTLEMENT AGREEMENT WITH GUNTER LLC

Recommendation:

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

Estimated Time: 15 Minutes

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Pursuant to Government Code Section 54956.9(d)(1)
Case Name: Morgan Hill Hotel Coalition, et al. v. City of Morgan Hill
Case Number: Santa Clara County Superior Court Case No: 16-CV-292595
Court of Appeal, Sixth Appellate District Case No: H043426

RECONVENE

CLOSED SESSION ANNOUNCEMENT

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 by 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 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.