



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/20/2023

ITEM NO: 3

**DRAFT
Minutes of the Town Council Meeting
Tuesday, June 6, 2023**

The Town Council of the Town of Los Gatos conducted a regular meeting in person and utilizing teleconferencing means on Tuesday, June 6, 2023, at 7:00 p.m.

MEETING CALLED TO ORDER AT 7:06 P.M.

ROLL CALL

Present: Mayor Maria Ristow, Vice Mayor Mary Badame, Council Member Matthew Hudes, Council Member Rob Moore, Council Member Rob Rennie.

Absent: None

PLEDGE OF ALLEGIANCE

Bella Khanal led the Pledge of Allegiance. The audience was invited to participate.

PRESENTATIONS

Mayor Ristow presented commendations to the outgoing Youth Commissioners.

The Youth Commission presented the Youth Friendly Business of the Year to Dolce Spazio and the Youth Friendly Green Business of the Year to ETHOS.

A video regarding the accomplishments and activities of the Youth Commission was presented.

CLOSED SESSION REPORT

Gabrielle Whelan, Town Attorney, stated the Council met in closed session to discuss two items of anticipated litigation. A previous report out commented that both items have been continued; however only one item has been continued and there is no reportable action.

COUNCIL/TOWN MANAGER REPORTS

Council Matters

- Council Member Moore stated June is LGBTQ+ Pride Month; attended the Leigh Longhorn Stampede Annual 5K with San Jose Mayor Matt Mahan and Council Member Pam Foley and presented awards to participants, several Ribbon Cuttings with Mayor Ristow, a Chamber of Commerce Mixer, the Big Truck Day event, an AWO Affordable Housing Month Event, the NUMU Art Now Showcase, the Los Gatos Lions Club Date Night at the Terraces, and an informed citizen book club meeting.

Council Matters – continued

- Vice Mayor Badame stated she attended the NUMU Art Now Awards Ceremony, the Community Health and Senior Services meeting as a Council liaison, the West Valley Mayors and Managers meeting for Mayor Ristow, the 20-year anniversary celebration of the Assistance League of Los Gatos-Saratoga event, the Live Oak open house, and the Shannon Road community meeting.
- Council Member Rennie stated he attended the CalCCA annual conference; helped staff the Bike to Wherever Energizer Station; attended the Silicon Valley Clean Energy Authority (SVCEA) Risk Oversight Committee and Executive Committee meetings; met with a representative from Summerhill Homes, and the Community Health and Senior Services Commission (CHSSC) Chair; and attended the Shannon Road community meeting.
- Council Member Hudes stated he met with members of the senior community and Chair of CHSSC to discuss the implementation of the Senior Services Roadmap and potential new senior foundation, Mayor and City Manager of Monte Sereno, and Mark Robson regarding a future development; participated at the Los Gatos Memorial Park ceremony; met with Chamber of Commerce to discuss the Senior Services Roadmap and foundation; and observed the CHSSC commission meeting.
- Mayor Ristow attended Kiwanis 43rd Annual Special Games; helped with the final 5th grade bike skills class; met with San Jose Council Member Pam Foley and staff from Los Gatos and San Jose to discuss safety issues on Blossom Hill Road; attended the Los Gatos Memorial Park ceremony; met with representatives from Summerhill Homes; attended several ribbon cuttings including Salt and Straw and Live Oak Adult Services, the Shannon Road community meeting, and the monthly beautification event; met with residents to discuss several issues of concern; attended the Los Gatos Music and Arts Sounds of Summer Festival; and spoke at Hillbrook 8th grade promotion.

Manager Matters

- Announced Summer Reading is underway and encouraged sign ups.
- Announced the Library will be closed on June 9 for a staff workday.
- Announced Town Administrative Offices will be closed June 19 in observance of the Juneteenth holiday.
- Announced goats may be seen behind the Library next week in an effort to sustainably manage the vegetation in the area.
- Announced the Housing Element Advisory Board meeting will be held at 7:00 p.m. on June 15 and invited the public to attend.
- On behalf of Gary Kohlsaat, announced that the Los Gatos Theatre received an award from Art Deco of California for the preservation of Art Deco and the sign maker for the neon sign won an award for his work on theatres throughout the Bay Area including the Los Gatos Theatre.
- Introduced Assistant Town Manager Katy Nomura.

CONSENT ITEMS (TO BE ACTED UPON BY A SINGLE MOTION)

1. Approve the Draft Minutes of the May 16, 2023, Town Council Meeting.
2. Ratify the Town Council Selection Committee's Recommended Youth Commissioner Appointments.
3. Approve Town Council Meeting Schedule for the 2023/2024 Fiscal Year.
4. Authorize the Town Manager to Execute a First Amendment to a Consultant Services Agreement with AMS Electric LLC (dba Prime Electric LLC) for a Design-Build Project to Install a Battery Storage System at the Library (CIP 821-2502) to Extend the Term and Time of Performance through June 30, 2024.
5. Authorize the Town Manager to Execute a First Amendment to the Agreement with Pacific Water Art for Fountain Maintenance and Repair Services, Extending the Term to June 30, 2024, and to Add to the Compensation \$46,495 for a Total Agreement Amount Not to Exceed \$253,505.
6. Authorize the Town Manager to Execute a Third Amendment to the Agreement for Services with St. Francis Electric, Inc. for Traffic Signal and Streetlight Maintenance and Underground Service Alert Locating Services to Include:
 - a. An Increase to the Contract Amount for Fiscal Year 2022/23 in the Amount of \$53,381, for a Fiscal Year Amount of \$238,381 and a Total Agreement Amount Not to Exceed \$953,948; and
 - b. An Expenditure Budget Adjustment in the Amount of \$53,381 from Available Capital/Special Project Reserve.
7. Authorize the Town Manager to Execute a Revised Use Agreement with West Valley Red Hawks Lacrosse Club.
8. Authorize the Town Manager to Accept the Holiday Light Displays as Donations to the Town From the Los Gatos Chamber of Commerce.
9. Authorize the Town Manager to Execute a First Amendment to the Agreement for Consultant Services with Kier and Wright Civil Engineers and Surveyors, Inc. to Provide Services as the "Acting Town Surveyor" for Various Land Development Mapping Services, Extending the Term to June 30, 2024.
10. Authorize the Town Manager to Execute a Grant Agreement with KCAT for "The Producers" 55+ Volunteer Program for \$100,000 and Authorize an Expenditure Budget Adjustment of \$100,000 from the Available General Fund in the Council Priorities Economic Recovery Reserve.

Opened public comment.

No one spoke.

Closed public comment.

MOTION: Motion by Council Member Hudes to approve consent items 1-10. Seconded by Council Member Moore.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

Lynley Kerr Hogan

- Commented in opposition of the Drag Queen Story Time at the Library and shared an experience from her childhood.

Ron Meyer

- Commented in opposition of the Drag Queen Story Time at the Library.

OTHER BUSINESS

11. Authorize the Town Manager to Close the Winchester Boulevard Complete Streets Project (CIP No. 813-0238) and:

- a. Request that VTA Reallocate Measure B \$1,734,250 Funding;
- b. Authorize an Expenditure Budget Transfer in an Amount of \$169,000 from Available General Fund Appropriated Reserve (GFAR) Funds in Project No. 813-0238 to Project No. 832-4505 - Los Gatos Creek Trail to Highway 9 Connector Project; and
- c. Authorize an Expenditure Budget Transfer in an Amount of \$432,926 from Available GFAR Funds in Project No. 813-0238 to Project No. 813-0241 - Kennedy Sidewalk - Los Gatos Boulevard.

Nicolle Burnham, Parks and Public Works Director, presented the item.

Opened public comment.

No one spoke.

Closed public comment.

Council discussed the matter.

MOTION: Motion by Vice Mayor Badame to authorize the Town Manager to close the Winchester Boulevard Complete Streets Project (CIP No. 813-0238) and request that VTA reallocate Measure B \$1,734,250 funding; authorize an expenditure budget transfer in an amount of \$169,000 from available General Fund Appropriated Reserve (GFAR) Funds in Project No. 813-0238 to Project No. 832-4505 - Los Gatos Creek Trail to Highway 9 Connector Project; and authorize an expenditure budget transfer in an amount of \$432,926 from available GFAR Funds in Project No. 813-0238 to Project No. 813-0241 - Kennedy Sidewalk - Los Gatos Boulevard. **Seconded** by Council Member Hudes.

VOTE: Motion passed by a unanimous vote.

12. Approve a Funding Plan for Construction of the Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505) and take the following actions:
- Authorize the Town Manager to Execute Supplement 2 to the Agreement for One Bay Area Grant Program (OBAG II) Grant Funds for Total Compensation of \$6,193,000 from the Department of Transportation (Caltrans); and
 - Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$2,842,000 to Recognize the Receipt and the Spending of the Additional OBAG II Grant; and
 - Adopt a Resolution Authorizing Receipt of \$68,884 from the Transportation Development Act Article 3 (TDA3) Funding Program **RESOLUTION 2023-031**; and
 - Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$68,884 to Recognize the Receipt and the Spending of the TDA3 Funding.

Nicolle Burnham, Parks and Public Works Director, presented the item.

Opened public comment.

Lee Fagot

- Commented on concerns with the total cost of the project and suggested building one ramp instead of two to reduce costs.

Closed public comment.

Council discussed the matter.

MOTION: Motion by **Council Member Rennie** to approve a funding plan for construction of the Los Gatos Creek Trail to Highway 9 Trailhead Connector Project (CIP No. 832-4505) and take the following actions: authorize the Town Manager to execute Supplement 2 to the agreement for One Bay Area Grant Program (OBAG II) Grant Funds for total compensation of \$6,193,000 from the Department of Transportation (Caltrans); and authorize revenue and expenditure budget adjustments in the amount of \$2,842,000 to recognize the receipt and the spending of the additional OBAG II Grant; and adopt a resolution authorizing receipt of \$68,884 from the Transportation Development Act Article 3 (TDA3) Funding Program; and authorize revenue and expenditure budget adjustments in the amount of \$68,884 to recognize the receipt and the spending of the TDA3 Funding. **Seconded by Council Member Hudes.**

VOTE: Motion passed by a unanimous vote.

Recess 8:27 p.m.

Reconvene 8:35 p.m.

PUBLIC HEARINGS

13. Operating and Capital Budgets

- a. Adopt a Resolution Approving the Town of Los Gatos Fiscal Year (FY) 2023/24 Operating Budget and FY 2023/24 – 2027/28 Capital Improvement Program (CIP), New Appropriations, Additional Council Actions on May 16, 2023; American Rescue Plan Act Budget Adjustment, Minor Corrections, and Carry Forward Appropriations. **RESOLUTION 2023-032**
- b. Adopt a Resolution Approving Commitment of Fund Balances under GASB 54. **RESOLUTION 2023-033**
- c. Approve FY 2022/23 Budget Adjustments:
 1. Major Revenue Adjustments to Match Year-End Estimated Revenues as Directed by the Town Council on May 16, 2023 and as Determined from Updated Information
 - i. Property Tax revenue Increase in the Amount of \$140,000,
 - ii. Educational Realignment Augmentation Fund (ERAF) Revenue Increase in the Amount of \$818,891.60 and Reserve 30% (689,607.60) of the Total Proceeds (\$2,298,691.60) in an ERAF Risk Reserve,
 - iii. Transient Occupancy Tax Increase in the Amount of \$348,547,
 - iv. Interest Revenue Increase in the Amount of \$237,074,
 - v. Sales Tax Revenue Increase in the Amount of \$121,878 (\$124,851 Increase in Regular Sales Tax and \$2,973 Decrease in Measure G Sales Tax),
 - vi. Business License Tax Revenue Decrease in the Amount of \$133,890,
 - vii. Plan Check Pass Through Service Revenue Increase in the Amount of \$125,000,
 - viii. Map Plan Check Pass Through Service Revenue Increase in the Amount of \$120,000,
 - ix. OPEB Trust Withdrawal Revenue Decrease in the Amount of \$902,579 as Current Year End Estimates FY 2022/23 Surplus,
 - x. Recognize \$140,195 General Fund Salary Reimbursement for Capital Improvement Staff Work,
 - xi. Recognize Additional Police Foundation Donation Received in the Amount of \$50,195, and
 - xii. Recognize up to \$20,000 General Fund Salary Reimbursement for Enterprise Resource Upgrade Project Staff Work.
 2. Expenditure Increases:
 - i. In the Amount of \$140,195 for General Fund Salary Reimbursement for Capital Improvement Staff Work,
 - ii. In the Amount of \$125,000 for Plan Checking Pass Through Services,
 - iii. In the Amount of \$100,000 for Map Plan Checking Pass Through Services,
 - iv. In the Amount of \$50,195 to Authorize the Spending the Additional Police Foundation Donation Received,
 - v. In the Amount of \$32,000 to Cover Third Party Business License Administrator Services, and

Public Hearing Item #13 – continued

- vi. In the Amount of up to \$20,000 General Fund Salary Reimbursement for Enterprise Resource Upgrade Staff Work.
- 3. Approve American Rescue Plan Act (ARPA) Replacement Revenue Tracking Pass Through Revenue and Expenditures Budget Adjustments in the Amount of \$453,465.

Gitta Ungvari, Finance Director, presented the item.

Opened public comment.

Lee Fagot

- Commented on safety concerns on Blossom Hill Road near Blossom Hill Park, requested additional Police enforcement in that area and that the Town use any savings from the Capital Improvement Program (CIP) for speed reduction improvements on Blossom Hill Road.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Council Member Rennie to approve staff's recommendations on the Operating and Capital Budgets which is:

- a. Adopt a resolution approving the Town of Los Gatos fiscal year (FY) 2023/24 Operating Budget and FY 2023/24 – 2027/28 Capital Improvement Program (CIP), new appropriations, additional Council actions on May 16, 2023; American Rescue Plan Act budget adjustment, minor corrections, and carry forward appropriations.
- b. Adopt a resolution approving commitment of fund balances under GASB 54.
- c. Approve FY 2022/23 budget adjustments:
 - 1. Major revenue adjustments to match year-end estimated revenues as directed by the Town Council on May 16, 2023 and as determined from updated information
 - i. Property Tax revenue increase in the amount of \$140,000,
 - ii. Educational Realignment Augmentation Fund (ERAF) revenue increase in the amount of \$818,891.60 and reserve 30% (689,607.60) of the total proceeds (\$2,298,691.60) in an ERAF risk reserve,
 - iii. Transient Occupancy Tax increase in the amount of \$348,547,
 - iv. Interest revenue increase in the amount of \$237,074,
 - v. Sales Tax revenue increase in the amount of \$121,878 (\$124,851 increase in regular sales tax and \$2,973 decrease in Measure G sales tax),
 - vi. Business License Tax revenue decrease in the amount of \$133,890,

- vii. Plan Check Pass Through Service revenue increase in the amount of \$125,000,
 - viii. Map Plan Check Pass Through Service revenue increase in the amount of \$120,000,
 - ix. OPEB Trust withdrawal revenue decrease in the amount of \$902,579 as current year end estimates FY 2022/23 surplus,
 - x. Recognize \$140,195 General Fund salary reimbursement for Capital Improvement staff work,
 - xi. Recognize additional Police Foundation donation received in the amount of \$50,195, and
 - xii. Recognize up to \$20,000 General Fund salary reimbursement for Enterprise Resource Upgrade Project staff work.
2. Expenditure Increases:
- i. In the amount of \$140,195 for General Fund salary reimbursement for Capital Improvement staff work,
 - ii. In the amount of \$125,000 for plan checking pass through services,
 - iii. In the amount of \$100,000 for map plan checking pass through services,
 - iv. In the amount of \$50,195 to authorize the spending the additional Police Foundation donation received,
 - v. In the amount of \$32,000 to cover third party business license administrator services, and
 - vi. In the amount of up to \$20,000 General Fund salary reimbursement for Enterprise Resource Upgrade staff work.
3. Approve American Rescue Plan Act (ARPA) replacement revenue tracking pass through revenue and expenditures budget adjustments in the amount of \$453,465. **Seconded by Council Member Hudes.**

VOTE: Motion passed by a unanimous vote.

OTHER BUSINESS

14. Provide Direction on Terms and Authorize the Town Manager to Execute a Use Agreement with Los Gatos-Saratoga Community Education and Recreation.

Nicolle Burnham, Parks and Public Works Director, presented the item.

Opened public comment.

Nancy Rollett, Los Gatos-Saratoga Recreation

- Commented in support of the two requests for fee waivers, stated in their experience pickle ball participants are always over the age of 55, and explained their system does not have the capability to charge facilities fees.

PAGE 9 OF 9

SUBJECT: Draft Minutes of the Town Council Meeting of June 6, 2023

DATE: June 7, 2023

Other Business Item #14 – continued

Closed public comment.

Council discussed the matter.

MOTION: Motion by Council Member Moore to adopt the annual park use fees as recommended by Town staff (\$15,500). **Seconded by Mayor Ristow.**

VOTE: Motion passed 4-1. Vice Mayor Badame voted no.

MOTION: Motion by Council Member Moore to approve staff's recommendation of the annual facility maintenance fee (\$4/attendee per session). **Seconded by Mayor Ristow.**

VOTE: Motion passed unanimously.

MOTION: Motion by Mayor Ristow to authorize the Town Manager to execute the Use Agreement with Los Gatos-Saratoga Community Education and Recreation with the previously approved provisions. **Seconded by Council Member Moore.**

VOTE: Motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 9:34 p.m.

Respectfully Submitted:

Jenna De Long, Deputy Clerk