



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/02/2020

ITEM NO: 1

**DRAFT
Minutes of the Town Council Meeting
May 19, 2020**

The Town Council of the Town of Los Gatos conducted a regular meeting via Teleconference, due to COVID-19 Shelter in Place guidelines, on Tuesday, May 19, 2020, at 7:00 p.m.

MEETING CALLED TO ORDER AT 7:01 P.M.

ROLL CALL

Present: Mayor Marcia Jensen (remote participant), Vice Mayor Barbara Spector (remote participant), Council Member Rob Rennie (remote participant), Council Member Marico Sayoc (remote participant).

Absent: None

PRESENTATION

Mayor Jensen presented the Government Finance Officers Association Distinguished Budget Presentation Award recognizing the Town Finance Department.

COUNCIL/TOWN MANAGER REPORTS

Manager Matters

- Announced retail is now able to offer curbside pick-up beginning Friday under the most recent Santa Clara County Public Health Order and encouraged the community to shop Los Gatos local.
- Announced the Town's tennis courts are open and encouraged residents to follow the posted rules.
- Announced the Town is accepting Building and Planning applications online and conducting video inspections, and stated that the Community Development webpage has more information.
- Encouraged the community to visit the designated COVID-19 webpage found on the Town website homepage to locate resources and information on the Public Health Order.

Council Matters

- Council Member Sayoc stated she continues to work with the Cities Association and League of California Cities to ensure local programming and financial needs continue to be met.
- Council Member Rennie stated he participated in the Silicon Valley Clean Energy Risk Oversight Committee and Valley Transportation Authority (VTA) Board meetings via teleconference.

Council Matters continued –

- Vice Mayor Spector stated she has attended the West Valley Clean Water Authority (WVCWA) Board of Directors, West Valley Sanitation District (WVSD) Board of Directors, and the Solid Waste Board of Directors meetings via teleconference, and continues to participate in the Santa Clara County Health Department COVID-19 teleconference updates.
- Mayor Jensen stated she participated in the VTA Policy Advisory Committee Board meeting; a discussion with Santa Clara County Supervisors Chavez and Simitian to get information regarding COVID-19 testing, contact tracing, and personal protective equipment; and the Santa Clara County Economic Recovery Task Force via teleconference.

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

1. Approve Council Meeting Minutes May 5, 2020.
2. Receive the Third Quarter Investment Report (January through March 2020) for Fiscal Year 2019/20.
3. Authorize the Town Manager to Execute a Summary Vehicle Quotation to Extend the Commercial Motor Vehicle Master Lease Agreement with Mike Albert, LTD. in an Amount Not to Exceed \$3,240 for a 12-Month Lease Extension for Two Electric Vehicles, for a Total Lease Amount Not to Exceed \$63,010.
4. Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization).
5. Authorize the Town Manager to Amend the Agreement for Consultant Services with Construction Testing Services (CTS) for Materials Testing Services for the Annual Street Repair and Resurfacing Projects (19-811-9901) in an Amount Not to Exceed \$94,000.

MOTION: Motion by Council Member Sayoc to approve Consent Items. Seconded by Council Member Rennie.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

No one spoke.

PUBLIC HEARINGS

6. Operating and Capital Budgets

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for FY 2020/21.
 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs.
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25.
- C. Approve Budget Adjustments for FY 2019/20:
 1. Authorize a Total Revenue Decrease Adjustment in the Amount of \$1,699,411 [Decrease Sales Tax by \$618,744, Decrease Transient Occupancy Tax (TOT) by \$974,678, and Decrease Business License Tax by \$105,989] and
 2. Authorize an Expenditure Decrease Adjustment in the Amount of \$4,232,500 to Reflect that the Additional Discretionary Payment Toward the Unfunded Pension Liability to CalPERS is Scheduled After July 1, 2020.

Laurel Prevetti, Town Manager, presented the staff report.

Opened Public Comment.

Rob Stump

- Requested the Council expedite the roadside fire fuel reduction project, harden the Los Gatos hillside neighborhoods, and adjust funding priorities to ensure wildfire safety; and volunteered to lead an Ad Hoc Committee to develop a multi-year plan to ensure wildfire safety moving forward.

Catherine Somers, Los Gatos Chamber of Commerce Executive Director

- Requested the Council consider a COVID-19 economic recovery project by utilizing budget stabilization and catastrophic reserve funds.

David MacGregor-Scholes, Redemption

- Requested the Council consider allocating emergency funds for business vitality.

Lee Fagot

- Requested the Council consider assisting the Los Gatos Chamber of Commerce to provide support to the business community and asked questions regarding the operating budget.

Matthew Hudes

- Requested the Town build flexibility into the budget and engage the community, possibly by requesting the Finance Committee review the budget prior to it being presented to Council.

Public Hearing Item #6 – continued

Andrea Romano, Centenove and Cin-Cin

- Requested the Council consider assisting the Los Gatos Chamber of Commerce to provide support to the business community.

Closed Public Comment.

Council discussed the matter.

MOTION: Motion by Council Member Sayoc to consider the Town of Los Gatos proposed Capital Improvement Program for FY 2020/21 – FY 2024/25 with the understanding that there is flexibility in the Program between now and the next regular meeting of the Town Council. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

MOTION: Motion by Council Member Sayoc to bring back at mid-year and in subsequent Budget documents a description of the CIP projects (page B-10) that would be completed in the fiscal year and those that are multi-year efforts. **Seconded by Mayor Jensen.**

VOTE: Motion passed unanimously.

MOTION: Motion by Mayor Jensen to consider the Town of Los Gatos proposed Operating and Budget for FY 2020/21 and tentatively accept the following staff recommended allocations (page A-11) to be finalized during the next regular meeting of the Town Council:

- \$3,660,342 from the Pension/OPEB Reserve to pay off the 2015 CalPERS Gain/Loss base and transfer the residual balance to the restricted IRS 115 Pension Trust [California Employers' Pension Prefunding Trust (CEPPT)].
- \$572,158 residual balance from the Pension/OPEB Reserve to the restricted IRS 115 Pension Trust (CEPPT).
- \$390,000 annual General Fund Reserve Policy scheduled payment to the Pension/OPEB Reserve which will be transferred to the restricted IRS 115 Pension Trust (CEPPT).
- \$3,401,479 from the General Fund Capital/Special Projects Reserve to fund to the proposed Capital Improvement Program.

Motion continued –

- \$1,200,000 from the Winchester property sale to Surplus Property Reserve for future Council allocation, including but not limited to, potential COVID-19 economic impacts in FY 2019/20 and/or other potentially impacted fiscal years.
- \$769,308 from the General Fund Capital/Special Projects Reserve to fund one-time initiatives in FY 2020/21, including tree services, engineering consultants, temporary Parking Manager to implement the Comprehensive Parking Study, continuation of a part-time Code Compliance Officer, and other one-time expenses.
- \$35,306 residual balance from the Vehicle Maintenance and Store Reserve to the General Fund Capital/Special Projects Reserve per the General Fund Reserve Policy.
- \$17,762 from the General Fund Capital/Special Projects Reserve to the Budget Stabilization and Catastrophic Reserves to maintain the required 25% funding level of the proposed Operating Budget consistent with the General Fund Reserve Policy. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

MOTION: Motion by Mayor Jensen to authorize a total revenue decrease adjustment in the amount of \$1,699,411 [decrease sales tax by \$618,744, decrease transient occupancy tax (TOT) by \$974,678, and decrease business license tax by \$105,989] and authorize an expenditure decrease adjustment in the amount of \$4,232,500 to reflect that the additional discretionary payment toward the unfunded pension liability to CalPERS is scheduled after July 1, 2020. **Seconded by Council Member Rennie.**

VOTE: Motion passed unanimously.

ADJOURNMENT

The meeting adjourned at 9:43 p.m.

Submitted by:

Jenna De Long, Deputy Clerk