



Draft Minutes
Town of Atherton
CITY COUNCIL
May 20, 2015

6:00 P.M. – SPECIAL MEETING - CLOSED SESSION
Conference Room; Town Administrative Offices
91 Ashfield Road, Atherton, California
7:00 P.M. - REGULAR MEETING
Council Chambers
94 Ashfield Road,
Atherton, California

Mayor DeGolia called the closed session meeting to order.

6:00 PM CLOSED SESSION IN CONFERENCE ROOM

ROLL CALL Wiest, DeGolia, Widmer, Lewis, Lempres

PUBLIC COMMENTS

Public Announcement of Closed Session Items – by Mayor DeGolia

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Significant exposure to litigation pursuant to subsection (b) of Government Code Section 54956.9):

One (1) Case

CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Subdivision (a) of Section 54956.9)

One (1) Case

PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957(b)

City Manager

CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations pursuant to Government Code Section 54957.6

Agency Negotiators: George Rodericks, City Manager

Employee Organization: Unrepresented Employees

Report out provided during open session, Item 5.

7:00 PM REGULAR SESSION

Mayor DeGolia called the meeting to order at 7:00 p.m.

1. PLEDGE OF ALLEGIANCE

2. **ROLL CALL** Widmer, Lewis, DeGolia, Wiest, Lempres

3. **PRESENTATIONS**

The first presentation was an informational presentation concerning Peninsula Sunshares. Peninsula Sunshares is a residential solar photovoltaic bulk-purchasing program sponsored by San Mateo County. Atherton residents will be able to take advantage of the program for residential solar projects. Here is a link to the PowerPoint for the presentation: <http://www.ci.atherton.ca.us/DocumentCenter/View/2106>

Following the presentation on solar programs, the Council heard a presentation from the Bay Area Air Quality Management District on compliance efforts with the Lehigh Southwest Cement Plant. A copy of the PowerPoint presentation can be found here: <http://www.ci.atherton.ca.us/DocumentCenter/View/2107>

4. **PUBLIC COMMENTS** – None.

5. **REPORT OUT OF CLOSED SESSION** – No reportable action.

6. **CITY MANAGER’S REPORT** – Nothing further to add to written report.

7. **COMMUNITY ORGANIZATION ROUNDTABLE REPORT** - None.

CONSENT CALENDAR (Items 8-13)

8. **APPROVAL OF APRIL 15, 2015 REGULAR MEETING AND MAY 6, 2015 SPECIAL MEETING MINUTES**

Report: Assistant to the City Manager/City Clerk Theresa DellaSanta

Recommendation: Approve meeting minutes

9. **APPROVAL OF BILLS AND CLAIMS FOR APRIL, 2015 IN THE AMOUNT OF \$1,182,147**

Report: Finance Director Robert Barron III

Recommendation: Approve Bills and Claims in the amount of \$ 1,182,147

10. **FINANCIAL REPORT FOR APRIL 30, 2015**

Report: Finance Director Robert Barron III

Recommendation: Receive and File the Combined Statement of Revenues, Expenditures and Changes in Fund Balance Financial Report for April 30, 2015

11. **ACCEPTANCE OF TREASURER’S REPORT FOR THE THIRD QUARTER ENDED MARCH 31, 2015**

Report: Finance Director Robert Barron III

Recommendation: Accept the Treasurer’s Report for the Third Quarter Ended March 31, 2015

12. **AGREEMENT WITH TURBO DATA SYSTEMS, INC. FOR PARKING CITATION PROCESSING AND ADJUDICATION SERVICES**

Report: Finance Director Robert Barron III

Recommendation: Adopt the attached Resolution directing the City Attorney to prepare and authorizing the City Manager to execute an Agreement with Turbo Data Systems, Inc. for Town Parking Citation Processing and Adjudication Services, for a five (5) year term expiring June 30, 2020

13. 2014 ANNUAL REPORT TO THE CITY COUNCIL ON THE ATHERTON GENERAL PLAN IMPLEMENTATION

Report: Town Planner Lisa Costa Sanders

Recommendation: Accept the Annual Report and authorize its transmittal to the California Governor's Office of Planning and Research and the California Department of Housing and Community Development pursuant to Section 65400 of the California Government Code (CGC)

MOTION by Lewis, second by Lempres to approve the consent calendar including items 8 through 13. The motion passed unanimously.

PUBLIC HEARING

14. CONSIDER AN ORDINANCE AMENDING ATHERTON MUNICIPAL CODE CHAPTER 17.56; SPECIAL EVENTS

Report: Town Planner Lisa Costa Sanders

Recommendation: Conduct the public hearing and introduce the attached ordinance amending Atherton Municipal Code Chapter 17.56 regulating special events in Atherton

City Manager Rodericks presented the report and answered questions regarding the proposed ordinance. Staff had a few suggestions for modification to the ordinance. These included:

- 1) Correcting the hours as recommended by the Planning Commission to 8 am until 7 pm on Monday through Friday.
- 2) Suggested modification of Section 17.56.040(C) to the following: "A special event permit is required for any special event held on private property or public property that requires the assistance of the Town for traffic control, public safety services, extraordinary parking control measures, waiver of any local, state, or federal ordinance, or other mitigation measures arising from the special event."
- 3) Suggested modification of Section 17.56.060 to include the following change in sentence two: "The City Manager or designee may refer items to the City Council when, in his or her opinion, the public interest would be better served by public review at a public meeting. Special event permits related considered for local schools (public or private) or country clubs shall be automatically referred to the City Council."
- 4) School Event Guidelines - A suggested modification to the lighting provisions of the School Event Guidelines to cover temporary lighting versus permanent lighting. The suggested revision is as follows: "Any lighting associated with field or outdoor functions use, where lights presently do not exist, shall be shielded or downlit so the source of light shall not shine onto adjacent properties. Temporary lighting may not be added without a special event permit."

The suggested revisions were discussed by the Council as well as discussion surrounding the City Manager's approval authority and discretion; how to incorporate a threshold for that discretion, timing and ability to hold a public meeting as suggested, existing conditions and conditional uses, as well as revenue generation for events that have vendors to offset Town costs.

Vice Mayor Lewis asked for clarification on the time restrictions.

Council Member Widmer felt that there should be some guidelines that require ample time for Council to discuss any events that may have potential major disruptions to the community.

There was some discussion on how to handle what events should be council approved and how much discretion should be delegated to the City Manager.

Council Member Wiest felt that the City Manager should have ultimate authority to approve. Mayor DeGolia agreed.

DeGolia felt it is the Town's responsibility to make sure the taxpayers are not subsidizing events with staff resources. DeGolia suggested collection of sales tax at these larger events where there is considerable commercial activity.

MOTION by Lewis, second by Wiest to continue the hearing (along with the suggested changes provided by Rodericks) to the June 17 Council meeting. The motion passed unanimously.

REGULAR AGENDA – (Items 15-18)

15. TEMPORARY RELOCATION OF THE ATHERTON PERMIT CENTER

Report: Community Services Director Mike Kashiwagi

Recommendation: Provide direction to staff regarding the temporary relocation of the Atherton Permit Center during construction of the new Civic Center

This item was continued discussion from the April Regular Meeting. Community Services Director Mike Kashiwagi presented the staff report and asked the Council for threshold decision direction with respect to relocating the permit center into the Park during the Civic Center project construction or relocating it somewhere on the Civic Center project site during construction.

The Council discussed the various options available, the square footage requirements for the permit center, concerns over location in the civic center during construction, issues related to staging for the library, and interim needs to make the permit center a safe and healthy work environment.

Lewis asked if permit center would fit in chambers.

Kashiwagi responded that the permit center would not fit in the chambers in its entirety. It would have customer service issues. Lewis felt the chambers are the lowest cost solution. Kashiwagi noted that the chambers are one half the existing space of the permit center.

Widmer suggested staff consider a third option of putting trailers near the backside of the existing corporation yard.

Lempres felt that if Park & Recreation are not supportive of a move to the park that it shouldn't move there.

Widmer felt that keeping the staff in the same location is optimal because there are many shared duties between departments. Lewis agreed however she felt that sacrifices need to be made in order to reach the ultimate end result.

Kashiwagi noted there is uncertainty if the permit stays in the civic center project areas because the Town still has to decide if the library will stay in operation, construction staging and sequencing, and layout.

Council felt that the Main House should be looked at before a final decision

Following discussion, the Council directed that the staff take measures necessary to make the existing permit center a safe and healthy work environment and that staff take measures necessary to begin the process of relocating the permit center to the Park during the Civic Center Construction Project at the location identified for the future Knox Playschool move in the Park Use Master Plan. Further, that that facility be designed as a compatible park structure and with the potential to be renovated for use by Knox Playschool, if so determined.

MOTION by Lewis, second by Wiest to look at moving permit center to the park into a temporary facility on a temporary basis until the new civic center is completed. Motion passed 3-2 (Widmer and Lempres opposed).

16. PARK USE MASTER PLAN

Report: Community Services Director Mike Kashiwagi

Recommendation: Review and accept the Park Use Master Plan

Public Works Superintendent Steve Tyler provided a report to Council.

Changes discussed at the April meeting have been vetted by P&R and included in the Park Master Plan.

Widmer put watering in the park on system that regulates the number of days/times to water.

Following the staff report, the Council discussed the Park Use Master Plan, parking management, the possibilities of expanded parking, options for redesign of the Pavilion parking, relocation of Knox Playschool, and the timing and quantity of capital improvement projects. Following discussion, the Council moved to adopt the Park Use Master Plan with the caveat that the Council will revisit the timing and quantity of capital improvement projects during the Capital Improvement Budget discussion on June 3. The Council generally expressed support for improvements in the Park and encouraged projects to move along as funding and resources dictate.

MOTION by Wiest, second by Lempres to accept the Park Use Master Plan. The motion passed 4-1 (Widmer opposed because he doesn't want playschool next to house).

17. CONSIDERATION OF CAFÉ AND/OR TEACHING KITCHEN IN CIVIC CENTER PROGRAM

Report: Community Services Director Mike Kashiwagi

Recommendation: Review, discuss, and provide feedback regarding whether a café and/or teaching kitchen should be incorporated into the proposed program for the Civic Center

Staff presented the report and answered questions regarding the possibility of a café or teaching kitchen in the programming for the Civic Center. The Council discussed the need, the potential uses, other facilities, and the function of a café and/or teaching kitchen. The Council also discussed the administrative process to make changes to the land use, environmental report, and General Plan to accommodate the potential café. Following discussion, the Council provided direction to staff for overall support for including the potential of a café and/or teaching kitchen in the programming plan for the Civic Center with the understanding that the ultimate decision to incorporate either or both rests with the Council as part of final design approval.

18. RESOLUTION ENDORSING AND SUPPORTING THE EFFORTS OF CALIFORNIA WATER SERVICE IN RESPONSE TO THE STATE WATER RESOURCES CONTROL BOARD AND THE GOVERNOR’S EXECUTIVE ORDER RELATED TO THE DROUGHT

Report: City Manager George Rodericks

Recommendation: Adopt the attached Resolution endorsing and supporting the efforts of California Water Service in response to the State Water Resources Control Board adopted emergency regulations and the Governor’s Executive Order related to the drought

City Manager Rodericks presented the staff report.

Council Member Lempres asked if there is expiration on the Governors Executive Order as it relates to water conservation. Rodericks said yes. He indicated that is the reason the Town approves a resolution rather than codifying it in the municipal code.

A Cal Water representative spoke to Council about the regulations including the allowable outdoor irrigation days.

Council requested that Cal Water let them know whether it is prohibited to fill a newly constructed pool.

Bell Stafford, environmental advocate, handed out a brochure to Council with information about animal agriculture and how it affects the State’s water supply.

The Council discussed timing, water budgets, penalties, surcharges, profits, usage information and timing, swimming pools, agricultural uses locally, and incentives. The Council asked California Water Service to consider increasing and expanding their incentive programs to match that of the Santa Clara Water District.

MOTION by DeGolia, second by Lewis to adopt the Resolution endorsing and supporting the efforts of California Water Service in response to the State Water Resources Control Board adopted

emergency regulations and the Governor's Executive Order related to the drought. The motion passed unanimously.

19. **COUNCIL REPORTS/COMMENTS** – None.

20. **FUTURE AGENDA ITEM** – None.

21. **PUBLIC COMMENTS** _ None.

22. **ADJOURN**

MOTION by Lempres, second by Widmer to adjourn the meeting. Mayor DeGolia adjourned the meeting at 9:58 p.m.

**Respectfully submitted,
Theresa DellaSanta
City Clerk**



Draft Minutes
Town of Atherton
June 3, 2015
3:00 P.M.

Admin Conference Room – 91 Ashfield Road

4:00 P.M.

Council Chamber -94 Ashfield Road
Atherton, California

Special Meeting

3:00 PM CLOSED SESSION IN ADMIN CONFERENCE ROOM

ROLL CALL DeGolia, Lewis, Widmer, Wiest, Lempres

PUBLIC COMMENTS

Public Announcement of Closed Session Items

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Significant exposure to litigation pursuant to subsection (b) of Government Code Section 54956.9) *One (1) Case*

PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957(b) *City Manager*

4:00 PM ADJOURN TO REGULAR STUDY SESSION IN COUNCIL CHAMBERS

ROLL CALL DeGolia, Lewis, Widmer, Wiest, Lempres

PUBLIC COMMENTS - (Limited to items on the agenda)

1. **REVIEW OF THE FY 2015/16 TOWN BUDGET**
 Report: City Manager George Rodericks
 Recommendation: Review and Discuss Operating and Capital Improvement Budget for FY 2015/16.

City Manager Rodericks presented the staff report and identified six (6) Policy Questions for Council consideration. Staff walked through the various departmental and special fund budgets for the Town noting that the Town's overall operational costs increased by 1.7% over the prior year adjusted budget.

A copy of the staff report and PowerPoint presentation can be found here:

Staff Report: <http://ca-atherton.civicplus.com/DocumentCenter/View/2121>

Overall, the Town's Operational budget is balanced with revenues of \$12,618,291 against expenditures of \$11,784,107, before any allocations to capital projects, special funds, and long-term liabilities. As presented, the budget includes a \$614,000 transfer to the Town's Capital Improvement Budget for capital projects, a \$680,684 transfer to the Town's OPEB Trust for future long-term liabilities, and a \$631,243 transfer to the Workers' Compensation Negative Equity Fund in an effort to reduce operational costs. Following operational transfers and allocations, the Town meets its 15% Emergency Reserve and 20% Contingency Reserve requirements with a remaining unallocated General Fund balance of \$7,327,890.

Following discussion and questions regarding specific allocations and operational cost reductions, the Council addressed the six policy questions in the following manner:

1) Use of Excess Educational Revenue Augmentation Fund (ERAF) Funds (property

Use the FY 2014/15 Excess ERAF to pay \$680,684 to the Town's OPEB Trust Account and pay \$444,316 to the Workers' Compensation Negative Equity Reserve requirement. In addition, use unallocated General Fund (\$186,927) to eliminate the Negative Equity Reserve. These contributions will reduce the Town's ongoing Operational costs.

2) Allocation of the Special Parcel Tax

The Council confirmed the allocation of the Special Parcel Tax at 20% (\$372,000) to the General Fund in support of Police Services and 80% (\$1,488,000) to the Capital Improvement Fund in support of various qualifying capital projects.

3) Miscellaneous Town Memberships

Staff will return to Council in June with Budget Report with a table that shows the membership organization, the contribution amount, whether it is voluntary or mandatory, if mandatory – the applicable code/law, the methodology for calculating the amount, the historic contribution if different than the requested amount, a statement of basic benefit/purpose, and a staff recommendation for continuing the contribution and a recommendation of whether the group should come to a Council meeting annually with the request. A total of approximately \$13,000 is included in the budget for miscellaneous organizational memberships.

4) General Plan Update

The 2015/16 Fiscal Year includes an update to the Town's General Plan. However, the updates are pro-forma updates that do not contemplate full and comprehensive updates to the 5 remaining elements of the Town's General Plan (Land Use, Circulation, Open Space and Conservation, Noise and Community Safety). The Council concurred with staff's recommendation to continue with the basic updates and if a specific element is in need of a significant update, to return that to the Council for discussion and direction.

5) Disposition of the Town's Unallocated General Fund Reserve

The City Council directed a transfer of \$2,327,890 to the Town's Capital Projects Budget

in support of current and future capital infrastructure needs.

6) Disposition of the Town's Building Reserve

The Town established a building reserve to assist with the transition from in-house building department staff to contract building department staff. Now that that transition is complete, the reserve can be folded back into the General Fund. The City Council directed that the \$505,000 in Building Reserve be renamed as a Capital Replacement Reserve; that that Reserve become a part of the Town's Reserve Policy and that the Town consider an annual contribution to that Reserve during future budget years to address the full infrastructure cost of the new buildings. This establishment of this reserve is in recognition of the Town's desire to address the future cost of replacing or refurbishing Town facilities over the next 50 years.

The budget will return to the Council for adoption at the June 17 Regular Meeting.

2. PARCEL TAX DISCUSSION

Report: City Manager George Rodericks

Recommendation: Review and Discuss

Every year, the City Council is required to review the next year's allocation of the Special Parcel Tax and determine whether to assess the Special Parcel Tax at its full rate or a reduced rate for the subsequent fiscal year based on current and future needs. Staff presented the staff report discussing the various projects funded by the Special Parcel Tax and the planned future projects.

A copy of the staff report and PowerPoint presentation are available here:

Staff Report: <http://ca-atherton.civicplus.com/DocumentCenter/View/2122>

PowerPoint (last few slides): <http://ca-atherton.civicplus.com/DocumentCenter/View/2133>

The Special Parcel Tax is allocated at 20% to the Town's General Fund in support of police services (\$372,000) and 80% to the Town's Capital Improvement Program in support of capital projects (\$1,488,000).

The following are major capital projects identified in the FY 2015/16 CIP budget funded by the Special Parcel Tax.

- 1) \$675,000 – Marsh Road Retaining Wall Project (Drainage)
- 2) \$150,000 – Drainage Improvements
- 3) \$250,000 – Series Street Light Repairs (Streets)
- 4) \$100,000 – Bicycle | Pedestrian Improvements (Streets)
- 5) \$200,000- El Camino Real (Streets)
- 6) \$250,000- ECR at Almendral HPD (Streets)

The projects total \$1,625,000. Due to the cost of many capital projects, the Town "saves" and then "spends" the Special Parcel Tax accordingly such that the expenditure in any given fiscal year may exceed the current year's revenue from the Special Parcel Tax.

The following table depicts the remaining fund balances within the Capital Improvement Fund and the estimated annual revenue from each funding source:

Funding Source	FY 15/16 Remaining Balance	Estimated Annual Revenue
Special Parcel Tax	\$24,078	\$1,488,000
Gas Tax	\$26,681	\$225,000
Measure M	\$35,881	\$75,000
Atherton Channel Fund	\$3,706	\$96,300
Measure A	\$21,183	\$305,000
CIP Fund	\$86,827	\$0
Total	\$197,356	\$2,189,300

Excluding the Civic Center Project, the Town's 5-Year Capital Improvement Program seeks to address \$12,473,060 in basic capital infrastructure projects covering areas such as streets, transportation, streetlights, signals, drainage, park improvements, and Town facilities. Of that total, \$7,440,000 comes from the Special Parcel Tax.

Following discussion and questions surrounding a possible reduction in the Special Parcel Tax, the impact on future capital projects, the need for future funding, alternative revenue sources, and the ability of the Town to meet its infrastructure needs without the Special Parcel Tax, the Council directed staff to return on June 17 with an allocation of the Special Parcel Tax at the existing rate.

ADJOURN

MOTION by Lempres, second by Widmer to adjourn the meeting. Mayor DeGolia adjourned the meeting at 9:58 p.m.

**Respectfully submitted,
Theresa DellaSanta
City Clerk**