



Minutes
Town of Atherton
CITY COUNCIL
June 18, 2014
7:00 p.m.
94 Ashfield Road
Atherton, California
REGULAR MEETING

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

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL** Widmer, Lewis, DeGolia, Wiest
3. **PRESENTATIONS**

Oath of Office – Sergeant Lamont Cusseaux and Officer Joshua Gatto

Chief Flint introduced new officer Joshua Gatto and Sergeant Lamont Cusseaux. The oath of office was administered and each officer's badge was pinned by a family member.

North Fair Oaks Community Plan – Supervisor Warren Slocum

Peggy Jensen, Deputy County Manager provided a presentation on behalf of Supervisor Warren Slocum's Office. Jensen discussed the North Fair Oaks Community Plan, particularly the redevelopment of Middlefield Road. The presentation includes information about outreach efforts, survey data, and next steps. The Supervisor's office will keep Atherton informed on the project as it moves along.

4. **PUBLIC COMMENTS**

Laura Fanucchi, HIP Housing, requested Council support of the annual HIP Hosing contribution.

5. **REPORT OUT OF CLOSED SESSION - Report out by City Attorney -None**
 6. **CITY MANAGER'S REPORT** – Nothing further to report
 7. **COMMUNITY ORGANIZATION ROUNDTABLE REPORT**
- CONSENT CALENDAR** (Items 8-25)

Council Member Widmer had comments on items 12, 18 and 25.

8. **APPROVAL OF MAY 7 SPECIAL MEETING AND MAY 16 REGULAR MEETING MINUTES**
Report: City Clerk Theresa DellaSanta
Recommendation: Approve meeting minutes
9. **APPROVAL OF BILLS AND CLAIMS FOR MAY, 2014 IN THE AMOUNT OF \$1,082,250**
Report: Finance Director Robert Barron III
Recommendation: Approve Bills and Claims in the amount of \$1,082,250
10. **ACCEPTANCE OF TREASURER'S REPORT FOR THE THIRD QUARTER ENDED MARCH 31, 2014**
Report: Finance Director Robert Barron III
Recommendation: Accept the Treasurer's Report for the third Quarter Ended March 31, 2014
11. **RESOLUTION ADOPTING AMENDMENTS TO THE RESOLUTION ADOPTING SALARIES AND BENEFITS FOR UNREPRESENTED EMPLOYEES**
Report: City Manager George Rodericks
Recommendation: Adopt resolution ratifying an Amendment to Resolution No. 13-03 regarding Monthly Salary Compensation and Section 17: IRC Section 125 Flexible Benefit Plan
12. **AMENDMENT TO CITY MANAGER'S AGREEMENT**
Report: City Attorney Bill Connors
Recommendation: Approve Amendment to City Manager's Agreement

Council Member Widmer requested clarifications to the technology allocation. Widmer felt the allocation should be an asset that is returned to the Town upon separation of employment. Widmer also noted that a recent Mercury News article contained an error in the City Manager's salary increase – the actual increase is 1.5%.

13. **APPROVAL OF CONTRACTS FOR LACROSSE**
Report: City Clerk Theresa DellaSanta
Recommendation: Approve separate agreements between the Town of Atherton and Atherton Lacrosse and the Town of Atherton and Menlo-Atherton Lacrosse and authorize the City Manager to execute the Agreements
14. **ACCEPTANCE OF WORK, AUTHORIZATION TO RECORD NOTICE OF COMPLETION FOR THE 2014 SPRING PATCHING PROJECT**
Report: Community Services Director Mike Kashiwagi
Recommendation: Accept work and authorize recording of a Notice of Completion for the 2014 Spring Patching Project, Number 56057
15. **APPROVE A ONE YEAR EXTENSION WITH TREE MAINTENANCE SERVICES FOR THE CONTINUATION OF ON CALL TREE MAINTENANCE IN AN AMOUNT NOT TO EXCEED \$60,000**

Report: Community Services Director Mike Kashiwagi

Recommendation: Approve an agreement for a one-year (1) year extension with West Coast Arborists, Inc., for the continuation of on call tree maintenance services for the amount not to exceed \$60,000; and authorize the City Manager to execute the agreement on behalf of the Town

16. EXTENSION OF CONTRACT FOR TENNIS CLINICS WITH ALAN MARGOT FOR THREE ADDITIONAL MONTHS

Report: Community Services Director Mike Kashiwagi

Recommendation: Approve a three-month extension to contract for services of Tennis Professional Alan Margot to hold tennis camps at Holbrook-Palmer Park from July 1, 2014 through September 30, 2014; and direct the City Attorney to prepare an extension, and authorize the City Manager to execute the extension agreement

17. APPROVE A ONE YEAR EXTENSION WITH CENTRAL MAINTENANCE COMPANY FOR THE CONTINUATION OF JANITORIAL SERVICES FOR THE AMOUNT OF \$25,151.40 ANNUALLY

Report: City Manager George Rodericks

Recommendation: Approve an agreement for a one-year extension with Central Maintenance Company for the continuation of Town Janitorial Services at \$2,095.95 per month for the 2014/15 fiscal year for an annual total of \$25,151.40; and, authorize the City Manager to execute the Agreement on behalf of the Town

18. NEAL MARTIN & ASSOCIATES CONTRACT

Report: City Manager George Rodericks

Recommendation: Approve contract with Neal Martin & Associates and authorize the City Manager to execute the contract on behalf of the Town

Council Member Widmer suggested the addition of exit assistance, knowledge retention and key scales to the Neal Martin & Associates Contract for planning services.

19. CONSIDER AN ORDINANCE AMENDING ATHERTON MUNICIPAL CODE CHAPTERS 17.40 AND 17.60, RELATING TO ACCESSORY BUILDINGS AND ATHLETIC FACILITIES

Report: Town Planner Lisa Costa Sanders

Recommendation: Waive second reading and adopt the attached ordinance amending Atherton Municipal Code Chapters 17.40 and 17.60 relating to accessory buildings and athletic facilities

20. CONSIDER ADOPTING A DENSITY BONUS ORDINANCE, AMENDING THE ATHERTON MUNICIPAL CODE

Report: Town Planner Lisa Costa Sanders

Recommendation: Waive second reading and adopt the attached ordinance amending the Atherton Municipal Code Title 17. The proposed amendment would implement the adopted 2007-2014 Housing Element Update

21. **ADOPTION OF AN ORDINANCE TO AMEND TITLE 15 OF THE ATHERTON MUNICIPAL CODE ADDING A NEW CHAPTER RELATED TO THE USE OF PLACARDS TO DENOTE CONDITIONS RELATING TO CONTINUED OCCUPANCY OF BUILDINGS**
Report: Community Services Director Mike Kashiwagi
Recommendation: Waive the second reading and adopt the ordinance to amend Title 15 of the Atherton Municipal Code adding a new chapter related to the use of placards to denote conditions relating to continued occupancy of buildings
22. **ADOPTION OF RESOLUTION 14-XX CALLING THE NOVEMBER 4, 2014 STATEWIDE GENERAL ELECTION, REQUEST CONSOLIDATION, AND CONTRACT WITH THE CHIEF ELECTIONS OFFICE FOR ELECTION SERVICES**
Report: City Clerk Theresa DellaSanta
Recommendation: Adopt resolution 14-xx calling the Statewide General Election, for the purpose of electing three (3) members of the Atherton City Council, to be held on November 4, 2014; requesting the San Mateo County Board of Supervisors to consolidate the election with any other elections to be held on November 4, 2014; contracting with the Chief Elections Official for the purpose of providing election services; and authorizing the City Manager to sign the service agreement with the County Elections Officer
23. **ADOPTION OF RESOLUTION REQUIRING CANDIDATES TO BE CHARGED A DEPOSIT TO COVER THE COST OF PUBLICATION FOR STATEMENT OF QUALIFICATIONS**
Report: City Clerk Theresa DellaSanta
Recommendation: Adoption of a resolution requiring candidates to pay the prorated cost of publication and distribution of the Statement of Qualifications and specifying the length of the Statement
24. **APPROVAL OF REQUEST FOR PROPOSALS FOR CERTIFIED ARBORIST SERVICES**
Report: City Manager George Rodericks
Recommendation: Approve the Request for Proposal (RFP) and authorize advertisement for contracted Certified Arborist Services
25. **APPROVAL OF AN AGREEMENT FOR A ONE YEAR EXTENSION WITH MCE CORPORATION FOR THE CONTINUATION OF PUBLIC WORKS MAINTENANCE SERVICES**
Report: City Manager George Rodericks
Recommendation: Approve an agreement for a one-year contract extension with MCE Corporation for a not-to-exceed amount of \$597,240 for the continuation of Public Works Maintenance and Maintenance Management Services; and direct the City Attorney to prepare an extension, and authorize the City Manager to execute on behalf of the Town

Council Member Widmer requested clarification to the new responsibility of managing the irrigation water at Town parks and landscapes. It was suggested that major contracts like this one be bid every three years.

City Manager Rodericks informed Council extending the contract by mutual agreement for one more year during which time staff will commence a major restructuring of the contract that will address specific concessions, more detailed performance measurements, and more flexible service levels to allow for expansion and contraction of the contract on a needs basis.

PUBLIC HEARING - None

REGULAR AGENDA - (Items 26-30)

26. COMMITTEE APPOINTMENTS AND POSSIBLE INTERVIEWS

Report: City Manager George Rodericks

Recommendation: Consider appointments to the Audit/Finance Committee, Park & Recreation Commission, and Rail Committee

Council approved automatic appointments to the Park & Recreation Commission and Rail Committee. A ballot was handed out for voting on the Audit Finance Committee. Council received four applications for three seats. The votes were tallied and incumbents Bob Polito and Jim Massey were re-appointed along with newcomer Jeffrey Lee. Council thanked Greg Conlon for his work on the Audit/Finance committees over the years and wished him luck on his run for State Treasurer.

27. CONSIDERATION AND POSSIBLE ADOPTION OF A RESOLUTION ASSESSING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR THE FISCAL YEAR 2014/2015

Report: Finance Director Robert Barron III

Recommendation: Adopt a resolution assessing a special tax for municipal services for the Fiscal Year 2014/2015

Finance Director Robert Barron III provided a report to Council.

Widmer noted that he supported a 25% moratorium but also agreed with his colleagues who felt that there is too much uncertainty to consider that at this time.

Vice Mayor DeGolia agreed and had felt that a 10% reduction would be ideal but not at this point because we have knowledge of some very significant capital projects.

Council Member Lewis felt that it was appropriate to continue the parcel tax as it was just approved 8 months ago and it will play a significant role in the various Master Plans.

Mayor Wiest echoed the Council comments. He felt that the uncertainty associated with the various capital improvement plans should permit the parcel tax to remain at the current rate.

Council Member Widmer noted that we should continue to look at the legitimacy of projects before spending the money.

MOTION by Lewis, second by DeGolia to adopt a resolution assessing a special tax for municipal services for the Fiscal Year 2014/2015. The motion passed unanimously.

28. ADOPTION OF THE APPROPRIATIONS LIMITS FOR FY 2014-15

Report: Finance Director Robert Barron III

Recommendation: Adopt the attached resolution setting the Appropriation Limit for FY 2014-15 at \$12,672,397

Finance Director Robert Barron III summarized the report.

MOTION by Widmer, second by Lewis to adopt the attached resolution setting the Appropriation Limit for FY 2014-15 at \$12,672,397. The motion passed unanimously.

29. RECOMMENDED OPERATING BUDGET FY 14-15

Report: City Manager George Rodericks

Recommendation: Adopt the Recommended Operating Budget for FY 2014/15

City Manager Rodericks reported that for FY14/15 the Town will receive General Fund revenues of \$11,619,741 balanced against operating expenditures of \$11,463,891. This leaves a projected year-end positive balance of \$8.7 million (without the inclusion of excess ERAF and transfers to and from other funds). There is a single-year operational revenue surplus of \$155,850.

Council briefly discussed capital improvement funds and ERAF and parcel tax allocations.

During budget discussions it was concluded that revenues from the Educational Revenue Augmentation Fund (ERAF) be treated as “one time” revenues that are not included in the Town’s operational budget. Revenues from ERAF will be considered at the conclusion of the budget year and directed by Council as “one time” revenue for specific singular projects or priorities such as capital projects and contributions toward long-term liabilities.

Council reviewed the major fiscal changes which are acknowledged below.

Increases within the City Council budget are the result of some planned maintenance and cosmetic improvements within the Council Chambers (carpet, restroom improvements, and new dais chairs) and technology improvements. Administration’s budget has a net change of \$11,592. There is a decrease in the Labor Relations Services budget and an increase in other contract services. In addition, staff added a line item for Community Activities and Events of \$25,000. This line item is to allow the Town to sponsor and participate in building community engagement programs. Changes in the Finance Department amount to \$32,034. Most of these costs are directly related to the provision of technical services such as audit and financial services, software licensing and training, processing fees, etc.

The Planning Department budget reflects a proposed small change in the cost of contract planning services and a decrease in the cost of the Housing Element implementation. Adjustments in the Building Department budget reflect increases related to software maintenance, the reduction of prior

year service adjustments, and digital archiving. The bulk of the adjustment is related to equipment replacement amortization.

The Public Works budget reflects an adjustment of \$123,583 – this is largely due to the continuation of approved enhanced services for a full year; inclusion of contract Park Event Services for a full year, and increases in professional engineering services in anticipation of increased capital project needs.

The Police Department change reflects the addition of two (2) officers for a full year of deployment bringing authorized sworn staff from 19 to 21. Other significant changes are decreases in temporary help, reductions in overtime, a reduction in the OPEB contribution, a decrease in vehicle maintenance requirements, a decrease in recruitment costs, and a decrease in contract services. The changes also reflect an increase in the cost of workers' compensation to account for building a reserve based on the Town's experience modification rate as well an allocation of \$10,000 for emergency preparedness.

Council requested the addition of comments about actuarial liabilities of CalPERS and OPEB to the budget letter.

Council expressed their pleasure with the look and transparency of the budget. It was suggested that in the future Council receive the budget at least 10 days in advance of the meeting to allow more time to review and prepare.

MOTION by Widmer, second by Lewis to adopt the Recommended Operating Budget for FY 2014/15. The motion passed unanimously.

30. INITIAL REPORT - LOCAL MUNICIPAL SERVICES IN REVIEW

Report: City Manager George Rodericks

Recommendation: Review and Discuss

City Manager Rodericks reported that the municipals services report is to provide the Council and the public with a comprehensive education on the various types of services provided to the community. It serves to provide a framework to assist staff and the Council with identifying opportunities for improving current methods of service delivery and improving the value of services provided, as well as assisting the community with identifying service providers.

Council supported the idea and felt it was a good way to provide additional transparency to the public.

31. COUNCIL REPORTS/COMMENTS

Council Member Lewis provided comments on airport noise and the coming construction at San Francisco Airport. <http://www.flysfo.com/about-sfo/airport-development/runway>

32. FUTURE AGENDA ITEMS – None.

33. PUBLIC COMMENTS – None.

34. ADJOURN

Mayor Wiest adjourned the meeting at 8:45 p.m.

Respectfully submitted,

**Theresa DellaSanta
City Clerk**