



**Minutes**  
**Town of Atherton**  
**January 18, 2017**  
**5:30 P.M.**  
**Council Chambers**  
94 Ashfield Road  
Atherton, California  
**Special Meeting**

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

**PUBLIC COMMENTS** –

**STUDY SESSION ITEMS**

**1. DISCUSSION OF STUDY SESSION AND OTHER MEETING DATES AND TIMES**

**Report:** City Manager George Rodericks

**Recommendation:** Discuss

City Manager Rodericks noted that the Mayor had requested a slight change in time to the monthly study sessions. Rodericks added that there has also been some suggestion to change the July and September study session meetings as they coincide with holiday weeks (Independence Day and Labor Day).

Council Member Lewis indicated her difficulty in getting to her San Francisco Airport Roundtable meetings which begin on the same day at 7pm. She noted that if the Atherton study session ends at 6pm, it is not enough time for her to get to Millbrae.

Council Member Widmer suggested the study session agendas be managed keeping in mind that Lewis has to leave by a certain time.

Mayor Lempres suggested that the meeting be moved from the 3pm-5pm time frame to a 4pm-6pm.

The Council agreed to move maintain the regular Study Session meetings as the 1st Wednesday of each month, but change the timing of the meeting to be 4 pm to 6 pm.

For 2017/2018, the dates of the planned Study Session Meetings are:

February 1, 2017	August 2, 2017 (only if needed)
March 1, 2017	September 6, 2017
April 5, 2017	October 4, 2017
May 3, 2017	November 1, 2017
June 7, 2017	December 6, 2017
July 19, 2017	January 10, 2018

The July study session will be combined with the regular July meeting.

Town of Atherton City Council Minutes, Special Meeting November 2, 2016

Also discussed was the possibility of a Goals Meeting to be set for some time in April and the Annual Joint Meeting with the Fire District planned for the second week of December 2017.

## **2. CIVIC CENTER PROJECT – REVIEW, DISCUSS AND PROVIDE STAFF WITH FEEDBACK REGARDING FUNDING STATUS AND OPTIONS**

**Report:** City Manager George Rodericks

**Recommendation:** Review, Discuss and provide staff with feedback regarding funding status and options for the Civic Center Project.

City Manager Rodericks presented the staff report walking the Council through the funding status of the project. Rodericks outlined various alternative funding options for Council consideration. Not included in the conversation was the funds required for the Library as these costs are separately funded in entirety by Library Funds.

Project Design Costs	\$2,590,000
Project Construction Costs (estimated)	\$21,847,000
Total Project Cost and Funding Need	\$24,437,000
Estimated Funds from Atherton Now (as of Jan 2017)	(\$7,000,000)
Remaining Funding Need	\$17,437,000
Applicable Building Revenue Funds	(\$2,935,000)
Remaining Funding Need	\$14,502,000

Council agreed that to apply any other available funds, Measure L must be revised to allow the expenditure of General Funds toward the project. The Council was clear that the Town's mandatory 35% reserves be maintained. The unallocated funds discussed below DO NOT include expenditure of these reserves.

Unallocated Surplus Funds	
- Unallocated General Funds	(\$4,423,138)
- Unallocated Capital Improvement Funds	(\$4,663,980)
Remaining Funding Need	\$5,414,882
Unallocated ERAF Funds (FY 2016/17 & FY 2017/18)	(\$2,103,185)
Remaining Funding Need	\$3,311,697

The Council discussed various funding options to close the funding need. These options included value engineering of the project to reduce costs once 100% design was met; the possibility of using an additional year of ERAF (another estimated \$1.1 million); and financing alternatives (Enhanced Infrastructure Financing Districts, Bond Measure(s), Augmentation of the Parcel Tax, and Certificates of Participation). The Council also discussed any Capital Improvement Projects that would be impacted by using the Town's unallocated surplus funds.

The Staff Report outlines the various planned Capital Projects over the next 5 years. The City Manager advised that provided the Town's Parcel Tax continues as it is currently established, the only planned Capital Project that would be impacted would be Park Improvements.

Following discussion, the Council removed the option of a new tax to fund the gap and instead focused on short-term borrowing using projected revenues over expenditures to fund the debt-service (Certificates of Participation), the application of an additional year of ERAF, and value engineering of the project as much as possible. Using these options, the Council felt the funding need could easily be closed and any additional funds raised by Atherton Now would further reduce the requirement.

The Council provided feedback to staff to return in February with ballot language to revise Measure L (initially planned for the June 2017 ballot) and a financing plan to close the gap in funding need.

**ADJOURN**

Mayor Lempres adjourned the study session meeting at 6:56 p.m.

**Respectfully submitted,**

**Theresa DellaSanta  
City Clerk**