



Minutes
Town of Atherton
CITY COUNCIL
July 18, 2012
7:00 p.m.
COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California
REGULAR MEETING

1. **PLEDGE OF ALLEGIANCE** –

2. **ROLL CALL** – Lewis, Widmer, Carlson (present)

McKeithen and Dobbie (excused)

3. **PRESENTATIONS** –

William Grindley updated the Council on the High Speed Rail project.

4. **PUBLIC COMMENTS** –

A resident spoke of returning from a reception where a former mayor of Palo Alto said he was giving up on fighting the HSR project. The resident hopes that he will not give up and that other elected officials will not give up.

5. **REPORT OUT OF CLOSED SESSION** – none

6. **CITY MANAGER'S REPORT** -

Interim City Manager Theresa DellaSanta reported on the Mosquito Abatement Agency. The Board of Supervisors voted against dissolution. Additionally there were recommendations: monthly financial reporting, human resource consulting, and accountant monthly checks. Mayor Widmer asked if the monthly checks would be an audit. Interim City Manager DellaSanta answered that it would be an ongoing audit.

Councilmember Carlson asked about the SBWMA investigation. Interim City Manager DellaSanta answered that they are still awaiting the outcome of the investigation. She expects they might have some word by mid-August.

Councilmember Carlson echoed Interim City Manager DellaSanta's comments commending staff on their efforts and added his personal appreciation to the staff in assisting her.

Councilmember Carlson asked about Park event procedures. Interim City Manager DellaSanta answered that they are still meeting but until there is a Library decision it's a little premature to make decisions.

Councilmember Carlson asked about exchanging of the STP funds for the SLLP funds to the total of \$43,000 more in revenue. Is that anticipated in the budget? Public Works Director Mike Kashiwagi

answered that it was not anticipated – this is over and above.

Councilmember Carlson asked about the City Council Special meeting on July 25th, 2012 and asked if there is also a Planning Commission meeting that night. He also asked if the Planning Commission will be discussing the Little League at the same time as the City Council is discussing Little League. Interim City Manager Theresa DellaSanta answered that the Planning Commission meeting has been moved to 7:00 p.m. that night at the Main House in Holbrook Palmer Park and to her knowledge the Little League project is not on the agenda.

Vice Mayor Lewis wanted to second Councilmember Carlson’s comments thanking the staff for all of their hard work.

It was announced that Police Chief Flint was sworn in and signed his contract on July 17, 2012, making his role with the Town official.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT - none

CONSENT CALENDAR (Items 8-18)

Items pulled from the Consent Calendar: (13 and 15)

Councilmembers had brief questions on Items 12, 14 and 17.

Item 12:

Councilmember Carlson asked about the scope of services for the contract. He asked if all property tax elements would be included, i.e. school districts etc. Interim Finance Director Auker answered no. The taxes that are distributed to the Town of Atherton will be looked at. In addition, the firm will be asked to audit the library portion as well as the parcel tax.

Councilmember Carlson asked about the web-based software mentioned on page 6. He asked if it was an extra cost. Interim Finance Director Debra Auker answered that it is part of the services and will show development activity, changes to parcels, annexations and will track assessed value.

Councilmember Carlson asked if the firm has given the Town an estimate of what we can expect to gain by using their service. Interim Finance Director Auker answered that she doesn’t have an estimate but they are hoping to clear up some miscalculations along the bordering towns.

Item 17:

Councilmember Carlson noted that on page 4, section G, after the word “agencies” there is a long line. Interim City Manager Theresa DellaSanta mentioned that it was left over from tracking changes and she will remove it.

Councilmember Carlson asked for Interim City Manager DellaSanta to comment on page 5, under City Council/City Manger relations. Interim City Manager DellaSanta answered that she will take suggestions from individual Council members but will then come to the full Council to ask for direction.

City Attorney Bill Connors commented that no one Councilmember can direct the City Manager. It needs to happen at a meeting so there can be a consensus.

Item 14:

Vice Mayor Widmer asked Public Works Director Mike Kashiwagi if this item includes the work on Park Lane. He answered that it does not. This was for digging and patching before the slurry work.

MOTION by Carlson, second by Lewis to approve the Consent Calendar including items 8, 9, 10, 11, 12, 14, 16, 17, and 18. The motion passed.

Ayes: 3 Nays: 0 Abstain: 0 Excused: 2 (Dobbie and McKeithen)

- 8. APPROVAL OF JUNE 20, 2012 REGULAR MEETING MINUTES**
Recommendation: Approve June 20, 2012 regular meeting minutes

- 9. APPROVAL OF BILLS AND CLAIMS FOR JUNE, 2012 IN THE AMOUNT OF \$1,111,523**
Recommendation: Approve Bills and Claims in the amount of \$1,111,523

- 10. FINANCIAL REPORT FOR THE TWELVE MONTHS ENDED JUNE 30, 2012 Report: Finance Director Debra Auker**
Recommendation: Receive the General Fund Financial Report

- 11. INTENTIONALLY LEFT BLANK**

- 12. AUTHORIZE THE CITY MANAGER TO EXCEUTE A PROFESSIONAL SERVICES AGREEMENT WITH HDL COREN & CONE RELATING TO PROPERTY TAX CONSULTING AND AUDIT SERVICES**
Report: Finance Director Debra Auker
Recommendation: Authorize the City Manager to execute a contract with HdL Coren & Cone (HdLCompanies) for property tax consulting and auditing services

- 14. ACCEPTANCE OF WORK, AUTHORIZATION TO RECORD NOTICE OF COMPLETION FOR THE 2012 SPRING PATCHING PROJECT**
Report: Public Works Director Mike Kashiwagi
Recommendation: Accept work and authorize recording of a notice of completion for the 2012 Spring Patching Project, Project Number 56051

- 16. APPROVE A ONE YEAR EXTENSION WITH CENTRAL MAINTENANCE COMPANY FOR THE CONTINUATION OF JANITORIAL SERVICES FOR THE AMOUNT OF \$24,658.20**
Report: Public Works Director Mike Kashiwagi
Recommendation: Approve a one year extension with Central Maintenance Company for the continuation of Town Janitorial Services with a 3% increase for a total of \$2054.85 per month for the 2012/13 fiscal year for an annual total of \$24,658.20

- 17. SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL AMENDING CHAPTER 2.12 ESTABLISHING A CITY MANAGER POSITION DESCRIPTION**
Report: City Attorney Bill Connors
Recommendation: Waiver further reading and approve Ordinance to amend Chapter 2.12 establishing a City Manager position description.

- 18. A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT TO ADJUST THE COMPENSATION AND BENEFITS OF INTERIM CITY MANAGER**

Report: Mayor Bill Widmer

Recommendation: Approve Resolution executing an agreement to adjust compensation and benefits of the Interim City Manager

Council then took up items that were removed.

13. AUTHORIZE THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH CAPITAL ACCOUNTING PARTNERS, LLC RELATING TO UPDATING THE MASTER FEE SCHEDULE, THE COST ALLOCATION PLAN, AND DETERMINING FULLY-BURDENED STAFF HOURLY RATES

Report: Finance Director Debra Auker

Recommendation: Authorize the City Manager to execute a contract with Capital Accounting Partners, LLC (CAP) for professional services relating to updating the master fee schedule, the cost allocation plan, and determining fully-burdened staff hourly rates for a fixed cost not to exceed \$20,451

Interim Finance Director Debra Auker presented the report.

Councilmember Carlson asked when the Council will be review items in the park. Interim Finance Director Auker answered that it is a complex process. The firm will find out what everyone does and how frequently the things that they do occur.

Councilmember Carlson asked what should be billable and what is not billable. Interim Finance Director Auker answered that they will look at the past studies to learn the scope. There will be pricing of specific development projects. Ms. Auker has been speaking to jurisdictions that have bigger projects.

Councilmember Carlson asked what information the firm present at the first council meeting since two council meetings are included in the fee. Interim Finance Director Auker expects that they will come with a recommendation of fees.

Councilmember Carlson asked if Ms. Auker has worked with this firm. She answered that she has not. She chose a firm that is technical but will not overburden the process. Ms. Auker checked references and thinks this firm provides a good balance.

Vice Mayor Lewis asked why we have to do cost allocation again since it was just done in 2009 during an arduous process and why if we are outsourcing so much, does it need to be done again. Interim Finance Director Auker answered that it is helpful from a public viewpoint to show efficiencies.

City Attorney Bill Connors answered that we need to know what the costs are. It could impact fees. Outsourcing is just labor. We need to make sure the fees are factually based.

Vice Mayor Lewis asked if this was a boilerplate proposal. It doesn't seem like it is specific to Atherton. Interim Finance Director answered that she was not involved with the RFP but the proposal encompasses all that they need done.

City Attorney Connors commented that we might even be late in the process. It needs to be the Town's reasonable estimate of costs. Some of the fees may need to be downsized. A lot has changed since 2009.

Interim Finance Director Auker commented that this firm will create a model that the Town can update.

Vice Mayor Lewis responded that she hates to spend money if the 2009 consultant created a model that the Town could update. City Attorney Bill Conners answered that there is no way a consultant could have anticipated the sweeping changes that have happened since 2009.

Carol Flaherty, resident, urged the Town to move forward with the cost study. She feels she was mischarged on her project. The valuation applied to her project was double which affected her permit prices. There were inherent problems with MBS. She would urge the City Council to start work on the cost study.

MOTION by Carlson, second by Lewis to authorize the City Manager to execute a professional services agreement with Capital Accounting Partners, LLC relating to updating the master fee schedule, the cost allocation plan, and determining fully-burdened staff hourly rates. The motion passed.

Ayes: 3 Nays: 0 Abstain: 0 Excused: 2 (Dobbie and McKeithen)

15. APPROVE THE SELECTION OF BIGGS CARDOSA ASSOCIATES, INC FOR THE MARSH ROAD RETAINING WALL DESIGN (PHASE 1) AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONSULTANT SERVICES AGREEMENT FOR A NOT-TO-EXCEED FEE OF \$92,235

Report: Public Works Director Mike Kashiwagi

Recommendation: Approve the selection of Biggs Cardosa Associates, Inc. for the Marsh Road Retaining Wall design (phase 1) and authorize the City Manager to execute the Consultant Services Agreement in an amount not-to-exceed \$92,235

Councilmember Carlson asked about page 11 – the three options for payment. Councilmember Carlson asked if they are there for the Council to make a decision on. He would like to do a monthly review.

City Attorney Bill Conners explained that this is a sample contract. The contract will be drafted by City Attorney Conners in the Town’s best interest. The contractors understand that this is just a sample and that it will be changed and made more specific per project.

Public Works Director Mike Kashiwagi answered in agreement that this is not the final contract.

Councilmember Carlson asked who would be doing inspections on the project. Public Works Director Kashiwagi answered that in this case that section of the contract does not apply and there will not be an inspection portion.

Mayor Widmer agrees that something needs to be done about Marsh Road. He thinks the numbers are a little high. He would like to see RFPs before they go out, not after. Mayor Widmer asked Public Works Director Mike Kashiwagi to summarize why this contractor was chosen. He responded as Biggs Cardosa was ranked first. The proposal and scope of work was the most complete. There are several ways this project can be done. Mayor Widmer asked if they are a prime contract with a team behind them. Public Works Director Kashiwagi answered that Biggs Cardosa’s expertise is structure and they will work with other firms with different areas of expertise.

Mayor Widmer asked if the references were called. Public Works Director Mike Kashiwagi answered that not all of the reviewers called the references but a staff member called the references and they were very favorable.

Mayor Widmer questioned the discrepancy in review score sheets. Public Works Director Mike Kashiwagi expressed the importance of the ranking of the firms and not necessarily of how the firms were scored by each reviewer.

Mayor Widmer commented on the scope of the work compared with the cost of \$92,000. He feels it's a lot of money for what it appears they will be doing. Public Works Director Mike Kashiwagi answered that the staff report must not have correctly shown the scope of the work. The firm will be using existing data from another study but since it is dated it will need to be reworked. They will be doing new topographic studies and will provide five or six different options for the Town with a cost structure for each option. They will also be doing the necessary environmental study. They will also do a 35% design. That is a significant amount of work.

Mayor Widmer asked if the Arborist mentioned is the Town Arborist. Public Works Director Mike Kashiwagi answered that it is not the Town Arborist.

Mayor Widmer asked how much it will cost. Public Works Director Mike Kashiwagi answered that we really don't know before the work begins. It is being billed on a time and materials basis.

Mayor Widmer thought it wouldn't cost this much. He feels that the number seems a little high. The proposal isn't very specific and there are a lot of things listed that the contractor won't do.

Vice Mayor Lewis wondered if one of the outcomes might be that the wall doesn't need to be fixed. Public Works Director Kashiwagi answered that that option is a possibility. There will be a reconnaissance level review. They will give their opinion on whether it needs to be redone. That is part of the assessment.

Vice Mayor Lewis asked if it would cost less for fewer scenarios. Public Works Director Mike Kashiwagi answered that it might cost less but the report wouldn't be comprehensive if they didn't present all of the options.

Councilmember Carlson wanted to confirm that they are looking at the wall and the road. Public Works Director Kashiwagi answered that they will also be looking at the channel.

Councilmember Carlson questioned how the report done so many years ago could still be valid. Mayor Widmer suggests that the Town is in some way indemnifying the prior report. They could come back and use misinformation from the prior report. There is a lot of risk for the Town and not a lot of risk for the firm.

Councilmember Carlson asked how incremental costs (additional services) will be managed. Public Works Kashiwagi answered that they are saying that they want to be clear about what is in their scope of work and what isn't. That is why meetings are written in and listed since meetings can cost a lot of money. Staff will do their best to manage the scope. That doesn't mean that there will not be additional costs. Staff would have to come back to Council with additional costs outside of the scope of the original project.

City Attorney Bill Connors commented that this is like remodeling a house. It can almost be harder than rebuilding the whole thing. He feels that Mike Kashiwagi has a good handle on this and he commends him for having a "not to exceed" clause.

Mayor Widmer asked how such a specific number was arrived upon. Public Works Director Kashiwagi explained that they arrived at the number by looking at the tasks by hours and figuring the cost by the hourly rate charged. Staff felt that it was reasonable but it will be very difficult to hold them to the hours by task since it is hard to estimate.

MOTION Lewis, second by Widmer to continue the item until staff can bring justification for the fee and the proposed contract. The motion passed.

Ayes: 3 Nays: 0 Abstain: 0 Excused: 2 (Dobbie and McKeithen)

PUBLIC HEARINGS - None

REGULAR AGENDA – (Item 19)

19. ADOPT RESOLUTION 12-xx DESIGNATING A VOTING DELEGATE AND UP TO TWO ALTERNATES TO THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE – SEPTEMBER 5-7, SAN DIEGO

Report: Interim City Manager Theresa DellaSanta

Recommendation: Adopt Resolution 12-xx designating a voting delegate and an alternate to the League of California Cities Annual Conference in San Diego.

Mayor Widmer and Vice Mayor Lewis have expressed interest in going to the conference. Councilmember Carlson would like to hear anything they can bring back that would be of interest to the Council. He would request a trip report from each attendee.

Vice Mayor Lewis thinks it's a beneficial conference and the Town should take advantage of what the conference has to offer.

MOTION by Lewis, second by Carlson to adopt a Resolution designating Mayor Widmer as a voting delegate and Vice Mayor Lewis the alternate to the League of California Cities Annual Conference – September 5-7, San Diego. The motion passed.

Ayes: 3 Nays: 0 Abstain: 0 Excused: 2 (Dobbie and McKeithen)

CONSENT, CONTINUED

20. COUNCIL REPORTS/COMMENTS –

Councilmember Carlson reported on the mediation session of HSR. They met with a mediator and there was not agreement made. Wanted to remind people that elections are coming up and some candidates are for HSR and some are opposed.

Councilmember Carlson also confirmed that Interim City Manager DellaSanta will have a report from the County Library system by next month's meeting.

21. FUTURE AGENDA ITEMS -

MOTION by Carlson, second by Lewis to agendize a discussion of where the Library Donor Funds will reside. The motion passed.

Ayes: 3 Nays: 0 Abstain: 0 Excused: 2 (Dobbie and McKeithen)

22. PUBLIC COMMENTS - none

23. ADJOURN – the meeting was adjourned at 8:45

Respectfully submitted

**Theresa DellaSanta
Interim City Manager**