



MINUTES
Town of Atherton
CITY COUNCIL
ATHERTON CHANNEL DRAINAGE DISTRICT
FEBRUARY 18, 2009

7:00 p.m.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

REGULAR MEETING

Mayor Carlson called the meeting to order at 7:05 p.m.

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

PRESENT: Elizabeth Lewis
Jim Dobbie
Charles E. Marsala
Jerry Carlson
Kathy McKeithen

City Manager Jerry Gruber and City Attorney Wynne Furth were also present.

3. PRESENTATIONS

Mayor Jerry Carlson introduced and welcomed new City Attorney Wynne Furth. He said the decision was probably the biggest the Council would be making during the year. City Attorney Wynne Furth said she was with the law firm McDonough, Holland, and Allen located in Oakland that had approximately 100 lawyers. Her practice group focused entirely on representing public agencies. Additionally, there was a large health care practice that included Sutter, as well as employment law and real estate law and litigation. She had almost always practiced municipal law and liked the work. She had worked in the City of Palo Alto for eight years and felt right at home in Atherton. She was pleased and looked forward to working in Atherton.

4. PUBLIC COMMENTS

There were no public comments.

5. REPORT OUT OF CLOSED SESSION

City Attorney Wynne Furth reported out of Closed Session as follows:

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

Agency Negotiators: Jerry Gruber, City Manager; Glenn Berkheimer, I.E.D.A.

Employee Organization: Atherton Police Officers Association (APOA)

There was no reportable action taken.

B. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation pursuant to Subsection (a) of Government Code Section 54956.9

John P. Johns vs. the Town of Atherton CIV 479972 Superior Court of California, County of San Mateo

There was no reportable action taken.

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

Two (2) potential cases

There was no reportable action taken.

D. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – pursuant to Government Code Section 54957(b)(1)

Title: City Manager

There was no reportable action taken.

6. CITY MANAGER’S REPORT

City Manager Jerry Gruber noted Council/staff had a Study Session on January 30, 2009, primarily to speak about the five goals and objectives previously adopted by Council. Another Study Session was held on February 13, 2009, regarding mid-year budget adjustments and fund balances. He attended the League of California Cities City Managers’ Conference in Monterey attending sessions related to the economic downturn as it related to real estate, creative budgeting, and preparing the next generation.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT

None

CONSENT CALENDAR (Items 8-22)

City Manager Jerry Gruber noted Item No. 20 was removed from the Consent Calendar to be returned at the City Council meeting of March 18, 2009. Council Member Lewis removed Item No. 21 for discussion.

Council Member Dobbie removed Item No. 15 for discussion

Council Member Marsala noted he would abstain on Item No. 13 since he did not participate in the previous discussion because his residence was in close proximity to the project, and removed Item Nos. 9 and 22 for discussion.

Council Member McKeithen removed the minutes of the Special City Council meeting of January 30, 2009, and Item No. 16 for discussion.

Council Member Marsala noted, regarding Item No. 14, that a comparison study with other cities had been conducted previously and distributed a spreadsheet showing other cities' road impact fees.

Public Works Director Duncan Jones clarified for Council Member McKeithen, regarding the Item No. 14, that all of the fees were supposed to be on a square-foot basis.

Regarding Item No. 8, Council Member Marsala requested the following statement be added to Item No. 22 of the minutes of the Regular City Council meeting of January 21, 2009: "He noted he was on the agenda to give a presentation as Atherton's JPA representative at the next Library JPA meeting." Additionally, he requested the following statement be added to Item No. 3 of the Special City Council meeting of January 30, 2009: "Council Member Marsala noted he had proposed alternates in 2006, but it was not approved by the Council."

MOTION – to approve the Consent Calendar as presented with the exception of Item Nos. 9, 15, 16, 21, 22, and the minutes of the January 30, 2009, Special City Council meeting, which were removed for discussion; Item No. 20 was removed from the agenda; to approve the addition of Council Member Marsala's comments to the minutes of the Regular City Council meeting of January 21, 2009, and the Special City Council Meeting Minutes of January 30, 2009; Further, Council Member Marsala would abstain from Item No. 13

M/S Carlson/McKeithen

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

Item No. 13

M/S Carlson McKeithen

Ayes: 4 Noes: 0 Absent: 0 Abstain: 1 (Marsala)

- 8. APPROVED MINUTES OF THE SPECIAL CLOSED SESSION MEETING OF JANUARY 13, 2009, SPECIAL CLOSED SESSION MEETING AND REGULAR CITY COUNCIL MEETING OF JANUARY 21, 2009, AND THE SPECIAL STUDY SESSION/SPECIAL CITY COUNCIL MEETING OF JANUARY 30, 2009 (Removed and placed on the agenda for discussion.)**
- ~~9. APPROVAL OF BILLS AND CLAIMS FOR JANUARY IN THE AMOUNT OF \$ 1,416,772 (Removed and placed on the agenda for discussion.)~~**
- 10. ACCEPTED MONTHLY FINANCIAL REPORT FOR THE SEVEN MONTHS ENDED JANUARY 31, 2009**
- 11. APPROVAL OF \$1,000 IN EXCESS OF CONTRACTED AMOUNT FOR CHRISTINA MA, TEMPORARY ACCOUNTANT**

Approved the \$1,000 in Excess of Contracted Amount for Christina Ma, Temporary Accountant.

12. APPROVAL OF THE CONTRACT OF DEPOSIT OF LOCAL AGENCY MONEYS WITH COMERICA BANK AND AUTHORIZE THE CITY MANAGER TO SIGN THE CONTRACT

Approved the Contract of Deposit of Local Agency Moneys with Comerica Bank and authorized the City Manager to Sign the Contract.

13. SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON ADDING SECTION 17.32.040 (G) TO THE ATHERTON MUNICIPAL CODE PROVIDING FOR 10-FOOT SIDE- AND REAR-YARD SETBACKS WHERE SCHOOLS ARE LOCATED ADJACENT TO EACH OTHER

Adopted Ordinance 577, "AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON ADDING SECTION 17.32.040 (G) TO THE ATHERTON MUNICIPAL CODE PROVIDING FOR 10-FOOT SIDE- AND REAR-YARD SETBACKS WHERE SCHOOLS ARE LOCATED ADJACENT TO EACH OTHER"

14. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR TRAFFIC ENGINEERING SERVICES FOR THE ROAD IMPACT FEE STUDY

Approved and authorized the City Manager to sign a Professional Services Agreement with Kimley-Horn and Associate, Inc. to provide traffic engineering services for the Road Impact Fee Study in an amount not exceed \$13,190, plus a 10% contingency, for a total authorization of \$14,509.

- ~~15. ACCEPTANCE OF WORK, AUTHORIZATION TO RECORD NOTICE OF COMPLETION AND APPROVAL OF CONTRACT CHANGE ORDERS IN THE AMOUNT OF \$29,845.55 FOR THE PROJECT NO. 08-001 (Removed and placed at the end of the Consent Calendar for discussion.)~~

~~Recommendation: Accept work, authorize recording of a Notice of Completion and approve contract change orders in the amount of \$29,845.55 for the Street Reconstruction Phase 4 Project No. 08-001.~~

- ~~16. APPROVAL OF PLANS AND SPECIFICATIONS AND AUTHORIZATION TO ADVERTISE STREET RECONSTRUCTION PHASE 5, PROJECT NO. 08-023 (Removed and placed at the end of the Consent Calendar for discussion.)~~

~~Recommendation: Approve the plans and specifications and authorize advertisement for bids for the Street Reconstruction Phase 5 Project, Project No. 08-023.~~

17. APPROVE HOLBROOK-PALMER PARK WATER TOWER LAWN LANDSCAPE PLAN

Approved the landscape plan for the Holbrook-Palmer Park Water Tower Lawn

18. AWARD OF CONTRACT TO NEXGEN BUILDERS, INC. FOR THE HOLBROOK-PALMER PARK TRAIL AND BRIDGE PROJECT, PROJECT NO. 08-004

Awarded the contract for the Holbrook-Palmer Park Trail and Bridge Project, Project No. 08-004 to Nexgen Builders, Inc., the low bidder on the February 12, 2008 bids, for \$113,296.59, with a 10% construction contingency of \$11,329.66, for a total authorization of \$124,626.25; and to authorize the City Manager to sign the contract on behalf of the Town.

19. APPROVE A COMMENT LETTER ON THE SCOPE OF STUDY FOR THE CALIFORNIA HIGH-SPEED TRAIN PROJECT LEVEL EIR/EIS FROM SAN FRANCISCO TO SAN JOSE

Approved the comment letter on the Scope of Study for the California High Speed Train (HST) Project Level EIR/EIS from San Francisco to San Jose prepared by staff, including comments from the Rail Committee.

~~**20. ADOPTION OF A RESOLUTION APPROVING A MASTER FEE SCHEDULE**~~
(Removed from the agenda to be returned to the City Council meeting of March 18, 2009.)

~~**Recommendation: Adopt a resolution approving a Master Fee Schedule as identified as Exhibit A of the resolution.**~~

~~**21. REVISE CITY COUNCIL RESOLUTION NO. 08-24 BY ADOPTING A NEW RESOLUTION CONTAINING CHANGES RELATED TO SCREENING COMMITTEE AND APPOINTMENT OF COUNCIL MEMBER ALTERNATES**~~
(Removed and placed on the Regular agenda for discussion.)

~~**Recommendation: Adopt new resolution governing Town committees and commissions.**~~

~~**22. PROCEDURES FOR COUNCIL MEMBERS TO REQUEST AN ITEM BE PLACED ON A CITY COUNCIL AGENDA**~~ (Removed and placed on the Regular agenda for discussion.)

~~**Recommendation: Adopt revision to Town of Atherton City Council Rules of Procedure paragraph 5.2 regarding placement of items on meeting agendas.**~~

15. ACCEPTANCE OF WORK, AUTHORIZATION TO RECORD NOTICE OF COMPLETION AND APPROVAL OF CONTRACT CHANGE ORDERS IN THE AMOUNT OF \$29,845.55 FOR THE PROJECT NO. 08-001 (Removed from the Consent Calendar and placed on the agenda for discussion.)

Council Member Dobbie was concerned about the number of change orders on the contract.

M/S Marsala/Carlson

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

Council Member Marsala clarified according to Council Rules of Procedure, when an item was tabled, it would be placed on the next agenda.

Public Work Director Duncan Jones noted no funds were committed by advertising the project and suggested the project could go out for bid without any commitment of funds. If the bids came in low, the project could be awarded. If the bids were too high or a decision was made not to spend the funds, the project would not be awarded.

MOTION – to approve the plans and specifications and authorize advertisement for bids for the Street Reconstruction Phase 5 Project, Project No. 08-023, with the understanding that acceptance was dependent on the amount of the bids with Council maintaining the right to reject any or all of the bids; direction to staff to prepare a staff report outlining what Capital Improvement projects could be deferred, how much of the Capital Improvement Fund needed to be maintained by law, and how much could be returned to the General Fund

Council Member Dobbie said the Town needed to take a hard look at all of the Capital Improvement projects. Council needed to address the serious budget issues.

M/S McKeithen/Dobbie

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

9. APPROVAL OF BILLS AND CLAIMS FOR JANUARY IN THE AMOUNT OF \$ 1,416,772 (Removed from the Consent Calendar and placed on the agenda for discussion.)

Council Member Marsala said the Source of Funds on the first page of the report did not include The Building Inspection Reserve Fund. He said the fund was listed under General Reserves and might give a false sense of security. The \$1 million in the fund was a set-aside for future building inspections. He suggested including the fund even if there was a “0” in order to track if funds were withdrawn.

Mayor Jerry Carlson clarified the Source of Funds reflected what funds were used (money withdrawn) during the month and not a complete list of funds. The financial statements would be a better place to include a more detailed list of fund balances.

Finance Director Louise Ho said she could expand the Monthly Financial Report to include other funds of value to the Council, e.g., the Parcel Tax, Fund 406, etc.

MOTION – to approve bills and claims for January in the amount of \$ 1,416,772

M/S Marsala/Carlson

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

Mayor Carlson said Item No. 21 would be taken up after Item No. 27, and Item No. 22 would be taken up after Item No. 21.

PUBLIC HEARINGS

There were no public hearings.

REGULAR AGENDA (Items 23-28)

23. ADOPTION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF ATHERTON AND THE ATHERTON POLICE OFFICERS' ASSOCIATION FOR THE PERIOD OF JULY 1, 2008 THROUGH SEPTEMBER 30, 2012

Item No. 23 was continued to the City Council meeting of March 18, 2009.

24. ADOPTION OF A RESOLUTION APPROVING THE MID-YEAR BUDGET ADJUSTMENTS FOR FISCAL YEAR 2008-2009

Mayor Jerry Carlson said the year began with a balanced budget by staying within the General Fund revenues that were expected for the year. The Parcel Tax funds were earmarked for Capital Improvement Projects (CIP). There was a \$2,147,000 deficit, part of which was economic related (Building Department fees were down, interest was down), and part was cleanup of past problems (Business License refunds were \$1.1 million).

City Manager Jerry Gruber said the financial situation facing the Town was serious like many other surrounding jurisdictions. Council and staff spent a day in a Study Session and, for the first time, had a good idea of what the true fund balance was.

Finance Director Louise Ho gave a PowerPoint presentation. The Mid-Year Budget Adjustment looked at how the Town had performed in the first 6 months for Fiscal Year 2008/2009 and forecasted for the remainder of the fiscal year. The General Fund revenues originally adopted in June 2008 were \$10,642,523. Staff was projecting revenues in the remainder of the fiscal year would be \$8,593,519, a very ultra-conservative approach and was based on the best information available. Highlights of the decline in General Fund revenue projections included: 1) a decline in the Transfer Tax and Supplemental Property Tax (minus \$116,194); 2) Sales Tax (minus \$68,000); 3) Business License Tax, by reverting to the formula in the Municipal Code and because of refunds (minus \$680,000); 4) Building Permits (minus \$500,000); 5) Interest Income (minus \$200,000); Encroachment Permits (plus \$60,000). The REACT Task Force and the California State 9-1-1 were not true revenues but were reimbursements coming from the programs. REACT was discontinued in January 2009 resulting in a \$84,180 reduction in reimbursements. The Police Department would absorb the amount thereby reducing its Operating Budget by that amount. The State 9-1-1 phone system was included in the 2008/2009 Budget for \$96,000 with the understanding that the State would reimburse the Town \$54,500. However, the State was going to pay the vendor directly and the reimbursement revenue would be reduced by that amount and the Police Department budget would be reduced by the same amount. The General Fund expenditures were budgeted at \$10,637,887. Current projections were \$10,740,935, an increase of \$103,048. She reviewed each department's current expenditure balance and broke down the projected adjustment of \$103,048 by department. The City Attorney budget was at 94% and there were five months

remaining. Staff estimated a \$100,000 was needed to complete the balance of the fiscal year. Staff was still analyzing the retiree health medical cost budget; however, it was not in the 2008/2009 Adopted Budget and was projected at \$97,200 for the fiscal year. A new item pertained to the audit fee. The auditor was planning to begin the interim audit for Fiscal Year 2008/2009 in June. Maze and Associates estimated that 60% of the audit work would be done prior to July 1, 2009. Under governmental accounting, the services accrued prior to July 1 should be paid in the 2008/2009 Fiscal Year, a total of \$23,745. Additional approved costs for the Zoning Code Update were also included in the mid-year adjustment. The Police Department would receive a grant for \$15,000 for "Click It or Ticket" but would incur \$15,000 in overtime resulting in a "wash." The loss of the 9-1-1 reimbursement would reduce the Police Department budget by \$138,680. All these items made up the \$103,048 that was needed for the mid-year adjustment. The General Fund had a balance of \$9,841,723; however, the audit was not yet concluded and the amount was a preliminary result and might be subject to change. In 2008, Council approved transferring \$1,805,144 from the General Fund into Fund 406, Facility Construction Fund. The San Mateo County Investment loss was \$552,000, \$283,542 was allocated to the General Fund based on the cash balance of all the funds. Based on the preliminary audit, expenditures were over revenues by \$115,851. Staff was still confirming the number. Based on the analysis of the changes in Fiscal Year 2007/2008, the General Fund balance was projected at \$7, 638,186 by June 30, 2008. The estimated fund balance for Fiscal Year 2008/2009 would be impacted by Business License refunds of \$680,000, current year Business License decrease of \$425,000, Building Permit decrease of \$500,000, and Interest Income decrease of \$200,000, leaving General Fund expenditures over revenues of \$342,416. Staff was projecting a General Fund balance by June 30, 2009, at \$5,490,770. Staff was recommending a policy for Council consideration to create a Budget Stabilization Reserve Fund to be maintained at %15 of General Fund operating expenditures. The fund would serve two purposes: 1) to weather a downturn in the economy, and 2) to prepare the Town in case the State invoked Proposition 1A which allowed borrowing up to 8% of the Town's property taxes to balance the State budget. Staff also recommended setting up an Emergency Disaster Reserve of 15% of the General Fund expenditures. Staff was in the process of finishing the GASB 45 study, unfunded retiree health cost liability, to be returned to Council in the next four to eight weeks. Staff recommended setting aside \$500,000 of the reserves to meet the GASB 45 liability. The Building Inspection set aside was to weather a downturn in revenues and prevent a loss of staffing during a downturn in the economy. Staff was recommending designating \$817,000 in the 2007/2008 General Fund balance to offset the two-year Business License refund, resulting in an undesignated reserve fund balance on June 30, 2008, of \$1,622,957. Staff recommended doing the same for 2008/2009, with no additional set aside for GASB 45, and with compensated employee absences estimated at \$774,696. Compensated employee absences for 2007/2008 were estimated at \$737,806. Staff was recommending that the \$40,000 approved for the Disaster Preparedness Committee be deducted from the Equipment Operation Fund in order to reduce the impact on the General Fund. The Administrative Services Fund included \$41,000 for a cost allocation plan and fee study; \$15,000 for the Business License refund process, and \$11,000 for the GASB 45 study. The Computer Services Fund included a request for new financial software of \$48,000, a request for two new servers, and a Human Resources software-tracking program. The fee impact study was \$13,190. Staff was requesting an appropriation of \$40,000 for a possible polling and

consulting services for either a Parcel Tax or Utility User Tax election. Staff requested Council to approve the mid-year budget adjustments or direct staff on how to best address the shortfall in the 2008/2009 Fiscal Year.

Council Member Lewis noted the Council was informed about the financial situation at the Study Session held on January 30. The level of financial analysis presented had not been provided for a long time. She appreciated staff's presentation in order to look at the financials in the harsh light of day. She said the Town was experiencing a "double whammy" with the tremendous financial spiral happening Town-wide and worldwide. The Town depended on revenue from the Building Department, yet fees were being refunded because of overcharges. She commended Finance Director Ho for her presentation, and noted Council had some tough decisions ahead.

Vice Mayor McKeithen said the Town needed to make some large cuts. Revenues were not exceeding expenses. Major cuts would be necessary to balance the budget or go into reserves. She suggested putting some of the normal road projects on hold or drainage projects. The Council would ultimately make the determinations. She thought another Study Session was needed to look at what approach to take to cut back the budget and not go into reserves.

Council Member Marsala noted there were surpluses from the Building Department left in the General Fund reserves that were transferred out in December, \$1.8 million; and the future Building Inspection Fees of \$770,000 had also been in the General Fund reserves, totaling a General Fund extraction of \$2.5 million that was actually Building Department revenue. There was also a short-term hit for refunding business license fees. He asked for clarification on where the Building Department actually stood. He was concerned that some of the Code Enforcement Officer's salary was being charged incorrectly and was not all Building Department related. Benefits for retirees, unfunded health care liabilities of \$5 million or more needed to be budgeted in the future. He queried whether there were any other items needing to be addressed, e.g., ERAF funds.

Finance Director Ho said she did not know of any other issues and ERAF money was already included in the adopted budget.

Council Member Dobbie said he would not vote to approve a mid-year budget adjustment that showed that the Town would spend \$2 million more than the Town received. Council had a serious problem. He suggested going back to review how to reduce expenses by a substantial amount. Council and staff needed to work together.

City Manager Jerry Gruber said there was a lot of work to be done. He had already asked each department to provide a 10% reduction plan. At the next staff meeting, he and department managers would develop a plan that addressed immediate cost-reduction measures. A Study Session with staff and Council would be scheduled to formulate a plan for implementation at the March 18 City Council meeting. The Assistant City Manager was conducting a comprehensive Classification Study to look at each department to determine its effectiveness/efficiency, to see whether it was properly staffed, or whether any cost-saving mechanisms could be implemented. Some items already implemented included: 1) review of outside services by contractors to see

whether staff within the organization could perform some of those services; 2) Information Technology services were cut to once a week; 3) ordering of office supplies was reduced to once a month; 4) a purchasing consolidation plan was forthcoming; 5) consolidation of legal fees would occur with one firm representing the Town. He noted the task was not about pencils and pens but rather large-dollar items such as capital improvements and staffing reductions if necessary.

Mayor Carlson said the consensus seemed to be not to adopt the Mid-Year Budget Adjustment. The City Manager outlined a plan to tackle the problem by meeting with Department Heads and scheduling a Study Session with staff/Council to grapple with both revenues and expenses. He suggested not taking any action that evening and following the City Manager's recommendations on the next steps.

Council Member Marsala clarified that although there was a revenue loss of \$2.2 million, \$1.1 million was actually Business License refunds from 2007 and 2008. The actual loss was approximately \$900,000 of which \$500,000 was from the Building Department. The loss to the Town was actually about \$400,000.

Council Member Lewis concurred with Council Member Marsala.

Council Member Dobbie said there might be issues next year that were not yet known.

Mayor Carlson said a big chunk was cleanup; however, property tax increases would not be as great as previous years.

25 APPROVAL OF SPRINGBROOK FINANCIAL SOFTWARE LICENSE AGREEMENT; APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT FOR TURNKEY SERVICES; AND AUTHORIZE THE CITY MANAGER TO SIGN THE AGREEMENTS

Item No. 25 was continued to the City Council meeting of March 18, 2009.

26. A. ADOPT A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) FUNDING FOR THE ATHERTON AVENUE RECONSTRUCTION PROJECT AND STATING THE ASSURANCE TO COMPLETE THE PROJECT

Public Works Director Duncan Jones presented the staff report. There were four elements to the item. Adoption of a resolution for filing the application for the funds was the first step. The Federal Economic Stimulus Plan would come to cities through Caltrans, C/CAG, MTC, and to the Town. The estimate was approximately \$300,000 that might actually be received. A second resolution authorized Public Works Director Jones to sign the certificate that said the Town did not require buying any right-of-ways to construct the project. The third item indicated no requirements would be waived, either environmental or other rules of federal funding, i.e., 50% federally funded. No project would be processed that was less than \$500,000. Some smaller cities would work together to put projects together that had enough federal funds to meet the rules. He

and the public works director from the Town of Woodside discussed working together. The Town would pay Woodside for its federal funds using Parcel Tax funds. The final step was preparing to advertise the project.

Mayor Jerry Carlson asked, if something unforeseen were to happen, how far the Town could go and still decide not to do the project.

Public Works Director Jones said before a contract was signed. If the Town decided not to go forward at any point, the Town would not be eligible to receive any of the funds.

Council Member Lewis said she attended a C/CAG meeting where the funds were discussed and it was either a use-it or lose-it situation. There was a 75-day window from when the bill was signed and to secure a bid. Everyone in the county was scrambling.

Vice Mayor McKeithen asked whether there was a way to fund the project without the use of Parcel Tax funds if the Council decided to put the Parcel Tax funds back into the General Fund or reserves and utilize other funds that were limited to roads.

Public Works Director Jones said the project would be looked at in conjunction with the other project Council approved that evening. A report would show all the funding that was available in the non-Parcel Tax funding, which projects would use it, and what the priorities were. He intended that the Atherton Avenue project would take priority over the Street Reconstruction V project. There were enough non-Parcel Tax funds committed to roadway projects to fund the Town's share of the project.

Vice Mayor McKeithen was concerned with the wording in the letter of intent that said, "Once the actual amount of transportation economic stimulus funds have been determined, the Town of Atherton 'will' enter into letters of agreement." If something unforeseen were to happen, she thought the indication was the Town would be bound to enter into the agreement.

City Attorney Wynne Furth said it was a letter of intent not an actual contract.

Public Works Director Jones said the city attorney from Woodside also had similar concerns with the wording. He thought some wording should be included in the letter that allowed either party to withdraw.

Denise Kupperman, Atherton, queried why the Town was considering reconstructing Atherton Avenue, as she found it to be in good repair. Additionally, would the Town be considering the project if there were no stimulus funds. Perhaps there were other cities with more need.

Public Works Director Jones said Atherton Avenue was a collector street. There were base failures with many patches. There were very few streets left that would be eligible and residential streets were not eligible.

Paul Quinlan, Atherton, said Woodside would not be restricted by the regulations of the stimulus funds since it would receive the funds from Atherton. He suggested reversing the process so the Town received the funds from Woodside and had the flexibility to use it how the Town saw fit.

Public Works Director Jones said Woodside did not have a project that qualified and was not experienced with federal projects. He thought road impact funds could be used, rather than Parcel Tax funds, since the funds were being used for roads.

MOTION – to adopt a resolution, “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AUTHORIZING THE FILING OF AN APPLICATION FOR AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) FUNDING FOR THE ATHERTON AVENUE RECONSTRUCTION PROJECT AND STATING THE ASSURANCE TO COMPLETE THE PROJECT”

Vice Mayor McKeithen offered the following amendment:

AMENDMENT – to include that no parcel tax funds are to be used

A/S McKeithen/Marsala Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

Main Motion/S Lewis/Dobbie Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

- B. ADOPT A RESOLUTION AUTHORIZING THE DIRECTOR OF PUBLIC WORKS/CITY ENGINEER TO EXECUTE RIGHT OF WAY CERTIFICATIONS FOR STATE AND FEDERAL-AID TRANSPORTATION PROJECTS**

MOTION – to adopt A RESOLUTION AUTHORIZING THE DIRECTOR OF PUBLIC WORKS/CITY ENGINEER TO EXECUTE RIGHT-OF-WAY CERTIFICATIONS FOR STATE AND FEDERAL-AID TRANSPORTATION PROJECTS

M/S McKeithen/Dobbie Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

- C. APPROVE A LETTER OF INTENT WITH THE TOWN OF WOODSIDE TO EXCHANGE ATHERTON PARCEL TAX FUNDS FOR WOODSIDE FEDERAL FUNDS FOR THE ATHERTON AVENUE ECONOMIC STIMULUS PROJECT**

MOTION – to approve a Letter of Intent with the Town of Woodside to exchange Atherton Parcel Tax funds for Woodside Federal Economic Stimulus funds and authorize the City Manager to sign the letter of intent with the caveat that *intent* did not mean either party could not back out

M/S McKeithen/Lewis Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

D. APPROVAL OF PLANS AND SPECIFICATIONS AND AUTHORIZATION TO ADVERTISE THE ATHERTON AVENUE RECONSTRUCTION PROJECT NUMBER 08-025

MOTION – to approve the plans and specifications and authorize advertisement for bids for the Atherton Avenue Reconstruction Project, Project No. 08-025

M/S McKeithen/Carlson Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

27. ADOPTION OF A RESOLUTION OPPOSING THE ISSUANCE OF \$65.45 MILLION IN REVENUE OBLIGATIONS BY THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY TO FINANCE THE CONSTRUCTION OF THE SHOREWAY ENVIRONMENTAL CENTER OR OTHER SOLID WASTE FACILITIES

City Manager Jerry Gruber presented the staff report. He was a member of the SBWMA Board of Directors consisting of appointed representatives from 12 jurisdictions. No elected officials sat on the Board. Over the last year, a great deal of work was done by SBWMA, as well a great deal of media attention, on the bond issue for the proposed facilities. In 2007, the preliminary estimate was \$25.5 million. The estimate was revised to \$59.1 million in 2009. Although the Shoreway facility would allow for single-stream recycling capability and would ultimately meet future recycling volume needs for jurisdictions, there were many uncertainties Council should consider. Commodity prices had hit an all-time low on the world market so that recycling materials that were sold on the open market had changed considerably. The bond market had also changed considerably. Current bonds that would be used for the project had dissolved. There was a great deal of speculation regarding the approval of the Shoreway facility and the impact it would have on the Norcal contract. The SBWMA Board determined an alternative must be formulated if the Shoreway facility were not a viable option.

Council Member Dobbie was opposed to a commitment by the Town to approve the issuance of bonds.

Council Member Marsala asked what would happen if the other jurisdictions approved the bonds.

City Manager Gruber said 8 out of 12 agencies were needed to approve. The City of Burlingame did not adopt a resolution in support.

Gino Gasperini, Norcal Waste Systems, said five jurisdictions had approved the item and eight were needed. Approval cities were City of Redwood City, City of San Mateo, City of Foster City, City of San Carlos, and City of East Palo Alto. The City of Burlingame was currently the only city voting “no.”

Council Member Marsala was concerned regarding the additional legal and financial analysis that the costs could be more than actual savings. He suggested postponing a

vote until the Grand Jury report was issued. He queried whether voting “no” would preclude revisiting the vote when more information was available.

City Manager Gruber said no. Each jurisdiction could change its decisions based on additional information.

Council Member Lewis thought the consensus from the Study Session was Council would be setting an example by taking a stance against the issue for other cities that had not yet voted.

Mayor Carlson had been following the issue for some time. There were a lot of loose ends and he was strongly in favor of passing a resolution in opposition.

MOTION – to adopt Resolution No. 09-08 “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON OPPOSING THE ISSUANCE OF \$65.45 MILLION IN REVENUE OBLIGATIONS BY THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY TO FINANCE THE CONSTRUCTION OF THE SHOREWAY ENVIRONMENTAL CENTER OR OTHER SOLID WASTE FACILITIES”

M/S Dobbie/McKeithen

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

21. **REVISE CITY COUNCIL RESOLUTION NO. 08-24 BY ADOPTING A NEW RESOLUTION CONTAINING CHANGES RELATED TO SCREENING COMMITTEE AND APPOINTMENT OF COUNCIL MEMBER ALTERNATES (Removed and placed on the Regular agenda for discussion.)**

Vice Mayor McKeithen believed there were a number of technical problems regarding what the resolution set out with terms of various committees; when they began, whether they were staggered, and how to determine which members were assigned to which terms. Additionally, there was confusion with the Transportation Committee as to whether the members had been appointed to a four-year term when the resolution was adopted and whether recruitment for new members should have occurred. Because Council had not made appointments in a timely fashion, she thought Council needed to clean up the process.

Mayor Jerry Carlson noted the process had been going on for two years, and a lot of the language in the resolution assumed something would occur in 2008. Most of the appointments appeared to end on April 30 of any given year. He suggested keeping people in place until April 30, 2009, in order to review the process. He also suggested adding a fixed meeting date for the Finance Committee.

Vice Mayor McKeithen was not sure that was necessary since the meeting times were dependent on the Finance Director’s schedule and needs. Set meetings might prove difficult.

Mayor Carlson differed and wanted to see a regular meeting date set for the Finance Committee.

City Manager Jerry Gruber said part of the challenge was establishing that terms would expire within a certain time. In anticipation of those terms expiring, the Acting City Clerk solicited for volunteers to apply. Interviews had been extended, terms had been extended.

City Attorney Wynne Furth said generally, terms should exist independently of the particular holder so the clerk knew when a term began and ended. Common language was often used that a person served until the expiration of his/her term or the appointment of his/her successor, whichever occurred first. She asked whether terms were defined.

Acting City Clerk Kathi Hamilton believed the terms were defined in Resolution 08-24. A few years prior, Council determined some committees would be on a one-year cycle concurrent with the Council Members' terms who also served on the committee. The process was cumbersome, requiring two recruitment processes at different times of the year. With Resolution No. 08-24, terms were to be four years, with some shorter terms initially in order to set up staggered terms. The Transportation Committee was one of those committees transitioning from a one-year term expiring in January to a four-year term expiring in April. The three incumbent members' terms were extended over time because interviews were not held. She recalled Council directing at the time that incumbents were to be interviewed along with any new applicants.

Mayor Jerry Carlson suggested postponing the interviews scheduled for Saturday, February 21, 2009.

Council Member Dobbie said the members of the Transportation Committee believe they were appointed to a four-year term last year.

Mayor Carlson took issue with that. He believed there was a tacit understanding that members would continue to serve until the process was finalized.

Vice Mayor McKeithen did not think the terms of the Arts Committee members had been extended, as well.

City Attorney Furth said the important information was what the record showed, e.g., an appointing letter or action; and rather than any tacit understanding would be the first point of departure.

Council Member Lewis noted the item on the agenda was for an action to eliminate the Screening Committee.

MOTION – to amend Resolution No. 08-24 to adopt Resolution No. 09-09 “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON GOVERNING TOWN COMMITTEES AND COMMISSIONS,” to eliminate the Screening Committee and to allow for the appointment of alternates to Council Committees

M/S Lewis/Carlson

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

By consensus, Council postponed interviews scheduled for February 21, 2009. Details would be worked out, interviews rescheduled, and appointments made by May 1, 2009.

22. **PROCEDURES FOR COUNCIL MEMBERS TO REQUEST AN ITEM BE PLACED ON A CITY COUNCIL AGENDA (Removed from the Consent Calendar and placed on the Regular agenda for discussion.)**

Council Member McKeithen was concerned that the three motions made at the Special City Council meeting of January 30, 2009, were very unclear. For example, the second motion, *if a committee/commission passed a motion for Council to consider a proposal, the item will be placed on the Council's agenda within two meetings*, did not state the motion had to be within the committee's jurisdiction. Regarding motion one, *should a Council Member want an item on the agenda, he/she should request the City Manager to place the item on the next agenda to determine Council support to discuss the item on the subsequent month's agenda; Further, the Council Member should include a summary of the item*, she believed the item was not to include a lengthy summary, or even a summary per se, but a summary for the City Manager to understand what the issue was. There was no indication as to where the item should be placed on the agenda. The last motion, *should two council members want an item on the agenda, the item will be placed on the Council's agenda for discussion within two meetings, limited to one item per meeting, placed at the end of the agenda, not to consume more than 30 minutes of staff time, for an up or down vote at the meeting*, did not indicate what type of materials were to be delivered nor did it indicate whether the one request per meeting was limited to the two Council Members making the request or to each Council Member. She thought Council had acted hastily and did not think of the ramifications. In discussion with the City Attorney, Council Member McKeithen thought the actions should be tabled until the Rules of Procedures were reviewed within the next month or two.

Council Member Lewis believed the motion regarding the ability of a committee/commission to place an item on the agenda already existed in the Rules of Procedure, Section 9.3, "The City Council Members on Town committees may bring any decision of the committee to the full City Council for final determination. Pending such action by the full City Council, any such decision shall be suspended." The Council was really the deciding body for decisions made on the Town's behalf. Section 9.5 said, "The City Council review of City Council committee decisions." She believed the intent was that any Council Member on the committee could bring an item to the City Manager on behalf of the committee to be placed on an agenda for discussion. A procedure and policy should be put into place in order for full transparency.

Council Member Dobbie thought motion two was the most significant. He thought the summary of the item should not be an advocacy for a particular item but rather an explanation of what was to be discussed. He was not sure whether motion one meant the summary should be given to the City Manager or put in the agenda packet.

Council Member Marsala gave a brief explanation for the reasons to develop a procedure. Other cities had policies to enable Council Members to place items on the agenda. If residents were asking for items to be discussed or Council Members sensed there was an issue to be brought to the full Council, it should be allowed. If there were

opposing views, the pros and cons could be debated in the open. All staff reports have a recommendation. If there are opposing viewpoints, they could be debated. The full Council could do an up or down vote after discussion.

City Attorney Wynne Furth said she was familiar with the City of Claremont and City of Palo Alto's procedures and both had policies. In Palo Alto, any two members of the Council could prepare a short colleagues memo stating what item they would like addressed by the Council, the Council votes whether to place it on an agenda or not, making it a two-step process. Because of the Brown Act, if two members wanted to suggest an item be on the agenda and was not something the City Manager was going to bring forward, the colleagues memo was a way to bring it to their colleagues' attention. The memo itself was a short, one-page-or-less summary. Matters should be presented in a non-inflammatory manner.

Vice Mayor McKeithen reiterated her intent was to make things clearer and not to prevent Council Members putting items on the agenda. The process was very confusing. Additionally, she clarified that Section 9.3 was intended to bring items to the Council when the committee might have a tie vote or a conflict. The item was brought to the Council for determination.

Council Member Dobbie wanted to follow the Palo Alto procedure and thought it reasonable.

Council Member Marsala described the Menlo Park procedure. If two members wanted an item on the agenda, it would be discussed at the time it was brought forward because there was already a second, i.e., a one-step process. He thought whenever a committee wanted to bring something to the Council, it should be agendized since few items every came forward.

Jeff Wise, Atherton, was puzzled with the concept (with the effort toward transparency and involving the community) whereby if a resident brought an issue to one or two Council members that he/she wanted the Council to address, the Council could reject a discussion altogether. He urged Council to have a process where items could be agendized with simplicity.

MOTION – to request that the City Attorney review the issue of Council Members and committees requesting items be placed on the agenda with the intent that items can be placed on an agenda for consideration by the Council, but with the understanding to clear up the language to make it consistent and understandable to the Council and the public

Council Member Lewis offered the following amendment:

AMENDMENT – to direct the City Attorney to take the three motions voted on and passed at the January 30, 2009, Special City Council meeting and wordsmith such that they are clearer but the intent is left in tact

A/S Lewis/Marsala

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

28. REQUEST FROM THE BLUE RIBBON TASK FORCE TO TRANSFER EXCESS FUNDS COLLECTED FROM BUILDING DEPARTMENT PERMITS DURING THE FISCAL YEARS 2001-2006 FROM THE GENERAL RESERVES TO THE BUILDING DEPARTMENT'S PORTION OF A NEW TOWN CENTER.

Council Member Marsala said the Blue Ribbon Task Force (BRTF) met in January. A new Town Center would cost approximately \$15 million to build. The Building Department was expected to occupy 20%, which translated to \$3 million. Building Department fees increased 135% in May of 2000 and funds were set aside for its share of a new building. Since 2001, the surpluses were left in the General Fund, and those were taken out in December and placed in the proper fund. Additionally, a Building Inspection fund was created for future inspections and was to grow to \$600,000 and capped. In actuality, the fund had grown to \$767,000. The request was for the City Council to review Resolution No. 00-13 which should have been done in 2005. The BRTF was charged by the Council to determine the economic feasibility of a new Town Center. Current financials showed excess funds from the Building Department revenues in the General Fund reserves. Rather than increasing fees to raise the \$3 million, the BRTF was recommending that the City Council transfer the remaining surpluses from prior year inspections. With the use of overheads, he described the process he used to determine the number of \$1.1 million left in reserves.

Vice Mayor McKeithen noted there was a PERS liability of \$2.7 million of which a percentage would be attributable to the Building Department, as well as an unfunded health liability which is estimated to be as high as \$3 million. She believed it wiped out the \$1.1 million and actually became a deficit. The Finance Committee had believed the former Interim Finance Director's numbers were incomplete.

Council Member Marsala said the BRTF's goal was to report to Council in May 2009. One of the variables going forward was a recommendation to increase fees to reach the next million dollars that was needed. Council needed to address the issue.

Mayor Carlson confirmed that NBS was performing a study and asked Finance Director Louis Ho whether NBS would be looking at the costs noted by Vice Mayor McKeithen.

Finance Director Louise Ho said the NBS study would shed light on what the true costs were.

Council Member Marsala said the BRTF wanted a timeline in order to come back to Council with recommendations on funding.

Council Member Lewis said her understanding was that the Building Department should not be making a profit, as well as funds from the Building Department needed to be used for Building Department-related expenses. If the numbers on the chart were incorrect, Council needed to know.

Council Member Dobbie concurred. He was unsure of the Building Department's actual revenues, expenses, etc. The answers were needed soon in order to move forward.

No action taken.

PROPOSED AGENDA ITEMS BY COUNCIL MEMBERS (Items 29-30)

29. DISCUSSION AND POSSIBLE AUTHORIZATION FOR THE CITY MANAGER TO CHOOSE A CONSULTANT TO REVIEW THE PHASE I, PHASE II, AND PHASE III AUDITS PERFORMED IN 2006

Mayor Jerry Carlson clarified the request was to authorize the City Manager to hire a consultant to: 1) determine whether the Building Department was overstaffed and, if so, was it the result of the Phase I, II, and III audits; and 2) should construction projects be valued at proven cost vs. the \$350 per square foot flat rate.

Council Member Marsala said he and Council Member Lewis were requesting to look at the Phase I, II, and III audits which resulted in several policy changes in the Building Department. He explained how the change in valuation to \$350 per square foot increased property taxes.

Mayor Carlson asked whether whatever assessment was made became the basis for the tax assessor's valuation of property. He was not sure that was the case.

A discussion ensued as to whether reviewing the Phase I, II, and III audits had relevance. Council Member Marsala thought an independent evaluation would clarify the definition of "bait and switch." If the apparent violations did not happen, some of the recommendations, such as adding a permit technician and more overhead, were unnecessary.

Vice Mayor McKeithen said fees were being looked at to ensure they were fair, whether the valuation should be \$350 a square foot or less or more, as well as a total cost allocation study and did not want to spend \$2,500 to look into "bait and switch."

Building Official Mike Wasmann said the fee study would determine whether the \$350 was too low or too high. The permit technician was the only increase in staff and was definitely a worthwhile position.

Finance Director Ho said more energy should be focused going forward rather than looking at the past.

Council Member Lewis said as a new Council Member, she had not been involved with the audits. She was requesting a review because she thought the audits seemed arbitrary, unfounded, and some assumptions were overturned. She wanted to understand and protect residents from excessive fees and a fair approach to valuations.

Carol Flaherty, Atherton, said \$350 a square foot was not the right amount for new construction. The fee was intended to represent the actual cost of construction not the

cost of the Building Department. She reviewed the actual costs of a recent project and projected costs for a new project both resulting in a lower square foot cost. On the new project, she concluded there was \$1 million of construction costs that did not exist. She said the square foot costs did not matter if there were an alternative, i.e., if there was a provision that allowed the actual costs to be presented to the Building Department for determination of an adjustment for validity.

Jim Woody, Atherton, purchased a home on Emilie approximately three years ago. An estimate for a renovation and additional 900 square feet was \$636,000, or \$630 a square foot. The permit cost was \$14,200. He noted the estimate \$636,000 would cost an extra \$4,000 a year in taxes. He intended to seek an adjustment. He suggested that Council use the real cost of renovations in today's market which were down to \$250 a square foot. With the current financial situation, accuracy was essential.

Jeff Wise, Atherton, said in some cases, \$350 a square foot was a bargain; for others it was too high. However, the permits formed the basis for the valuation on the property. He urged Council to look at the number because, in fact, costs were coming down. As the amount of construction had decreased, suppliers and subcontractors were becoming more flexible in their pricing.

Denise Kupperman, Atherton, said property tax valuations were not assessed on permit fees. She did not have a problem with the \$350 fee. The permit fee and the Building Department were associated, i.e., the permit fee was to basically cover the cost of the Building Department. There was a difference between a resident building a house and someone in the business of building houses. Those in the business of building houses were less interested in having a reasonable permit fee. An assessment of what the actual costs were to have a Building Department was a reasonable approach.

Council Member Marsala made the following motion:

MOTION – to consider putting the Phase I Audit, “bait and switch,” on the next agenda for discussion

Motion failed for lack of a second.

Council Member Dobbie said the one issue to be addressed was what the Town charged for building permits. He was not in favor of approving the cost for a consultant to review the audits.

Mayor Carlson asked whether the NBS study would focus on the square foot fee.

Finance Director Ho said yes. The project would “kick off” in the next week.

No action taken.

30. SAN MATEO COUNTY LIBRARY JPA COMMITTEE REPORT ON DONOR CITY FUND USAGE

Mayor Jerry Carlson there was a suggestion to schedule the Executive Director of the San Mateo County Joint Powers Board (JPA) for a presentation at the March City Council meeting.

City Manager Jerry Gruber indicated he would be meeting with Martin Gomez, the executive director, and would invite him to the March meeting.

Vice Mayor McKeithen said she was the appointed member to the JPA Board and had spoken to Martin Gomez and his assistant, the chair of the JPA Board, the Friends of the Library, as well as the director of the Library. She sensed there was a need to do a lot more work on the donor funds issue. The Friends of the Library were not satisfied with what has occurred and were not adequately consulted. The JPA Board thought the Council had voted, which was not the case. The chair also thought Council had voted on it. A task force had been formed with Council Member Marsala as a member. Since he is no longer a member of the governing board, he could not be a member of the task force. She asked Martin Gomez to speak to Council regarding the issue of donor funds at the March meeting. She was looking for transparency and would consult with all parties. As the representative, she wanted no further discussion on the matter until the presentation.

Council Member Marsala said he was the representative on the Library JPA Board for 6 years. He disagreed with some of the comments and believed there had been miscommunications over the past month. He handed out a 31-page document recapping what had occurred over the past three years regarding the status of donor city funds. At the last JPA meeting, he did not say that Council had voted. He made it clear he was on the Blue Ribbon Task Force and was trying to clarify the JPA agreement. The motion made at that meeting was that donor city funds could be used at the discretion of the donor city for expansion.

Mayor Carlson did not want to go into a big discussion that evening. He thought having the executive director give a presentation at the next Council meeting was a good idea. He appreciated Council Member Marsala's efforts in trying to work through a difficult matter.

Council Member Marsala said what he had been advocating at the Library JPA was that the agreement, as it stood, needed to be clarified. He believed it should allow donor cities to have discretion on how to use the funds. Both motions passed 11-0.

Joan Sanders, Friends of the Library, the use donor city funds for anything was premature. The Library had no current intent to expand or build. A seismic evaluation was needed for both the Council Chambers and the Library. The Library also did not have any interest in acquiring the Chambers. The funds could only be used for Library purposes, and the Library was not allowed to buy a building owned by the Town.

Mayor Carlson wanted a clearer definition of the donor city funds.

Vice Mayor McKeithen noted there was a seismic study underway for the Library, as well as for the Council Chambers.

31. COUNCIL REPORTS

- Council Member Dobbie did not attend the Park and Recreation Commission meeting. At the Blue Ribbon Task Force meeting, William Grindley displayed a Town Center model that showed different configurations for the new Town Center. The real problem was trying to garner any real interest on part of the residents. There was a volunteer who would develop a website that had movable, 3-D activities to show what it might look like. The BRTF was doing a lot of work but were not any closer to getting a Town Center built. There was a lack of money and a lack of interest.
- Council Member Lewis attended the San Francisco Airport Roundtable meeting and discussed noise mitigation. At the C/CAG meeting, the Economic Stimulus money was discussed. She attended the Holbrook-Palmer Park Foundation as an alternate. She attended the Council/Staff Study Session.
- Council Member Marsala attended the League of Cities meeting in Sacramento where he moderated a financing session. At the BRTF meeting, there was a presentation to CARA. The Environmental Programs Committee meeting focused on Earth Day activities. He attended the Library JPA meeting as an alternate and tried to clarify the agreement. The JPA Board supported donor city funds being used at cities discretion pending a legal opinion. The legal opinion did not authorize nor did it prohibit funds be used in that manner. At the last meeting, he made a motion for staff to get a legal opinion on the JPA agreement to include provisions for donor cities to be able to transfer donor city reserves for assets in a validated manner. A subcommittee was formed; however, there was confusion as to his participation because of being the alternate.
- Vice Mayor McKeithen attended meetings with the staff of the Library JPA Board. She said there was a concern regarding the motion regarding transferring of funds. She attended the Finance Committee meeting. At the Peninsula Traffic Congestion Relief Alliance, it was noted that more people were using mass transit.
- Mayor Carlson attended several meetings regarding High-Speed Rail. A Coalition of Cities meeting was occurring each Friday where cities from Mountain View to South San Francisco were participating to try to find common ground to send a letter to the HSR Commission to: 1) extend comment period to April 6 (which was granted); and 2) recognize that cities should be part of the planning process. He thanked Public Works Director Jones for his hard work on the letter and attendance at meetings. He recognized Jim Janz, Malcom Dudley, Jack Ringham, Greg Conlon, and Rosemary Maulbetsch for all their hard work. He contacted various organizations and homeowners to write letters. He asked that a meeting be set up with the attorney regarding the lawsuit.

32. PUBLIC COMMENTS

Council Member Marsala clarified that the Library JPA Board felt differently from the Operations Committee. Both motions passed 11-0 and asked for clarification that cities could use their funds in a validated manner.

33. ADJOURN

Mayor Carlson adjourned the meeting at 11:36 p.m.

Respectfully submitted,

**Kathi Hamilton
Acting City Clerk**