



MINUTES
Town of Atherton
CITY COUNCIL
June 19, 2019
CLOSED SESSION
REGULAR MEETING

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

7:00 PM REGULAR SESSION – *Convene as the City Council*

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL** - Widmer, DeGolia, Lewis, Wiest, Lempres
3. **PRESENTATIONS**
 - **Proclamation – Jim Massey**

Mayor Widmer presented the Proclamation to resident and Committee Volunteer Jim Massey.

Jim Massey addressed the audience thanked the Council and Staff

4. **PUBLIC COMMENTS** - None
5. **REPORT OUT OF CLOSED SESSION** - Report out by City Attorney

CLOSED SESSION

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

City Manager

City Attorney Bill Connors reported that no action was taken.

6. **CITY MANAGER'S WRITTEN REPORT AND VARIOUS DEPARTMENT ORAL REPORTS**
Discussion: *The City Manager's Report includes written reports from the Town's various Departments. Staff is present to answer any questions the Council may have on the various issues noted in the written Reports. The Council may ask questions and discuss any of the various items.*

City Manager Rodericks provided his report that included reports from the Police Department, Public

Works, and Community Services.

Councilmember Lempres asked for an update related to the sink hole on El Camino Real, which Public Works Director Robert Ovadia responded to with details.

Vice Mayor DeGolia shared that he attended the Bay Front Canal Project meeting and that the group intends to seek grant funding. City Manager Rodericks added details as to what role the Town might play in this from a financial perspective, if at all. Public Works Director, Robert Ovadia added that any grant funding would be offset by contributions from the Town from which grant funds would not be deducted.

Vice Mayor DeGolia asked about planned IT and operational improvements planned for the temporary Council meeting space in the Pavilion to which City Manager Rodericks provided an overview of the steps taken to improve the quality of the audio and video recordings, the addition of the Electronic White-Board, and plans to install a more robust Wi-Fi signal within the facility.

Mayor Widmer reviewed Town Summer Series events coming up and thanked participating Sponsors for their contributions.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT

CONSENT CALENDAR (Items 8-10)

Councilmember Lempres asked clarifying questions related to Item No. 10. He inquired if Staff expects any increases in maintenance costs moving forward.

City Manager Rodericks responded that we do not expect an increase and that he had a conversation with the owner of the Knox Playschool regarding the Town's responsibilities.

Public Works Director, Ovadia shared additional information about the Town's role in facilities maintenance.

MOTION by Lewis, second by Wiest to approve the Consent Calendar. The motion passed unanimously.

8. APPROVAL OF MINUTES

Report: City Clerk, Anthony Suber

Recommendation: Approve minutes for May 15, 2019

Description: *This item involves approval of draft minutes from past City Council meetings.*

9. APPROVAL OF BILLS AND CLAIMS FOR MAY, 2019 IN THE AMOUNT OF \$ 1,312,700

Report: Finance Director, Robert Barron III

Recommendation: Approve Bills and Claims for March in the total amount of \$ 1,312,700

10. APPROVAL OF LEASE EXTENSION FOR KNOX PLAYSCHOOL – Pulled by Lempres

Report: Public Works Director, Robert Ovadia

Recommendation: Approve a one-year lease extension with options for two successive 1-year terms for the Knox Playschool at Holbrook-Palmer Park and authorize the City Attorney to draft and the City Manager to execute the amendment

Description: *This item involves the discussion of an extension of the current facility lease at Holbrook-Palmer Park with Knox Playschools. The current rent amount is \$7,175.27 per month, adjusted annually commensurate with the Consumer Price Index.*

PUBLIC HEARING – None

REGULAR AGENDA - (Items 11-16)

11. CONSIDERATION OF AND APPOINTMENTS TO VARIOUS TOWN COMMITTEES AND PLANNING COMMISSION

Report: Anthony Suber, City Clerk

Recommendation: It is recommended that the City Council review the applicants for the Town Committees and Planning Commission and make appointments to fill vacant positions.

Description: *This item involves Council appointments to Town Committees and Commissions. It also outlines a process by which Council will assigned established staggered terms of appointment to each of those Committees and Commissions for each member appointed.*

City Manager Rodericks introduced and described the process to make appointments and establish staggered terms randomly.

City Clerk Suber reviewed applicants for individual Commissions or Committees. Suber outlined the process for appointing Commission and Committee members and the random assignment of terms by drawing.

Councilmember Lewis recommended each applicant in attendance be offered an opportunity to address the Council and speak to their interests and qualifications for serving on a Town Committee or Commission.

Perry Narancic, Planning Commissioner applicant addressed the Council and spoke to his interests and qualifications.

Peter Silten, Planning Commissioner applicant addressed the Council and spoke to his interests and qualifications.

MOTION by DeGolia, second by Widmer to appoint four (4) members to the Bicycle and Pedestrian Committee as follows; Thea Henry-Hamilton – 4-year term, Hilary Kellyer – 2-year term, John Langbein – 3-year term, Jerome Leugers – 4-year term, passed unanimously 5-0.

MOTION by DeGolia, second by Lewis to appoint two (2) members to the Environmental Committee as follows; Kelly Davis – 4-year term, Diana Manuelian – 4-year term, passed unanimously 5-0.

MOTION by Lempres, second by Lewis to appoint four (4) members to the Parks and Recreation Committee with one (1) filling the unexpired Foundation Appointment term as follows; John

Davey – 3-year term, Alex Key – 4-year term, Julianna Robertson – 4-year term, Marylue Timpson for Foundation Appointment filling unexpired term, passed unanimously 5-0.

City Clerk Suber distributed ballots to Council for a vote to appoint one (1) member to the Transportation Committee. The results of the vote were five (5) votes for Steve Meller.

MOTION by Lewis, second by Lempres to appoint Steve Meller to the Transportation Committee, passed unanimously 5-0.

City Clerk Suber distributed ballots to Council for a blind vote to appoint two (2) Planning Commissioners. The results of the voter were four (4) votes for Randy Lamb, 5 votes for Perry Narancic, and 1 vote for Walter Sleeth.

MOTION by Lewis, second by Lempres to appoint Randy Lamb and Perry Narancic to the Planning Commission, passed unanimously 5-0.

MOTION by DeGolia, second by Widmer to appoint Walter Sleeth to serve the full unexpired term on the Audit and Finance Committee, passed unanimously 5-0.

City Clerk Suber conducted a random drawing of each Rail Committee member name to assign a term. The assigned terms are indicated in the motion.

MOTION by Lewis, second by Lempres to assign staggered terms to Rail Committee members as follows; Alex Keh – 4-year term, John Maulbetsch – 3-year term, Greg Conlon – 2-year term, Jack Ringham – 1-year term, Jim Janz – 1-year term, Malcolm Dudley – 2-year term, Nerissa Dexter – 3-year term, Paul Jones – 4-year term, Scott Lane – 1-year term, Anthony Wynne – 2-year term, passed unanimously 5-0.

12. ADOPT THE ATTACHED RESOLUTIONS ADOPTING THE FY 2019/20 OPERATIONS AND CAPITAL BUDGET, SALARY & BENEFIT RESOLUTION FOR UNREPRESENTED STAFF, MEMORANDUM OF UNDERSTANDING FOR THE ATHERTON POLICE OFFICERS ASSOCIATION; 2019/20 SALARY AND CLASSIFICATION SCHEDULE, AND THE GANN LIMIT APPROPRIATIONS

Report: Finance Director, Robert Barron III

Recommendation: Adopt the accompanying Resolutions (adoption of all Resolutions may be done by one motion)

1. The FY 2019/20 Operating and Capital Improvement Budget;
2. The FY 2019/20 Salary and Benefit Resolution Unrepresented Staff;
3. The FY 2019/20 Salary Schedules and Classifications;
4. The FY 2019/20 Gann Limit Appropriations;
5. The FY 2019 – FY2022 Atherton Police Officers Association MOU Resolution

Description: *This item involves a presentation by staff to adopt the proposed Operating and Capital Improvement budget for Fiscal Year 2019/2020, the salary and benefits for unrepresented staff, Memorandum of Understanding for Atherton Police Officers Association, Salary and Classification Schedules. Council will discuss and provide feedback on the proposed operations and CIP budget, revenues, expenditures, capital projects, salary and benefits, and MOU of APOA . There is a recommendation to the Council to adopt resolutions for FY 2019/2020*

Operation and Capital Budget, FY 2019/2020 Salaries and Benefit Schedules, MOU for APOA, and FY 2019/2020 Gann Limit Appropriations.

Councilmember Lempres asked clarifying questions about the HDL recap to which Finance Director Robert Barron III provided a response. Councilmember Lempres also inquired as to how the Town is able to confirm we are trending toward our revenue projection for property taxes. The response provided by Director Barron was that the Town will use the figures provided by HDL.

City Manager Rodericks added details about how the Town calculates the property taxes we received in specific periods and then readjust any prior estimates to true up the Town's revenue projections. City Manager Rodericks added that the Town will true up our numbers at Mid-Year in order to have a better understanding of property tax revenue for the year.

Mayor Widmer advised that at the June Council Study Session it was discussed that new Tax Assessments will be available in February 2020.

Vice Mayor DeGolia expressed concern that the Town seek out debt before we have the final projections on property tax revenue. He also asked for additional details on CalPERS Pension Liability and Departmental budgetary changes.

City Manager Rodericks responded that the numbers shown for the financial commitments to CalPERS includes retirees.

Councilmember Lewis suggested the Town host a CalPERS pension seminar and Rodericks indicated that staff could look into inviting CalPERS representatives to Atherton for such an activity. Councilmember Lewis also commended Finance Director Barron on the work product performed on the budget.

MOTION by Wiest, second by Widmer to approve The FY 2019/20 Operating and Capital Improvement Budget, passed unanimously 5-0.

MOTION by Lewis, second by Wiest to approve The FY 2019/20 Salary and Benefit Resolution Unrepresented Staff, passed unanimously 5-0.

MOTION by Wiest, second by Lewis to approve The FY 2019/20 Salary Schedules and Classifications, passed unanimously 5-0.

MOTION by Wiest, second by Lewis to approve The FY 2019/20 Gann Limit Appropriations, passed unanimously 5-0.

City Manager Rodericks reviewed the staff report related to the FY 2019 – FY2022 Atherton Police Officers Association MOU Resolution and provided details about the salary survey conducted by the Town. Councilmember Lewis asked if the figures in the APOA MOU are included in the budget to which City Manager Rodericks responded that a 4% Cost of Living adjustment was used in the budget.

Vice Mayor DeGolia asked for clarification on the STEP E addition in the salary ranges for APOA members to which City Manager Rodericks responded that STEP increases are merit based and STEP E allowed the Town to meet the average salary disparity.

MOTION by Wiest, second by Widmer to approve The FY 2019 – FY2022 Atherton Police Officers Association MOU Resolution, passed unanimously 5-0.

13. DISCUSSION ON THE GENERAL PLAN UPDATE: THE 2019 GENERAL PLAN UPDATE AND THE INITIAL STUDY/NEGATIVE DECLARATION, MITIGATION MONITORING AND REPORTING PROGRAM.

Report: Senior Planner, Stephanie B. Davis

Recommendation: It is recommended that the City Council receive a report from staff on the draft 2019 General Plan Update and the Initial Study/Mitigated Negative Declaration (IS/MND), which includes a Mitigation Monitoring and Reporting Program (MMRP) and provide direction to staff.

Description: *This will involve a discussion by the Council of the Town's Draft 2019 General Plan Update and the associated, prepared environmental document draft Initial Study/Mitigated Negative Declaration. The Council will discuss an overview and purpose of the Town's 2019 General Plan Update process, and the modifications proposed to the each of the State mandated required Elements of the General Plan. Ultimately, staff is recommending the Council receive the report, discuss, and provide direction to staff on any proposed or additional changes to either the 2019 General Plan or the draft Initial Study/Mitigated Negative Declaration. The item would be scheduled for formal action by the City Council at a future date.*

The item was introduced by Town Planner Lisa Costa Sanders who stated that no changes had been made to Land Use rules. The Plan went through a vigorous process of approval by the Planning Commission and public outreach efforts where conducted including hosting a Town Hall and a mailer.

Stephanie Davis, Senior Planner delivered the presentation to Council. Planner Davis indicated that the goal was to update policies and programs considering the last update was done in 2002. Planner Davis clarified that the General Plan does not provide authorization to approve projects or change land use rules.

Mayor Widmer asked a question about streets where we have schools, and requested that we exercise judgement based on what we assign or decide with the classifications.

Councilmember Lewis and Vice Mayor DeGolia commented on the shared streets of Ravenswood and Valparaiso.

Councilmember Lempres questioned the value in adopting a Traffic Study at the same time we adopt and approve the General Plan. Councilmember Lempres asked for clarification on what is in the Traffic Study and what is or will be in the General Plan.

Vice Mayor DeGolia asked for clarity on the classification changes in Menlo Park and Planner Davis discussed Safe Routes to schools and how it impacts the classifications.

Councilmember Lempres asked what changes Council could consider within the General Plan, Public Works Director Ovadia responded to the Council questions.

Vice Mayor DeGolia shared issues that he has with Oak Grove designation as a “collector” street and suggested it should be classified as a “local street”.

The City Council discussion ensued related to the classification of specific streets as either “collector” or local streets”.

Councilmember Lempres asked for clarification on what criteria is used for the classification of streets that in appearance seem to experience different levels of traffic. City Manager Rodericks asked if there are Pros and Cons related to classifications of certain streets. Planner Davis responded and indicated that there may be benefits related to one classification versus another.

Councilmember Lempres and Vice Mayor DeGolia asked about what changes the State was taking that may differ from what the Town is considering.

Director Ovadia provided clarity related to changes the State, County, and Region are considering.

Mayor Widmer asked about Fire Hazards and why certain areas are included and others are omitted, he also requested for a more detailed evacuation plan.

Vice Mayor DeGolia requested that the Town examine safety measures related to our Hazards and Wildfires.

Councilmember Lewis and Mayor Widmer further discussed the needs for improving the evacuation plan with Mayor Widmer sharing that the Town had conversations with Menlo Fire to address issues within the evacuation plan.

Mayor Widmer shared information about the City of San Jose’s lawsuit related to noise and recommended the Town perform some research on this and evaluate any value in joining the lawsuit against Union Pacific.

Planner Davis indicated that Planning would review additional items related to the noise elements with the General Plan.

Councilmember Lewis asked for clarification of the noise levels and Planner Davis provide clarity on what process was used to collect the data and how the levels are measured.

Vice Mayor DeGolia asked what if any impacts to what the Town can or cannot do in the future depending on what we include in the General Plan. Planner Davis responded that the intent was to keep in line with the policies and historical plans of the Town, as a rural, residential community. The language was intended to be broad in scope so that the interpretation of that language allows the Town greater flexibility in the future for actual policies. Town Planner Costa Sanders added that the important items to focus on is that we look at the goals and policies that Council review those and make comments for changes if there is any divergence from the Town goals and policies can be reevaluated. Planner Costa Sanders indicated that future decisions should be considered when putting together the General Plan and they are considered living documents.

City Attorney Bill Conners informed the Council that amendments to the General Plan are possible and do take place.

Councilmember Lewis received clarification that adding services in the Civic Center such as a Café, would require a General Plan update to which Planner Costa Sanders clarified that would not be necessary that that it was determined what is proposed in the Civic Center plans is consistent with the General Plan.

Vice Mayor DeGolia requested a change to Grand Boulevard Initiative indicating that what was included in the General Plan has not been fully agreed upon.

City Manager Rodericks, City Attorney Conners, Vice Mayor DeGolia and Councilmember Lewis discussed issues related to Caltrans plans and projects. Mayor Widmer indicated he believed this should not be included in the General Plan.

Council and City Manager Rodericks held a discussion related to the Caltrans extension project and in was affirmed that in 2009 the Town supported this activity. Councilmember Lempres asked if the Council should reconsider this support to which Mayor Widmer indicated the Council should reevaluate the support for the project.

City Manager Rodericks and Mayor Widmer discussed the idea of Bike Lanes on El Camino Real (ECR) and there was an agreement that adding Bike Lanes on ECR should be considered again. Widmer indicated that the Bike and Ped Committee did not want to include Bike Lanes on ECR. Councilmember Weist offered that if this is something the Council wants to consider it would need to be raised again. Staff advised that staff will return the Grand Boulevard Initiative and the Town's considered support to the Council in the fall for discussion.

Vice Mayor DeGolia commented that CCAG should have or create a policy on creating quiet zones.

14. REVIEW FEES AND PENALTIES, INCLUDING THE ROAD IMPACT FEE AND CONSTRUCTION TIME LIMIT (CTL) PENALTY AND PROVIDE DIRECTION TO STAFF

Report: City Manager, George Rodericks

Recommendation: Review, discuss and provide direction to staff for next steps with respect to a review of fees and penalties.

Description: This report provides information and analysis to the City Council to provide direction and guidance related to specific fees charged by the Town. The fees being discussed in greater detail within this report are Construction Time Limit Ordinance, Penalties for Working without Permits, and Road Impact Fees.

City Manager George Rodericks introduced the item and reviewed various fees that were included in a Master Fee Study that was last conducted in 2013. In 2018 the Town conducted a survey of Park Rental Fees and revised those. City Manager Rodericks indicated that it is Staff's recommendation to perform a comprehensively master fee study upon completion of the Town Center.

Mayor Widmer commented that there may be value in performing such a study in five (5) year intervals and not to wait until the Civic Center Project was complete. City Manager Rodericks advised the Council that if the Town were to conduct a master fee study now the overhead expenses and costs would not match those that we will have upon completion of the Town Center.

Vice Mayor DeGolia inquired as to whether the Town could make revisions to the position oriented hourly rates we charge for certain fees. City Attorney Bill Conners shared that the Town needs to charge a reasonable rate. The Town could consider changes to hourly rates however, making such changes outside of performing a master fee study may open us up to some risk in the event it is challenged.

City Manager Rodericks and City Attorney Conners reviewed the Municipal Code and Ordinance and have made suggested changes. City Attorney Conners also shared potential issues with changing fees or issuing penalties.

Vice Mayor DeGolia indicated that Council should accept Staff recommendation to conduct a study once we have moved into the new facility so that all the new costs can be factored into that study. Vice Mayor DeGolia also proposed that the Town update the position hourly rates to present day figures. City Manager Rodericks offered a scenario based review of how a change to those fees might take place and informed Council staff will review those and bring recommendations back to Council.

City Manager Rodericks reviewed the Building Permit Fees specifically the Construction Time Limits and offered that City Attorney Conners recommends removing the maximum cap on the penalty so that it continues to accrue. City Attorney Conners shared details with the Council as to why he made this recommendation.

Vice Mayor DeGolia reviewed the process by which penalties begin to accrue when a Construction Time Limit has expired and asked if we could begin the penalty accrual immediately following the expiration of the permit. Public Works Director Robert Ovadia clarified that it is a deposit made by the homeowner.

City Attorney Conners offered some potential historical context as to why the ordinance was written in this manner with a 30 day grace period between permit expiration and penalty accrual. Mayor Widmer shared that in a conversation with former Building staff he was informed that the grace period may have been the result of staffing limitations regarding Inspector availability.

Council continued a discussion about what changes to consider with regard to the Construction Time Limit Ordinance and the fees associated with it. Councilmember Wiest commented that he supports the concept of starting the penalty accrual from the date the permit expires. City Manager Rodericks clarified to Council that the Town has more violators that fall within the \$30k range. Vice Mayor DeGolia recommended staff make the change to remove the maximum cap on the Construction Time Limit ordinance and investigate further any changes to the start dates of accruing penalties and have that brought back to Council.

City Manager Rodericks then reviewed the issue of working without a Permit and indicated that the Town's Municipal Code is silent with regard to this item, however the Building Official does reserve the right to issue a Work-Stop Order which carries a 50% of the permit cost as a penalty but there is no listed fee within our Master Fee Schedule. Staff conducted some research and learned that other municipalities have a 1x or 2x the permit cost as a fee for building without a permit.

A Council discussion ensued related to the Town's options for imposing penalties or consequences for building without permits. City Attorney Conners offered a scenario that commonly takes place in other

jurisdictions where the municipality requires unpermitted building to be removed as a consequence. The Council agreed to have staff further investigate adding this type of penalty into our code.

City Manager Rodericks introduced the topic of Road Impact Fees and indicated the Town is not presently considering adding anything new, however it may be a topic for future consideration for the Town to put a Ballot Measure together in the form of a tax.

Vice Mayor DeGolia proposed the idea of a 2% tax on the construction value designed to replace the Parcel Tax and have it drafted in a manner that it is a general tax where all the funds are directed to the General Fund. Vice Mayor DeGolia noted as a general tax it would require a majority vote. Mayor Widmer commented that he is in favor of this and would support that position. Councilmember Lempres indicated we will need to be clear on the rationale and reasoning behind such a tax when conducting any community outreach. Councilmember Lewis shared her perspective on possible opposition.

Mayor Widmer commented that he anticipates the State or the County may at some point request additional funds from Atherton and Councilmember Lewis asserted that the Town will undoubtedly have funding needs in the future for maintenance and repair of infrastructure at the least.

Vice Mayor DeGolia added that anything dealing with the Atherton Channel District is complex. He continued on to say that he does not believe all the Town residents should be responsible for improvement projects that don't benefit all residents, and is not confident we could get Town wide support. Vice Mayor DeGolia commented that he is more confident that if the Town put together a tax on new development, which would not be paid principally by residents it would be easier to gain broader support.

15. APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH R3 CONSULTING GROUP FOR SOLID WASTE PROCUREMENT ASSISTANCE

Report: City Manager, George Rodericks

Recommendation: Authorize the City Attorney to prepare and City Manager to execute an agreement with R3 Consulting Group, Inc. for Solid Waste Procurement Assistance, in the total amount of \$49,700, plus an administrative contingency of \$5,300.

Description: The City Council will be discussing the possibility of awarding a contract to a service provider to provide assistance to the staff to solicit for solid waste services. The City Council may discuss the proposal provided by the proposer, the cost for the services, the staff time required to manage and participate in the process, as well as the possibility of approving the Amended and Restated Franchise Agreement with Recology.

City Manager Rodericks presented a brief report informing Council that the Town received two (2) responses to our Request for Proposal, both of which he has past working experience. Staff recommends approval of the item and awarding the contract to R3 Consulting Group.

Mayor Widmer indicated he prefers R3 Consulting as a vendor, which is in line with staff recommendation.

MOTION by Lempres, second by Widmer to approve the awarding of a Professional Services Agreement With R3 Consulting Group For The Solid Waste Procurement Assistance, passed unanimously 5-0.

16. **CIVIC CENTER UPDATE: RATIFICATION OF THE CITY MANAGER’S APPROVAL OF CHANGE ORDER WORK BY WONG ELECTRIC INC. FOR ELECTRICAL SERVICES FOR THE TEMPORARY TRAILERS; AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT AMENDMENT WITH MACK5 FOR EXTENDED PROJECT TIMELINE; AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT AMENDMENT WITH MACK5 FOR REQUIRED STORM WATER INSPECTION SERVICES VIA SUBCONTRACTOR; RATIFICATION OF THE CITY MANAGER’S APPROVAL OF AGREEMENT AMENDMENT WITH MACK5 FOR REQUIRED ABATEMENT MONITORING DURING DEMOLITION VIA SUBCONTRACTOR; AUTHORIZE THE CITY MANAGER TO EXECUTE A TASK ORDER AMENDMENT WITH INTERWEST FOR CONTINUED INFORMATION TECHNOLOGY SERVICES FOR THE CIVIC CENTER PROJECT; AUTHORIZE THE CITY ATTORNEY TO REVIEW AND THE CITY MANAGER TO EXECUTE A CONSENT AGREEMENT AND A EXCHANGE IN REAL PROPERTY INTEREST AGREEMENT WITH SFPUC; AND RATIFY THE CITY MANAGER CONSTRUCTION CONTRACT CHANGE ORDER PROCESS.**

Report: Project Manager Marty Hanneman

Recommendation:

1. Ratify the City Manager’s approval of additional work by Wong Electric Inc. for electrical services already provided for the temporary trailers exceeding the authorized contingency by \$6,445.31; plus authorization for additional electrical work up to \$10,000;
2. Authorize the City Manager to execute an agreement amendment with Mack5 for extended project timeline to June 30, 2021 at a cost of \$98,207;
3. Authorize the City Manager to execute an agreement amendment with Mack5 for storm water inspection services via Sandis for \$48,196;
4. Ratify the City Manager’s approval of an agreement amendment with Mack5 for required abatement monitoring during demolition via Terracon for \$20,534;
5. Authorize the City Manager to execute a task order amendment with Interwest for continued information technology services for the Civic Center project;
6. Authorize the City Attorney to review and the City Manager to execute a Consent Agreement and an Exchange in Real Property Interest Agreement with SFPCU.
7. Ratify the City Manager’s Construction Contract Change Order Process for authority to approve individual construction contract change orders or amendments up to an aggregate amount of \$2 million; however, no single change order shall exceed \$300,000 without separate approval by the City Council.

Description: *This report requests the City Council to authorize the City Manager to approve two Change Orders for critical electrical work for the temporary trailers already performed; requests Council authorization for the City Manager to execute agreements with Mack5 – Construction Manager for additional compensation due to extended project timelines, provide stormwater inspection services, and demolition inspection, testing and monitoring services; requests Council authorization for the City Manager to execute Task Order amendments with Interwest Consulting for continued IT services and move services for the Civic Center project; requests Council to authorize the City Attorney to review and the City Manager execute a Consent Agreement and a Exchange in real Property Interest Agreement with SFPUC.*

City Manager Rodericks reviewed the items to identify any conflicts for Councilmember Lempres. Project Manager Marty Hanneman presented the monthly Civic Center Report to Council.

Council discussion ensued related to the items presented and associated costs.

MOTION by Lempres, second by Lewis to Ratify the City Manager's approval of additional work by Wong Electric Inc. for electrical services already provided for the temporary trailers exceeding the authorized contingency by \$6,445.31; plus authorization for additional electrical work up to \$10,000; passed unanimously 5-0.

Councilmember Lempres excused himself from the meeting at 9:54 pm to recuse himself from the item due to potential conflict of interest.

MOTION by Wiest, second by DeGolia;

- **To Authorize the City Manager to execute an agreement amendment with Mack5 for extended project timeline to June 30, 2021 at a cost of \$98,207;**
- **To Authorize the City Manager to execute an agreement amendment with Mack5 for storm water inspection services via Sandis for \$48,196;**
- **To Ratify the City Manager's approval of an agreement amendment with Mack5 for required abatement monitoring during demolition via Terracon for \$20,534;**
- **To Authorize the City Manager to execute a task order amendment with Interwest for continued information technology services for the Civic Center project;**
- **To Authorize the City Attorney to review and the City Manager to execute a Consent Agreement and an Exchange in Real Property Interest Agreement with SFPCU, passed 4-0-1 (Lempres recused).**

City Manager Rodericks introduced the 7th item to Council and detailed the staff recommendation is to allow the City Manager to approve construction contract change orders an aggregate amount of up to \$2MIL, but no single change order exceeding \$300k without prior City Council approval.

Council discussion ensued related to the proposed process change and it was clarified by Staff that the City Manager would continue to provide regular Civic Center updates and expenditure reports as has been the practice.

MOTION by Wiest, second by Widmer to Ratify the City Manager's Construction Contract Change Order Process for authority to approve individual construction contract change orders or amendments up to an aggregate amount of \$2 million; however, no single change order shall exceed \$250,000 without separate approval by the City Council, passed 4-0-1 (Lempres recused).

17. **COUNCIL REPORTS/COMMENTS**

18. **FUTURE AGENDA ITEMS**

19. **PUBLIC COMMENTS**

20. **ADJOURN**

Mayor Widmer adjourned the meeting at 10:06 p.m.

Anthony Suber
City Clerk