



**Draft Minutes**  
**Town of Atherton**  
**CITY COUNCIL DISTRICT**  
**May 20, 2013**  
**1:00 P.M.**  
**Town Council Chambers**  
94 Ashfield Road  
Atherton, California  
**Special Meeting**

Mayor Lewis called the meeting to order at 1:00 p.m.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**      Lewis, Carlson, Dobbie, Widmer, Wiest

Council Member Widmer was excused.

**PUBLIC COMMENTS** – None.

**REGULAR**

**1. FISCAL YEAR 2013-14 BUDGET STUDY SESSION #2: REVIEW DRAFT ANNUAL OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGET**

**Report:** City Manager George Rodericks/ Finance Director Robert Barron III

Before launching into the budget detail, staff presented an overview of the Town's Vision and Mission; basic information on governmental funds; staffing levels; and policy makers and advisors. Through these slides, the Council commented that it was important to recognize that in addition to conducting the business of government with the utmost of transparency, accountability, and professionalism; integrity was also a key factor. In addition, the Council noted that as a community, we have significant opportunities to provide input regionally and it is important for the community, staff, and Council to be involved at that level.

After the broad overview, staff provided the Council with an overview of the Town's Major Revenue sources. In FY 13/14 the draft budget reflects revenues from the following major sources:

<b>Source</b>	<b>FY 12/13 Budget</b>	<b>FY 12/13 Estimated</b>	<b>FY 13/14 Proposed</b>
Property Taxes	\$7,016,000	\$7,574,474	\$7,582,948
Franchise Fees	\$774,500	\$755,750	\$770,865
Sales Taxes	\$204,400	\$235,400	\$240,108
Business License Tax	\$160,000	\$160,000	\$163,200

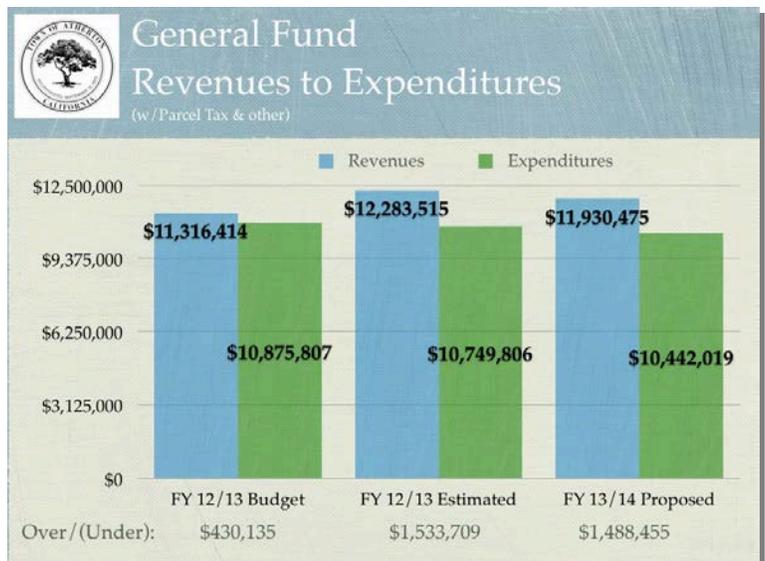
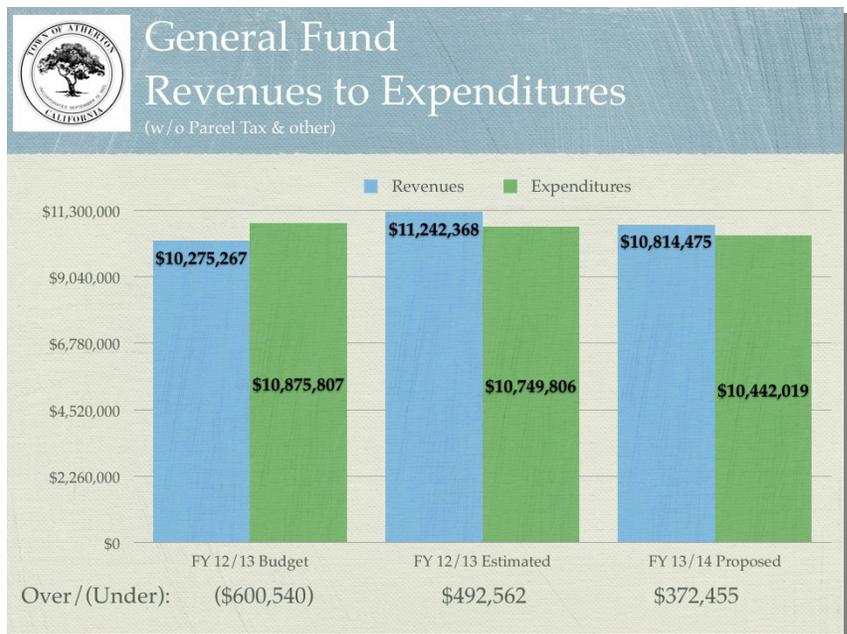
Planning Fees	\$153,800	\$175,335	\$178,862
Building Fees	\$1,354,800	\$1,167,900	\$1,226,295
Public Works Fees	\$221,235	\$233,635	\$238,308
Park Fees	\$76,000	\$69,400	\$70,788
Miscellaneous	\$196,807	\$746,016	\$216,174
<b>Total General Fund</b>	<b>\$10,275,267</b>	<b>\$11,242,368</b>	<b>\$10,814,475</b>

Revenues for FY 12/13 were bolstered by a one-time mitigation fee from Facebook and a one-time litigation settlement. These one-time funds are reflected in the Miscellaneous line item. In looking at the projected revenues, staff and the Council noted that within the Property Tax line item, there are revenues of \$700,000 (held flat budget to budget) for the Educational Revenue Augmentation Fund or ERAF.

Following the presentation of revenues, staff compared revenues to expenditures for the fiscal years. It is important to note the over/(under) on the slide showing that revenues to expenditures projected in FY 13/14 are over by \$372,455. The measures taken by the Town in years past has arrested the structural deficit it faced every year.

The threat remains, however, that the State could reduce or eliminate the approximate \$700,000 per year in ERAF revenue. Reduction or elimination of that revenue can easily put the Town in a structural deficit position again with respect to its basic revenues.

With that in mind, staff presented a similar slide showing revenues to expenditures for the fiscal years including revenues to the General Fund from the Parcel Tax. The Parcel Tax provides revenue of \$1.865 million per year. Of that amount, sixty (60%) percent is dedicated to direct law enforcement services. This revenue



reduces the General Fund obligation for police services by \$1.116 million.

With the addition of the parcel tax revenue, the over/(under) for each fiscal year is adjusted positively. In FY 13/14, the General Fund projects a net fund balance increase (revenues over expenditures) of \$1.488 million.

This relief to the General Fund through the Parcel Tax revenue provides the Town with the ability to address critical long-term liabilities, capital infrastructure, and a more stable reserve.

Following the presentation on revenues, staff moved on to departmental budgets. Most of the budgets reflected a decrease in expenditures. This was due to the decrease in the Town's obligation to the employee PERS pension obligation as well as a decrease in the Town's obligation to other post-employment benefits.

<b>Department</b>	<b>FY 12/13 Budget</b>	<b>FY 12/13 Estimate</b>	<b>FY 13/14 Proposed</b>
General Admin (Council, Attorney, Admin)	\$1,035,845	\$935,815	\$893,293
Planning & Building	\$1,478,317	\$1,518,830	\$1,384,758
Police	\$5,463,061	\$5,414,972	\$5,577,474
Finance	\$683,783	\$682,663	\$611,260
Public Works	\$1,448,933	\$1,430,633	\$1,387,406
Inter-Departmental	\$765,867	\$766,892	\$587,828
<b>Total</b>	<b>\$10,875,806</b>	<b>\$10,749,805</b>	<b>\$10,442,019</b>

Moving on to the departmental increases a bit later (Police), the Council discussed various goals and objectives for each department. High on the priority list was the direction that every department have a goal that they increase the use of technology tools in the delivery of services. The Council also discussed ways to increase revenue to the General Fund – such as raising the business license tax, changes to the parcel tax, analysis of the legal issues surrounding the road impact fee, and increased vigilance and enforcement of the construction time limit ordinance.

The Police Department budget for FY 13/14 reflects an increase of just over \$100,000. This increase is attributed to the addition of two (2) sworn officer positions to be used for recruitment. Agencies cannot recruit against vacancies that do not yet exist. As a result, as personnel experience extended leave due to medical issues or other authorized extended leaves of absence the Town must fill these extended vacancies through overtime. Sometimes, extended leaves of absence result in the personnel eventually leaving employment. At that time, the Town can begin recruitment for the vacancy. The time to fill a police officer vacancy depends on the personnel recruited; however, in general it can take between 6 to 9 months to get the officer on the road. Having the two (2) additional sworn vacancies to recruit against provides the Town with the flexibility to have on-going recruitments and officers ready and able to fill the role when needed. The vacancies are added to the budget effective January 1, 2014 and would not be used to increase the authorized sworn commitment without specific City Council approval.

After the departmental expenditures, the staff and the Council moved on to the 5-Year Capital Improvement Plan. The Capital Improvement Plan (CIP) does not actually “appropriate” funds, rather, it functions as a budgeting and planning tool to identify anticipated capital project needs and funding sources. The Plan is designed to identify the highest priority capital needs. Funding sources for the Capital Improvement Plan include: the General Fund, Parcel Tax, Measure A, Measure M, Surface Transportation Program, ABAG, Grants, Gas Tax, Road Impact Fee, Library Fund, and Channel Fund. A copy of the CIP can be found online in the packet via the link provided at the beginning of this publication.

Each year the Town allocates funds toward annual projects – most of which are maintenance projects. These include, but are not limited to:

- Traffic Safety Projects
- ADA Improvements
- Channel Monitoring
- Pavement Management Projects
- Street Sealing Projects
- Street Patching Projects
- Pavement Marking Programs
- Street Sign Program
- Street Light Program
- Bridge Inspection Program
- Drainage Improvement Program

These projects represent the year-to-year projects to support and maintain the Town’s infrastructure. Beyond these projects, the Town highlights specific Capital Improvement Projects of larger scale. Within the CIP, the following projects are noted:

- Marsh Road Retaining Wall Project
- Series Street Light Replacement
- Bicycle | Pedestrian Master Plan Components
- Park Master Plan Components
- Atherton Avenue STP Project
- Civic Center Master Plan
- Hybrid Beacon
- ADA Plan
- Park Trash Enclosure

The Parcel Tax provides annual revenue toward the Town's Capital Projects. Revenues are "saved" and "spent" year-to-year depending on eligible capital project needs. The Town is a "save-spend" agency in that traditionally the Town does not "borrow" funds to pay for capital needs. As noted earlier sixty percent (60%) of the parcel tax is directed to front-line law enforcement. That represents \$1.116 million. The remaining forty percent (40%) is directed to capital project needs – approximately \$743,000. In FY 13/14, the Town will spend \$1.125 million on capital project needs.

One of the projects emphasized as part of the CIP was the Hybrid Beacon on El Camino Real (ECR). The Town has been working with CalTRANS to address pedestrian crosswalk safety concerns along ECR. CalTRANS has worked with the Town to put crosswalk safety into its project cue for the coming years. However, that cue is resource dependent and the most recent information from CalTRANS indicates that the soonest a project would be realized is 2018. CalTRANS advised that if the Town wishes to speed the process along, the Town could consider funding improvements in their entirety. To that end, the Town has included the Hybrid Beacon in its CIP for consideration by the Council in FY 13/14.

The final discussion during the budget workshop revolved around the Town's reserves and long-term liabilities. The Town's Reserve Policy sets aside two (2) specific reserves:

- 1) Emergency or Disaster Reserve – here, the Town sets aside 15 percent (15%) of the actual annual General Fund operating expenditures specifically for emergency contingencies defined as a state or federal state of emergency or declaration of a local emergency.
- 2) Operational Reserve – here, the Town sets aside 20 percent (20%) of the actual annual General Fund operating expenditures specifically as an operational reserve in an effort to mitigate loss of key revenues (property tax revenue, special tax revenue, ERAF, etc.) during any specific fiscal year.

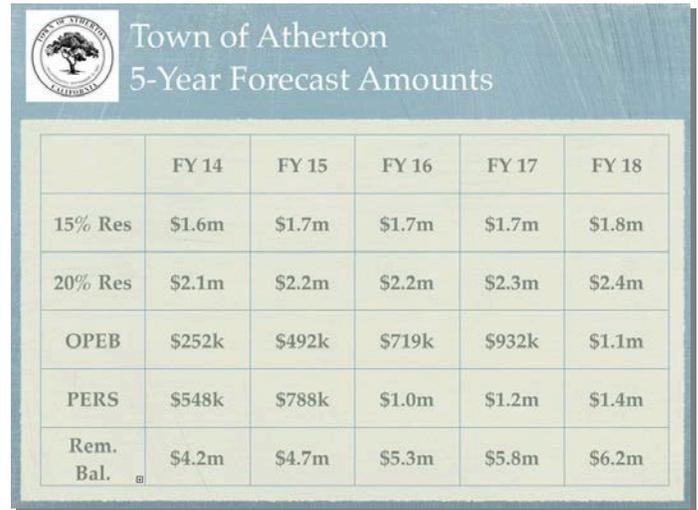
The Town's revenues or expenditures and fund balances at the end of FY 13/14 meet the required reserve policies. Beyond these reserve requirements, the Town's General Fund maintains a healthy unallocated fund balance. The City Manager is authorized to make recommendations to the City Council for use of the unallocated fund balance.

At the Workshop, staff advised that by June 30, 2013 the Town will have paid off all CalPERS Side Fund accounts. By doing so, the Town has reduced the employer pension rate for both local safety and non-safety personnel. The employer pension rates are 27.877% and 11.104%, respectively. That said, CalPERS has undertaken steps to ensure that pension funds are fully funded over time. Beginning in 2015 and continuing until 2020, the employer pension rates will increase by 1.1 percentage points each year. CalPERS believes that this increase in employer contribution help mitigate the funding gap between current funding status and 100% funding. In addition, in November 2013, CalPERS will consider reductions in its discount rate (7.5%).

Beyond the annual employer pension obligations, the Town has retirees and legacy staff to which they have promised retiree health benefits. This obligation is called "Other Post-Employment Benefits (OPEB)." The Town's OPEB liability rests at approximately \$6.6 million with a 26-year funding horizon. The annual required contribution, or ARC, is \$582,525.

These issues were discussed at the Workshop and the Council was provided with a 5-Year Financial Forecast that included all required pension and OPEB contributions, projected increases in the CalPERS rates, and revenue/expenditure estimates.

The 5-Year Forecast included additional contributions beyond the annual required contributions toward the Town's OPEB liability and pension funding. Even with these additional contributions, the Town's unallocated general fund balance reflected a positive rate of increase. However, it was again noted that the Town's budget includes several areas of uncertainty – namely, the nearly \$700,000 revenue received each year from ERAF.



The table is titled "Town of Atherton 5-Year Forecast Amounts". It features a header row with columns for fiscal years FY 14, FY 15, FY 16, FY 17, and FY 18. The rows list various financial categories: 15% Res, 20% Res, OPEB, PERS, and Rem. Bal. Each cell contains a numerical value representing the forecast amount for that category and year.

	FY 14	FY 15	FY 16	FY 17	FY 18
15% Res	\$1.6m	\$1.7m	\$1.7m	\$1.7m	\$1.8m
20% Res	\$2.1m	\$2.2m	\$2.2m	\$2.3m	\$2.4m
OPEB	\$252k	\$492k	\$719k	\$932k	\$1.1m
PERS	\$548k	\$788k	\$1.0m	\$1.2m	\$1.4m
Rem. Bal.	\$4.2m	\$4.7m	\$5.3m	\$5.8m	\$6.2m

The City Manager discussed options for the Council's consideration. The City Manager advised that the Town should consider three things each year with respect to a positive general fund balance:

- 1) Consider establishing a greater operational reserve requirement by increasing the 20% operational reserve to 35%. In doing so, the Town would retain a total reserve of 50% of its operational expenses.
- 2) Consider allocating amounts beyond the annual required contributions to its OPEB liability and CalPERS funding.
- 3) Consider allocating an amount from the Town's General Fund to the CIP to fund capital improvements that need additional resources.

The Council directed the City Manager to work with the Town's Finance Committee to come up with a policy for Council consideration to accomplish those objectives. The Council noted that it was important to pay close attention to any Town liabilities connected to OPEB and pension obligations. It was noted that CalPERS' projections for its rate of investment return may be unrealistic and the Town should consider establishing a mechanism to get ahead of that projection should CalPERS' returns not be realized. Lastly, the Council noted that there were capital improvement projects and maintenance projects that have been deferred and in some cases neglected due to strict resource requirements. It would be important for the Town to identify those areas that could benefit from additional resources.

**ADJOURN**

Mayor Lewis adjourned the meeting at 3:06 p.m.

**Respectfully submitted,**

**Theresa DellaSanta**

**City Clerk**



**Draft Minutes**  
**Town of Atherton**  
**CITY COUNCIL**  
**June 19, 2013**  
**7:00 p.m.**  
**94 Ashfield Road**  
**Atherton, California**  
**REGULAR MEETING**

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

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

**PROCLAMATION – Jerry Carlson**

Council Member Carlson noted that although the job as a Council Member has been difficult and frustrating at time it can also be rewarding. Carlson encouraged residents to engage in their governments and apply for committees and the Council.

Phil Lively, Atherton resident, thanked Jerry for his many years of service.

Greg Conlon, Atherton resident, thanked Jerry for his enormous job in representing Atherton in the High Speed Rail lawsuit.

William Grindley, Atherton resident, reiterated Conlon's comments and spoke about the role Jerry had in founding the Peninsula Cities Consortium for HSR.

Jack Ringham, Atherton resident, read a poem he personally wrote about Jerry's accomplishments on council.

**PROCLAMATION – Helen Hausman**

Mayor Lewis read a proclamation to Ms. Hasuman. Ms. Hausman was recognized for her many years of service to the community across many different roles.

**PLAN BAY AREA PRESENTATION – ABAG**

ABAG representative presented the draft Bay Area Plan which includes integrating land use and transportation, reducing per capita greenhouse gas emissions, housing at all income levels, build on local plans, stretch available revenues through smart investments, increase economic

competitiveness, preserve our nature environment, and to help ensure a healthy region for our children and grandchildren.

A complete copy of the presentation can be obtained through the City Clerk.

**4. PUBLIC COMMENTS**

William Grindley presented updates on his continuing efforts against High Speed Rail.

**5. REPORT OUT OF CLOSED SESSION**

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

Agency Negotiators: George Rodericks, City Manager; Geoffrey Rothman, Renne Sloan Holtzman Sakai, LLP.

Employee Organization: APOA

City Attorney Bill Connors said that there was no reportable action from closed session.

**6. CITY MANAGER’S REPORT**

**a. Community Center Advisory Committee Report**

In addition to the written report, City Manager Rodericks noted the upcoming Atherton 90<sup>th</sup> Birthday and advised the Council on the coming budget request for the Atherton Arts Foundation.

**7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT - None.**

**CONSENT CALENDAR (Items 8-18)**

City Manager Rodericks pulled Item 13 entirely.

Council Member Dobbie pulled item 10.

**8. APPROVAL OF MAY 15 REGULAR MEETING MINUTES**

**Report:** City Clerk Theresa DellaSanta

**Recommendation:** Approve meeting minutes

**9. APPROVAL OF BILLS AND CLAIMS FOR MAY, 2013 IN THE AMOUNT OF \$1,105,621**

**Report:** Finance Director Robert Barron III

**Recommendation:** Approve Bills and Claims in the amount of \$1,105,621

**11. APPROVE A ONE YEAR EXTENSION WITH CENTRAL MAINTENANCE COMPANY FOR THE CONTINUATION OF JANITORIAL SERVICES FOR THE AMOUNT OF \$25,151.14 ANNUALLY**

**Report:** Community Services Director Mike Kashiwagi

**Recommendation:** Approve a one-year extension with Central Maintenance Company for the continuation of Town Janitorial Services with a 2% increase for a total of \$2,095.95 per month for FY 2013-2014 for an annual total of \$25,151.14

**12. EXTENSION OF THE 2012 TREE MAINTENANCE SERVICE CONTRACT #56053 FOR ONE YEAR**

**Report:** Community Services Director Mike Kashiwagi

**Recommendation:** Extend the contract for the 2012 Tree Maintenance Project, project number 56053 to West Coast Arborists, Inc. for one (1) additional year and to authorize the Mayor to execute the contract on behalf of the Town

**14. APPROVE RESOLUTION REJECTING CLAIM OF ERMINIA MEIER**

**Report:** City Clerk Theresa DellaSanta

**Recommendation:** Adopt Resolution 13-xx denying the claim filed by Erminia Meier for damage

**15. APPROVE RESOLUTION REJECTING CLAIM OF DELONA ZINN**

**Report:** City Clerk Theresa DellaSanta

**Recommendation:** Adopt Resolution 13-xx denying the claim filed by DeLona Zinn for damages

**16. APPROVE RESOLUTIONS TO REJECT CLAIM OF NAMITA DALAL, RUPAL DALAL, AND ASHKOK BHAT**

**Report:** City Clerk Theresa DellaSanta

**Recommendation:** Adopt Resolutions denying three separate claims filed by Namita Dalal, Rupal Dalal, and Ashkok Bhat for damages

**17. ADOPTION OF THE APPROPRIATIONS LIMITS FOR FY 2013-14**

**Report:** Finance Director Robert Barron III

**Recommendation:** Adopt Resolution 13-xx setting the Appropriation Limit for FY 2013-14 at \$11,255,965

**18. ADOPTION OF RESOLUTION ASSESSING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR THE FISCAL YEAR 2013-2014**

**Report:** Finance Director Robert Barron III

**Recommendation:** Adopt a resolution assessing a special tax for municipal services for the Fiscal Year 2013-2014

**MOTION by Widmer, second by Wiest to approve the consent calendar except item 10 and item 13 (removed entirely). The motion passed unanimously.**

**PUBLIC HEARINGS - (19-20)**

**19. APPROVAL OF FISCAL YEAR 2013-2014 OPERATING AND CAPITAL IMPROVEMENT BUDGET**

**Report:** Finance Director Robert Barron III

**Recommendation:** Approve Resolution 13-xx adopting the Fiscal Year 2013-2014 Operating and Capital Budget

City Manager Rodericks provided a report outlining the budget document and major fiscal changes as well as highlights of the Town's Reserve Policies and Long-Term Liabilities.

Council Member Widmer noted that the budget is an excellent looking document. He added that staff should pay more attention to memberships and dues, equipment depreciation, and contract versus in-house staff.

Council Member Carlson suggested looking at general fund alternatives. He added that it is prudent to pay down the pension liabilities and other post-employment benefits. Carlson added that regional issues, and parcel tax revenues should also be explored.

Mayor Lewis suggested that the Reserve Policy be increased to 35%. Lewis noted her appreciation for the hard work staff spent on creating the budget and the budget document.

**MOTION by Carlson, second by Wiest to approve Resolution adopting the Fiscal Year 2013-2014 Operating and Capital Budget. The motion passed unanimously.**

**20. ADOPT RESOLUTION 13-xx APPROVING AN AMENDED TOWN MASTER FEE SCHEDULE**

**Report:** Finance Director Robert Barron III

**Recommendation:** Council to Adopt Resolution 13-xx amending the master fee schedule for Town of Atherton

Council heard a report from the Town's consultant (Capital Accounting Partners) that conducted a study to assist staff in developing fees based on full cost recovery.

Following the report Council asked questions of the consultant and took public comment.

Carol Flaherty, Atherton resident, questioned the methodology of the fee calculation, and the nature of the fees.

Frank Lewis, Norcal construction, felt that the proposed fees are fine. He noted that the Atherton Building Department is the best he has ever worked with.

Greg Conlon, volunteered the Finance Committee to review the proposed fees.

Council Member Carlson felt there was disconnect to how staff arrived at the fees and the quality of staff involvement in the process.

**MOTION by Lewis, second by Wiest to continue the item to the August 7 study session. The motion passed unanimously.**

**REGULAR AGENDA – (Items 21-25)**

**21. SELECTION OF VICE MAYOR**

**Report:** City Manager George Rodericks

**Recommendation:** That the Mayor declare the office of Vice Mayor vacant and that the Council conduct a selection of Vice Mayor

**Call for Nominations:** City Clerk Theresa DellaSanta

Council Member Dobbie felt that it was inappropriate to choose a Vice Mayor at this time. He felt it would be more appropriate after Council Member Carlson resigns.

Council Member Widmer agreed.

Council Member Carlson felt that the arguments presented were not valid and that Council should move to appoint a new Vice Mayor.

Mayor Lewis felt that it is important for the remaining Council Members to continue to functioning together.

Council Member Carlson nominated Cary Wiest as Vice Mayor.

**MOTION by Carlson, second by Lewis to appoint Cary Wiest as Vice Mayor. The motion passed 3-1 (Widmer against).**

## **22. DISCUSSION OF CITY COUNCIL VACANCY PROCESS**

**Report:** City Manager George Rodericks

**Recommendation:** Review and Discuss

City Manager Rodericks explained that the Council essentially has two options for filling the vacancy after Council Member Carlson leaves Council. Council can either appoint a resident to fill the unexpired term or call a special election to fill the vacancy. The Council discussed the issues and merits of both.

Mayor Lewis felt it was important that all remaining Council Members agree on a replacement if they go that route.

Vice Mayor Wiest felt that there were time constraints associated with appointing a Council Member and felt that allowing the election to vote a Council member in gives the public more time to get prepared and to engage candidates.

Council Member Dobbie suggested putting out a notice to find out who is interested but still allow time to call the election. Council Member Widmer agreed.

John Ruggeiro, Rick DeGolia, and Greg Conlon were in favor of advertising

Council opted to solicit for interested candidates and interview similar to the process for the selection of members to serve on Commissions and Committees. The deadline dates for applications of interested candidates is Monday, July 8 at 5pm, The Council will hold a Special Meeting at 5:30pm on Thursday, July 11 to interview/review applications. If the Council is able to select a candidate from those applying they will do so, if not, the Council can choose to call the election (by July 12) for November 2013.

**23. ADOPT RESOLUTION 13-xx DESIGNATING A VOTING DELEGATE AND UP TO TWO ALTERNATE TO THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE – SEPTEMBER 18-20, SACRAMENTO**

**Report:** City Manager George Rodericks

**Recommendation:** Adopt Resolution 13-XX designating a voting delegate and an alternate to the League of California Cities Annual Conference in Sacramento

**MOTION by Carlson, second by Lewis to designate the Mayor and Vice Mayor to serve as delegate and alternative to the 2013 League of California Cities Conference. Council Member Widmer will serve as 2<sup>nd</sup> alternate. The motion passed unanimously.**

**24. APPROVAL OF RANKING OF CIVIC CENTER MASTER PLAN CONSULTANTS AND AUTHORIZATION TO NEGOTIATE AGREEMENT**

**Report:** Community Services Director Mike Kashiwagi

**Recommendation:** Approve the ranking of proposers recommended by the CCAC for preparation of a Civic Center Master Plan; and authorize staff to negotiate an agreement with HMC, the highest-ranked firm, to prepare the Civic Center Master Plan and to proceed to next highest ranked firm(s) if negotiations are not successful

Community Services Director Mike Kashiwagi updated the Council on the CCAC's process for ranking the proposals and selecting a firm.

Vice Mayor Wiest suggested negotiating down the cost.

Kashiwagi said staff will develop a scope and identify additives.

Council Member Dobbie suggested specificity in the scope.

Council Member Widmer agreed and added that it is important that the contract is crystal clear and "bullet proof".

**MOTION by Dobbie, second by Widmer to approve the ranking of proposers recommended by the CCAC for preparation of a Civic Center Master Plan; and authorize staff to negotiate an agreement with HMC, the highest-ranked firm, to prepare the Civic Center Master Plan and to proceed to next highest ranked firm(s) if negotiations are not successful. The motion passed unanimously.**

Staff will return to Council at their next meeting with a finalized contract.

**25. ADOPTION OF SECOND AMENDMENT TO THE SOUTH BAYSIDE MANAGEMENT AUTHORITY (SBWMA) JOINT POWERS AUTHORITY (JPA) AGREEMENT TO CHANGE THE COMPOSITION OF THE BOARD OF DIRECTORS**

**Report:** City Manager George Rodericks

**Recommendation:** Adopt the Second Amendment to the South Bayside Waste Management Authority (SBWMA) Joint Powers Authority (JPA) Agreement to define the SBWMA

Board of Directors as being comprised of an elected official from each of the member agencies' governing bodies

City Manager Rodericks explained that the amendment changes the governance makeup of the Board to elected officials. Once a sufficient number of Authority Members adopt the amendment, the Board will officially change.

**MOTION by Dobbie, second by Carlson to adopt the Second Amendment to the South Bayside Waste Management Authority (SBWMA) Joint Powers Authority (JPA) Agreement to define the SBWMA Board of Directors as being comprised of an elected official from each of the member agencies' governing bodies. The motion passed unanimously.**

- 10. APPROVE A ONE-YEAR EXTENSION WITH MCE CORPORATION FOR THE CONTINUATION OF PUBLIC WORKS MAINTENANCE AND MAINTENANCE MANAGEMENT SERVICES FOR A NOT-TO-EXCEED AMOUNT OF \$474,088.07**  
**Report:** Community Services Director Mike Kashiwagi  
**Recommendation:** Approve a one-year extension with MCE Corporation for the continuation of public works maintenance and maintenance management services for a not-to-exceed amount of \$474,088.07

Council Member Widmer suggested that staff look into a fixed price contract next year.

- 26. COUNCIL REPORTS/COMMENTS** - Nothing further to add.

- 27. FUTURE AGENDA ITEMS** - None.

- 28. PUBLIC COMMENTS**

Greg Conlon suggested that Council Members attend the redistricting meeting at the County the following evening.

- 29. ADJOURN**

**MOTION** by Wiest, second by Widmer to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 10:48 p.m.

**Respectfully submitted,**

**Theresa DellaSanta**  
City Clerk



**Draft Minutes**  
**Town of Atherton**  
**CITY COUNCIL**  
**July 3, 2013**  
**5:00 P.M.**  
**City Council Chambers**  
91 Ashfield Ave  
Atherton, California  
**Study Session**

**ROLL CALL**      **Lewis, Wiest, Dobbie, Widmer**

**PUBLIC COMMENTS**

Jack Ringham, Atherton resident, suggested that Council consider both a parcel tax and a real estate transfer tax.

John Ruggeiro, Atherton resident, concurred with Ringham. He added that every other city in the county shows council meetings on television. He suggested Atherton look into doing the same.

**STUDY SESSION**

**1.      DISCUSSION OF PROCESS FOR APPOINTMENT AND  
SPECIAL ELECTION**

**Oral Report and Discussion:** City Manager George Rodericks

City Manager Rodericks explained the difference in process between appointment of a Council Member and calling a special election to fill the vacancy on City Council.

Council asked clarifying questions on whether the 60 day period allotted for appointment precludes them from calling a special election now and changing their minds within that 60 day time period.

Rodericks explained that per the California Government Code, following the effective date of the resignation the Council has 60 days to either fill the vacancy by appointment or fill the vacancy by calling a special election for the next regularly scheduled election date not less than 114 days from the call of the special election. The 114<sup>th</sup> day falls on the day the nomination period opens.

Conners added that if the election is called now and Council agrees to an appointment within the 60-day time period then the Town can cancel the election.

**2.      PARCEL TAX RENEWAL DISCUSSION**

**Report:** City Manager George Rodericks

Council discussed the parcel tax and the levied amounts on private schools. There was discussion on whether services are required more on larger properties and private schools and whether the tax levy should be set accordingly.

Council discussed what the potential for submitting a parcel tax that has a flat rate.

Council directed staff to return with tax rate options that include constant rates, varying rates, and a flat rate.

Staff will return to City Council at their regular July meeting.

**3. DISCUSSION OF COUNCIL HANDBOOK AND COMMISSION/COMMITTEE RESOLUTION**

**Report:** City Manager George Rodericks

City Clerk Theresa DellaSanta summarized the staff report.

Council approved of the revised resolution governing committees and commissions with minor edits. Staff will bring back the final resolution at the next regular Council meeting for adoption.

Council Member Dobbie had concerns with the code of conduct included in the handbook. DellaSanta explained that the code of conduct was approved by Council in 2008 and needs to be modernized.

Rodericks suggested that Council submit their suggestions to staff for revisions. Staff will come back to Council with a revised code of conduct included in the handbook at a future meeting.

**ADJOURN**

Mayor Lewis adjourned the meeting at 7:02 p.m.

**Respectfully submitted,**

**Theresa DellaSanta  
City Clerk**



**MINUTES**  
**Town of Atherton**  
**CITY COUNCIL**  
**July 11, 2013**  
**5:30 P.M.**  
**City Council Chambers**  
91 Ashfield Ave  
Atherton, California  
**Special Meeting**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**      Lewis, Wiest, Dobbie, Widmer

**PUBLIC COMMENTS**

Charles Ramorino, Atherton resident, expressed his support for candidate John Ruggeiro.

Jean Schaaf, Atherton resident, echoed the support for candidate John Ruggeiro.

Jim Massey, Atherton resident, was pleased to have seven candidates and urged Council to select one.

**AGENDA**

- 1. INTERVIEWS OF CITY COUNCIL CANDIDATES**  
**Report:** City Clerk Theresa DellaSanta

Mayor Lewis outlined the voting procedures with Council.

Applicants were called by random selection and the order was as followed:

Greg Conlon, Rick DeGolia, John Ruggeiro, JoAnn Byrne Sockolov, Diane Sandhu (absent), Michael Lempres, and Michael Stogner.

After a five minute introduction by each candidate, Council asked follow up questions.

**PUBLIC COMMENTS**

Jim Massey provided a brief recap of the candidates.

Valerie Gardner, Atherton resident, stressed to Council the need for a consensus.

Council took a moment to deliberate and Vice Mayor Wiest expressed his desire to allow the electorate the opportunity to choose a candidate.

Mayor Lewis thanked all the candidates and explained the voting process.

**Round one (1)**

Vice Mayor Wiest – Abstain

Council Member Widmer - John Rugeiro  
Council Member Dobbie - John Rugeiro  
Mayor Lewis - Rick DeGolia

### **PUBLIC COMMENTS**

Michael Stogner stressed the need to appoint a Council Member.

Bob Polito urged Council to appoint a candidate. He added that an election would be a waste.

Charles Ramorino urged the Council to exercise their authority to appoint.

Jean Schaaf repeated the need for appointment.

Council Member Widmer asked the two remaining candidates, John Rugeiro and Rick DeGolia, if they would run for reelection in 2014. Mr. Rugeiro was 96% certain he would not run and Mr. DeGolia would wait until that time to decide.

### **Round two (2)**

Vice Mayor Wiest – Rick DeGolia  
Council Member Widmer - John Rugeiro  
Council Member Dobbie - John Rugeiro  
Mayor Lewis - Rick DeGolia

Mayor Lewis calls for third round of voting.

### **Round three (3)**

Vice Mayor Wiest – Rick DeGolia  
Council Member Widmer - John Rugeiro  
Council Member Dobbie - John Rugeiro  
Mayor Lewis - Rick DeGolia

Mayor Lewis states that a consensus could not be made and therefore no action would be taken.

## **2. ADOPTION OF RESOLUTION 13-XX CALLING THE SPECIAL MUNICIPAL ELECTION, REQUEST CONSOLIDATION WITH THE NOVEMBER 5, 2013 ELECTION, AND CONTRACT WITH THE CHIEF ELECTIONS OFFICE FOR ELECTION SERVICES**

**Report:** City Clerk Theresa DellaSanta

City Clerk, Theresa DellaSanta, reported on the resolution.

Mayor Lewis asked for questions and comments from the Council.

Mayor Lewis asked for any public comment

**MOTION by Dobbie, second by Wiest to approve a resolution calling the special municipal election, consolidating it with the November 5, 2013 election, and authorizing the City Manager to sign an agreement contracting with the Chief Elections Office for election services.**

**Mayor Lewis adjourned the meeting at 6:55 p.m.**

**Respectfully submitted,**



**Judi Herren  
Office Specialist**



**DRAFT MINUTES**  
**Town of Atherton**  
**CITY COUNCIL**  
**July 17, 2013**  
**7:00 p.m.**  
**94 Ashfield Road**  
**Atherton, California**  
**REGULAR MEETING**

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

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

**SWEARING IN CEREMONY –**

Sergeant Chris Vigil & Sergeant Alfredo Guarducci – Administered by Chief of Police Ed Flint

4. **PUBLIC COMMENTS**  
Philip Lively requested that Item 15 be moved up on the Agenda.

Mayor Lewis announced an urgency item and City Manager Rodericks explained the item was to clarify the adoption of a resolution for candidate's statements and the process going forward.

**MOTION by Wiest, second by Widmer to add urgency item to Agenda. The motion passed unanimously.**

5. **REPORT OUT OF CLOSED SESSION**

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

No reportable action.

6. **CITY MANAGER'S REPORT**
  - a. **Community Center Advisory Committee Report**

City Manager George Rodericks noted various additional items including selection of council candidates, SBWMA is seeking a council member to serve on the board, completion of the tennis courts resurfacing project and the bulletin board, cape seal project is not complete and the contractor is continuing cleanup before submitting the final to the Town.

Council Member Dobbie stated he heard complaints about the cape seal contractor and would like staff to consider those comments the next time the contractor bids on a Town project.

Council Member Widmer commented that he was pleased with the results of the resurfaced tennis courts.

Mayor Lewis was pleased to know that tennis keys are still being sold and purchased and suggested advertising on a banner.

Mayor Lewis stated that the concept of a roundabout at Alameda de las Pulgas has already been reviewed by the Transportation Committee and Council and wanted to know if this item could be brought to a higher priority from this point. The City Manager explained that the roundabout is not in the current 13/14 budget and the item would have to return to the Transportation Committee for recommendation to Council. Council Member Widmer questioned whether the roundabout is the best solution and suggested a traffic light as an alternative. Council Member Dobbie was concerned with the substantial cost of the roundabout. Vice Mayor Wiest summarized the process of returning this item for council consideration.

The consensus of the Council was to let the issue play out through the Transportation Committee.

**7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT – None.**

**CONSENT CALENDAR (Items 8-12)**

Council Member Widmer offered clarification to item 12. With regard to the colleagues' letter he confirmed that action is to be taken within two months time. He also requested clarification that one Council Member liaison per committee was correct.

City Manager George Rodericks suggested clarifying language which the Council accepted.

**MOTION by Widmer, second by Wiest to approve the consent calendar consisting of items 8 through 12, including the edits to Item 12. The motion passed unanimously.**

**8. APPROVAL OF BILLS AND CLAIMS FOR MAY, 2013 IN THE AMOUNT OF \$779,496**

**Report:** Finance Director Robert Barron III

**Recommendation:** Approve Bills and Claims in the amount of \$779,496

**9. FINANCIAL REPORT FOR JUNE 30, 2013**

**Report:** Finance Director Robert Barron III

**Recommendation:** Receive the General Fund Financial Report for June 30, 2013

**10. ATHERTON ART FOUNDATION BUDGET REQUEST FOR FY 2013-14**

**Report:** Finance Director Robert Barron III

**Recommendation:** Consider and approve the FY 2013-14 funding request for the Atherton Arts Foundation in the amount of \$12,415

**11. APPROVAL OF SOCIAL MEDIA POLICY**

**Report:** Police Chief Ed Flint  
**Recommendation:** Adopt Social Media Policy

**12. ADOPT REVISIONS TO RESOLUTION 13-08 GOVERNING COMMITTEES AND COMMISSIONS**

**Report:** City Manager George Rodericks  
**Recommendation:** Approve revisions to Resolution No. 13-08 Governing Committees and Commissions

**REGULAR AGENDA – (Item 13)**

City Clerk Theresa DellaSanta explained that this is standard for the election. DellaSanta added that the cost to the candidate is \$400 and the statement cannot exceed 200 words.

Mayor Lewis asked about the word limitations and the City Clerk explained that only Council approval could change the limits. Council agreed to keep the limitation as it was written.

**RESOLUTION OF THE TOWN OF ATHERTON REQUIRING CANDIDATES TO PAY THE COST OF PUBLICATION AND DISTRIBUTION OF THE STATEMENT OF QUALIFICATIONS WITH THE SAMPLE BALLOT AND SPECIFYING THE LENGTH OF THE STATEMENT AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2013**

**MOTION by Widmer, second by Dobbie to accept the RESOLUTION OF THE TOWN OF ATHERTON REQUIRING CANDIDATES TO PAY THE COST OF PUBLICATION AND DISTRIBUTION OF THE STATEMENT OF QUALIFICATIONS WITH THE SAMPLE BALLOT AND SPECIFYING THE LENGTH OF THE STATEMENT AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2013. The motion passed unanimously.**

Item 15 moved up on Agenda.

**15. SELECTION OF CANDIDATE FOR CITY COUNCIL**

**Report:** City Manager George Rodericks  
**Recommendation:** Again review the full slate of candidates and if deemed appropriate, conduct a vote/selection process to appoint a member to the City Council

Mayor Lewis explained that at the last meeting the Council voted to hold a special election in November and she felt it was imperative to give the public another opportunity to question and understand the process.

City Manager George Rodericks explained the timeline and difference between an appointment and holding an election to fill the City Council vacancy.

Mayor Lewis opened public comment.

John Ruggerio reminded Council of their last vote taken at a previous meeting to appoint an applicant. Ruggerio reiterated that he is willing to fill the vacancy and will not rerun when the temporary term expires.

Mike Child expressed support for Greg Conlon.

Bob Roeser and Anne McNertne questioned the appointment and election timelines.

City Attorney William Connors explained that within 60 days of the July 1, 2013 resignation the Council's options are to fill by appointment or approve a resolution calling for a special election. During that 60 days Council can choose to appoint a candidate and cancel the election. However Council no longer has the opportunity to appoint after the 60 day time period.

Mayor Lewis explained the dates and deadlines.

Dobbie stated that unless a Council Member changed their vote from the last attempt at appointment then the election should proceed.

Council Member Widmer stressed the need for Council to have options and not give up the right to appoint.

Vice Mayor Wiest urged Council to proceed with the election. If appointment was made after campaigning had started it would be unfair.

City Attorney William Connors echoed Vice Mayor Wiest's point that appointing a candidate once campaigning has already started is unfair.

Mayor Lewis agreed that keeping options open is valuable, however making candidates wait until after August 9, 2013 to see if an appointment occurred was unfair.

**MOTION by Dobbie, second by Wiest** to continue with the election in November and close off their opportunity to consider appointment. The motion passes 3-1 (Widmer opposed).

### **13. PARCEL TAX SURVEY PRESENTATION**

#### **Verbal Report: True North Research**

Tim McLarney from True North Research presented the results of the survey and answered questions from Council and staff.

McLarney noted that the survey was designed to gauge the community's support for renewal of the parcel tax, however it also solicited the community's opinion with respect to their quality of life and level of satisfaction with government services. During the survey, respondents were asked, *How would you rate the overall quality of life in Atherton? Would you say it is excellent, good, fair, poor or very poor?*

The result - 93.4% of the respondents shared favorable opinions of the quality of life in Atherton. Sixty percent reported an excellent quality of life and thirty-three percent stated that the quality of life was good. An additional five percent reported quality of life as fair, whereas zero percent used poor or very poor to describe their quality of life in Town.

While there were other questions in the series addressing improvement, the final question in this series asked respondents, if, overall, they were satisfied or dissatisfied with the job the Town of

Atherton is doing to provide municipal services. The survey asked, *Generally speaking, are you satisfied or dissatisfied with the job the Town of Atherton is doing to provide city services?* More than 82% of respondents indicated they were satisfied with the Town's efforts to provide services, with 37% stating that they were very satisfied.

The survey trekked through a series of ballot questions testing support for the renewal of the Town's parcel tax. After hearing arguments for and against the renewal of the parcel tax, the survey respondents were asked a final ballot test question gauging the support for or opposition to renewal of the tax.

At this final point in the survey, support for the parcel tax measure was found among 75% of voters, with 46% indicating that they would definitely support the measure. Approximately 20% of the respondents were opposed to the measure and 6% were unsure or unwilling to state their vote choice.

Council discussed the options of the parcel tax rates.

Mayor Lewis opened public comment.

Greg Conlon asked the presenter, Tim McLarney, about the off year election screening voting records. Mr. McLarney supplied statistics.

Bob Roeser wanted to see the chart on people who were against parcel tax.

No action was taken.

#### **PUBLIC HEARINGS** - (Item 14)

- 14. AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON, CALIFORNIA ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE TOWN OF ATHERT MEASURES RELATING TO (1) RENEWAL OF THE PARCEL TAX FOR AN ADDITIONAL FOUR YEARS AND (2) INCREASING THE APPROPRIATION LIMIT TO PERMIT SPENDING THE PROCEEDS OF THE PARCEL TAX FOR THE SAME PERIOD AND REQUEST THE SAN MATEO COUNTY BOARD OF SUPERVISORS CONSOLIDATE WITH ANY OTHER ELECTION TO BE HELD ON NOVEMBER 5, 2013**

**Report:** City Manager George Rodericks

**Recommendation:** Hold a Public Hearing and adopt the following ordinance: An Ordinance of the Town of Atherton ordering the submission to the qualified electors of the Town of Atherton (1) an ordinance authorizing the renewal of the parcel tax for an additional four years and (2) an ordinance increasing the Appropriations Limit for the Same Period and Request the San Mateo County Board of Supervisors Consolidate

City Manager George Rodericks read the report and advised Council on options they have.

Mayor Lewis described the options of the parcel tax as to renew the current tax, a flat \$750 for 1/2 acre or More, or a flat \$340 (average) for vacant & \$750 for dwelling.

Philip Lively urged Council to renew the parcel tax with no changes. Also, asked if the two measures could be combined. City Manager George Rodericks and City Attorney William Conners will see if merging the two is a possibility.

Rick DeGolia said the Council runs a risk of misleading public if the parcel tax rate is changed.

Council Member Dobbie expressed his support for a flat tax.

Vice Mayor Wiest stated he wants to renew tax as it stands with no changes.

Council Member Widmer wants to consider Option B, Flat \$750 for 1/2 acre or more, with revisions.

**MOTION by Widmer, second by Dobbie to amend the private club parcel tax rate to \$25,000. The motion passes unanimously.**

**MOTION by Lewis, second by Wiest to adopt the two Ordinances with amendment to the private club parcel tax rate and combine Ordinances into one. The motion passes 3-1 (Dobbie opposed).**

**REGULAR AGENDA, CONTINUED - (Items 15-19)**

**16. RESOLUTION SETTING PRIORITIES FOR FILING WRITTEN PRIMARY ARGUMENT(S) REGARDING THE MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS TO BE PRINTED IN THE SAMPLE BALLOT AND PROVIDING FOR THE FILING OF REBUTTAL ARGUMENT(S)**

**Report:** City Manager George Rodericks

**Recommendation:** Adopt a resolution setting priorities for filing written primary argument(s) regarding the measure and directing the City Attorney to prepare an impartial analysis to be printed in the sample ballot; and for providing for the filing of rebuttal arguments

City Manager George Rodericks read the report and suggested that Council establish a sub-committee of the council to write the primary argument.

Mayor Lewis and Council Member Widmer were selected as Council representatives of the ad hoc committee.

Mayor Lewis opened public comment.

Greg Conlon stressed the importance of a parcel tax adding that 20% of the police department's budget utilizes the tax.

**MOTION by Lewis, second by Wiest to adopt the adopt a resolution setting priorities for filing written primary argument(s) regarding the measure and directing the City Attorney to prepare an impartial analysis to be printed in the sample ballot; and for providing for the filing of rebuttal arguments. The motion passes unanimously.**

**17. CIVIC CENTER MASTER PLAN CONTRACT APPROVAL**

**Report:** Community Services Director Mike Kashiwagi

**Recommendation:** Amend the FY 2013-14 Operating Budget by appropriating the additional amount of \$105,600 from General Fund Unobligated Fund Balance to the Capital Improvement Program, Civic Center Project – Master Plan Component.

Approve an agreement with HMC Architecture with a cost not to exceed \$196,000 to prepare the Civic Center Master Plan; and Authorize the City Manager to execute a contract with HMC Architecture

Community Services Director Mike Kashiwagi said that Council previously approved the selection of HMC Architects to prepare the civic center master plan and directed staff to negotiate a contract. Kashiwagi explained that the original proposal from HMC was \$289,000 but after discussion with town staff HMC revised the scope to not exceed \$181,000. Kashiwagi said the source for this savings was the background information provided by the Library Steering committee and Blue Ribbon Town Center Task Forces. The \$196,000 amount requested in the contract includes \$15,000 for contingency spending which can only be used with authorization from staff.

City Manager Rodericks added that the contingency would be used for neighborhood or council meetings. Rodericks also explained the Town has full control on spending the \$15,000 contingency.

Mayor Lewis confirmed that the Civic Center Advisory Committee (CCAC) will be informed if and when the contingency is utilized.

Mayor Lewis opened public comment.

Rick DeGolia questioned when the request for funding to update the library needs assessment will be placed on the agenda. City Manager George Rodericks stated it will be placed on the August 2013 study session agenda.

**MOTION by Dobbie, second by Widmer** to amend the FY 2013-14 Operating Budget by appropriating the additional amount of \$105,600 from General Fund Unobligated Fund Balance to the Capital Improvement Program, Civic Center Project – Master Plan Component; and Approve an agreement with HMC Architecture with a cost not to exceed \$196,000 to prepare the Civic Center Master Plan; and Authorize the City Manager to execute a contract with HMC Architecture. **The motion passes unanimously.**

**18. APPROVAL OF RESOLUTION ESTABLISHING MONTHLY STUDY SESSION MEETINGS**

**Report:** City Manager George Rodericks

**Recommendation:** Approve resolution 13-xx establishing monthly study session meetings

City Manager George Rodericks explained there is a resolution ordinance that establishes regular City Council meetings and this proposed resolution will establish study session meetings. Rodericks questioned what day of the week Council prefers to hold the study sessions.

Council Member Dobbie stated that all study sessions should have a purpose and set goals prior to the meeting.

Council Member Widmer said study sessions are for large items that need thorough discussion. He also stated he prefers Monday for study sessions, keeping the agenda to one or two topics, and to keep the meeting no longer than two hours. Council Member Widmer requested that the resolution be passed without setting an affirmative date at this time.

City Attorney William Connors said he prefers Tuesday as the date for meetings.

Mayor Lewis opened public comment.

Anne McNertne feels that study sessions are important and some consensus should be made on a date.

The Council agreed to take no action on the resolution.

**19. CITY COUNCIL COMMITTEE REORGANIZATION**

**Report:** City Clerk Theresa DellaSanta

**Recommendation:** Approve City Council Committee Reorganization

Mayor Lewis distributed the new City Council Committee schedule and read aloud to the public.

**20. COUNCIL REPORTS/COMMENTS** – Mayor Lewis spoke briefly about a Council of Cities meeting in the City of South San Francisco.

**21. FUTURE AGENDA ITEMS**

**22. PUBLIC COMMENTS**

Greg Conlon reminded the Council about ABAG 's redistricting meeting on July 18, 2013.

**23. ADJOURN**

**MOTION by Lewis, second by Wiest to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 10:01 p.m.**

**Respectfully submitted,**



**Judi Herren**