

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 951, JUNE 28 2017

CALL TO ORDER AND ROLL CALL

Councilmember Wengert called the Town Council's Regular meeting to order at 7:00 p.m. and led the Pledge of Allegiance. Ms. Hanlon called the roll.

Present: Councilmembers Mary Ann Moise Derwin, Jeff Aalfs, and Ann Wengert

Absent: Vice Mayor John Richards, Mayor Craig Hughes

Others: Jeremy Dennis, Town Manager
Leigh Prince, Town Attorney
Brandi de Garmeaux, Sustainability & Special Projects Manager
Susan Cope, Administrative Services Manager
Sharon Hanlon, Town Clerk

ORAL COMMUNICATIONS

None

PRESENTATION

(1) Steve Schmidt – Update on Home Energy Analytics Program

Sustainability & Special Projects Manager Brandi de Garmeaux said that in January 2016 the Council approved the addition of the energy analysis component into the H20Know tool, the water analysis part of the program. She introduced Steve and Lisa Schmidt. Mr. Schmidt led a presentation on Home Energy Analytics, a web-based customer engagement software using advanced smart meter analysis to help residential consumers examine their energy and water usage and discover cost-effective programs.

Lisa Schmidt said they want to partner with local communities to get the word out about their free services and free online software. They also want to attend local events and conduct workshops.

Sustainability & Special Projects Manager Brandi de Garmeaux said the 34 participants of the original program have been followed and have achieved a 23% reduction in energy use, which is significant.

Councilmember Wengert asked if the Sustainability Committee has looked at potentially cooperating with the Schmidts. Sustainability & Special Projects Manager Brandi de Garmeaux said Mr. Schmidt addressed their Committee and she has been working at education staff about the opportunities and potentials.

In response to Councilmember Derwin's question, Ms. Schmidt said she made a presentation at RMCP today. She said they are ready to go in the next couple of weeks because of the contractual negotiation they've been going through with PG&E. She said everyone is very supportive. She said it is a great match because it can be offered to residents for free. She said they will be reaching out to Alameda County, Marin County, City and County of San Francisco, and Santa Clara County.

Councilmember Derwin asked if lower energy using homes will be included. Ms. Schmidt said because of the way they've incentivized the program, low users will not get as much support. She said there are many programs within PG&E that focus on low-income residences. She said this is not a replacement for those programs, but they have been working with the low-income to insert some of this technology in a way that would benefit those programs. She said they focus on high-energy homes to make sure the

process works and because it will be easier to get energy savings there. She said low energy users will not be prohibited from using the software, but they will not receive as much hand-holding service.

Councilmember Aalfs asked if they were reaching out through BayREN and the CCAs. Ms. Schmidt said they were.

Councilmember Wengert thanked the Schmidts for the presentation.

CONSENT AGENDA [7:29 p.m.]

- (2) Approval of Minutes: Town Council Regular Meeting of June 14, 2017. *[Removed from Consent Agenda.]*
- (3) Approval of Warrant List: June 28, 2017, in the amount of \$160,891.75.
- (4) Recommendation by Administrative Services Manager – Consultant Service Agreement, Maze & Associates Accountancy Corporation
 - (a) Adoption of a Resolution of the Town Council of Portola Valley Approving and Authorizing Execution of the Second Amendment to Agreement for Audit Services Between the Town of Portola Valley and Maze & Associates Accountancy Corporation (Resolution No. 2728-2017)
- (5) Recommendation by Administrative Services Manager – Approval of 2017-2018 Appropriations Limit
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Determining and Establishing the Appropriations Limit for Fiscal Year 2017-2018 (Resolution No. 2729-2017)
- (6) Recommendation by Administrative Services Manager – 2017-'18 Woodside Highlands and Wayside II Road Maintenance District Tax Assessments.
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2017-2018 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2730-2017)
 - (b) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Wayside II Road Maintenance District to the 2017- 2018 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2731-2017)
- (7) Recommendation by Town Manager – Approval of Agreement to Accept Art Donation for Neighborhood Watch Signs
- (8) Recommendation by Administrative Services Director – Council Healthcare Options – Updated Resolution
 - (a) A Resolution of the Town Council of the Town of Portola Valley Electing to be Subject to the Public Employees' Medical and Hospital Care Act and Equal amount for Employees and Annuitants (Resolution No. 2732-2017)

Councilmember Derwin moved to approve the Consent Agenda Items 3 through 8. Seconded by Councilmember Aalfs, the motion carried 3-0, by roll call vote.

(2) Approval of Minutes: Town Council Regular Meeting of June 14, 2017. Councilmember Derwin moved to approve Item 2 as amended. Seconded by Councilmember Aalfs, the motion carried 3-0, by roll call vote.

REGULAR AGENDA

COMMITTEE REPORTS & REQUESTS

(9) Report from Cultural Arts Committee – Committee Annual Report

Paige Bishop, Co-Chair, expressed the Committee's appreciation for the support of the Town and the budget that has grown so that they can pay their bands a fair market fee and pay a sound engineer who has radically changed the concert experience. She said they have a couple of new Committee members. She described the year's activities and presented the annual report.

Councilmember Wengert asked Ms. Bishop if she felt the Committee was getting enough support from the Town staff. Ms. Bishop said they are. She said last year they began inviting Councilmembers to attend their events. She said they get so many Townspeople attending their events, they think it is a great venue for the Councilmembers to introduce themselves. Councilmember Wengert said they will make sure there is at least one Councilmember present at each of the next two events.

The Council complimented the Committee for doing a fantastic job.

Town Manager Dennis thanked the Committee for the work and time they put into the unexpected Herb Dengler prints project.

(10) Report from the Nature & Science Committee – Committee Annual Report

Yvonne Tryce presented the annual report describing the Committee's accomplishments in 2016-2017, project updates, and goals and objectives for 2017-2018, as detailed in the staff report.

Councilmember Wengert asked Ms. Tryce if there was anything the Committee needed to help in recruiting new members or adding new programs. Ms. Tryce said Michael Bray is the new Committee Chair and will head up the Flight Night Event. She said they are looking for a place in Town for a nature center. She said hopefully the Town will be working closely with MidPen about trails on the Hawthorns property. She said it is now on the MROSD budget for the coming year, so hopefully they will find a place for the nature center.

The Council thanked the Committee for their valuable contributions to the community.

STAFF REPORTS AND RECOMMENDATIONS

(11) Recommendation by Sustainability & Special Projects Manager - Consideration and Adoption of a Resolution Authorizing Participation in the Figtree PACE Program; and the Approval of the Association of Bay Area Governments (ABAG) Regional Collaborative Services Agreement (RCSA) with Residential Property Assessed Clean Energy (PACE) Providers

(a) A Resolution of the Town Council of the Town of Portola Valley Approving the Associate Membership Agreement and Joining the Figtree Pace Program (Resolution No. 2733-2017)

Sustainability & Special Projects Manager Brandi de Garneau presented staff's recommendation regarding participation in the Figtree PACE Program and ABAG's RCSA with PACE Providers. She explained the program, background, and recommendations as detailed in the staff report.

Councilmember Wengert invited comments or questions from the public. Hearing none, she invited questions from the Council.

Councilmember Derwin asked if the other PACE programs, HERO and CSCDA, were still in place. Sustainability & Special Projects Manager de Garneau said they were. She said she thinks there have been a few participants from Portola Valley, but they are mostly being utilized in Counties such as Solano where there is a higher load and less access to financing.

Councilmember Derwin asked if Figtree was different from HERO. Sustainability & Special Projects Manager de Garneau said Figtree offers commercial financing whereas the other programs have been primarily residential.

Councilmember Derwin asked how the program would be promoted to the Town residents. Sustainability & Special Projects Manager de Garneau said there is currently only passive promotion. She said the individual PACE programs do some promotion on their own but it has not been a priority to advertise.

In response to Councilmember Wengert's question, Sustainability & Special Projects Manager de Garneau said she thought California HERO has done some direct marketing to homeowners, and Portola Valley has given them access to do that on their own and Figtree may do the same.

Sustainability & Special Projects Manager de Garneau introduced Christine Padilla from Figtree who assisted her and Town Attorney Prince in navigating all of the documents. Ms. Padilla said they do not do direct calls or door knocking. She said if a resident is working with a contractor who provides PACE, they may offer it to them. She said most jurisdictions will include a PACE section on their websites. Sustainability & Special Projects Manager de Garneau said that is also Portola Valley's plan.

Councilmember Wengert asked if there had been any interest expressed by any of Portola Valley's commercial operations. Sustainability & Special Projects Manager de Garneau said they had not. She said the Priory has leased solar which they could do through PACE in the future, but the larger commercial entities do not have an issue with financing.

Councilmember Aalfs asked if there were meaningful distinctions among PACE programs as far as their sources for investment. Ms. Padilla said Figtree is unique because they provide commercial and because they will accept smaller projects that many companies won't.

Councilmember Aalfs asked if there was competition building up among the PACE programs relative to interest rates. Ms. Padilla said as there are more opportunities and more choices, there will be more competitive rates.

Councilmember Wengert asked if Sustainability & Special Projects Manager de Garneau was comfortable with the ABAG document as another level of protection. She said she was. She said as the programs grow, they've indicated they will provide the Town with information about program adoption. She said she has not requested that yet and she is not yet privy to the data regarding participation because of privacy, but she feels it adds another layer of protection.

Councilmember Derwin moved to Adopt the Resolution of the Town Council of the Town of Portola Valley Approving the Associate Membership Agreement for joining the Figtree PACE Program and to Authorize the Town Manager to Approve and Sign the Acknowledgement Addendum of the Regional Collaborative

Services Agreement as Executed between ABAG and Figtree for the Figtree PACE Program. Seconded by Councilmember Aalfs; the motion carried 3-0.

(12) Recommendation by Sustainability & Special Projects Manager – Letter of Support for Participation in SunShares Collaborative Solar and Electric Vehicle Program

Sustainability & Special Projects Manager de Garmeaux presented staff's recommendations regarding signing the letter of commitment to participation in the 2017 Bay Area SunShares Program, as detailed in the staff report.

Councilmember Wengert invited questions from the Council.

In response to Councilmember Derwin's question, Sustainability & Special Projects Manager de Garmeaux said there was no minimum number of participants required. Councilmember Derwin asked if there were a few vendors to choose from or if SunShares vets and selects a vendor. Sustainability & Special Projects Manager de Garmeaux said it will depend on the results they get back from the requests for proposals. She said she has seen them have one vendor or a couple of vendors, depending on what is offered. She said they usually assemble a group of citizens from the participating communities and organizations to look over the proposals and make decisions. Councilmember Derwin asked if someone were to sign a solar contract in November or December, when that installation would begin. Sustainability & Special Projects Manager de Garmeaux said she did not know. She said it would probably depend on the number of participants. She said people can begin signing up on August 7. Councilmember Derwin asked if this could be financed through Figtree PACE. Sustainability & Special Projects Manager de Garmeaux said they probably could, but it would depend on the financing options through the solar companies.

Councilmember Wengert asked regarding the process for a group buy for electric vehicles. Sustainability & Special Projects Manager de Garmeaux said when the request for proposals is put out, they indicate the number of communities participating and the anticipated purchases. She said it is not a group buy, per se, with the electric vehicles, but is more that they offer a discounted rate based on how many people they think will potentially participate. Sustainability & Special Projects Manager de Garmeaux did not know if it applied to both leases and purchases, but said it would probably depend upon what they got back from their proposal requests. She said she will be working on gathering statistics regarding the number of electric vehicles currently in Portola Valley. Town Manager Dennis said every new house being built includes electric charging stations. Sustainability & Special Projects Manager de Garmeaux said that when people get an electric vehicle, they are spurred to add additional solar. Councilmember Derwin asked if someone who had solar but wanted to add more could participate in the group buy. Sustainability & Special Projects Manager de Garmeaux said she wasn't sure, but she didn't see why not as long as it was compatible.

Councilmember Wengert asked Sustainability & Special Projects Manager de Garmeaux if her analysis revealed any downside to this proposal. She said there was no downside, especially since residents can choose whether or not to participate. She said this proposal exemplifies the Town's leadership in participating regionally.

Councilmember Derwin moved to Authorize the Town Manager to sign the Letter of Commitment Authorizing the Town of Portola Valley's Participation in the 2017 Bay Area SunShares Program. Seconded by Councilmember Aalfs; the motion carried 3-0.

(13) Recommendation by Town Manager – 2017-2018 Salary Schedule

- (a) A Resolution of the Town Council of the Town of Portola Valley Modifying the Salary Schedule for Fiscal Year 2017-2018 (Resolution No. 2734-2017)

Town Manager Dennis described the proposed resolution amending the salary schedule within the Town's Employee Compensation Plan and classifications, as detailed in the staff report.

Councilmember Wengert called for questions from the Council.

Councilmember Derwin asked if only the reclassified salaries were being increased. Town Manager Dennis said he is making some merit changes as part of the budget. He said there are some increases in compensation related to a promotional opportunity and a change in the description of the position, in particular the Assistant to the Town Manager position, since it is a promotion and a very different job. He said creating a Finance Director is a Director-level position with Director-level responsibilities similar to Planning and Building and Public Works. He said he is recommending increases for approximately six or seven staff members that are folded into the budget.

Councilmember Derwin asked about the Communications & Sustainability Management Analysis job description. She said it was very ambitious. Town Manager Dennis said that, while the Town will not find another Brandi de Garneau, the job description includes the variety of tasks they hope the new person can potentially perform. He said Ms. de Garneau has accepted the opportunity to become the Assistant to the Town Manager and this provides an opportunity for there to be more strategic thinking about sustainability issues and communication, as well as emergency preparedness and the like. He said the new position is essentially replacing the current Sustainability & Special Projects Manager position. He said a lot of the day-to-day mechanics of that position will go to that person. He said he is confident they will find someone fantastic who wants to do these things.

Councilmember Wengert said so much of the work has moved from the Committees to the staff, and Ms. De Garneau has been the face of all the Committees to execute for a long time, this is a great change because it will free up Ms. de Garneau from setting up tables, cleaning up after the Farmer's Market, etc.

Councilmember Wengert asked if the Council was comfortable with the new ranges. She said Town Manager Dennis did a good job using the median approach and resetting based on the dataset used to bring the ranges that makes sense in a more logical way and setting expectations for the staff. Town Manager Dennis said they will be coming forward requesting approval for a formal compensation and classification study within the next 24 months. Councilmember Derwin said she feels better knowing that the staff has more reasonable salaries now and should be making a livable wage in one of the most expensive housing markets in the country.

Councilmember Aalfs moved to approve the Resolution of the Town Council of the Town of Portola Valley Modifying the Salary Schedule for Fiscal Year 2017-2018. Seconded by Councilmember Derwin; the motion carried 3-0.

PUBLIC HEARING

(14) Public Hearing – Adoption of the 2017-2018 Fiscal Year Budget

(a) A Resolution of the Town Council of the Town of Portola Valley Adopting the Operating and Capital Budgets for Fiscal Year 2017-2018 (Resolution No. 2735-2017)

Town Manager Dennis presented the Portola Valley Town Budget for fiscal year 2017-2018, as detailed in the staff report, pointing out the corrections and modifications made based on Council comments at the June 14 meeting.

In response to Councilmember Wengert's question at the last meeting regarding Comcast, Administrative Services Manager Susan Cope said she reached out to Comcast who responded that the subscribers

would remain constant and the revenue is expected to match the last fiscal year. They advised to budget appropriately according to the last fiscal year's figures.

With regard to the Contingency item, which was reduced by half, Town Manager Dennis said since this was an item that required Council approval, he would welcome a discussion if this was even necessary to place in the budget at all.

Councilmember Wengert called for questions from the Council.

In response to Councilmember Wengert's question, Town Manager Dennis said the HOPTR is in the Government Agency Column, Fund 10. He said there is no change other than the description of the category.

Councilmember Wengert asked regarding the items that were shifted in Capital Budgeting. Town Manager Dennis said most of the changes were at his direction. He said the Town Hall HVAC and Window Install items were initially included in Town Center facilities, but they decided it made more sense to include move those items to the Capital Projects category, resulting in no net difference. He said the Facilities Equipment is a reduction from the initial ask. He said they were able to use the remainder money for the purchase of the EV vehicle and it's support to fund the EV charging in this fiscal year.

Councilmember Wengert said there was a lot more fluidity in the Expenditures out of the Capital Improvement categories. Town Manager Dennis said that was an attempt to align it more correctly. He said there were leftover Capital projects that should not have been included in Town Center and they were moved to make them more obvious.

Councilmember Wengert said the net impact was nominal with no change in the reserves. She said it was helpful to have the changes articulated in red.

With no further questions from the Council, Councilmember Wengert invited questions or comments from the public. Hearing none, she closed the public hearing.

Councilmember Aalfs moved to approve A Resolution of the Town Council of the Town of Portola Valley Adopting the Operating and Capital Budgets for Fiscal Year 2017-2018. Seconded by Councilmember Derwin; the motion carried 3-0.

The Council thanked staff for their hard work on this project. Town Manager Dennis congratulated the new Assistant to the Town Manager Brandi de Garneau and the new Finance Department Director Susan Cope in their new roles.

(15) COUNCIL LIAISON COMMITTEE AND REGIONAL AGENCIES REPORTS

Councilmember Derwin – Attended a Sustainability and Environmental Resources Committee meeting where there was a presentation about residential battery systems, the Tesla battery wall, the ICE/9-11 project, and a debrief of the garden tour. She said subcommittees were formed – Energy and Electrification, Energy Efficiency, Water Conservation, and Education Outreach. Chris Hunt, an expert in in-home plug load analyses, will be the guest speaker at the next meeting on July 17. Assistant to the Town Manager de Garneau said the first subcommittee meetings were held with the Energy and Electrification subcommittee, which consists of a very smart group of people with a lot of ideas. Councilmember Derwin attended a C/CAG Administration meeting going over the agenda for the next meeting. She attended the Grand Boulevard Initiative meeting where there were presentations on South San Francisco's Complete Streets project, San Bruno's Walk and Bike Plan, California State Bicycle and Pedestrian Plans, Cal Trans District 4 Bike Plan, and the Housing Toolkit updates. She also attended a HEART meeting today and worked on the budget. They had a majority approval for the loan agreement

with the County. She said the County has a first-time home buyer program for County employees where they give \$100,000 for five years with no interest, and then 3% interest after five years. They discussed their continued efforts to get Daly City to join HEART but the City Manager there is not supportive. She said HEART is trying to help school districts build housing for teachers and were able to work out a problem Pacifica School District had. It was suggested that several school districts get together as a JPA. She said a 140-unit project was built at the Mills High School site in Millbrae but the community organized strongly against having teachers living in their community.

Councilmember Aalfs – Missed the Trails & Paths Committee meeting but got a report of the activities. He said they approved bike gates at the entrances of the trails where bicycles are not allowed. Town Manager Dennis said MidPen will also be visiting Trails & Paths and Bicycles and Pedestrian & Traffic Safety to discuss their experiences with bicyclists on trails and sharing strategies on how to work with the community or come up with ways to keep them off the trails. Councilmember Derwin asked if they could share the trails. Councilmember Wengert said some were too narrow. Town Manager Dennis said it is very difficult, especially on trails that allow equestrian use. Councilmember Aalfs said some of the trails, based on how they were deeded to the Town, cannot allow bicycles. He said there is another issue about dogs on the trails. He said the Committee is reviewing their mission. He attended the June 26th ASCC meeting where they reviewed two projects.

Councilmember Wengert – Councilmember Wengert, Vice Mayor Richards and Town Manager Dennis met with Larry Hassett and two other representatives of MidPeninsula Regional Open Space District to discuss the trail on Alpine. She said Mr. Hassett was supportive of moving forward as soon as possible, but Councilmember Wengert said she did not know where the issue would fall on their large list of priorities. Councilmember Wengert said she will be attending a grand opening ceremony at Mt. Umunhum in South San Jose in September. She met with Vice Mayor Richards, Town Manager Dennis, and Assistant to the Town Manager de Garneau to discuss the GreenWaste contract, where they decided they needed a consultant to work with them on this.

(16) Town Manager Report – Town Manager Dennis reported that the first phase of road work on Portola Road has been completed. He said the final slurry seal will be applied July 24-25. He said before that there will be some road widening that will require the removal of a couple of trees. He met with a subcommittee of the Conservation Committee to discuss the rollout of the Town's recently adopted rodenticide policies. He said an event is planned for the Fall. He said when the hardware store heard about the changes, they started displaying organic items. He said in the interest of having more of a connection between sustainability efforts in Town and what's going on on the building side, he's met a few times with Assistant to the Town Manager Brandi de Garneau and Deputy Building Inspector Keith Weiner and they have scheduled meetings to discuss the sustainability efforts in town and current happenings with building in town. Regarding ALPR's, he said staff hopes to submit its plans to PG&E on Friday, June 30.

WRITTEN COMMUNICATIONS [9:05 p.m.]

(17) Town Council Digest – June 16, 2017.

Councilmembers Derwin and Wengert will attend the League of California Cities 2017 Annual Conference.

(18) Town Council Digest – June 23, 2017.

Councilmembers Derwin and Wengert will attend the Council of Cities Dinner Meeting hosted by the City of Burlingame.

ADJOURN TO CLOSED SESSION [9:07 p.m.]

(19) Public Employment – Government Code §54957(b)(1), Town Attorney

REPORT OUT OF CLOSED SESSION

None to report.

ADJOURNMENT [10:10 p.m.]

Councilmember Wengert adjourned the meeting.

Mayor

Town Clerk