

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 972, JUNE 26, 2019

CALL TO ORDER AND ROLL CALL

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

Present: Councilmembers Maryann Derwin, Craig Hughes, John Richards; Vice Mayor Jeff Aalfs; Mayor Ann Wengert

Absent: None

Others: Jeremy Dennis, Town Manager
Laura Russell, Planning & Building Director
Howard Young, Public Works Director
Cindy Rodas, Interim Finance Director
Cara Silver, Town Attorney
Sharon Hanlon, Town Clerk

ORAL COMMUNICATIONS

Angela Hey said the Affordable Housing Committee met earlier this week. She said it seemed there is land next to Roberts for sale for a very reasonable price and she wondered if anyone on the Town Council was interested in bidding on it. She said it seems like a good opportunity to build affordable housing there. She said the citizens of Portola Valley are not against raising money for the right things. Mayor Wengert said that after tonight's meeting, the Council will adjourn into closed session to discuss that parcel.

CONSENT AGENDA

- (1) Approval of Minutes – Town Council Regular Meeting of June 12, 2019. *[Removed from Consent Agenda.]*
- (2) Approval of Warrant List – June 26, 2019, in the amount of \$407,520.40.
- (3) Recommendation by Interim Finance Director – 2019-'20 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 2019-2020 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2801-2019)
 - (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 2019-2020 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2802-2019)
- (4) Recommendation by Town Manager – Consultant Services Agreements Between the Town of Portola Valley and
 - (a) CleanStreet for Street Sweeping Services
 - (b) Cotton, Shires & Associates, Inc. for Geotechnical Services
 - (c) CSG Consultants, Inc. for Building Inspection and In-House Plan Check Services

- (d) Kutzmann and Associates, Inc., for Plan Check Services
- (e) Nolte Associates, Inc. (NV5) for Engineering Services

(5) Recommendation by Town Manager & Interim Finance Director – FY 2019-20 Appropriations Limit

- (a) Adoption of a Resolution of the Town Council of Portola Valley Determining and Establishing the Appropriations Limit for Fiscal Year 2019-2020 (Resolution No. 2803-2019)

(6) Appointment by Mayor – Member of the Emergency Preparedness Committee

Vice Mayor Aalfs thanked Lorrie Duval for stepping up to be part of the Emergency Preparedness Committee.

Town Attorney Silver asked if any Councilmembers were in the Woodside Highlands or Woodside II districts. There were none.

Vice Mayor Aalfs moved to approve Items 2 through 6 of the Consent Agenda. Seconded by Councilmember Derwin, the motion carried 5-0, by roll call vote.

- (1) Approval of Minutes – Town Council Regular Meeting of June 21, 2019. Councilmember Richards moved to approve Item 1 as amended. Seconded by Vice Mayor Aalfs, the motion carried 4-0-1, with Mayor Wengert abstaining.

REGULAR AGENDA

STAFF REPORTS AND RECOMMENDATIONS

PUBLIC HEARING

The Council approved the request to swap Items #7 and #8 below.

- (8) Recommendation by Planning & Building Director – Amendments to Job Descriptions for Assistant, Associate, and Senior Planner positions.

Planning & Building Director Russell explained that due to the conversion of a consultant planner position to a full-time Town employee and the departure of the Town's Associate Planner, it was deemed an appropriate time to reorganize the Planning jobs which were not consistent with the professional practices commonly used in the area and potentially problematic in terms of recruiting and expectations. She described the history of the job descriptions, the reorganization and job descriptions, and the fiscal impacts of the changes, as detailed in the staff report.

Mayor Wengert invited questions from the Council.

Mayor Wengert asked why the industry trend is to combine Associate and Assistant Planners considering the different job categories, levels, and salary ranges. Planning & Building Director Russell agreed that it was likely because there is the common assumption that an Assistant Planner moves quickly into the Associate Planner position and there are a lot of overlapping duties, but with different levels of supervision.

The Council agreed that this was a good time to reorganize the job descriptions to better match industry standards.

Councilmember Hughes moved to approve the Amendments to Job Descriptions for Assistant, Associate, and Senior Planner positions. Seconded by Councilmember Richards, the motion carried 5-0.

(7) Public Hearing – Adoption of the Proposed 2019-20 Fiscal Year Budget

(a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting the Operating and Capital Budgets for Fiscal Year 2019-20 (Resolution No. 2804-2019)

Town Manager Dennis presented the Proposed 2019-20 Fiscal Year Budget incorporating the comments and adjustments from the last Council meeting, as detailed in the staff report. The presentation included a summary of revenue and expenditure changes.

Mayor Wengert invited questions from the Council.

Councilmember Richards asked what the deficit to the fund balance was last year in comparison to this year, which was around \$700,000. Town Manager Dennis said last year it was just over \$300,000.

Councilmember Hughes asked if the requested adjustments for the open space budget would mean a change to the operational total. Town Manager Dennis said they would be capital expenditures. Councilmember Hughes asked if staff was considering all of those costs capital and not operational, even things like mowing. Town Manager Dennis said they've been considering it generally an expenditure related to capital improvement because it's one-time this go-around, but some of the costs could certainly be incorporated into operational. He said staff is open to suggestions on how to treat it differently. Mayor Wengert said that as it is now, 51% of the capital improvement budget is directly related to roads, which had been previously categorized as an operating expense. She said it is neither right nor wrong because it has the same impact, but if you add all of the road improvements plus the bike-ped improvements that represents 73% of the capital expenditure budget, leaving a relatively modest capital expenditure budget of only 27% for the remaining items. Mayor Wengert said that most of the road expenditures are appearing in capital expenditure category because of the size and magnitude.

Councilmember Hughes said he tries to think about what are truly one-time expenses versus expenses that will be on the budget year after year. He said roads is tough because the town could do minimal or even no road work for a year, but it catches up eventually. He said expenses around maintaining the land would be ongoing in order to keep fuel loads down and invasives out. Town Manager Dennis said the Conservation Committee's recommendation is that there is an initial set of expenditures that, as proposed, are much higher, hoping that in the future they will be significantly lower. Councilmember Hughes said mowing the playing fields is an operational expense so mowing Frog Pond should be the same category.

Councilmember Derwin asked if the prioritized requests from the Conservation Committee would be addressed. Town Manager Dennis said they would. Mayor Wengert said that as stewards of the Town's finances and dollars, the Council should always look at general fund balances because they are the only unrestricted funds that can be called upon for any use and have typically been the safety net in the event of emergencies. She said staff has done a terrific job managing it, but this year the reduction in the projected balance of the general fund is just under 14%, which is a big number. More significantly, Mayor Wengert said she looks at how much reserve is left right now at exactly two-thirds of a year's worth of operating expense cost. She said historically that has been the driver of how the budget is managed in terms of how conservative to be. She is concerned that it is down to very close to where it should be and the Council should discuss that.

Town Manager Dennis pointed out the delta between the budgeted revenue and expenditures in Fund 5 is decreasing. Mayor Wengert said because roads are so much part of the capital expenditure, which comes out of the general fund, it's operating more in a deficit mode. She said in order to maintain the roads to the quality the town is used to, it needs to be in the capital expenditure category. She said the

Council needs to look carefully at the five-year Capital Improvement schedule. She recommended that in addition to reviewing it as part of the budget, it should also be pulled out and reviewed as a separate exercise yearly. She said the other items should be looked at as a different exercise with Town Manager Dennis advising what timing would work best for staff. Town Manager Dennis said there are three budget sessions beginning on September 25.

With no further questions, Mayor Wengert invited Public Works Director Howard Young and Judith Murphy, Chair of the Conservation Committee, to discuss the request for additional funding.

Public Works Director Young thanked Judith Murphy and Nona Chiariello for all their work on reviewing a lot of the open space items and auditing every parcel. He said at the last Council meeting they were asked to review and prioritize their wish list. He said he received a new, smaller list today. Public Works Director Young prepared a preliminary prioritized worksheet for tonight's Council meeting. He noted that the Conservation Committee is also developing a vision statement for each open space. He pointed out that the big-ticket item is the potentially recurring costs of tree, bush, and invasive weed removal. He said they still need to evaluate specific goals on some of the properties and the potential recurring costs, potentially including the opinion of a land resource consultant and biologist. He said not included on his worksheet are the Town staff resources, who have already absorbed Frog Pond and Town Center on their already loaded plate.

Town Manager Dennis also thanked Judith Murphy and the Conservation Committee for their outstanding work. He said today's discussion is from a budget standpoint and not whether or not the work needed is important. He said decisions were made as to what could be included within the Capital Improvement Program, understanding that over a period of time additional work would be programmed in.

Judith Murphy, Conservation Committee Chair. Ms. Murphy said it is true that none of the items are mandatory. She pointed out that because these properties have been neglected for so long, the large cost today is what is necessary to bring things into a more manageable state. She said the Committee will always be requesting money for ongoing maintenance but it will not be at this high of an amount once the properties are brought into better condition. She said not all of the properties on the list are open space properties, such as Triangle Park, which is a right-of-way property. Ms. Murphy appealed to the Council to consider being more generous than the staff feels they can comfortably be to fund restoration to several of the properties.

Ms. Murphy said they had already prioritized the initial list and worked hard to pare the list down and re-prioritize it, keeping in mind important tasks, so they can make some progress on the properties. She said they eliminated the fire prevention items since that was already a Council priority and would be funded in other ways. She said they have traditionally stayed away from the creek at Town Center because the Town has had that task; however, she did not see any money for creek maintenance in the budget and said it is important to remember they have to take care of the creek.

Ms. Murphy said conservation of the natural environment was a primary founding principle of the Town and the bedrock of the General Plan. She implored the Council to not lose sight of the fundamental Town priorities. She said the important properties need attention because they deteriorate constantly with plants dying and invasives spreading. She said Public Works Director Young has not been directed to oversee these properties at the level necessary and only the most minimal maintenance has been done. She said their request is cost-effective spending because the longer things are neglected, the more expensive it will be to take care of it.

Ms. Murphy went through the list, explaining the rationale behind the Committee's prioritizations. She said the large heritage oak at the Town Center is at the top of the priority list and the recommendations came from an arborist. She said the more intense cleanup they're recommending at Triangle Park, which is officially a right-of-way, will result in reduced costs to Public Works going forward. She suggested that the maintenance needs at Triangle Park should be informed by Conservation and Scenic Corridor principles

but should be funded by sources used for roads and right-of-ways. She said Frog Pond is the most difficult because it is the most biologically sensitive, the most complex, and has the most difficult work to be done. She pointed out, as an example of cost efficiency, that harding grass appeared in Portola Valley approximately 15 years ago at Frog Pond and Ford Field in small amounts and if it had been handled at that time there wouldn't be the huge swaths today that will be very expensive to remove and almost impossible to eradicate. She said they could bring in a consulting biologist but that would be very expensive. She said there are two professional biologists on the Conservation Committee.

Ms. Murphy said the requests being made are not the Conservation Committee asking for money for their Committee but are recommendations by the Conservation Committee to budget more money for Public Works to be able to do a better job. She said at the last Council meeting, it sounded like there was a willingness to fund at the \$50,000 to \$60,000 level and she hopes they will do that tonight. She said while it is the Council's responsibility to guard the money, they are also stewards of the land.

Mayor Wengert invited questions from the Council.

Councilmember Hughes asked Public Works Director Young to elaborate on his comment regarding having limited staff resources. Public Works Director Young said his staff is currently smaller than it was in 2002, before the Town Center. He said even absorbing small things like Spring Down have them fully maxed. He said if they are tasked with maintaining additional large pieces of property, they will have to do some research on how other agencies are handling it.

Town Manager Dennis said the demands on the Public Works Department have increased dramatically. He said supporting Portola Valley cultural events, increased aesthetic beautification efforts, conservation efforts, etc., have taken up more time than expected. He agrees that Public Works is pretty close to maxed out.

Councilmember Richards asked if the figures provided were assuming consulting/contracting out to help staff. Public Works Director Young said the figures are for contracting those duties out but it takes staff time to oversee the work.

Ms. Murphy said the Conservation Committee is providing the analysis of the properties, looking at the details and priorities, trying to determine what is and what is not appropriate, at no cost to the Town. She said it is true there are management costs but noted the Conservation Committee is performing some of that work and they are willing to step that up more, for example, interfacing with Go Native, etc.

Councilmember Derwin apologized to Public Works Director Young that the Council has not been on top of this situation and has not been directing him to take care of the invasives and the trees that have gotten out of control. She said she feels strongly that, despite the Town's very tight budget, this work must be done. She said fixing up Triangle Park has been discussed for a long time. Public Works Director Young said they can potentially look at some grants. He said there is an irrigation upgrade in the budget to showcase replacing with greener irrigation systems.

Councilmember Derwin asked Town Manager Dennis why the Open Space money cannot be used for maintenance of some of the Open Spaces. Town Manager Dennis said the description of the use of the funds prohibits it. Councilmember Derwin asked if that could be amended. Town Manager Dennis said it could be amended. He said three years ago the Committee looked at it and decided not to make those changes. He said they went to the Committee last year and got a little bit for Spring Down explaining it was work necessary to bring the property to a level of use. Councilmember Derwin said if the Town is going to acquire open space, it can't just sit there without being tended. She is also concerned about the creek maintenance now that Grass Roots is not going to do their annual event.

Councilmember Richards said there has been a lot of grumbling in the community lately that the staff now does the work that the volunteers used to do. He said he would love to find a way to recruit more volunteers.

Mayor Wengert said she is reluctant to make a lot of decisions tonight because it sounds like a lot more needs to be done to come up with short and long-term plans.

Ms. Murphy said she is in discussion with the Scouts about Ford Field. She said they try hard to get volunteers and it's not successful. She said the people living in town today are not the same as the people who lived in town 50 years ago and the Council must step up to support this funding. She said this is part of a long-range plan. She said they started two years ago looking at all these properties, ranking them, and preparing mission statements with the other committees and neighbors. She said the Council is looking at this year's piece of an existing long-range plan.

Mayor Wengert said the Council's job is to have priorities that match the capital availability, short- and long-term. She said tonight they will deal with whatever they think they can do for this year.

Mayor Wengert invited public comment.

Betsy Morgenthaler said she heard Ms. Murphy's thoughtful presentation at the last Council meeting and left the meeting feeling like the whole Council was supportive about how important this funding is. She said she then learned the Committee was asked to justify each expense. She said she respects the level of detail but thinks that should be brought to bear across the entire budget. She said the way to keep volunteerism robust is to complement it with the needed funding. She said to deprive will only frustrate volunteers and make them feel they are not serving the Town's purpose. She said it is false economy to try to save money in the fashion of cutting this out. She said it is recurring important maintenance. She said the newly-formed Sea Level Rise Committee is getting awarded \$25,000 and she would like assurance that the Town is getting value from that \$25,000. She said she believes in sea level rise and climate change and the way climate change will be most effectively addressed here is to continue to let the Conservation Committee do their work.

Mary Hufty said this discussion has been very thoughtful. She said she has new respect for the Council priorities. She said if the number one priority is sustainability, keeping our ecosystems intact, having water handled correctly, having it absorb into the ground correctly, using that water in the plants around us, and having the oxygen come back are ways to combat climate change. She also suggested battery recycling and safe medication disposal be available in town.

Lucy Neely, Chair of Finance Committee. Ms. Neely said due to previous Finance Commission recommendation and action, some of the Town's money has been moved from LAIF to a different investment vehicle with a higher return. She said the budget is tighter than usual but her understanding is that Portola Valley is used to operating quite comfortably and are actually in an okay place with the budget. She said on a personal level, not as Finance Committee Chair, she felt it is important to have nice roads, but wondered if the high cost of that matched with the priorities Portola Valley needs to create the type of world they want. She said she supports land stewardship and spends a lot of time watching species move through the landscape. She agreed that land needs to be tended and resources need to be invested into that. She said it seems like it's been deferred long enough. She said there is dissonance between acquiring open space and the having the capacity to maintain it. She said that should be looked at and harmonized. She expressed appreciation to the Conservation Committee for coming up with this plan. She said she was excited about the CIP that staff created for the general budget. She suggested that a five-year plan for the Conservation Committee could be valuable indicating what would be recurring costs and how it fits into a broader vision. She agrees the requested work needs to match a budget. She wondered if it could help if the \$6 million in the Open Space Fund were invested in a different way. She said it is very important to pay attention to the creek. She said people may still want to volunteer but

requires thinking about how to connect with them in a different way because the town is different than it was 50 years ago.

Caroline Vertongen. Ms. Vertongen thanked everyone for opening the dialogue about the priorities. She said the Conservation Committee is one of the most important committees and she was supportive of their requests.

With no further comments, Mayor Wengert brought the item back to the Council for discussion.

Councilmember Richards said there is a high level of uncertainty on how to make it work out the best way. He agreed that with the Town's sustainability focus, everything possible should be done to make these properties as close to their native state as possible. He said the Council now has a better idea with the items considered critical, although he may not agree completely with the priority listing. He said the big oak tree should be on the main priority list. He said there should be something attempted to attack the harding grass issue on the Frog Pond. He said none of the items will be solved in one year and will be an ongoing cost. He said he is hopeful there is enough provided in this budget to get to a point where we are not losing ground. He is supportive of providing as much funding as possible.

Mayor Wengert asked Public Works Director Young if the minimal and acceptable small priority items would be achievable with his current staffing in this next fiscal year and what kind of a burden it would place on him. Public Works Director Young said he thinks it can be done but some other things may take longer. Town Manager Dennis said in the last year or so he and Public Works Director Young have been discussing stretching the limits of resources and allowing things to take a bit longer. Town Manager Dennis said they want to say yes, it can be done, and if it's okay that some other things may take longer, they are comfortable moving forward.

Mayor Wengert said there may be some play in the budget this year with the rapid-flashing beacon, perhaps stretching it by doing one-half this year and one-half next year. If the bike-ped grant is received, that could also open up new opportunities.

Town Manager Dennis said a portion of the Utilities Users Tax (2%) is for the purchase and preservation of open space. He suggested Council explore that a bit further to see if some of those funds could be dedicated, outside of whatever the charter is for the Open Space Acquisition Committee, toward this purpose. He said, for the sake of tonight's conversation, they are expecting \$301,000.

A resident suggested this open space use of the UUT tax be put before the voters since it was originally approved back in 1997. The Council explained this is up for vote every four years and it was last approved again last year. The woman asked if the voters would need to be asked if the money could be taken out of acquisition. Councilmember Hughes said the money is not currently going into acquisition, but is for acquisition and preservation.

Town Attorney Silver said they will research the issue more, but the ordinance approved by the voters states the funds will go into the open space account and the actual voter-approved language does not specify what that open space account should be used for.

Councilmember Hughes said the Conservation Committee was tasked over the last couple of years to work with Public Works Director Young and refine their list. He said the Conservation Committee and Public Works Director Young have put a great deal of work into this very comprehensive plan and the work needs to be started on it now. He said rather than choosing which tasks to complete this year and which to complete next year, if Public Works has the ability to take on these tasks, he is supportive of fully funding this with the full amount now, see how it goes, then reevaluate it after a year.

Councilmember Hughes asked Public Works Director Young if everything on the list is approved, understanding that some other things will be slowed down, if staff could handle it. Town Manager Dennis

said most of the manual work would be contracted out, with Public Works Director Young managing it, which means he would be taken away from other Public Works Director duties. Town Manager Dennis said his primary concern is the management that Public Works Director Young provides. He noted that Ms. Murphy has also offered some related services that needs to be thought through a bit more. Councilmember Hughes said if Public Works Director Young has to write the contracts, make assignments, schedule, inspections, billing, etc., perhaps some of those tasks could be delegated to volunteers or other staff members. Town Manager Dennis said care must also be taken so that Public Works Director Young's day-to-day activities are not micromanaged. He said Public Works Director Young needs to have control over his Department and be allowed to do the things he's supposed to do without the Town Manager or Town Council micromanaging all of his tasks.

Mayor Wengert said Column #4 in the list is not manageable at any level right now under the current staffing. Councilmember Hughes asked Public Works Director Young if he and his staff could do the entire list. Public Works Director Young said they could not. He said he felt only the minimal and acceptable small priority items would be achievable.

Councilmember Hughes asked if, even if approved for funding, Columns 3 and 4 were even possible. Town Manager Dennis said he would not be comfortable suggesting Columns 3 and 4 could be done, without delaying other day-to-day tasks or fundamentally changing the management structure. Councilmember Derwin asked if Columns 3 and 4 could be contracted out. Town Manager Dennis said it could but would need to be managed. Councilmember Derwin asked if it could be managed. Town Manager Dennis said it could be, but would cause other tasks to be delayed. Vice Mayor Aalfs said Column 4, in particular, are not just more expensive and complicated items, but also things that are uncertain. Councilmember Hughes said there have been two years of work on trying to understand these items. Mayor Wengert said the items are understood but the issue is staff bandwidth relative to their ability to manage and do more work at the level being requested if they were asked to do all of these things now. Councilmember Hughes said next year Columns 3 and 4 would also not be possible and there will be a longer list under Columns 1 through 3 because things will continue to get worse. Mayor Wengert said things can change in the longer-term as the list starts getting re-prioritized, possibly reducing roads priority and putting more priority on open space. She said she does not want to stop or slow things down, but wants to match the list to Public Works capability and availability rather than add an overwhelming list of new tasks budgeted for them at the last minute. She said the priority list may change for next year and Public Works Director Young will know that his team's time will shift then for some of the bigger parts of it.

Councilmember Hughes asked what could possibly be taken away from the management time for the roadwork that would free up enough time for these other projects. Mayor Wengert said perhaps Public Works needed more staff. She said the priorities can reflect whatever they ultimately decide needs to be worked on. She said she wants to get it done but wants to do it efficiently without burning out Public Works this year. She preferred starting smaller and then have a bigger plan that could potentially lead to a very different direction with a higher priority.

Councilmember Richards said the tasks can be broken down into areas and the idea of an outside consultant should not be discarded offhand. He said it may be worthwhile to talk to people who could manage a project such as getting Frog Pond back to a more native state and find out how much that would cost. The Council agreed they were less concerned about funding than the staff time. Town Manager Dennis said there is a relationship between funding and management. He said if they have enough money, they can manage anything. Councilmember Hughes said that is not the case because if the Council grants the full request, staff is still saying they cannot do it.

Town Manager Dennis suggested an analysis to understand the additional amount of money required to either remove Public Works Director Young from the involvement completely so it just goes on automatic. Town Manager Dennis said some of the conversation is in the weeds because the conversation at this level is related to limited resources for all of the wonderful things that we want to do in town. He said he's approached this issue is there is x amount of money, he is uncomfortable proposing more expenditures,

and presenting what he believes to be the priorities. He said this was one that was on the cusp, knowing full well all the great work that went into it. He wanted to program into the plan over a period of time which is a discussion whether that's appropriate or not. He said it's a budgetary exercise. He said if the budget is being misaligned with Council priorities, then they hope the direction from the Council is to do it differently. Town Manager Dennis said he would be remiss to not remind the Council that additional expenditures within the capital improvement plan will reduce the reserves, which is a decision the Council can make.

Mayor Wengert said the priority just shifted. The Council had not identified the restoration of these lands as one of their priorities. Councilmember Hughes said this plan has been percolating for two years. He said when the Council went through the priorities, he definitely thought these things would be addressed and thought it did fall into a number of the priorities. Mayor Wengert said the problem is manpower as much as financial. Councilmember Derwin said the number one priority is sustainability and this is sustainability, this is who the Town is. She said if the land is not taken care of, the Council has completely forgotten who the Town is. She said this should be the high priority. She said she is frustrated because she doesn't understand why there is any argument. She said it should be bottom line that the lands will be taken care of and other things will have to be moved around in order to find the manpower.

Mayor Wengert said this list was not received until today. Councilmember Hughes said that's not true, the list has been building for years. Mayor Wengert said she was referring to the impact on today's budget. Councilmember Hughes said a year ago they had the Conservation Committee list and Public Works Director Young had gone through it assigning approximately costs. Ms. Murphy said last year it was essentially the same list and the Council selected Town Center and Spring Down because they didn't want to do it all at once and wanted to take it slow. Ms. Murphy said this is year two of taking it slow.

Town Manager Dennis said a component of the process was that Spring Down was going to be viewed as the test case about if any of this worked or not and that data is not yet available. Town Manager Dennis said perhaps the Council priorities should be amended because this is not on the list of priorities. Mayor Wengert agreed the Council priorities need to be revisited and shortened so they are very clear because everything on the budget is on the priority list. Councilmember Hughes said there are a lot of budget items that are not on the priority list, such as roads and building maintenance.

Town Manager Dennis said when a proposal is made for a budget, staff is looking at limited resources trying to determine where they fit. From a staff perspective, they are happy to move forward with whatever changes to that budget the Council proposes. He said for that relationship to be tightened, the Council should have higher-level conversations about how all of these things work together. He said the Council priority process is relatively new, tightening up a little more every year. He said those high-level issues can be worked through in September and October so that staff has confidence that the budgets they bring forward are truly reflecting what the Council has been discussing, with the notion that things can change at the prerogative of the Council.

Mayor Wengert suggested the items Columns #1 and #2 be added to this year's budget. She suggested that Council priorities be readdressed. She said if additional monies become available this year, such as from the grant, this should be readdressed later in the fall, and they can have a budget amendment if necessary, if it makes sense and if there's staff bandwidth.

Councilmember Hughes agreed unless there were items that were time sensitive and waiting until the fall would be too late. Councilmember Richards said Council would need Conservation's guidance in that regard. Ms. Murphy said it is already too late. She said they are talking about funding things to be done next spring so things can be mowed in time next spring. She said, with regard to waiting for the results of the Spring Down trial that Spring Down is unique and a trial is not something being proposed for any of the other properties. She said the trial was to see if the multiple mowings would bring back the wildflowers, etc. Mayor Wengert asked Ms. Murphy if Conservation could use the first two columns of items in this next period of time. Ms. Murphy said of course she could use it. She said they are talking

about fiscal year 2019-2020, what they want to do starting in July, from July to July. She asked for the first three columns because the 4th column is the big, complicated, time consuming items.

Mayor Wengert asked Ms. Murphy to look at the first three columns and estimate how much could get done in the first half of the fiscal year. Ms. Murphy said the planting of the bed in Column #3 should be done this fall. Mayor Wengert said at the half-year point Council could revisit the progress relative to staff availability. Ms. Murphy said if the Council funds minimal, acceptable, and additional, the Conservation Committee will work with Public Works Director Young and do it as they can manage.

Vice Mayor Aalfs said maintaining the open spaces must be done. He said he was comfortable with funding the first three columns. Ms. Murphy said they can bring the last column next year and between now and then they can develop a five-year plan.

Public Works Director Young summarized the tasks his department handles in addition to the day-to-day business in Public Works.

Councilmember Richards said the items in the first three columns will not wait. He said those items should go into the budget and it can be determined if more manpower is needed as they get into it. He said now is the time to pass the budget. He said if it is delayed any further, there will be only more confusion and more urgency.

Councilmember Hughes said if the plan is to come back to this proposal to look at the management of it later in the year, why not fully approve the request now, and then bring back the item about managing the workload. If there is a budget amendment required, it would be to bring in a consultant manager or whatever is needed to manage spending what is necessary to stop the Town assets from degrading.

Mayor Wengert said that puts a lot of pressure on Public Works to try to do it all. She said the Council can reprioritize for them because there's just too much. She suggested not including things on their list if they will not be able to do it.

Vice Mayor Aalfs said he would be supportive of amending the budget if one or more of these projects come up in the next six months as something feasible and important. He would be supportive of starting with funding the \$33,000 and then amend it as needed if and when these things can be done.

Mayor Wengert said she does not see the advantage of funding the entire amount. She said it will get more complicated because things will spill over year to year. She said she will not oppose funding Column #3 even though she thinks it's a big reach. She said she is sensitive to not overburdening staff with unrealistic expectations.

Town Manager Dennis said it should be clear that they are not asking for more staff. He said if they wanted that, it would have been presented as part of the budget. He said they do, however, want to be candid on what they think they can realistically accomplish.

Councilmember Richards was supportive of funding the first three columns – minimal, acceptable, and additional. He suggested revisiting the fourth column as the year progresses, the sooner the better. He said one of the big tasks will be how to make it possible for Town staff to deal with it, because it is a priority and if that what it takes to make it happen, then that's what has to be done.

Vice Mayor Aalfs added that open space means maintaining the open space and the open space funds should reflect that.

Councilmember Derwin asked if finding a more dedicated funding stream for that would be examined. Town Manager Dennis said there a few milestones that they can hit. He said relatively quickly they will look to see if there is an additional funding source that has been there a long time but not thought about

that way, which may change the conversation on some level. He said there will be sessions in the fall related to the budget, which may help with some of the priority setting. He said possible grants will be relevant. He said this summer into the early fall will bring a lot more information, which may help the Council make their decisions.

Councilmember Hughes said he could be supportive of approving Columns #1, #2, and #3, with a plan to come back. He said the reason #4 is not being funded is not because there is not funding for it, it is because there is not bandwidth to manage it. Town Manager Dennis said there is a relationship between money available and management. He said there is an amount of money makes the management issue different for staff. He said there are also broader issues related to what the Council would see as appropriate related to using volunteers to manage some of these issues. He said in analyzing staffing issues over a period of time, it is not equating to a need to add more staff. He said it just means discussing priorities and accepting that there will be things not done or done differently.

Public Works Director Young said because the numbers provided are estimates, they will apply the funds the best they can to those items.

Town Manager Dennis asked if the Council's direction is to complete the items in the first three columns or if it is to allocate the money and see what can get done. Councilmember Richards said both are true. Town Manager Dennis said these figures are best guesses. He said the spirit of this has less to do with the money and more about getting the things on these lists done. He said staff can commit to getting the first three columns done with a current budget amendment of \$33,500. He said if needed, they will come back to the Council, or they may be able to move monies around in other ways.

Councilmember Hughes moved to add \$33,500 to the budget for Columns #1, #2, and #3 on the Conservation Committee list for work on open space properties. Seconded by Councilmember Richards; the motion carried 5-0.

The Council took a five-minute break.

Councilmember Hughes moved to approved the amended proposed budget for fiscal year 2019-2020. Seconded by Councilmember Richards; the motion carried 5-0.

(9) Recommendation by Interim Finance Director – FY 2019-2020 Salary Schedule Update

- (a) A Resolution of the Town Council of the Town of Portola Valley Modifying the Salary Schedule for Fiscal Year 2019-20 (Resolution No. 2805-2019)

Cindy Rodas, Interim Finance Director, presented the 2019-20 Salary Schedule. She described the background of the Town's policies, discussion items, and the fiscal impact, as detailed in the staff report. Staff recommended adoption of the resolution authorizing the annual salary schedule update in the Town's Compensation Plan.

Mayor Wengert invited questions from the Council.

In response to Councilmember Hughes' question, Interim Finance Director Rodas said this proposal is to raise the salary schedule ranges 3.5 percent.

Town Manager Dennis said this is different than the budget. He said the budget was for the 3.5 percent increase for the salaries. He said this is to also amend the salary schedule per the CPI.

Vice Mayor Aalfs moved to approve the Resolution of the Town Council of the Town of Portola Valley Modifying the Salary Schedule for Fiscal Year 2019-20. Seconded by Councilmember Hughes; the motion carried 5-0.

(10) **COUNCIL LIAISON COMMITTEE AND REGIONAL AGENCIES REPORTS**

Councilmember Richards – Attended the Planning Commission meeting where they conducted the annual review of the Windmill CUP and a grading permit at 199 Mapache. Councilmember Richards said he plans to discuss with Planning & Building Director Russell that creation of berms was banned years ago.

Councilmember Hughes – None.

Councilmember Derwin – Attended C/CAG Leg Committee meeting where there was a presentation about the reach codes, a presentation of the SFO development plan, and they selected candidates for the new Flood and Sea Level Rise Resiliency Agency. Councilmember Derwin was elected to the at large seat. They also approved the budget and did the first restated joint exercise of powers agreement for the new express lanes. She attended the Silicon Valley Energy Summit 2019 at Stanford. She attended the Wildfire Panel. She and Town Manager Dennis attended the C/CAG admin meeting. She attended the Town Owned Property Committee meeting. She apologized for her emotional outburst at that meeting. She said she was frustrated at the public opposition to building affordable housing in town. Mayor Wengert said that after Councilmember Derwin left the meeting, it took the wind out of the room and people realized how hard everyone had been working on this. She said it was acknowledged that it was Councilmember Derwin's passion and energy that went into this that was the root cause of her outburst. Mayor Wengert said the conclusion was that no projects were being taken off the table, they would all be analyzed, and at the end of that process decisions will be made on what to do, if anything. They also discussed the Town Center property and suggested taking the substation down to make better use of that land. They created a subcommittee to come up with some ideas in that regard. Town Manager Dennis said the dialogue at the end of the meeting was fascinating with committee members talking with various residents. He said he heard comments from people who were fairly opposed to this idea but who were complimentary of Mayor Wengert and the process and had a better understanding of why we're at this point. Town Manager Dennis said there was no reason for people to be angry at this stage in the process when it was merely providing opportunity for discussion.

Vice Mayor Aalfs – He also attended the Silicon Valley Energy Summit and sat in on the PG&E bankruptcy discussion.

Mayor Wengert – She attended the Wildfire Summit and the Town Owned Property Committee meeting with Councilmember Derwin. She and Town Manager Dennis attended Joe Simitian's meeting yesterday for the County update on the Stanford GUP. Tomorrow is the last Santa Clara County Planning Commission meeting before they make recommendations on the GUP.

(11) Town Manager Report – Town Manager Dennis discussed the power shutoff program with a PG&E representative. He said they hope to give up to 48 hours advance notice. He said they learned from their process in the North Bay that they need to have more resources on the ground ready to go once the red flag warnings have gone away and the weather has changed so they can actually inspect the lines. They will provide, upon request, a resource tent, which Town Manager Dennis requested. Town Manager Dennis said staff is talking with other utilities to determine what will happen with their services should the power go off. He said they will likely open the EOC in some minor capacity and may open the Community Hall for additional purposes. Councilmember Hughes said his neighbor has a private sewer pump where the sewer will stop working without power. Councilmember Richards said a lot of homes have them. Town Manager Dennis said Cal Water has facilities in town that will not work without power and they will preposition generators in certain areas. He said staff is being trained on phishing scams on Town computers. He said there have been a series of car break-ins in the last week, three at Windy Hill and five at Ford Field. Town Manager Dennis has had discussions with Public Works Directors in other cities and the County about assistance with facilities management support, day-to-day work, fleet management, etc. He and Mayor Wengert met with the new school Superintendent and will meet again on July 8. He described SB-592.

WRITTEN COMMUNICATIONS

(12) Town Council Digest – June 13, 2019

#4 – Invitation to Council of Cities Dinner Meeting – Friday, June 28, 2019. Councilmember Derwin will attend.

(13) Town Council Digest – June 20, 2019

None.

ADJOURN TO CLOSED SESSION

(14) Conference With Real Property Negotiators: (Gov. Code Section 54956.8)

Property: APN: 079-072-130; property adjacent to Roberts Market
Agency Negotiator: Jeremy Dennis, Cara Silver
Negotiating Parties: Donald McKinney Trust
Under negotiation: Price and terms of payment

REPORT OUT OF CLOSED SESSION

ADJOURNMENT – 10:10pm

Mayor Wengert adjourned the meeting.

Mayor

Town Clerk