

PORTOLA VALLEY TOWN COUNCIL SPECIAL MEETING NO. 1014, June 9, 2021**CALL TO ORDER AND ROLL CALL**

Mayor Derwin called the Town Council's Special Teleconference-only meeting to order at 7:00 p.m. Town Manager Dennis called the roll.

Present: Councilmembers Jeff Aalfs, John Richards, and Sarah Wernikoff; Vice Mayor Hughes; Mayor Maryann Derwin.

Absent: Sharon Hanlon, Town Clerk

Others: Jeremy Dennis, Town Manager
Cindy Rodas, Finance Director
Jim Sako, Financial Analyst
Laura Russell, Planning and Building Director
Howard Young, Public Works Director
Cara Silver, Town Attorney

Attendees: Bob Turcott
David Cardinal
Betsy Morgenthaler
Rita Comes
Kristi Corley
Judith Murphy

ORAL COMMUNICATIONS

Bob Turcott said he is a very enthusiastic member of the "trust but verify" school, especially when consequences are high, and complexity increases the likelihood of error. Both are true for the RHNA number. Adding 253 units would represent an increase of approximately ten percent in population. It would force compromises to public safety, including increased construction in high fire hazard zones and neglecting modern standards for structure separation. It would also further strain already tenuous evacuation capacity. He said he indicated in his June 3rd letter to the Town Council, in response to the concerns expressed by Councilmembers Hughes and Richards about the substantial wildfire hazards faced, that ABAG Executive Director McMillan indicated that high and very high fire hazard severity zones are excluded from consideration in the RHNA methodology. Cal Fire maps that depict high fire hazard severity zones in Portola Valley show that approximately half of the land area falls into this designation. As determined by Cal Fire, approximately two-thirds of Portola Valley is either in a high or very high fire hazard severity zone. Intending to exclude these areas, as Executive Director McMillan's letter indicates, but failing to do so would leave Portola Valley with an inappropriately high RHNA allocation. Since his June 3rd letter, he has attempted to verify the RHNA calculation. Progress has been slow, but what he has learned so far is concerning. As he outlined in the letter sent to Town Council today, according to an ABAG planner he spoke with, they did not exclude the high fire hazard severity zones from Portola Valley, which raises a number of questions. Mr. Turcott asked, do planners who implement the RHNA methodology have a different understanding of what that methodology is compared to the ABAG Executive Director? Does ABAG truly believe that high fire hazard severity zones and state responsibility areas are not safe for development, but zones with the same fire hazard severity in local responsibility areas are safe for development? Is our RHNA number what it should be? The Town Council should clarify these questions and the others raised in his letter to ensure that the RHNA number is appropriate.

CONSENT AGENDA

- (1) **Approval of Minutes** – Action and Detailed Summary for May 26, 2021
- (2) **Approval of Warrant List** – June 9, 2021
- (3) **Recommendation by Public Works Director** – Purchase of Used Replacement Trucks for Town Maintenance [*Removed from Consent Agenda*]
- (4) **Recommendation by Finance Director**– 2021-2022 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 Authoring the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2021-2022 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2854-2021)
 - (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 2021-2022 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2855-2021)
- (5) **Recommendation by Council Subcommittee**– Appointment of Members to the Equity Committee
- (6) **Recommendation by Council Subcommittee** – Appointment of Member to the Housing Element [*Removed from Consent Agenda*]

Mayor Derwin invited comments from the public on the Consent Agenda.

Rita Comes pointed out that Town Manager Dennis was erroneously shown as absent on the Action Minutes as well the Summary Minutes. She notified Town Manager Dennis and Town Clerk Hanlon.

Vice Mayor Hughes moved to approve Consent Agenda Items 1, 2, 4, and 5. Seconded by Councilmember Wernikoff; the motion carried, 5-0, by roll call vote.

- (3) **Recommendation by Public Works Director** – Purchase of Used Replacement Trucks for Town Maintenance

Councilmember Richards suggested that the Town put down a \$100 refundable deposit on a new electric Ford 150 which is supposed to be available next year. Councilmember Aalfs agreed. Vice Mayor Hughes said he looked this up, and they won't be available until around 2022. Mr. Young said they are looking at hybrid and electric as part of their environmental program, but those items aren't readily available yet. He will research this, and if there is a deposit that can be made, will put a \$100 deposit down. He said with electric and hybrid right now, as well as the chip situation due to COVID-19 and manufacturing issues, it's not known when those things will be available.

Councilmember Richards moved to approve Consent Agenda Item 3, with this modification. Seconded by Vice Mayor Hughes; the motion carried, 5-0, by roll call vote.

- (6) **Recommendation by Council Subcommittee** – Appointment of Member to the Housing Element

Councilmember Richards thanked the Subcommittee for selecting members for this committee, noting that it is not easy. He said they were able to adjust the committee size to accommodate all applicants. However, he is concerned about the demographics of the proposed Housing Committee and wanted to hear discussion among the Council on this matter. He felt that adding a couple additional members to

broaden the geographic representation would be beneficial. He also would like to shift to nine members. He said would like to consider a member from the Brookside area, his neighborhood, and the neighborhood his parents used to affectionately refer to as the slum side of Portola Valley, and also, possibly from the Sequoias, which represents a significant portion of the town's population and also a different type of housing than the single-family unit. Expansion to nine members would be similar to what was done for the Equity Committee. He feels it is good to get as much diversity as possible. His recommendation was to consider Sue Crane and Helen Wolter for the two additional positions.

Councilmember Aalfs said they discussed almost that exact option and for various reasons preferred the group of seven. He understood the point regarding geographic representation. They intend to do study sessions with the Affiliated Housing Partners, including the Sequoias. They do have one member from The Priory who lives on campus and is part of their Affiliated Housing program. There are a couple other community members who are participating in local Affiliated Housing efforts, and they want to be involved in discussions as well. He said they have a plan for reaching out to Affiliated Housing, but they will have to do separate outreach for low income and very low-income groups. He agreed with Councilmember Richards' point, but also pointed out that logistics issues do multiply as groups get bigger. He said they did wrestle with this quite a bit but were happy with the group they picked.

Councilmember Wernikoff added that they had an amazing group of applicants, and they were thinking they would have liaisons to the committee – people who live or are associated with an Affiliated Housing or groups that are considering building affordable housing. There were several that applied that did not make it into the committee, and they thought this would be a way to expand. She talked to a couple of them about it already, including Sue Crane, who was enthusiastic about participating in that way. They also were thinking that Helen Wolter could participate as a liaison, given her association with Josh Becker's office. Councilmember Aalfs added he talked with Helen about this today, and she had several good ideas along those lines. He thinks there would be a way to work with her in a separate capacity.

Vice Mayor Hughes said he was considering the full makeup of the Committee, given that the Planning Commissioners and ASCC representatives are also residents, just as the rest of the Committee members are. Councilmember Richards said the committees do always get quite large, so he thought two more wouldn't make a big difference. His thinking regarding Ms. Crane was that having a representative from an important demographic in town, would likely get people from the Sequoias to pay attention and actually come to the meetings. He said Ms. Wolter is in a lower income group and represents a demographic that may not get much, if any, representation in town. Councilmember Aalfs agreed but said Ms. Wolter's working in Josh Becker's office was a concern for him. Mayor Derwin mentioned examples in other communities where this situation has occurred without a problem. She also observed that all the people on the list are married, and that single people in Portola Valley are not a preferred group and may feel shunned, as she did when she became single in 2006. She is personally uncomfortable with a group composed of all married people. Secondly, one of the complaints she got was, of the seven people selected, at least four are members of the private club to which Councilmember Aalfs and Councilmember Wernikoff belong. While not illegal, she feels this it is not a preferable look.

Councilmember Wernikoff said in the interviewing they were not asking about marital status or socioeconomic background. She knew a handful of the people applying, and she wasn't vetting based on this. She was totally unaware of Helen's background. Councilmember Aalfs said they were trying to select a range of initial positions on housing in general, including a few who have advocated for housing in other settings, one or more that are somewhat skeptical of the whole housing program, and several that were more neutral, but open-minded. His thinking was they were well-known in the community, could work well together, and people he trusts to come with a reasoned approach. The underlying goal of meeting the RHNA numbers and allocations is something that all agree on already, and to do that safely and with as much consideration of town values as possible. He said they were balancing on multiple axes, and it was complicated. Mayor Derwin said the proposal would help balance the group more, because talking about

equity means diversity is needed in public bodies. She said she would personally feel much better if those two people could be added to round out the group.

Vice Mayor Hughes asked Ms. Silver if it is wise in these situations to consciously avoid asking people their marital status and where they live and such things. He asked if she had guidance or advice on these types of questions since state law specifically says they should go out of their way to ensure equity. Ms. Silvers' opinion was that the Housing Element is a different situation from previous Housing Elements in that there is a new requirement to affirmatively further fair housing. The State is going to be looking at the opportunities that the Town provides for a range of demographics to live in town, and it will be an area of substantive scrutiny. The State also has some new requirements regarding outreach to under-represented groups. It now requires that the Town conduct housing development public hearings on weekends, evenings, during the day, a range of times to allow people who work different schedules to attend. It also requires that the Town provide written materials in translated manner and provide interpreters. There isn't a requirement regarding particular diversity on the committee itself, but it is certainly something people are talking about in general, a recognition that diverse committees do provide a great resource to the community in dealing with such issues. On the other hand, she said it is difficult to get diversity in certain places, like Portola Valley. The candidate list was not a typical type of diversity that would be expected in terms of racial and cultural diversity.

Mayor Derwin invited public comments on this item.

Betsy Morgenthaler said the Council asked for committee volunteers. She had heard it mentioned that two members of one household have volunteered, both very capable, yet may stand out in this situation as less diverse than any other two members and wondered if, in fairness, this should be considered. Mayor Derwin said her understanding was that the ASCC members were asked who would like to volunteer for the committee. Al Sill raised his hand. The Planning Commission was asked, and Nicholas Targ and Ann Commissioner Sill raised their hands, and that is how this happened. Ms. Silver added that both Sills wanted to volunteer because they both had to recuse themselves on the Stanford project and would not be able to help with that project. Ms. Morgenthaler said she thought there was a backup alternative on the ASCC, though it wasn't explored in detail. She thinks there is an opportunity to attract a different demographic group by interviewing the other person who was willing on the ASCC.

Mayor Derwin invited further comments from the public.

David Cardinal said he is in awe of people willing to serve on the committee. He said he would be delighted to have Sue Crane serve on any committee she wants to, because she has contributed so much to the town. He hoped there would be representation from people who are open to thinking about the town as more than what it might be now, stating it is easy to draw up the gates and make the town an enclave, keeping people out. There are many reasons to do that, but the town has a lot of offers. He hopes that whatever kind of diversity it is, it's open to experimenting in types of housing or lower income residents and letting more people in. Councilmember Wernikoff agreed that Ms. Crane is a treasure and incredible asset to the Town. She has talked with Ms. Crane extensively, and they definitely want her to participate, but it came down to numbers. They thought there was an avenue for her to participate as a liaison, and she was comfortable with that. She is also participating on a very time-consuming committee within the Sequoias related to their General Plan. She is planning to represent the Housing Element issue within that committee.

Mayor Derwin invited further questions or comments from the public. Hearing none, she brought it back to the Council.

Mayor Derwin asked if anyone had a problem with having both of the Sills serving on the committee or if it would be better to have just one of them would serve, and someone else be added. Vice Mayor Hughes said if there was somebody else on either of the two commissions who would be willing to take the spot it

would probably be better, adding however, that the Sills are not always on the same page about every issue. He assumed the suggestions from the two committees that have been forwarded to the Council will need to be formally appointed by the Council. He suggested finding out who the alternates were and figuring something out from that.

Councilmember Wernikoff pointed out that if the goal is to add socioeconomic diversity or marital status, they should go back and get that information from others that were rejected. Mayor Derwin responded that they know who is married and who is not, and as far as socioeconomic status, this is somewhat evident from where they live. She also said the individual is advocating for also brings other benefits. She has environmental experience. She understands land use and understands housing. She lives in a different part of town and could live in affordable housing, given her income, and she is not married. Mayor Derwin said she thought Ms. Crane is a pretty easy choice, representing the Sequoias, and that these two would diversify the group. Councilmember Wernikoff asked what the process was when there is disagreement. Councilmember Aalfs and Mayor Derwin said the Council votes. Councilmember Wernikoff said she wonders if the others who were also declined didn't get a fair shake in the process, by putting two people ahead of them.

Mayor Derwin said that, geographically, there were only three people who did not live in Westridge or Alpine Hills or belong to the Alpine Club. Those were Helen Wolter, Deb Smith, and Sue Crane. She said that Deb Smith is not a resident and lives in Los Trancos Hills. She would be representing Ladera Church, but they thought that was a little bit of a stretch. Councilmember Aalfs said he definitely wants her to be involved as a liaison when discussions begin in on the Housing Element. Vice Mayor Hughes said when the committee was formed, he specifically asked whether they wanted non-residents on the committee, and this was turned down, so when the committee was formed, they specifically chose not to include non-residents.

Councilmember Richards moved to expand the Housing Element Update Committee to include nine members of the public in addition to the ASCC, Planning Commission and Equity Committee representatives, and specifically to include Sue Crane and Helen Wolter. Seconded by Vice Mayor Hughes.

Councilmember Aalfs said the points were well-taken. He and Councilmember Wernikoff spent a lot of time hashing this out and were happy with the seven they chose. Vice Mayor Hughes said he tends to agree with Councilmember Richards that two extra members on a committee that's already so large will not present an insurmountable logistical hurdle, and there's no huge reason not to adding a bit more diversity.

The motion carried, 3-2, by roll call vote, with Councilmember Aalfs and Councilmember Wernikoff voting no.

Vice Mayor Hughes remarked that he is very appreciative of the work done by Councilmember Aalfs and Councilmember Wernikoff, as he has been through the process with a much smaller pool of candidates and knows how much work it is and how hard to whittle the list down. He commended them on narrowing the list down in the first place. Councilmember Richards agreed with these remarks. Councilmember Wernikoff said she hasn't been through this before, and it seems like the criteria shifted after the interviews. She was not informed they were to be vetting for these types of things, and they were looking for people who brought different experiences, different gender, different ages as much as possible. She felt they had done the best job they could, given the information they had. She thought they were also looking for people that came to the table wanting to work together and treated each other respectfully, and this was very important to her as well. Mayor Derwin expressed that her view is a bit different because she works regionally so much and knows that equity and diversity is so important right now, and optics are so important. She sees the decision as merely improving the work the subcommittee did.

Town Manager Dennis advised there was a public commentor present.

Kristi Corley wondered, going forward, how the voting process in the committee is organized when decisions are made, if there is a voting process. Town Manager Dennis said with the Brown Act, any action by the committee would be up for a vote. Sometimes a straw poll, but if there is a recommendation to the Planning Commission or Council, there will be votes. In this case, eight votes will be needed to bring forward any recommendation.

REGULAR AGENDA

(7) Presentation – Request for Endorsement of Energy Innovation and Carbon Dividend Act

Vice Mayor Hughes introduced Lanier Poland, who works with Silicon Valley North Chapter of the Citizen's Climate Lobby. She and a few friends have been working to get support for various measures, most recently this one that is currently in Congress. Vice Mayor Hughes has known Lanier all her life, as she lives nearby and is his daughter's age. He heard her presentation and invited her to share it with the Council.

Ms. Poland was accompanied by teammates, Kiran Garewal from Palo Alto and Sophia Chung from San Ramon. Lanier has lived on Wayside Road her entire life. She joined CCL as a climate activist about a year-and-a-half ago. They are currently advocating for the Energy Innovation and Carbon Dividend Act, which is a bill already in Congress. Mr. Garewal began by discussing the bill, HR-2307, which was introduced by Rep. Ted Deutch of Florida. It is currently in joint committees. The bill is a carbon pricing bill which places a fee on fossil fuels at the source, \$15 per ton of carbon dioxide emissions or the equivalent. It would rise by \$10 each year, although this could change depending on emission levels. Products made with fossil fuels would become more expensive, thereby shifting the public toward buying cleaner products. This would apply to cities, to people, to companies. The revenue would be divided by household based on the number of adults and children and returned equally to each household. Thus, high-polluting households would pay more in fees than what they get back at the end of the month. The majority of households would come out ahead, paying less via fees than what they get back every month as a dividend.

Mr. Garewal said the third part of the bill is a carbon border adjustment, which is a tariff on imported goods and a refund to exported goods to offset the price of the fee, to discourage manufacturers from moving overseas to make their products and ship them here. The bill would be expected to reduce greenhouse gas emissions to net zero by 2050, because each year the price gets higher and if emission reduction goals are not attained, it rises even faster. It is also financially responsible because the dividend payments are covered by the fee. The plan is economically equitable since certain high-income households tend to produce the lion's share of greenhouse gas emissions even though they may not be affected by the pollution as much. Approximately the lower two-thirds of households, by income, would come out ahead because they receive more back in the dividend than what they pay out. Finally, the bill is politically feasible, and there is support for it from many parts of the political spectrum. If it is passed, it will be likely to stay in effect. The executive action, Clean Power Plan, was repealed. Things such as this are easy to repeal if they are very heavily regulation based. The team feels that people will want to keep the program in place because of the dividend coming back every month, similar to Social Security, which has stayed in effect because of the checks people get each month. It is not related to the budget so it could most likely be passed through the Senate with 50 votes.

Ms. Chung explained that the Act currently has the formal support of 59 representatives. She pointed out that Congresswomen Anna Eshoo is an original co-sponsor of the bill, and Congresswoman Jackie Spear has agreed to co-sponsor. The policy also has support from Olympic Gold Medalist Jessie Diggins, former U.S. State and Treasury Secretary, George Schultz, and renown climate scientist, James Hansen.

Ms. Poland said they are asking the Town Council or Mayor Derwin to endorse the Energy Innovation and Carbon Dividend Act and that everyone watching is able to learn more about the bill. As a side note, it is often written about in *The Almanac*, the local newspaper. She has put one resource in the chat and will be putting a few more in soon.

Mayor Derwin invited questions from the Council. Hearing none, she stated there can be no action taken tonight. The Council can decide to put action on an agenda in a coming meeting. She asked how the bill would affect an individual if it passed. Lanier commented if a person does not fly often and drives a renewable energy car, they would be spending a reasonable amount of money on carbon products every month and would probably break even with the amount of money received back every month with the dividend. Most likely, it would not affect most people that much, but would likely benefit those from lower income families, because they would be getting more money back than they spent on carbon each month. For someone not conscious about their carbon footprint, someone with a large house, with heating on continually, frequent trips by air, driving a car with high fuel use for long distances would probably be spending more money on carbon than they are getting back each month and hopefully will start making wiser choices about how to spend their money on carbon.

Councilmember Aalfs added, from the electric power grid perspective, this would have a huge impact, especially in the part of the country that are heavily reliant on coal. Coal is actually already economically uncompetitive with solar and wind in much of the country. This would tip that scale even further and faster. Peninsula Clean Energy would have beneficial impacts, but it would be a significant landscape-changer in the entire electricity industry in California. Ms. Poland said it would shift the economy safely from fossil fuels to renewable energy without hurting anyone in the process. Councilmember Aalfs opined it would hurt certain stakeholders who have been fighting it for years. Mayor Derwin said Anna Eshoo is a co-sponsor of the bill and Jackie Speier is in the process of sponsoring it. Vice Mayor Hughes asked what the impact of the Town's support for this be, given that it's a federal bill in Congress and our representatives are already supporting it. He wondered if there were many towns and cities that are providing endorsements for this, and how useful it will be in building momentum in elsewhere in the country. Mr. Garewal answered that there are a number of cities that have endorsed the bill. He showed a list which includes San Jose and San Mateo County. Secondly, these representatives can always do more. Jackie Speier is just signing on. Anna Eshoo has been a strong supporter and co-sponsor of the bill, but it is not necessarily one of her biggest talking points, given that she has a re-election coming up with an opponent. He said if there is growing local support for the bill it will encourage elected officials at federal levels to make this a priority and spread the word among colleagues, et cetera. The more support it gains from cities and towns within representatives' jurisdiction, the more support they will give to the bill overall.

Mayor Derwin invited comments or questions from the public.

Judith Murphy asked about the monthly checks, if they are coming back to every potential stakeholder, will it have enormous overhead that will blunt the effectiveness of the transfer back? Mr. Garewal said the percent is set in the bill in terms of how much of the revenue can be put toward administrative expenses. It would be like the stimulus checks sent out by the Treasury so not necessarily going to be a physical check, but a direct deposit. Sophie offered those costs will not exceed two percent of revenues.

Mayor Derwin invited further public comments. Hearing none, she brought it back to the Council, to put this on an agenda and discuss support of the bill. Councilmember Aalfs Councilmember Richards and Vice Mayor Hughes advocated for this. Councilmember Wernikoff agreed.

Town Manager Dennis asked if there is a final date when a letter from the Council is required. Lanier said definitely not. The bill has been in Congress for a while, so no rush. Town Manager Dennis said he will have this put on a future going forward. Mayor Derwin thanked the three presenters for their activism, their passion, hard work and belief in attacking climate change.

(8) **Recommendation by Town Manager and Finance Director** – Review Proposed Budget for FY 2021-22 and set Public Hearing

Town Manager Dennis introduced Brandi de Garreaux, Assistant to Town Manager; Laura Russell, Planning and Building Director; Howard Young, Public Works Director; and Jim Sako, Financial Analyst.

Cindy Rodas, Finance Director, presented the proposed budget for FY 2021-2022. The first item was revenues and expenditures. The Town is overall in a good position with revenue in 2021-2022 higher than anticipated expenditures, ensuring a balanced budget. Staff has evaluated planned projects in the five-year capital improvement program and Council priorities and has determined that these projects are reasonable and closely aligned to the volume of work staff anticipates and can realistically complete during the fiscal year. She said they do have a strong relationship to the Council priorities. The delta between operational revenue and expenditures, is seen as continuing to shrink. There is a modest list of capital improvement projects that directly reflect town staff capacity. She presented a summary of all funds including both sources and requirements of all funds within the budget. Total transfers out of the general fund amount to \$1,024, 380, and total dollars allocated to capital and fixed assets of \$1.4 million. Due to the net operating surplus of \$83, 288, the net impact of fund balance will be \$941,092 rather than the full transfer out amount of \$1,024,380. An interfund transfer necessary to ensure Gas Tax Fund 206 is not in the negative. The transfer is used to support operational programs in the Public Works Department. There are not enough special revenue funds out of gas tax to support that, so it would need additional support from the general fund. The total revenue amount of \$6.1 million versus the total requirements of \$6,060,700 was pointed out.

Regarding revenues, they have evaluated the property tax growth and increased it to 5.2 percent. The previous budget growth was listed at 5.0 percent, so this is an additional increase. They have taken a conservative approach. Many cities are going to 6.0 and above with their growth. Staff is taking a conservative approach, as taken in previous years, partly due to unknowns related the VLF shortfall. They wanted to make sure they budgeted appropriately. There are also slight increases in sales and use tax. In Other Revenues they are anticipating a slight increase. Franchise Fees and UUTs are reflecting some changes, less use which is, in turn, less revenue related to cable. They have also done some modest budgeting for the return of Recreation classes and a few private events in the new fiscal year which were not budgeted for the current fiscal year due to COVID. Revenues by type were presented graphically. Property tax is the largest contributor to the general fund, followed by charges for services. Revenue generated by the General Fund supports expenditures across all departments. There will be a minimal or reduced general fund support for the proposed budget within the Planning Department due to three grants that the Town will be receiving. This will be used to offset costs related to consultant work and staff time on the housing element.

Related to expenditures, there will be some increases in employee services and benefits, including two positions that will be fully funded. In current fiscal year, the position for a Senior Planner was defunded, so this was added back to the budget this year. The finance analyst was partially funded, and the position was filled on a temporary basis. There are also some increases with the 4.3 percent COLA and other adjustments. There was no COLA included in the current year budget, as they monitored the impact of COVID on revenues and expenditures. Software costs have been flat in comparison to the increases seen over the years. There are increases in other areas, specifically, public safety. Expenditures by type was illustrated graphically. General fund proposed expenditures are higher than the previous budget by approximately \$400,000, with factors including increases in public safety, specifically, increases to the Sheriff and dispatch contracts and increases to fire services. The budget units fall under services and supplies, which makes up 43 percent of the total general fund expenditures, the largest of the Town's expenditures. She noted, as with a majority of municipalities, the highest expense category is employee services and benefits. For Portola Valley, employee services and benefits make up a total of 38 percent of total expenditures. The proposed budget does include increased costs in salaries over the current fiscal year budget by about 12 percent.

Ms. Rodas presented the Capital Improvement Plan. The Town's CIP consists of four specific divisions. Division 710 identifies roads and right-of-way. Division 720 is for Parks and Fields maintenance. Division 725, Open Space; and Division 730 for Facilities and Buildings. This also includes fixed assets, projects related to equipment and/or IT and software. In Division 710, she identified item number eight, the rapid flashing beacon project, is for pre-design only, and will be covered by special revenue funds, Measure W. There will also be special revenue funds towards item number six, 2021-22 street resurfacing project. In Division 720, item number one, Town Center skateboard ramp replacement, includes contingency and other items as well. In Division 725, Open Space, many items are recommendations from the Conservation Committee. There are also recommendations by the Conservation Committee under the Facilities and Buildings Division. There is continued support for the Spring Down and Vernal Pond vegetation management at \$50,000, as well as Frog Pond Open Space support. Division 730 includes some additions to insulation within fixed assets, The Buckeye Room TV and installation, the schoolhouse video system, the Zoom hybrid meeting integration, and also an EnerGov upgrade to a cloud-based system. Many of these would help modernize the current processes and add efficiency. There are also some additions to Community Hall and insulation for cabinet locks, as well as a project at the Cal Water site to install the antenna and equipment for ham radio. Again, there are some items recommended by Conservation for some improvements at the Town Center, as well as item number six, to upgrade safety within Town Hall and make sure there are specific barriers and plexiglass inside Town Hall to ensure safety and social distancing.

Ms. Rodas next discussed issues to monitor and consider in the longer-term. An ongoing question is related to revenue and if it will continue to be able to support operational needs. There will be some issues related to the VLF shortfall. They are not sure what the impact of that will be or if the state will be able to backfill the funds that were to be allocated to specific cities related to the discussion on the relationship between excess ERAF and VLF. There are also some changes to the consumption of services related to franchise fee and UUT. They are starting to see reductions in revenue, mostly related to telecommunications. Another issue is increased wildfire support. For the upcoming year, the fire mitigation program is growing to a six-person crew, compared to five currently, plus the fire engineer. Also, a continuing topic is facility needs for the Town Center. There are items within the building that need to be upgraded or repaired. One specifically would be the boiler. Some improvement there is needed. Furthermore, with the American Rescue Plan, the Town has an allotment of about \$859,000 specifically for revenue loss or previous expenditures related to COVID. These funds will be accepted as revenue. There are specific eligible uses for the funds. They must be tied to direct COVID expenditures or any type of revenue loss experienced during the pandemic. A few of the items listed in the CIP may be eligible expenditures under the American Rescue Plan, such as some items within software and also some not-for-profit contributions that are normally included in the annual budget. They will continue to present more information as it is released from the government.

Another issue to monitor and consider for the longer term is staffing. Staff continues to see increased need for resources and support and anticipate additional requests for staffing over the next few years, with some likely opportunities with Public Works and the Administration Departments.

Mr. Rodas said the next steps for the budget include continued discussion on the American Rescue Plan as more information unfolds. There will be a budget revision in September, which will be an opportunity to present more accurate, up-to-date information following the year-end close, which will have actualized numbers to present and a better estimate reflecting any changes. They plan on setting up quarterly budget monitoring meetings beginning in October to be held with the Finance Committee as they bring more meetings to their agenda.

Mayor Derwin invited questions of Ms. Rodas.

Vice Mayor Hughes said in going through the budget in the OpenGov link in the packet, he was trying to find where UUT shows up under sources. Ms. Rodas said it is under non-departmental, charges for

services. Vice Mayor Hughes thought it would be useful to break it out separately because of the changes approved by voters a few years ago that allows turning the UUT up and down. If looking for extra revenue, or if needing to reduce revenues, having that as a separate top-level item in the chart would be very useful. He wondered, for the approximately \$860,000 expected from the federal government, how much might be left over to spend on other things. Town Manager Dennis said the ballpark would be approximately in the range of \$300,000. It may go higher depending on whether a few of the items in capital projects can be done. For instance, \$61,000 related to improvements to the schoolhouse for hybrid meetings. He said part of it is also relate to how lost revenue is determined. He would certainly classify revenue that wasn't collected relating to the Planning and Building Department because of being closed for three months. There is still some conversation to have with the Town Attorney and others on whether that makes a case, but that would have created a big jump relating to lost revenue. Otherwise, there would be a little bit of lost revenue in sales tax and rentals, et cetera.

Councilmember Aalfs asked Ms. Rodas if the ERAF VLF shortfall last time was around \$250,000. Ms. Rodas said the VLF shortfall is much more significant. They are looking to possibly have it backfilled by this date. It was included in the budget, so it is very likely that it will be, but there is more information to come soon. Town Manager Dennis added that the amount related to ERAF was budgeted very conservatively because it's a volatile resource, coming in much higher than estimated in the last few years. Ms. Rodas will find last year's number, but she reiterated it could be more than last year.

Councilmember Wernikoff thanked Ms. Rodas and said the process has been very helpful and good for the Finance Committee and her learning curve. She was happy to see in this version of OpenGov that you can click at the department level and see the year-over-year information that she has been looking for, to be able to see two solid years of actuals. She had a question about the budget process and calendar, understanding the next steps and the difference between the final budget adoption at the next meeting and what will be the September revision. Ms. Rodas said the current proposal is to-date for the current fiscal year. Year-end close numbers will be available at the September meeting, plus any revenues or expenditures that come through. Town Manager Dennis said that the plan should actually be called Final Proposed Budget Adoption. Councilmember Wernikoff said she was getting tripped up on the wording and thought the only thing that should be called final is the September version. Town Manager Dennis agreed with this. She said being committed to get a five-year forecast in the fall will be a huge progression. She asked where to find investment revenue. Ms. Rodas replied it is under the Non-Departmental section, under the category of Use of Money and Property.

Councilmember Wernikoff agreed with Councilmember Aalfs' comment about breaking out the UUT. She said the Finance Subcommittee is breaking things out as they can. She appreciated seeing where fire was broken out and said it looks like the spending there is increasing 150 percent, essentially. Regarding fire expenditures, she was looking for actual numbers and was curious what was not spent, notwithstanding everything was wacky because of COVID. She questioned what was adopted versus actual in terms of Woodside Fire Protection District. Town Manager Dennis said it is a function of some additional work that hasn't been charged to the Town, that they haven't been billed for. Secondly, they budgeted assuming that they would have five members of the Vegetative Management group from Woodside Fire available immediately, and they were not available immediately. They were using Town staff for a period of time in summer and fall before they were fully staffed at five. The work happened. The expenditure occurred within the Town staff.

Councilmember Wernikoff asked about the reserves. She said the commentary in the transmittal memo mentioned the reserves. The Finance Committee had talked about outlining that a little bit more discreetly in the budget documents to educate people who have questions about it. She would like to see this and, if possible, to be able to see year-over-year trends. She feels it is helpful to the public to see it in a document in black and white. Town Manager Dennis said this was a simple omission and he will have it in the June 23rd version. This is more descriptive language related to what the fund activity summary is

discussing and then there's also one of the financial policies related to the minimum amount that they have, like a rainy day fund type of assignment.

Councilmember Wernikoff said she knows staff has been working at trying to get through backlogs while the overall volume of work is going up, particularly in Planning. She asked if staff feels they have adequate funding to support the Town priorities. If they had more funding, do they have a wish list ready to go of what they would need? From what she has heard, she feels they should be thinking about that, and also ways to increase revenue in order to meet those needs. Town Manager Dennis encouraged people to read the transmittal memo where there is discussion of this. He said there is a good sense of what the next set of potential staffing expenditures would be. One is related to Public Works Department, some sort of mid-level support for Mr. Young. Also, there are some administrative things they are looking at as well. In the short term, Planning and Building Director Russell, with the Council's direction and support, has a plan in place that includes bringing on some additional resources and moving folks around. The big addition is the senior planner position that they hope will reduce some of the backlogs. Part of the issue is also that they don't really understand yet what COVID has done. In the medium-term, should there be a housing element that incorporates additional planned units in town that create more day-to-day machinations within the Planning and Building Department as well? They understand this as a need at some point, so over the next year, they would like to bring those ideas forward.

Town Manager Dennis said their budgets are fairly tight and fairly slim. There is not a lot of fluff in the operational budgets. He thinks there are opportunities to take a closer look at any one area if that's the Council's direction, in order to support future expenditures. He thinks it is important for the Council start to consider other revenue sources. First would be to look at UUT as a potential source. There may be other expenditures that this budget simply can't support, particularly in fire. Wildfire Preparedness Committee is likely to come forward with another suite of proposals/recommendations that, under the current budget, would be eating into the reserves on an operational basis. Part of the five-year plan is to start to build out those assumptions and understand the impacts, to have a conversation with both the Finance Committee and the Council to start planning more appropriately for what that could look like. He thinks they have a good sense of where they want to go next, specifically as it relates to proposals for the Council regarding staffing to support those areas. They want to see, over the summer and into the fall, if there are big changes in interactions with staff and the services.

Councilmember Wernikoff said her point of view is that forecasting is great. Especially with the Housing Element, they know there will be bigger projects coming down the pike. She cautioned not to wait until things are in crisis to start figuring out a plan. Rather, plan ahead and figure out how to get the revenue to staff appropriately in order to keep things moving efficiently and not have burnout. Town Manager Dennis said there was serious consideration in the draft budget to potentially bring forward additional positions, but they decided to see how things would go. The transmittal memo described some of the increases they have seen. Some of these may change as people start to go back out post COVID. The Public Records Act requests present a substantial amount of staff time, but if that changes then they can deploy current staff accordingly. Councilmember Wernikoff suggested perhaps having a check-in at some point, to assess and plan accordingly. Town Manager Dennis said there are two check-ins planned, one on the budget and one called Roll Forward which is future Council meeting agendas. There is a check-in for the Planning Department in the summer as far as how things are going. They do expect no later than January 1st coming back to the Council regarding position issues, and having some suggestions then as they further develop their thinking.

Councilmember Richards said he has already spent a lot of time asking questions. He said he appreciates the increased accessibility for the budget and thinks it gets better and better every year. Some of the items talked about is future accessibility in terms of improved software functionality and ease of use. Town Manager Dennis shared Councilmember Richards' written question regarding Public Safety Property Tax (Prop 172). He said there are a couple areas where the 1920 data is not what they know it to be. It's a relationship to the fact that there were two systems they were operating at the same time.

Some of those needs to be cleaned up, such as restricted funds related to gas tax. Also, there was a comment that this is the first year that they are transferring data from the financial system into the budget and reporting system. The actual is actual. There was no proposed this year. He doesn't know that this is the right way to go, but they thought since the system works this way, they will try it. It is an open question at the staff level, but they would take any direction from the Council if there were a preference on how to do something in the future. He said that is an area where things seem a little low. It probably is a little low, because there might be a posting issue. They may not have received a check or a bill, or may not have done the work yet, et cetera. Another column could be added showing Actual Budget and Projected if that is useful. Councilmember Richards said he feels pretty comfortable with where they are at right now.

Town Manager Dennis said he was the one responsible for calling the Capital Improvement Program modest. He amended this to say it is modest from the perspective of the number of projects, but it is not modest from the perspective of the expenditure they are proposing. Tying it back to the transmittal memo and the discussions that the Council has had with staff, one of the things they were trying to do with the budget is not overload staff with a number of projects that they can't complete. There's an analysis that he's been doing over the past couple years that they probably were trying to do too much, which is why some of the actuals for some years, the expenditures, were not always where they wanted to be. This is the first real attempt to realign that. Part of that is through the narrative experience of putting staff in the right places, but also making sure they don't have too many projects that they can't manage. They want to be as realistic as possible with their 16 people but are not going to accomplish what a staff of 30 or 50 or 100 can do.

Mayor Derwin asked what the Employee Wellness Program is. Town Manager Dennis said it's not much right now, but this is not a reflection of its importance. The opportunity to give staff resources, to be proud of where they work, and ensure that they are able to do the job is critically important. The classic sort of wellness program, which he thinks is outdated is, "Here's your membership to the gym." It's gotten much more expansive than that. There are other opportunities to support staff such as mental health help, support for those with families, etc. He said it has been fits and starts in trying to develop it and is taking on a much higher import after what they just experienced with COVID. Mayor Derwin observed that would be supported by Dr. Scott Morrow in his address today. She asked, in Section 3, Capital Projects, Department 700, Project List, Division 725, Open Space. Items 1 and 3 refer to Blue Herron Pond and Vernal Pond, which are the same, so they could both be called Blue Herron Pond. In 4 and 6, there is reference to Frog Pond Open Space and Road Remnant. Town Manager said these are different. One refers to the existing Frog Pond Open Space and one of them refers to the Road Remnant.

Mayor Derwin invited comments from the public.

Rita Comes commented that last year when businesses did not have to pay their rent, she wondered if the Town had properties in which businesses did not have to pay their rent. She also commented, with the American Rescue Plan, one thing that is covered is an investment in people to improve public safety. She said it's been suggested that the Town hire a public safety officer as right now several people, including Town Manager Dennis, have a part of that job, but perhaps now while staff is overwhelmed with their own responsibilities, some of the funds could be earmarked for such a position. The position could possibly pay for itself by applying for grants that employees currently don't have time to work on right now, for fire safety and other things. Town Manager Dennis clarified that the Town does not rent any of its facilities for long-term use.

Betsy Morgenthaler had a question about the discussion on the reserves. At the May 5th Finance Committee meeting, a review of Town financial policies was discussed. One was a policy established in July 2011 recommending the reserve be set at 60 percent, and she realized that there has been a substantial shortfall. She was not able to attend the meeting on June 1st, because the meeting wasn't posted on the calendar and didn't show up on the website until it was too late to plan to be there. Regarding the reserves, she said the proposal for this year seems to be just over six percent, which is

less than one month of reserves. Natural disasters have not lessened since 2011, and she wished to hear a discussion about this. She was concerned that the Open Space Acquisition Fund could be targeted and spent down. She said that Town Manager Dennis did request that, given the tight budget that Council consider the UUT. She said, according to Ann Wengert, as of November 30th the Town had spent down very healthy reserves in the prior three years. She said she hates the thought of targeting a sitting fund that can be drained as quickly as the reserves were. She advised looking more closely at spending and not just more sources of revenue and do so with more public input. Town Manager Dennis responded that he was having a bit of trouble following the six percent Ms. Morgenthaler referred to. The requirement in the financial policy, general fund minimum fund balance, is that they need to have 60 of the adopted budget general fund expenditures available for the purposes of emergency use. That's everything in the general fund, including the assignments, which they have met every year.

Judith Murphy said she was there to speak for the Conservation Committee. She shared a photo that was taken of the Spring Down Open Space. The Committee didn't give a presentation to the Council this year, but in previous years Mr. Young has produced a separate table of the Conservation requests, and they have prioritized them. Their requests, now in the new format, are divided between the CIP and maintenance. She wanted to give context for the Conservation Committee requests. Five years ago, the Council directed the Committee to do a comprehensive survey of the Town-owned properties. Three years ago, the Council funded a three-year plan at Spring Down which changed it from an overgrown, weedy lot to a more park-like setting as shown in the picture. Although it was a slow start, with a learning curve, this year all went quite smoothly. She said the backbone was Public Works, the staff and their contracted people weeding and mowing, supplemented by volunteers, including local Scouts. The lovely space is now being used more, with walkers on the circular path, more frequent people pushing strollers, joggers, et cetera. She described coming upon a father homeschooling his kids in the deep canopy of the willow one day. She said, aside from expensive tree work to be done, their requested budget now is primarily for a level of maintenance to allow the property to continue to be the beautiful asset that it has become for the community.

Ms. Murphy continued that Town Center has benefitted from additional yearly expenditures the last couple of years. Several planting beds have been renovated in the area between the old schoolhouse and the Spring Down tennis court road was cleared of overgrowth and invasives. This year they've requested renovation of remaining overgrown beds along the creek, especially, and increased protection for the majestic heritage oak that has poles holding part of it up, as recommended by an arborist. This has been on their requests for several years and not funded. In Triangle Park, the budgeted funds allowed clearing of overgrowth and dead brush and the liberating of crowded oaks while preserving the seclusion from the roads. The area needs no improvement funding this year, but they anticipate suggesting a clean out every three to five years. Frog Pond Open Space has not received any additional funding. It was a lower priority, especially when things were tight last year, and was left off the approved budget. This year's Public Works budget includes a catch-up for things to do for Frog Pond Open Space itself. Many thousands of dollars of work have been done by volunteers. They are a dwindling crew, and the job is far larger than they can hope to accomplish, so work requested in the past has been included in this year's budget, including a consultation with a pond biologist to help them formulate a master plan for the pond itself from the various suggestions that have been made over the last couple years. Ms. Murphy said that Frog Pond Park – the Road Remnant – has only a single budget item, for mechanical mowing of the open area after the wildflowers have gone to seed. Volunteers have been selectively weeding and seeding in there, so they're off to a running start and plan to organize volunteers to do more thinning in there. The pledges that were made when supporting the area was being debated will be called in as soon as the Town finalizes the structure for doing so. They were pleased to see their request included in the staff suggested budget, and they urge the Council to fully fund Public Works as spelled out in the budget document.

Town Manager Dennis clarified that Ms. Murphy had requested of him and the Mayor some additional time to speak.

Kristi Corley asked where the legislative analyst is in the budget and when they would be hired. She also suggested that, when they used acronyms such as UUT, COLA, ERAF, VLF, writing them out would be helpful. She was in particular curious about what the VLF number is. She also asked if there are actuals financially in regard to the five-year plan for fire. Town Manager Dennis addressed her questions. Regarding the legislative analyst, he had mentioned the Town utilize the services of a professional team in Sacramento to provide some information about budget and state bills. He said there are lobbying firms – which would not be used for lobbying purposes – that he has contacted and is finalizing some potential proposals to bring to Council at very modest cost. Regarding acronyms, he said they do forget and will do better in that regard. On the five-year plan, he anticipates including this year five years of additional work in the right-of-way to complete what they've started at the current expenditure rate, that is \$1 million. He doesn't know if every year would require approximately \$190,000 to do that, but feels it is a good starting place. Ms. Rodas clarified the VLF (vehicle license fee) total shortfall, the substantial amount for countywide, is estimated to be \$96 million. The Town's portion of the shortfall is much closer to the \$250,000. The actual shortfall amount for Portola Valley is \$261,405. She explained the other acronyms, ERAF (Education Revenue Augmentation Fund); and COLA (cost of living adjustment); UUT (utility users tax). Mayor Derwin suggested providing a key to frequently used acronyms in the future.

Betsy Morgenthaler said Town Manager Dennis had asked where she got the six percent for the reserves and wanted to point out that it was on the first page of where the link to OpenGov took her to the proposed budget requirements, all funds. There is a pie chart at the top, and a brown triangle that says "Reserves, six percent." Underneath, it spells out \$642,408, 6.18 percent. There is a link to "Revenues and Expenses by Government Fund," where the bottom line under expenditures reads "Reserves by Fund," which also says \$642,408. This is where she got the 75 percent coming out of the Open Space Acquisitions" UUT fund. Town Manager Dennis explained this is accounting. They use the terms reserves and fund balance as it relates to requirements and sources to bring the budget up to a balance. In previous years, typically running an operating surplus, they would show, for example, \$100 on the revenue and \$75 on the expenditure side. They are now balancing the budget, so use, depending on the category, whether it's requirements or sources, those terms, including reserves.

Mr. Sako further explained that Ms. Morgenthaler is looking at the appropriated fund balance and reserves, so it's the amount that they have to budget to balance the budget. If somebody wants to get a true idea of what the Town's fund balance and reserves are, they should look at a document in the budget called "Fund Activity Summary." This would show that there is well over 60 percent. He said Town Manager Dennis gave a good explanation – if revenues are \$100 and expenditures are \$75, you have a reserve of \$25. On the flip side, if your expenditures are more than your revenues, then your appropriate fund balance to balance the revenue side. Councilmember Wernikoff said she thought that what Town Manager Dennis had said that they will have this fully explained. Vice Mayor Hughes said this is actually different than the discussion they were having in the subcommittee on how to describe reserves. The reserves that Ms. Morgenthaler is talking about on the fund sheet is a different use of the same word. When they talk about reserves and the reserve policy and 60 percent, that essentially means that we don't our bank balance to fall below 60 percent our projected expenditures for the year. This is different than the concept of reserves in accounting, which is transferring money amongst the funds to make everything balance out. Councilmember Wernikoff thought Betsy was talking about the former and misunderstood the meaning of the reserves in the pie chart. Town Manager Dennis said this is an opportunity to do further education.

Mayor Derwin said this will come back to the Council in two weeks, June 23rd, for a public hearing and action from the Council. Tonight's presentation was for reviewing, making comments, asking questions, listening to the community. Town Manager Dennis said so far there has been feedback from Councilmembers to improve the product. There is some cleanup to do in '19-'20 and a few of the revenue streams. He thinks an area of input from the Council that would be very helpful is the modest amount of revenue contributing from the general fund towards a variety of capital projects, some of which may be able to be covered under the ARP (American Rescue Plan) but certainly not everything. He said

Conservation has been very patient with them, so they wanted to ensure that the Council's direction was fully realized here, so they are very happy to have that in there. Otherwise, he feels the budget in some ways has been developed to be appropriated in a post-COVID world, trying to come out of it and trying to allocate staff in the appropriate places, recognizing some very major projects that the staff has to accomplish in the next year that will take up a considerable amount of time.

Mayor Derwin invited further questions or comments. Hearing none, she reminded that they would see this again in two weeks and will not add any more to staff's plate. She and Town Manager Dennis thanked the staff and individuals involved for their work on the budget. The transmittal letter was very informative. Town Manager Dennis acknowledged that Councilmember Wernikoff helped him get to a place to have much more information than they have historically had in there. Her guidance and suggestions were a good start.

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

Councilmember Wernikoff has been busy with the Finance Subcommittee work on the budget. She addressed a previous comment regarding scheduling, and advocates that they get these calendared in advance as much as possible on annual basis similar to how most other committees work, so they are working with the Finance Committee to agree to that. She and Councilmember Aalfs spent a day doing interviews for the Housing Element committee and spent a lot of time carefully thinking through the panel. Regarding Portola Valley School District, she mentioned comments received from the Superintendent about the rollout of construction starting next week. Those interested can find the notes on that in the last Town newsletter and probably also on PV Forum. Lastly, she made a request for the Town meetings to start a little earlier, perhaps at 6:00 instead of at 7:00. Mayor Derwin said they will talk about an earlier start time next Monday.

Vice Mayor Hughes had a BPTS meeting, in which there was discussion of parking. He said there was nothing crazy in the Sheriff's Department update. He reported that the Corte Madera School encroachment permit has been issued now for the construction project. The Planning Commission did another round of discussion on the update to the ADU ordinance for compliance with changes in state law. There were a couple language issues that still needed to be cleared up, but it should be moving forward. The Planning Commission chose Commissioners Targ and Kopf-Sill for the Housing Committee, but this may change as discussed earlier. The Finance Committee covered budget as the main issue, as covered by Councilmember Wernikoff.

Councilmember Aalfs said last week was the Airport Roundtable. The big development at the meeting was they formed a subcommittee that will explore the addition of Palo Alto as a member of the Roundtable, which has been under discussion for about 20 years. There were some objections, but a solid majority supported this in the end. Palo Alto is a stakeholder in the San Francisco Airport. Councilmember Aalfs has volunteered to be on the subcommittee, and they will start looking at criteria for new members, which he believes will support the addition of Palo Alto. He reported that Parks and Recreation met two nights ago. They had discussion on the dog park proposal which has made its way through to a few committees and will probably eventually come to the Council. There are different opinions, but they will probably have to come to a decision as Council. They are working on formalizing the reservation policy for the tennis and pickleball courts. There is currently a Google Doc that people who are signed up for these can use. They would like to make it more formal and secure. OpenGov may have some tools for this. They discussed user fees for the fields and the courts. There has never been a fee for using the courts, but they are considering a nominal fee, and the user fees for the fields. There is a disparity between what certain groups pay. Adult leagues pay for every hour on the fields, probably two to three times what Little League players pay. They would like to revisit the whole fee structure there and decide on priorities in terms of what fees should be pegged to, and basically come up with a revision to make sure all the field fees are consistent, making sure the field fees and court fees make sense relative to each other, considering what it takes to maintain a court versus maintaining the fields. He said Nature

and Science meets tomorrow and they have another seminar tomorrow night at 7:30, Predicting Earthquakes. Robert Bleier from Portola Valley will talk about earthquake prediction to within seconds.

Mayor Derwin attended the first in-person Council of Cities meeting since February of 2020, which was both in-person and virtual, giving her insight into how hideous it is going to be. They were in a big room, approximately half in person and half on the big screen. She said it hard to do, although it was 21 people voting, so the Town's meetings will be easier. Still, it was challenging. The City Selection Committee voted on members to the Executive Board of ABAG. Both incumbents were re-appointed. Carlos Romero from East Palo Alto and Giselle Hale from Redwood City. They also voted on alternate members for ABAG, Richa Awasthi and Sam Hindi from Foster City. They voted on the LAFCo board member and re-appointed Harvey Rarback from Half Moon Bay. The program featured discussion on work they have done, including Belmont Parks and Open Space Master Plan. They were invited to a hike at another location.

On June 1st she had a phone call with Susan Cordone from Cal Water, Conservation Coordinator. She handles conservation for a large territory. They talked about the rebates Cal Water has right now for residential and commercial things, such a sprinkler nozzle you can get a rebate for. She talked about a Smart Landscape Tune-up program, open now, which residents can take part in. A contractor works with the customer, turns on system, reviews everything, and makes recommendations. The contractor may fix small things, but basically the resident must hire someone else to do the work. Cal Water will have some type of turf replacement program, probably rolling out in July. They still have Conservation Kits. They have a Cal Water H2O Challenge for the schools, and other things. Mayor Derwin will be at the Sustainability Committee meeting in July and hopes she can promote within the community all the things Cal Water is doing.

Mayor Derwin said she was part of the Wildfire event, which was in the series of League of Women Voters webinars sponsored by OneShoreline which is the Flood and Sea-level Rise Resiliency District. This event had Len Materman, CEO of FSLR; Dawn, Cal Water Supervisor; Jonathon Cox from Cal Fire; herself; and Nick Calderon, County Parks; Kellyx from RCD was in the Q&A; Denise Enya and Town Manager Dennis were also in the Q&A. She thought it was a good event, with many questions, and about 120 participants.

(10) **TOWN MANAGER REPORT**

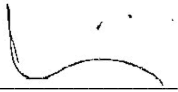
Town Manager Dennis mentioned an item he is planning to bring forward to the Wildfire Preparedness Committee. He has been speaking to providers of wildfire mitigation assessment services. Some are offered through insurance companies, some are independent. They come out and do an assessment of your home on home hardening and defensible space. They usually have a product they're trying to sell around vents or gutter barriers or a few other things that they can do. He is starting to talk to them about the potential opportunity for the Town to look at a "group buy" of a certain number of these assessments for residents that would be discounted or no-fee. It's not something these groups have considered before, so it may be an area of leadership related to wildfire. He wanted to mention it to Council as a way to support mitigation measures in the town.

WRITTEN COMMUNICATIONS

(11) **Town Council Digest – May 27, 2021**

(12) **Town Council Digest – June 3, 2021**

ADJOURNMENT [9:30 p.m.]



Mayor



Town Clerk