

**PORTOLA VALLEY TOWN COUNCIL SPECIAL MEETING NO. 1018, September 8, 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. Ms. Hanlon called the roll.

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

Absent:

Others: Jeremy Dennis, Town Manager  
Cara Silver, Town Attorney  
Cindy Rodas, Finance Director  
Sharon Hanlon, Town Clerk

Attendees: Betsy Morgenthaler  
Danna Breen  
Angela Hey  
Bob Schultz  
Caroline Vertongen  
David Cardinal  
Lorrie Duval  
Rita Comes

**ORAL COMMUNICATIONS**

**CONSENT AGENDA**

- (1) **Approval of Minutes** – Action and Detailed Summary for August 11, 2021
- (2) **Ratification of Warrant List** – August 25, 2021
- (3) **Approval of Warrant List** - September 8, 2021
- (4) **Recommendation by Assistant Planner, Planning and Building Director and Town Attorney** – Second Reading and Adoption of Ordinance Amending Section 18.14.030 [Conditional Uses] relating to fire station uses with the R-1 Zoning District; Conditional Use Permit Amendment; and Architectural and Site Development Review; 135 Portola Road, Fire Station #8
  - (a) Second Reading of Title, Waive Further Reading, and Adopt an Ordinance of the Town Council of the Town of Portola Valley Amending Section 18.14.030 [Conditional Uses] of Chapter 18.14 [Single-Family Residential] and Chapter 18.04 [Definitions] of Title 18 [Zoning] of the Portola Valley Municipal Code and a Finding the Action is Exempt Under the California Environmental Quality Act (CEQA) (Resolution No. 2021-441)
- (5) **Request by Ad Hoc Wildfire Preparedness Committee** – Committee Charter Change from Ad - Hoc to a Permanent Standing Committee [*Removed from Consent Agenda*]
- (6) **Recommendation by Wildfire Preparedness Committee** – One-year Redwood Tree Permit Fee Waiver

- (7) **Recommendation by Town Manager** - Evacuation Study Request for Proposal Award
- (8) **Recommendation by Public Works Director** - Contract Amendment with Townsend Management, Inc. for Consultant Construction Inspection and Management Services related to the FT 2021-22 Street Resurfacing Project
- (9) **Recommendation by Public Works Director**– Senate Bill 1 (SB 1) Road Maintenance and Rehabilitation Account Funding and Submittal of a Proposed Project List
  - (a) A Resolution of the Town Council of the Town of Portola Valley Adopting a Project List for Fiscal Year 2021-22 Funded by SB 1: The Road Repair and Accountability Act of 2017 (Resolution No. 2865-2021)

Rita Comes said on Item 1, the August 11, 2021, minutes stated that all members were present at roll call, and, having reviewed the video, they were not. Town Manager Dennis verified that the meeting started at approximately 7:00; Councilmember Richards arrived at 7:04; Councilmember Aalfs arrived at 7:05; and Councilmember Wernikoff arrived at 7:06, so Ms. Comes was correct, and the minutes will be corrected to reflect this. Vice Mayor Hughes said no action was taken while there was no quorum.

Vice Mayor Hughes moved to approve Consent Agenda item numbers 1, 2, 3, 4, 6, 7, 8, and 9 with the correction as noted. Seconded by Councilmember Aalfs, the motion carried, 5-0, by roll call vote.

- (5) **Request by Ad Hoc Wildfire Preparedness Committee** – Committee Charter Change from Ad Hoc to a Permanent Standing Committee

Councilmember Aalfs noted a correction on red page #47, under Wildfire Committee’s Charter Membership, in the statement, “The membership of this committee shall consist of nine members appointed by the Town Council in concurrence with the Town Council,” which should state that they are “appointed by the Mayor in concurrence with the Town Council.”

Councilmember Aalfs moved to approve Consent Agenda Item #5 as corrected. Seconded by Vice Mayor Hughes, the motion carried, 5-0, by roll call vote.

## **REGULAR AGENDA**

- (10) **Recommendation by Bicycle, Pedestrian and Traffic Safety Committee** – Portola Road and Willowbrook Parking Recommendation

Ed Holland, Chairman, Bicycle, Pedestrian and Traffic Safety Committee, shared a presentation created by Committee Secretary, Angela Hey, in regard to the recommendation. He related actions that have taken place since 2012, when they first took a look at parking on the Portola Road Corridor. Demand for parking in these two areas has grown, and several residents have attended Committee meetings, wishing to revisit these concerns with a holistic consideration for all visitor parking, largely parking by visitors to Windy Hill, where they see large numbers of cars parked on weekends, both along Portola Road and at the Alpine end of Willowbrook Drive. Weekends are the busiest times.

Mr. Holland explained that the goal of the recommendation is to increase safety for road users and trail users. The recommendation addresses roadside parking on Portola Road, Willowbrook and Alpine Road near the trailheads. The recommendation does not address long-term planning for trail improvements, car parkin upgrades, red curb painting next to driveways or exact sign locations, which can be planned and implements by a traffic engineer. Mr. Holland shared some of the Committee’s concerns, including more cars than designated parking spaces; cars parked on the shoulder or on the trail on Portola Road,

creating a hazard for other road users; frequent odd traffic maneuvers such as U-turns on a road that is busy with visitors, cyclists, and people riding or driving through town.

Mr. Holland said the recommendations at the Alpine and Willowbrook intersections include adding red curb painting to the west side of Willowbrook Drive at the intersection with Alpine to mirror what is done on the eastern side and present the sight lines for traffic approaching from all directions and the curb red on the hill on the east side as well to improve the sight line and alleviate congestion at the junction. Another consideration on Willowbrook Drive is the restriction caused by the divided road area. There is not typically parking in this area, but there is a desire in the recommendation to ensure that that is the case, preferably by red curb, to guard against creating a pinch point at the entrance and exits from those in either direction. He said there is also an area where cars park during busy times, along the trail between the bridge across the creek to Willowbrook, further back from Willowbrook towards Priory, where parking ends up on the trail, and there is no parking signage to prevent blockage of the trail.

The recommendation for parking on Portola Road on the side opposite the entrance to Windy Hill, is to expand the "No Parking" area and restrict parking to only the area where the off-pavement area is flattest and most accommodating to vehicles, minimize road congestion and ease the path of cyclists who prefer to use the shoulder as designated in a prior shoulder-widening exercise and prevent it from being blocked by car parking. The recommendation at this point is to permit parking after the Windy Hill parking sign, extend parking to the north slightly, with signage to indicate vehicles to park off the pavement, to create a couple more spaces to make up for the additional restrictions incurred by the changes at the uphill end.

Vice Mayor Hughes commented that someone was asking him about why permit parking would be instituted. He clarified that the sign says, "Permit Parking" but this doesn't mean a permit to display in our car; it means "parking allowed" Mr. Holland agreed and BPTS is recommending making changes to the restriction or allowable parking, not to instigate a permitted parking program.

Mr. Holland said on Portola Road near Stonegate, the recommendation is to allow parking, because there is room off the pavement, with a "No Parking On Pavement" sign and marking the south end of the area to indicate where they should not be parking with an arrow pointing outside this area, which is in line with highway standards. This adds a few more parking spaces and ensures that cars park on the verge and not in the shoulder where it would impede the flow of cyclists.

Mr. Holland said in March he had formed a subcommittee study and made several requests by email to the Town to do a better-defined, near engineering-level study of the situation to recommend distances, sight lines, zones and essentially design engineering. This did not come to pass, and he feels they have fallen behind on that to some degree. In summary, he said the recommendation is to add restriction and better define what is allowable for parking in Willowbrook Drive and areas along Portola Road with the primary purpose of improving traffic safety.

Mayor Derwin invited questions from the Council.

Councilmember Aalfs asked are if the deputies are writing many tickets in these areas of the existing "No Parking" signs. Mr. Holland said the last report from the Sheriff said they are writing a significant number of additional tickets specifically for parking violations, which will have a beneficial effect. It sends a message. They have asked that the citations be for the specific violation of parking on the pavement and not being completely off. Councilmember Aalfs asked if the Sheriff's Office was comfortable with the recommended modifications. Mr. Holland said they have not directly consulted them.

Town Manager Dennis said in this case, while they hadn't asked the Sheriff's Office directly about some of the issues, they felt as though it was important to bring this forward given the work that the Committee has done and what they've heard from residents. He said the Council has the authority to restrict parking without a warrant. He thinks there has been enough input from residents who have been observing

things, and the committee members who have been observing, that this seemed totally appropriate. He said on Saturdays it's evident that the intersection of cars and people and bicycles is potentially a real challenge, and this addresses those issues.

Mr. Young added regarding the Sheriff having an opinion, over the last six months or so they have asked the Sheriff to keep an eye on things, but they hadn't really pointed out any serious violations or issues. He said Gary Nielson [phonetic] has kept track of parking on Portola Road, and there has been a significant decrease since things have opened up. They also asked the Fire Department to look at the situation, but they haven't pointed out anything serious that warrants anything at this point. Town Manager Dennis said at the start of the COVID pandemic, they did restrict parking in that area. He had a conversation with the Fire Department when they started allowing parking back, to make sure that they could get their engines and trucks through, and they said that they could. This was regarding the divided area of Willowbrook.

Mayor Derwin asked who will determine the number and placement of signs and if it will eventually end up at the ASCC. Town Manager Dennis said it wouldn't be a significant number of signs they are contemplating, and it is up to the Council to direct where it goes next, whether it's to staff to work on it or to go to ASCC. Mayor Derwin wondered if the neighbors are happy with this plan. Mr. Holland said they have a majority of support from the neighbors that have approached them.

Vice Mayor Hughes said it was a great presentation by the subcommittee and they did look at this back in the spring. At that time didn't have a concrete enough idea of what was being asked for. He asked Mr. Young if he has enough information now that they could bring back a more concrete proposal about what would be needed to make this happen, or whether there is still more information needed. Mr. Young said they would propose to come back with a cost to do a study to determine needs and some concept of solutions, basic dimensions and general costs, including the study, design and construction. At this point they would come back with a cost for the study, and then based on the study, they could come back with the cost of design and construction.

Paul Krupka stated that the combination of the presentation and good work by the subcommittee and tonight's discussion gives them what they need to frame this and come back with a proposal. Mr. Young acknowledged and thanked the BPTS and their work. He added that there are many traffic items in their queue that are presently approved by the Council, going back to the Pedestrian Safety Study that the Council approved. In the next couple months, of the 15 locations that were approved for improvements, nine locations will be implemented, including upgraded traffic markings, pavement markings, and new crosswalk signs at nine locations. These were incorporated with the street resurfacing project. Of the remaining six items, two of them are the lighted crosswalk areas as well. He said there may be some priority-setting needed at some point with all of the approved projects, including this one.

Mr. Holland pointed out the time spent making the prior changes in 2012 and collecting data since that time for a significant number of years and months, through COVID and now while emerging from it, they still seeing an increasing baseline in demand for visitor parking in those locations, beyond the seasonal variations typically seen. He said he feels the time for study has passed, and the time to simply move towards some design work and proposals is really what he would like to see. Vice Mayor Hughes clarified that what Mr. Young might mean is tactical study to allow the design and engineering work. In order for Mr. Krupka to actually draw something up, there's an element of study that needs to be done.

Mayor Derwin invited comments from the public.

Caroline Vertongen felt it was a wonderful presentation emphasizing how long the work on this has gone on. She encouraged the Council to move forward. Since there have been so many traffic studies over the years, she would prefer not to wait until the other nine projects have been completed.

Danna Breen said the Willowbrook people will be thrilled by the recommendation. She asked about the status of MidPen and the parking lot, stating that for a decade she has asked where the Planning Commission is in terms of looking at the Conditional Use Permit of MidPen. She feels they could easily get another 25 cars in the parking lot. She wondered if the Council members have had any conversations with MidPen. The problem is the cars can't get into the parking lot. Town Manager Dennis said he has had conversations with MidPen going back to 2016. There has been a reluctance on their part to move forward in serious conversation on the parking issues for various reasons, some associated with their impressions of what happened in earlier days. In 1995, the parking lot may have been proposed to be bigger but was made smaller. He said he has on multiple occasions told them that parking is an issue, and the Town would appreciate a conversation about it, as with a number of other issues that the Council is aware of, on the Hawthorne property and the trail. He said MidPen operates at its own speed sometimes, and if the Council wishes him to move in a different direction, he would be happy to do that. He noted that adding additional parking at the Portola entrance would certainly be helpful and would reduce the number of cars parked on the street but would not eliminate them. Ms. Breen said they also have a Conditional Use Permit and asked why that hasn't been challenged. Going forward, she feels it's a very important piece of information. Mayor Derwin pointed out that the Town's representative is not very active in her opinion, and he is up for re-election next year, which might be something to think about.

Betsy Morgenthaler said she has been present at the BPTS meetings for a year-and-a-half, partly due to the significant danger that she sees regularly as she crosses Portola Road in the areas being addressed. She said since this has become a more acute item in the last 18 months or so, the younger bicyclists that either don't have the physical capacity to turn around and look to see if a car is coming when they are forced into the roadway by the parked cars, numerous times she has seen such things happen. When there are cars coming in both directions, and a young person is pulling out, as a mother of a grown son, she is happy he escaped such dramatic possibilities. On behalf of the Town's liability and everyone's hearts, she hoped they would weigh carefully the other 15 projects in the queue for consideration. She feels this project should probably be looked at very carefully.

David Cardinal commented that the Town's parking regulations are rather arcane, but wonderful. However, he doesn't think most visitors to the town have a clue where they can park and not park. Although the town hates signs, if they don't want people to park on the pavement, visitors will have to be explicitly told.

Mayor Derwin asked Town Manager Dennis to clarify his comment regarding the ASCC, when he said it was something the Council could direct, as well as the timeline. Town Manager Dennis said Council can direct any further review by Commissions and committees. Historically the ASCC has participated in conversations around signage, and he thought they would likely have an opinion, having historically wanted to see fewer signs in town. The direction could be for the ASCC to take a look at whatever Mr. Krupka produces for the Town and make determinations around that, or they could send something back to the Council, although that would take longer.

Mayor Derwin invited comments from the Council.

Vice Mayor Hughes said he's been immersed in this since around 2013, having been on the ASCC as well. He said he thinks the BPTS and Council over time have done their best with the situation as it has evolved. They have faced a number of different challenges, which have changed over time. The scale of the issues has changed tremendously in the last year-and-a-half. He said he thinks, because people came and discovered Windy Hill during the pandemic, they will continue to go there. As things reopen there will probably be continuation of increased activity. He agrees with the need to address the area holistically, and with Mr. Young's suggestion to come back with a proposal for essentially the staff work that would be needed in order to develop a solution. If they want to involve the ASCC – which could be appropriate – he recommended this be done similarly to the model of the pedestrian traffic study where Mr. Krupka and Mr. Young brought the ASCC a number of templates and options that they preferred and

let the ASCC approve their choice. As they move forward with the projects, they may need to combine the art with the engineering work, and it would be good for them to know what will pass muster with the ASCC before they spend a lot of time engineering something that the ASCC is opposed to. He thought, given the length of time with the pandemic issues, and amount of effort already put into this, his inclination would be to get to the finish line as efficiently as possible rather than bouncing it to ASCC, back to redesign, back to ASCC again, et cetera. He feels the palette approval approach taken with the traffic safety study seems to have worked well. Mayor Derwin restated what she heard – to come back with a proposal to get to the finish line as efficiently as possible and have Mr. Krupka and Mr. Young bring to the ASCC a template or basically approve a toolkit.

Councilmember Richards saw it as an issue that's been very well-vetted. He said the Committee did a great job and put a lot of time into it. He thought their proposed solution looked fairly incremental, not a demand for big changes, leaving room for potential changes further down the road if things continue to evolve. He said he sees it as a fairly simple set of solutions that probably won't need much in the way of review, and the ASCC has a role in looking at the signage as they have already in several locations. He felt they could come back to them to get some guidance. The few signs needed would be pretty much the extent of what ASCC will need to look at. He felt it was a great start and agreed that there is a need to move ahead. Essentially, he agreed with Vice Mayor Hughes. Mr. Holland said Councilmember Richards touched on an important point they had considered in their proposal regarding signs that would be effective but not shout, and perhaps negotiation over whether to use standard versus modified signage.

Councilmember Wernikoff agreed and thought it has been well-vetted. She liked the ASCC toolkit approach, so in general, she also agreed with Vice Mayor Hughes.

Councilmember Aalfs thought they should move forward on this. His only concern was if the ASCC process can be streamlined so that it doesn't hold things up, then he is fine with it, but if it would cause a undue delay for some reason, he would be okay with staff handling it, especially given that a lot of the signage is going to be consistent with what's already out there

Mayor Derwin said she agrees with the Council on all points. She said she feels the ASCC should be involved in a streamlined way. The standard versus modified signage noted by Mr. Holland should be noted as well. She thanked Mr. Holland for shepherding this issue for so many years.

Mr. Krupka said he expects there may be expectations, based on the discussion, and wanted to clarify context about the work he would do, if approved. First, he said the subcommittee's work on this subject is important – the parking counts, observations, recommendations, and discussion. He said he was part of the last BPTS meeting discussion, listened in, and took a lot of notes. He has been out to the field and driven by on a couple of weekend days during the peak period. He noted that it appears that this group and others think there is a distinct need to install parking restrictions. One of the primary purposes of his study would be to establish need. He said the Town Municipal Code stipulates that the California Vehicle Code govern the use of traffic control devices, and that Code stipulates only those signs and traffic control devices that conform to uniform standards in the *California Manual of Uniform Traffic Control Devices* shall be installed on roadways. That manual also offers guidance to practicing traffic engineers and civil engineers, and that guidance is that, to be effective, a traffic control device should meet five requirements: Fulfill a need. Command attention. Convey a clear simple meaning. Command respect from road users and give adequate time for proper response. He said design, placement, operation, maintenance, and uniformity are all aspects that should be carefully considered by the engineer in order to maximize the ability of a traffic control device to meet the five requirements listed. The matters of vehicle speed, geometry, sight distance, other factors need to be carefully considered, and his objective is to look at this from the standpoint of are there factors not immediately observable by the driver?

Mr. Krupka continued that the use of a traffic control devices at a particular location should be made on the basis of either an engineering study or the application of engineering judgement. In his opinion, based

on all this information, the BPTS recommendation, and his relevant over 40 years of experience, he believes that an engineering study is necessary to establish whether a need exists. If so, engineering design would be required to define the scope of improvements and establish construction details, including layout and specifications. He said it may sound simple, but he guarantees it is not. It is complex. The scope of the work would involve carefully considering all the work done to date, integrating the work that the BPTS Committee has done, field observations, counts, discussions with MidPen Regional Open Space District and the Sheriff's Deputy, collecting data and doing analysis. The end result would be a statement of what the conditions are and in his professional observations, what the needs are. If there are needs, the result would include conceptual solutions and costs.

Mr. Krupka's final point was that there is a need to bring this to the Public Works Director and the BPTS Committee. He said he is most happy and honored to be asked to do this and has been honored to support the Town of Portola Valley in traffic engineering and traffic matters like this. He advised that this kind of thing does take some time, as it needs to be carefully done. He said he doesn't want to leave the impression that his job is clear. He has to do a study to figure out what his job is.

Mayor Derwin thought that was what his proposal is about. Mr. Krupka said yes, it is, he just wants to make clear that, first of all, he wants to establish whether there is a need, and that might be contradictory to what all believe at this point in time. There may be a need, but he has a lot of information in front of him, as well as field observations over a short period of time and he needs to dig in.

Vice Mayor Hughes thought he was on the same page. He said what they have from BPTS is a detailed "back-of-envelope" conception. He thinks they really need Mr. Young to bring back a proposal for a study, and then a design and implementation plan. The study would essentially be to look at the issues that are highlighted by the BPTS report and evaluate what they've suggested, but he is aware that the actual implementation, once there is a design, may be different in certain ways, based on Mr. Krupka's engineering knowledge and expertise, which he feels would be appropriate. He said that scheduling issues may add time to getting to the finish line, but he feels the time is now for moving into the concrete engineering phase.

Mr. Holland reiterated that when this was broken out to the subcommittee in March and he shared emails with Mr. Young and Town Manager Dennis on this, he outlined specific goals that he had hoped would have gotten much further down the path by this point. He is disappointed that more has not been achieved in the intervening time. Town Manager Dennis said he thought from staff's perspective he has a different take on what was being recommended at that time from BPTS. He said there was nothing to react to, and now there is, which is what they are moving forward on. The kind of work that Mr. Krupka needs to do can't happen until there's a recommendation. That has occurred. He understands the comments but has a different take on the order of things.

Rita Comes said they seem to be having many studies going on around town. She has attended many of the meetings. She avoids going down Portola Road on weekends or holidays because she is too busy looking for a cyclist, a horse, a car parked in the lane of people making U-turns. All kinds of things are happening. She said she thinks it's great if they have a traffic study, and put this off again, but she asked if there is anything they can do during the time when the weather is beautiful, because the residents have been asking for some type of relief. During COVID, they were told to go out and walk, and then Foothills Park closed, and people found Windy Hill, and of course will be coming back. She asked if temporary signage could be used to help the residents at least safely drive through the area now. There could still be a parallel study going on if that is approved, but the residents are asking and commenting at every meeting if there is some way to respond for the residents to address their safety. Town Manager Dennis suggested that one direction the Council could provide immediately would be to do some temporary parking restrictions would be appropriate and within the Council's power. He no longer has the authority based on the COVID situation as he had last year with the initial issues. The Council could direct him to put in place some kind of temporary relief if this is going to take a little bit of time.

Caroline Vertongen suggested going back to the history of the latest traffic study from August 2018. They have made several adjustments because many of the suggestions were unsafe and did not respect the scenic corridor. She said, although Mr. Krupka said he would abide by governing documents, they have not seen that. She said the public has made several suggestions, and they have not seen any changes made to the original plan presented in August of 2018. She said, on behalf of all the residents who are burdened by this problem, she hoped the Council will take some temporary steps. She said it is not the residents causing the problem, but it is the people visiting the town. Once they know the town's ethics and governing documents are, she thought they would not need the signs.

Angela Hay thanked the Council for the positive comments on her presentation. Having been a consultant and knowing what it takes to write a proposal and the difference between writing a proposal and actually doing a study, she asked if it was possible for the Council to approve some dollars for Mr. Krupka to start the study that shows the scope of where he's going based on what they've given him, and get that phase done.

Ms. Breen asked if the study could include looking at the MidPen parking lot, which could accommodate, with new striping, another 20 cars. She wondered at what point the Council would ask the Planning Commission to look at the Conditional Use Permit of MidPen. It seemed odd to her to move ahead without ever having taken this step, and she hoped they would. She suggested they may have to move to the other side of the Neely driveway, but it would be great to get all of that parking off of Portola Road.

Town Manager Dennis responded to Ms. Hay that the Council doesn't have in front of them the information in order to make that determination, but he has within his spending authority and flexibility in the budget the ability to do a variety of things. He is comfortable working with Mr. Krupka and Mr. Young to get moving on this now and bringing back an amended budget that includes monies for the process if the Council is comfortable with it. This would reduce delays. Secondly, he said, although there may be merit to having longer-term conversations around the parking lot at Windy Hill, if it is the Council's desire for quicker action, that delay might mean that there won't be restrictions for years.

Vice Mayor Hughes moved to ask staff to work on putting together a proposal for an engineering study and subsequently a design and implementation plan for addressing traffic and parking issues in these areas. Seconded by Councilmember Aalfs.

Mayor Derwin asked for clarification on including the ASCC or temporary signage, et cetera. Vice Mayor Hughes stated this would be part of the proposal he hopes staff would come back with – a timeline and when to go to ASCC, and the scope. Vice Mayor Hughes was not in favor of temporary signage until they've had a study that tells them what to do.

Councilmember Aalfs said the temporary signage seemed reasonable to him. Mr. Holland said there is a precedent for temporary signage in the first round in 2012, of having some experimental signage to help define the restricted area for parking along Portola Road. Town Manager Dennis said he thought the Council could go ahead and give direction to paint the curb red, which he didn't think was too complicated an issue, although the signage issues might be more complicated. He said going through the process Mr. Krupka described, in order to have everything buttoned up and formal, is the way to go. On the other hand, the Council could also give direction tonight to do certain things without that additional study. He said he was not suggesting this but was suggesting that there may be portions they could reasonably go ahead with to potentially provide some immediate relief. He didn't believe it would be a significant issue to do the red striped parking where there are opportunities along Willowbrook. He said there is tension between wanting to get things going to address the residents' issues and also trying to do things as formally as possible, but thought there might be a happy medium.

Vice Mayor Hughes said he thought his motion allows for what Town Manager Dennis was suggesting. It asks for staff to come back with a proposal and hopes that they will exercise judgment in the proposal in



determining what level of study is needed to support whatever changes staff feels are appropriate to implement. If there are things that can be done without a huge amount of study and could move straight to a design and implementation phase, that would be part of the proposal. He hopes that staff has enough information from BPTS and the comments and observations to be able to make those judgments and bring back a proposal that includes those judgments.

Councilmember Aalfs said he is still comfortable with seconding the motion. He asked if Town Manager Dennis and Mr. Young were getting clear enough guidance. Town Manager Dennis said he believed so and that the motion provides them with the ability to move forward. He noted that Mr. Young was correct in saying that there are a number of tasks already underway that have taken priority. There would also be a question of when this could be scheduled for ASCC. It is not as simple as putting it on the agenda in two weeks. He believes the direction is clear and includes getting this going as quickly as possible within the confines of the discussion. He believes Mr. Young and he have appropriate direction on being able to take some interim measures that they feel appropriate as part of the larger plan. Mayor Derwin asked if "interim measure" included temporary signage. Town Manager Dennis said he didn't hear the Council directing to put out temporary signage but does hear that they have authority and judgment to look at some aspects of the situation and do some implementation, potentially including some red curb painting, et cetera. He said he would not be comfortable putting out signs within his own authority because the signage is just more complicated and has a relationship to the character of the community, which is why the Council wanted to take this to the ASCC.

Mayor Derwin called for the vote. The motion carried, 5-0, by roll call vote.

Mayor Derwin asked Town Manager Dennis to look into the MidPen Conditional Use Permit and the parking situation to see if there is any leverage there. Town Manager Dennis said he would do that although these are issues, they have looked into in the past. Councilmember Wernikoff said it made sense, although she didn't have the back story on it. Vice Mayor Hughes said his recollection is that he did look at the Conditional Use Permit when it came up in the past, and it is rather toothless. Really, they are largely dependent on the goodwill of MidPen and their desire to do something, so it's more of a political question than an enforcement issue, but he would be happy for staff to look at the Conditional Use Permit again. Councilmember Richards agreed with this.

**(11) Recommendation by Finance Director – FISCAL YEAR 2021-22 Budget, September Revision**

Cindy Rodas presented the September Revision of the Fiscal Year 2021-22 annual budget, reviewing the revisions made to the proposed fiscal year 2021-22 budget that was adopted in June, as well as looking at prior year actuals and future projections in a five-year revenue and expenditure forecast. She said the foundation of the budget has not changed. When the proposed budget was adopted in June, the Town had not yet received the federal funds from the American Rescue Plan Act (ARPA). The first of two payments was received on July 15<sup>th</sup> in the amount of \$564,381. They expect to receive the second payment about the same time next year. A new fund, Fund 225, has been created to track both the revenues and expenditures related to it.

Staff reviewed the criteria of items eligible under the ARPA funds and compared them to expenditures funded by the general fund in both the Operational and CIP budgets and determined that a few items met the criteria. The revised budget remains a balanced operational budget, increasing the operational surplus to \$103,536 compared to the surplus in June of \$83,288. The surplus reduces the impact to fund balance. She shared the summary of sources and requirements for all funds. All sources with total revenues of over \$9 million, as well as use of fund balance and operating transfers for a total of over \$10.7 million. The requirements for all funds total gross appropriations of \$8.1 million, with total operating transfers of \$2.5 million, for a total requirement for all funds of \$10,744,831. In the general fund, total revenues are \$6.2 million and use of fund balance of \$793,544 for total sources of \$7,008,648. The

requirements include gross appropriations of \$6.1 million, plus operating transfers of \$897,080, for a net operating surplus of \$103,536, reducing the net impact of fund balance.

Most revisions to the September budget were due to the addition of revenue received from the federal ARPA funds as well as the offsetting eligible expenditures. Additional changes to revenue include increases to the property tax revenue by \$15,000 for an overall growth of 5.6 percent. Although this projection is higher than previous growth, staff has continued to take a conservative approach as revenue from property tax could run as high as over six percent. Staff also included an increase in excess ERAF (Educational Revenue Augmentation Fund) due to reserves that were released higher than previously anticipated by about \$37,000. Changes to expenditures include allocations of ARPA to budgeted items that were previously funded by the general fund. Other changes to general fund items include increases to premiums for property and liability insurance, which in the June budget only estimates were included, as the full premium was not known at that time. Changes to expenditures in the capital improvement program include ARPA funding for projects such as improvements to the ventilation system in Town Hall, as well as upgrades in the schoolhouse for virtual or hybrid meeting capabilities. A full list of budget revisions is in the staff report.

Ms. Rodas went over issues to monitor and consider longer-term. Previous ongoing discussions and other factors related to the growth of expenditures outpacing revenues led them to an exercise of forecasting for projected revenues and expenditures out to fiscal year 2026. Ms. Rodas presented a five-year forecast for the Town's operational general fund revenues and expenditures. The five-year forecast for revenues included looking at previous year actuals. For the first time, staff examined every revenue and expenditure line for the last three years of actuals to examine and determine appropriate assumptions. For most line items, assumptions were based on trend lines of previous change in those areas, as well as understanding of impacts in future years. For the Town's most significant revenue source, secured property taxes, staff assumed an annual growth rate of five percent. While higher annual growth rates have been achieved, setting the future growth at this level matches the Town's tradition of conservatively estimating future revenue sources. Revenues associated with ERAF remain flat, as the future of this source derived from Basic Aid School District excess revenues remains uncertain due to state changes and changes to the number of school districts that remain Basic Aid.

Ms. Rodas spoke regarding expenditures. The Sheriff's Office contract growth is at a significant rate and is anticipated to continue in the next contract that will be negotiated for the fiscal year 2023-24 years. Staff salaries are held at an annual three-percent growth rate that does not include merit increases or changes in staffing that may either grow or reduce the overall staff budget. Year five of the forecast shows an operational general fund deficit. However, estimating the Town's revenues and expenditures in out years is difficult and the forecast did not estimate certain increases that could reasonably be assumed to occur, including in sales tax, ERAF and other sources. Staff chose to present the forecast as is to demonstrate the continued challenges in the budgetary process related to operational budget surpluses. Per previous Town Council direction, revenue enhancements may be necessary to ensure continued support for core programming, emergency preparedness and other important projects.

Mr. Rodas stated that, as with previous years, the delta between operational general fund revenue and expenditures is shrinking. While there are one-time expenditures within this proposed budget that will not be included in future years, staff expects this trend to continue. The use of reserves is not recommended for operational needs, particularly on an ongoing basis.

Town Manager Dennis re-emphasized that this is the first-time staff has done the forecasting. Staff went through every line item and came up with assumptions about where things are going, most based on prior years, averages, or their sense of where things might go. He said there are certain things, particularly after year three, where it gets dicey in what they are projecting, and this is why they felt comfortable coming forward on year five, which shows the deficit. He said they don't believe this is actually going to be the case, but it speaks to the challenges associated with having assumptions, being

smart about them, being comfortable with what they show at times. He said they would like to hear from the Council regarding the forecast, what the Council thinks, what they would like the future approach to be, and the Finance Committee's role. He said they are very proud of the budget, and it's look, feel, content, what it can do for this Council and the community in telling people what the Council's priorities are and how the money is being spent.

Mayor Derwin reminded the Council that the Vice Mayor sent a fascinating Colleagues Memo out shortly before the meeting. Vice Mayor Hughes offered to answer any questions in regard to the memo. It is available on the Town's website. He said he took numbers from the budget and created a visualization of them which shows the big picture of where the money comes from, where it's spent, and the relative size of things. The visual presentation gives a better sense of what's going on overall, while the actual budget book shows the fine detail of everything. It's a view that helps him understand it, especially while looking at long-term projections, discussions about road maintenance or ERAF changes. His goal was to come up with a guide to help understand how big and issue is relative to the overall budget. Town Manager Dennis added that it is fascinating exercise and lends itself to the conversation about how the general fund is used. It sits in a pot and can go different places, and this is a wonderful way to visualize how these things flow.

Councilmember Wernikoff said she thinks the visualization is very helpful and it will take a little while for people to get used to it, but it's a great 30,000-foot look at the in's and out's. She said the forecast is great, because it keeps everybody thinking about what's coming. She said one thing she is concerned about which isn't represented in the forecast is the potential need for more headcount and the increase in workload for the Town staff for a variety of reasons. Headcount is assumed flat as presented in the forecast, and it is one area going forward where it may be important to make changes. She wondered where the incremental revenue comes from if that is the case and suggested that it's important to think about these things now instead of later when there's a pinch. She said she has been talking about this in the Finance Committee meetings, thinking ahead, so they don't get to the point where they're behind the eight-ball, but are proactive in making sure they have the revenue needed to cover their expenses.

Town Manager Dennis agreed with Councilmember Wernikoff in her analysis of potential future need on the head-count side. He said there are some other elements where they didn't make assumptions related to current staffing, other than to program in an average three-percent increase across the board. This could in any given year, be just from a COLA. The Council has been giving excellent direction on these issues, particularly this last year as the issue has been elevated. Their hope is to continue to check in with Council as they identify potential future need outside of the normal budget process.

Councilmember Aalfs acknowledged the tremendous amount of work going into both the line-by-line forecast and Vice Mayor Hughes' document. He was glad to see that the forecasting tool is finally available and thought they would be relying on it increasingly in the future, because the sense has for a long time been that revenues were not going to keep pace with expenditures at some point. Now there is a way to actually try to prepare for when that happens.

Councilmember Richards was happy to see the forecast effort made. He said the good news about staffing is the changes made recently, of which the effect is not yet known, but could have a dramatic effect on the ability to at least catch up with what has fallen behind. He feels there have been a number of comments that policing, road maintenance and such really shot up. It looked a little bit ominous while putting the budget together, so he is glad they have this tool to work with now.

Rita Comes repeated questions she asked at the Finance meeting. One of the answers she received at the meeting was to go to OpenGov, but she tried to tear back some of the numbers by going to that site and was told that it was open. She asked for something to be placed on the website along with budget information so that the public could follow it themselves rather than bother the office to get the information. Vice Mayor Hughes sent Ms. Comes a link to the document. Town Manager Dennis said Ms.

Comes may be speaking to an additional capability that Ms. Rodas and he will be putting up this month, some additional opportunities to go into the budget. There are pre-loaded things that people may be interested in where they can see reports as staff sees them. There are other areas where people can have more independence in playing with numbers, et cetera. There is more to come. The link that is in the staff report that was just put up should give the information Ms. Comes was describing.

Caroline Vertongen said like she also attended the Finance Committee meeting and was somewhat disappointed that the Chair was not there. Several questions that were supposed to be answered at the June meeting were not presented. Her comments at the meeting were that the pie charts seemed to be off compared to other years. For example, if there is a tax increase, the pie charts show a decrease. The answer she was given was that the ERAF funds are complicated, and those are the funds that offset that amount. She said in the budget the ERAF funds are projected, but the way she understood there is no guarantee, so hopefully the Committee can confirm that. She said Mr. Cardinal made a point that the increases of the Sheriff should be discussed. She asked, how can you do an automatic increase without seeing any accountability for the services provided? She said someone at the meeting pointed out that in previous years there was always a five-year capital improvement plan, so there were some projections. The presentation made it seem like it was not included in the budget. She didn't feel there was a clear answer on why that was.

Town Manager Dennis responded that the Chair had a personal emergency so was unable to attend. The issue that Mr. Cardinal brought up was related to the process by which the budget has been developed for the Sheriff's Office in the past, the primary point being in the future should there be a conversation about what kind of service we want instead of the current levels, the broader conversation. Mr. Levine's comments related to whether the five-year CIP should be included in the operational budget/general fund forecast. There was a discussion about it and his feeling was that it wasn't necessarily useful. The five-year is in the budget, Section 3.

Mayor Derwin brought the item back to the Council and asked if action needed to be taken. Councilmember Aalfs said they are setting a public hearing.

Vice Mayor Hughes commented that he thinks it's a great budget and the presentation and content has continued to improve. He commended Ms. Rodas on pulling the budget together and incorporating the changes and feedback from the Finance Committee. He said getting the numbers to go into the chart he made was not easy and required deep perusal of the budget book to understand how it was put together and he thought it was a great piece of work. He said he thinks the five-year projection is going to be more right in earlier years and less right in years further out, but it lets the Town see how potential changes may affect future budgets. There may be a trend towards higher expenditures and lower revenues, but the numbers aren't big enough to really convince him of that. It is within the margin of error if you look at slightly different assumptions in the detail. Such as slightly higher or lower CPI, it changes the bottom-line number as much as the trend over the five years. His takeaway is that things are looking relatively flat. They probably won't have too much trouble for the coming five years unless something changes in a big way. But if they do, they now have tool that always them to figure it out the right way to do it.

Councilmember Aalfs commented that it all looks great. Forecasts are difficult but they now have something to say to the "what-ifs," such as what adding employees does to the budget, what rising houses prices does to revenue, et cetera.

Councilmember Aalfs moved to approve the budget revision and set the public hearing for the FY 2021-22 Budget, September revision. Seconded by Councilmember Wernikoff, the motion carried, 5-0, by roll call vote.

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

Councilmember Wernikoff was curious if any Councilmembers were able to attend the summer concert on the 26<sup>th</sup>. She was not but heard great things about it. Other than that, the CAC has been continuing to prep for LIVE REVIVE on October 9<sup>th</sup>. They discussed potential for adding a classical music series, which everybody was excited about, which would be happening towards the end of next year. The Housing Element Committee agenda-planning subcommittee met. They are meeting once a month in between the meetings to work on agenda items. They had a good discussion last week about that, planning for the next Housing Element Committee meeting on the third Monday of every month. She welcomed the public to join the meetings. She attended the Finance subcommittee meeting, which was covered. Regarding the Sequoias, she has a standing meeting with Rob Hays. There is not a lot of new going on there. Related to the Housing Element, one thing they are doing as an affiliate partner is looking at a seismic study in thinking about their master planning. Town Manager Dennis and she will meet with the members of the Sequoias over Zoom in October to discuss town issues in general. Regarding PBSO, construction is going well. Regarding COVID, the school is doing a very good job, testing weekly for those interested and willing to test. They are continuing to follow up about vaccination rates and encouraging vaccinations. She thought they had a good showing at the last vaccination event done in conjunction with the Town. She said that, generally, the school is feeling pretty good about the start of the year.

Councilmember Richards mentioned the MROSD (Midpen Regional Open Space District) meeting regarding Hawthorns. They talked about their plan for creating a focus group to decide how to approach it. He said he has heard the same message many times and now they are waiting until the end of next year before they think they will have the focus group ready to go to start to lay out the planning for trails, access, parking, et cetera. It is a very slow process. They did mention the Alpine Road Trail which they've been talking to them about for probably ten years. There was some public participation, and they are getting on this and at some point hopefully they will have a new representative.

Councilmember Aalfs said the first Ad Hoc Housing Element Committee meeting took place and went smoothly. There were introductions and election of a Chair, Jocelyn Swisher, and a Vice Chair, Al Sill. They discussed the general background. The first two meetings will be a lot of downloading of information, so everyone understands the task in front of them. Much of the talk came back to making sure the committee is in agreement in terms of what the process is and what their values are as a group, so trying to make sure that as disagreements arise, they can come back to what has been agreed upon as the starting points and what the finished product should look like and what they are trying to reflect. He felt it was a productive meeting. He was unable to attend the Wildfire Committee meeting. The ASCC meeting was cancelled. He said Parks and Rec and Nature and Science Committees both meet tomorrow.

Vice Mayor Hughes attended the BPTS meeting, which was discussed previously. There was prep for Zots to Tots and coordinating with the Sheriff's Department for partial or full road closure for the Zots to Tots race. Town Manager Dennis has been coordinating with the new police captain, Andrew Armando. They are working with the Sheriff's Office to get people to help with traffic flow and preventing people from coming down that section of road for that hour and working with Mr. Holland on the BPTS to get volunteers from the public to help as well, to minimize how much Sheriff's Office support is needed. He also attended the Finance Committee meeting, which was discussed previously.

Mayor Derwin reported on the ExpressLanes JPA planning for opening of the southern section, the public education and marketing. She said it is amazing it is really going to happen, although it has been pushed back a bit due to the toll system testing in the Santa Clara County ExpressLanes, which will open at the same time. She said there was also a very long closed session, with no reportable action.

Mayor Derwin reported on a Resource Management Climate Protection Committee meeting where they talked about how they are integrating equity into programs. There was a discussion in which one of their members, Portencia [phonetic] Lopez with El Concilio presented good suggestions. There was a presentation on the integration of hydrogen as building power backup in energy management by Darin

Painter from Plug Power, which she found interesting and engaging. There was also a presentation by Laura Allen, Graywater Action, on addressing water quality and design when promoting residential graywater systems. She explained water savings with use of a graywater system, even if just a laundry-to-landscape use. This would not be potable water, but they are trying to encourage more people to start thinking in that direction. Because of the drought, the County is much more open to it.

Mayor Derwin attended a OneShoreline (FSLR) meeting. They discussed the San Mateo County Grand Jury Report, entitled "San Mateo County: California's Ground Zero for Sea Level Rise," and gave responses. They approved an updated procurement and contracting policy. They discussed the creation of objectives and standards of the District and cities related to sea level rise for new development along and near the shoreline. They discussed having more nature solutions – gray infrastructure versus green infrastructure – connecting all the shoreline, and what has been done in Burlingame.

Mayor Derwin attended a Library Strategic meeting. There were a few members of the board who were uncomfortable with some practices, so they formed a subcommittee to walk them through it. She thought there would be one more meeting, having to do with more outreach to understand the needs of certain libraries. She said there were some good quotes by a Councilmember from Woodside that she would be happy to share offline.

She had a call with the Sequoias, which she said is always wacky and wonderful, very entertaining and fun. Birdfeeders was one of the subjects. Apparently, there is an issue at the Sequoias with the birdfeeders. She attended the Housing Element Committee meeting which was excellent and well-run. She also did a video with Rabbi Mayer and his wife.

### **(13) TOWN MANAGER REPORT**

Town Manager Dennis reported on recruitment for the Assistant Town Manager position. The initial phase is over and interviews are taking place. He thinks there will be a second round of interviews next week. He has been delighted with the pool and conversation so far. There is a new Captain in town, Andrew Armando. He comes from the transit side of the Sheriff's Office. He had lunch with him yesterday and conversed regarding town issues, including opportunities to bring bicycle deputies into town particularly on weekends. They spoke of the difference between the Sheriff's Office provision during the week and on weekends, as they are different types of services. He seemed open to finding ways to increase visitor service and related activities. Under Christina Corpus and Mark Myers there has been some of that focus, particularly in the parking citations.

Town Manager Dennis reported that Stanford held tours of the Wedge site last week, which were well-attended, including staff elected and appointed officials, about 100 people. He walked around with one of the Planning Commissioners and a few other folks and found it to be useful for those who weren't familiar with the project. He had lunch with Rob Hays, Executive Director of the Sequoias, the first time he had met him in person. He said it is the strongest relationship he has seen between staff and their staff and the Council. He also had lunch with the County Manager, Mike Callagy and had a variety of conversations around shared wildfire issues and found it to be helpful. The County continues to think of ways to elevate that conversation at their end. He hopes to hear more from them in the near future.

Town Manager Dennis reminded the Council of the letter sent by Vice Mayor Hughes and Councilmember Richards to the head of Housing and Community Development, the Department of Insurance and Cal Fire. If anybody hasn't seen the letter, it's on the website. It was a request to have a longer-term conversation around the nexus of issues between housing, wildfire, and insurance. It is his sense that those three agencies are not communicating with one another around the issues the Town is facing. They look forward to helping them with a dialogue.

He said for the first time in a long time, he is hoping to close the entire street for Zots to Tots. He has had recent conversations with the Sheriff, and it is a considerable resource allocation for them to do the road closure, but they think with a mix of volunteers and some of their reservists it will make some sense. They are working hard to make that a reality and will bring out more people to participate to make it a safer event.

He attended the Wildfire Committee meeting. There was some difference of opinion among attendees related to one of the presentations. Michael Tomars, the Chair, and he had been having conversations with a business, All Risk Shield, and they were invited to come and talk about what they do. One of the things they're working on is potentially recommending to Council purchase of assessments from a firm through an RFP process that people could take advantage of to jumpstart individual residents' home hardening and defensible space efforts. Some folks enjoyed the presentation and learned things, others thought it was more of a sales effort. He is having conversations with other similar businesses to understand what they can potentially offer the Town through a similar process. Hopefully, there will be more to report there.

He plans of having lunch with Sheriff Bolanos.

He shared that a number of staff took a fieldtrip to Woodside to try out their hybrid system for meetings. This would be an opportunity for people to participate both remotely and in chambers. The system has a few bugs still but is overall a great system. They practiced it to see how it worked and were excited about bringing it forward. He understands there is quite a backorder for some of their equipment since they are the only shop in town. He suggested that at a future meeting, soon, the Council should discuss some of the issues around whether or not to go back into chambers at some point.

This Friday, Town Manager Dennis will have lunch with the City Manager of Palo Alto. One of the issues on his agenda is to talk about fire residency efforts and their lands adjacent to the town, particularly Foothills Park, to get a sense of what is going on there. The Town website has good information about what some other partners are doing around us, Midpen and others, and he would like to add some of that to the website.

He will meet with the Director of WPV-Ready, Selena, next week. Between WPV-Ready, the Sheriff's Office, County Office of Emergency Services, Zonehaven and the Woodside Fire Protection District, they are working on a potential mailer to all residents modeled off of one that came out of South Marin Fire that would provide information about evacuations. It is an excellent resource, including a map and information that he has adopted with their permission.

He said they are in the final stages of updating the Stanford Wedge Project page with an FAQ section. It is a very detailed document, including a couple different components. One is general questions about the project. There is a section called, "Did I hear that right?" which is questions that they've heard discussed in the community. There are also questions coming from commissioners in the January meeting. Some are quite specific and very extensive. He hopes to have that up no later than this Monday. He thinks it will be helpful for the community at large to have a place to read factual information about the project. As happens in every community, there is some disinformation, some misunderstandings, and this would be an easy place to refer to.

Regarding the telepresence council chambers subject Vice Mayor Hughes asked if that is also connected to a memo that Town Attorney Silver sent out. If the bill that Town Attorney Silver mentioned doesn't pass, do they need to be in-person for their first Council meeting in October? Town Attorney Silver replied that they do unless the Governor issues an Executive Order. If he is inclined to extend it, he would just sign the bill. Vice Mayor Hughes said they might, just in case, be prepared to be back there at the beginning of October. Town Manager Dennis said a couple cities have gone back, but most haven't. The approach they've had is waiting on what the Governor is going to do, and anything that they do that

involves the building, there's going to be desire to continue some sort of hybrid model. There might be a period of time where that isn't available in a way that makes sense. Vice Mayor Hughes said the good news is their first October meeting is the 13<sup>th</sup>, pretty far into October, so if it does come to that they should have at least some heads-up.

Town Manager Dennis has had multiple conversations this week with a variety of Councilmembers on things he's been working on, and he appreciates all the assistance and thoughts into some of the items discussed tonight.

#### **WRITTEN COMMUNICATIONS**

(14) **Town Council Digest** – August 12, 2021

(15) **Town Council Digest** – August 19, 2021

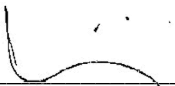
(16) **Town Council Digest** – August 26, 2021

On number five, Mayor Derwin thanked the subcommittee for the letter. It is her dream to have representatives from those three entities do a panel.

(17) **Town Council Digest** – September 2, 2021

#### **ADJOURNMENT** [9:16 p.m.]

Mayor Derwin adjourned the meeting.



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Mayor



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Town Clerk