

Councilmember Davis said the intent was that the General Plan came close to the numbers. It was annoying to have the number be off by 10-15. But, compared to some communities, it was very close.

By motion of Councilmember Davis, seconded by Councilmember Derwin, Resolution No. 2364-2007 Recognizing the Participation of the Town in the San Mateo County Sub-region for the Regional Housing Needs Allocation Process and Acceptance of the Assigned Housing Share for the Town was approved by a vote of 5-0.

(6) Agreement with Philip Williams & Associates (PWA) for Engineering Design of the Sausal Creek Daylighting Project

Ms. Howard reviewed her memo of 9/26/07 on the scope of work and agreement with PWA for the creek daylighting project at the new Town Center. She said Jorgen Blomberg was aware that the Town was not happy with some of the figures, and staff would continue to work to bring the cost down. She also thought there would be opportunities to reduce the overall cost of construction. She noted that a feasibility evaluation had been added to the scope to see whether the existing culvert could be used for water storage. To meet the schedule, she said it was important to get started on this project. Responding to Councilmember Merk, she confirmed that Exhibit A was the 9/19/07 memo from PWA. Referring to p. 6 of the memo, Phase 2, Task 8, she said she would follow up on the discrepancy over how many sheets/design drawings would be included.

Responding to Mr. Bayuk's earlier question about the funds approved for the project at the last meeting, Mayor Driscoll said the UUT had been lowered last year. The Town received an unexpected check for property taxes from the County right after the election took place. That among other things replenished the Town's reserves, which were now close to \$2 million. The Town was getting a larger amount from property taxes due to the TEA Shift. Once the cash flow issues were resolved from the Town Center project, he suspected that the UUT would be lowered again. The Town was not trying to run a taxation system where huge surpluses were generated. The Town had the funds in the general reserves to cover the creek daylighting project in the event that neither grant money nor fundraising could raise it. The Council was not spending money that could not be identified. The reserves were available if necessary, but the Town was actively trying to raise the money with the fundraising group; they were optimistic about their ability to raise that sum. As Ms. Howard just indicated, staff was looking at ways to lower the cost of the project. The Town had money for the daylighting project in reserves, and the Council did not feel that this was fiscally irresponsible. Those were the grounds under which he voted for the daylighting project at the last meeting. A "loan" had not been approved. A willingness to transfer money to pay these bills was approved in case the other moneys didn't come in.

Councilmember Davis noted that the only potential loan the Town had was the line of credit from the County. To the best of his knowledge, he did not recall the Council agreed that it wouldn't approve a capital project under general funds. It had been agreed to not use money from the UUT for anything other than the specific list of things it was earmarked for such as roads, police, etc. The incremental amount left over from that in the current budget was very small if not negative. The UUT was not surplusing the Town's general funds. The intent was that the creek project money would be paid back.

Councilmember Merk said people heard the word "loan" associated with the general fund, and it was probably not a good use of the word. It was analogous to lending yourself money from your IRA to do something now and pay it back later. Money was taken from a pie that you wouldn't normally be using for a purpose to do something, get it done, and then put the money back. The same thing was being done with the baseball field. Mayor Driscoll noted that the money was being borrowed from the 2008/2009 budget because the field was being done in 2007/2008. It was a device to deal with the annual budgeting process.

Mr. Bayuk said the baseball field had always been a part of the new Town Center project. Opening the culvert never was; it was a future “maybe.” He questioned whether it was prudent for the Council to take the risk and be in a position where the Town would have to pay the \$400,000 if the money didn’t materialize. Responding, Mayor Driscoll said if the \$400,000 wasn’t spent this year, it would escalate each year and become \$500,000 next year, \$600,000 the year after that, and so on. Additionally, if the money was not spent now, the whole site would be buttoned up and finished. In two years, it would have to be torn up in order to do the creek, which would be more disruptive. The question was whether it was more fiscally responsible and economical to do it at the same time the Town Center project was being done. It was a complicated issue, and there were arguments on both sides. This Council believed it was important enough and there was sufficient public support to fundraise for it, that the project should be undertaken. The Town Center project had also been tackled before any money was raised. There was close to \$2 million in the bank. The Council was taking a small chance, but it was a chance that was covered.

With respect to the creek project, Mayor Driscoll said he had had conversations with C.R. Hodgson and with Mr. Young on finding ways to get the project done more economically. They both had some ideas that would significantly reduce the cost of the project. The agreement with PWA was more of a “not to exceed” number, and there was a high likelihood that the number would come down. He noted that the consultant had had unexpected problems with Fish and Game, etc., in the past and had learned to be very conservative with his estimates.

Councilmember Merk moved adoption of resolution 2365-2007 Approving and Authorizing Execution of an Agreement Between the Town and Philip Williams & Associates. Councilmember Derwin seconded the motion.

Councilmember Toben said he had opposed the motion to proceed with this project at the last Council meeting. His intention was to abstain on this vote, although he wanted the process to succeed. His own view was that the way the financing was being handled was not consistent with the agreement that the Council reached a year ago and not consistent with the consensus that was produced by the Sausal Creek advisory group. That could be debated, but his understanding was that funds resulting from a separate fundraising effort were to be in hand before starting this project. In terms of the Town Center project itself, he said the Council insisted on having \$8 million in hand before Phase 1 was approved. That was a significant stake that reflected the kind of prudence he felt the Council should display in matters of this kind. He thought this would succeed and had a great deal of confidence in the fundraising team, but he was not comfortable with the funding mechanism that was being put in place.

Councilmember Derwin said she appreciated Councilmember Toben’s comments. She was very much in support of the project, but this was not the way she wanted it to come down. The information on the daylighting project should have been available last April, so that when the construction deadline came, the funds would have been raised. But, she felt if the project didn’t go forward now, it would not happen. There was tremendous support in the environmental community for this project, including endorsements from the Loma Prieta Sierra Club, Committee for Green Foothills, and Acterra, who would help write grants. It was overwhelming how positive this was perceived outside the Town. The Town was on the cutting edge of understanding how important it was to daylight creeks—just like the Town had been on the cutting edge of how important it was to build green. This was so important that the Town needed to assume a little risk and spend the money.

Mayor Driscoll said he would take some of the responsibility for the acceleration of this project. At one of the ADT meetings, he realized how much energy, time and material it would take to button up the site, when it could be buttoned up a different way that would facilitate the creek daylighting project. He had done a little investigation, and Mr. Hodgson had indicated that grading in the creek bed would not cost significantly more than grading without the creek bed. It was all about economy.

If it wasn't done now, the landscaping plan/opportunity would be missed and the Town would end up paying for it later in terms of destruction and the initial cost. There was a window of opportunity to do it now by taking a bit of a risk with general fund money.

Councilmember Merk said there was also the economy of being green. You could build green, but building by its nature was not a green endeavor. It was a very energy-consuming process no matter how it was done. If the site was buttoned up and completed and then torn up to do the creek project, that was not a very green project.

Councilmember Toben said he wanted to offer a cautionary note to the fundraising team about the psychology of donorship. People were less motivated to give money to a project that was already happening. They were more motivated to give to a project if that project wouldn't happen unless they gave. The fundraisers needed to figure out their message in a way that created the excitement to get the project done.

Mayor Driscoll noted that the \$400,000 was just to get the drawings done. This was not unlike awarding the master design contract to Siegel and Strain, which was done well before the Town raised \$8 million. This was the planning process and no dirt would be moved with this money. He said he was looking forward to unleashing Mr. Young and Mr. Hodgson to bring the costs down.

Mr. Bayuk said there was an obligation to the donors who donated to the new Town Center project without a creek. Mayor Driscoll reiterated that this aspect of the project was to grade so a creek could be put in cheaply later; the site had to be graded anyway. The question was whether it could be graded with the contours that would be consistent with the creek so it wouldn't have to be torn up again later on.

Mayor Driscoll called for the question, and Resolution No. 2365-2007 passed by a vote of 3-0-2, with Councilmembers Toben and Davis abstaining.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(7) Improvement Project Update for Robert's Market in Town

Ms. Lambert reviewed her memo of 9/19/07 on the status of the permit processing for Roberts Market. She noted that the Town's Plan Checker signed off on the building permit plans last week. A preconstruction meeting had been held with George Roberts and his contractor on Monday, and the building permit was issued. The next phase would include a CUP amendment, which would include hours of operation and delivery schedules as well as lighting and the parking lot. The application was submitted last Friday. The first step would be a preliminary review with the Planning Commission on November 7. It would go to the ASCC then back to the Planning Commission—possibly at a special meeting due to the Thanksgiving holiday. Mr. Roberts was very appreciative of the Town staff's assistance. Responding to Mayor Driscoll, she said there were a couple of neighbors who had difficulties with John's Market. Their biggest concerns were noise, lighting and the visual aspects of the market. Mr. Roberts's contractor had been meeting with one of the neighbors who recently bought his property and was planning on developing his own new home. Staff's primary concern had to do with lighting, which would be discussed. Notice would be given for all of the review meetings.

Responding to Kirke Comstock, Ms. Lambert said Mr. Roberts was not interested in having a post office substation in the market. However, if and when he decided to develop the back parcel, the issue could be revisited; development of the back parcel was very preliminary at this point. Mayor Driscoll said the paperwork necessary for having a post office substation in your business was voluminous. Councilmember Merk noted that it was also not an attractive business deal. Councilmember Derwin said she wanted to encourage someone to do it.

(8) Sausal Creek Fundraising Project

Alex Von Feldt reviewed the memo dated 9/20/07 on the fundraising and grant pursuit for the Sausal Creek daylighting project. She said about \$150,000 in costs for landscaping would be absorbed by the daylighting project and removed from the Town Center project. As costs and available grant money were understood more, the fundraising group would come to the Council with adjustments. The project consultants indicated that the costs would be less than what had been presented. She discussed grant potential, the fundraising event in November, individual interviews, and scope of the campaign. Mayor Driscoll thanked the fundraisers and offered Council's help.

Councilmember Derwin said some donors were interested in giving only to the creek project—not the Town Center project. There was a subset of people who were still not thrilled with the Town Center project. Danna Breen noted that her list of potential donors consisted mostly of people who had not donated to the Town Center. Ms. Von Feldt said there were currently pledges for \$65,000. She said it would be important to have the visuals before launching the campaign.

Councilmember Davis said it would be important to get a good understanding of the project costs before contacting people. Ms. Von Feldt said the 30% design was a key milestone at the end of November and was needed for grant applications. About that time, the renderings would be available and the event could be held. At the end of November, the fundraisers would have a better idea. In January, the design phase would be complete, and there would be a much better idea.

Councilmember Davis said if there was a possibility of having it covered by grants, donors might question why they should donate. They would want to know how much was really needed for the project. Ms. Von Feldt said by early next year, it would be known how things were going with the private money. The grant money took a long time to come in. The Town had put its neck on the line for the design phase, but the project would not go forward if the money was not secured. Mayor Driscoll noted that the grading of that area for the Town Center project would not start until April or May of next year. Ms. Howard said the target for the bid packages was January.

Councilmember Toben said there needed to be coordination between the Friends of Sausal Creek and the PVCF. Ms. Von Feldt said the PVCF had supplied the Friends with a list of people who had not contributed to the Town Center who they felt would be good to approach. Councilmember Toben said it was essential that there be on-going communication between the teams. PVCF was still hustling for the Town Center project. He wanted to make sure that effort was not disrupted. PVCF had met every other week for the last two years. They were a team of eight, and there were two Council liaisons. There was a lot of coordination about who was asking whom for what. Ms. Von Feldt said the Friends would meet once they had the pictures and discuss what the project was. It would be made clear what had to happen with the Town Center project. The Friends would orchestrate who was talking to whom so paths weren't crossed. Councilmember Toben reiterated that on-going communication and cooperation with PVCF was critical. Councilmember Merk agreed the approach needed military discipline and cooperation on both sides. Ms. Von Feldt said she understood the tone needed to be set from the beginning.

Responding to Councilmember Toben, Ms. Von Feldt said who would be writing the grants was being researched. PWA was providing a list of grantees and contacts. A list of five would be targeted. Grant writers from the San Francisquito Creek Watershed Council and Acterra would be used. She also had inquiries in to see how much a grant writer would cost. Ms. Lambert noted that the JPA had partnered with PWA and the Town on the creekside corridor report and were willing to assist again with the grant writing. She would be holding a meeting on Friday to see what needed to be done to move that forward.

Councilmember Toben noted that the Friends memo included a request for \$2,000 for an event.

PVCF had been put through the ringer when it came to setting up their administrative structure. There were some who were not comfortable about the way that was operated. A very rigorous process had been set up for PVCF to present their budget. Ms. Von Feldt said nothing had been decided yet. She had discussed structure with Ms. Howard who felt checks could be written to the Town but deposited in a separate account. If the Council wanted to use the same budgeting process as PVCF, that could be done. Ms. Breen said costs for printing, etc., might well be underwritten, but there was nothing to go on yet.

Councilmember Davis encouraged the Friends to come back with a plan to ensure the PVCF organization was separate for those who wanted to donate to the creek. Ms. Howard said the fundraising process would be structured the same way it had been for the Schoolhouse. The money would come directly to the Town.

Councilmember Merk moved to approve the request for \$2,000 from the Town to cover the expenses of a brochure printing and one event. Councilmember Davis seconded, and the motion carried 5-0.

(9) Status of Town Center Project

Ms. Howard said almost all of the site was fenced for construction. Grading for the baseball/softball field had begun and would go on for at least a week. Regular construction continued, and windows had been ordered for the community hall. All the parking lot asphalt had been ground to accommodate the ball field, and the fire hydrants had been hooked up. People were enjoying the playground, but it was constricted with the construction fence nearby. Signs were posted showing people how to access the playground. Responding to Councilmember Davis, she said the water line had been broken, repaired, broken again, and repaired. Testing showed that the water was now safe and drinkable. Responding to Councilmember Merk, she said she did not think the pipe for the hydrants had been hand trenched but would follow up to ensure the oak tree was not damaged.

Mayor Driscoll said Mr. Hodgson had plans for the asphalt grindings, which would be used to winterize the area around the back side of the library between the library and the church. Next spring, it would be taken up and used for base rock somewhere else. Nothing was being wasted. The slab for the Town Hall was 1-2 weeks from being poured because the thermal piping had to go in.

Responding to Councilmember Toben, Ms. Howard said the problem with Russ Miller Field had been fixed. They found two breaks in the water line caused by large trucks going over the water main. There had been insufficient water pressure for the sprinklers, and there were dry patches. The Rec Facilities Director thought it would recover. Some of the adult soccer games would be moved over to Woodside.

Mayor Driscoll said there was a trail that passed right in front of the site. In order to put the trail and the parking lot in, the trees would have to be removed. Mr. Strain was reluctant to do that, and he and Mr. Hodgson had discussed leaving the existing parking lot, resurfacing it and leaving the trees. The trail easement would be on the narrow side and fairly close to the road surface. There were plans to put in a fence between the road and the trail in order to provide some separation. It was cramped but a lesser of two evils; the only alternative was to take out the mature trees that were healthy and provided some screening. It was also cheaper to leave the trees and not move the parking lot 8-10 feet. Councilmember Merk confirmed that the equestrians wanted a little fence between the road and trail. Mayor Driscoll said it would be a single file trail for equestrians because of the trees.

Councilmembers agreed it was fine if the trees impacted the trail in a few places. Ms. Howard said once the plan was available, it would be brought to the Trails Committee.

Bill Lane, Westridge, thanked the Council and particularly the Mayor for the tours that were given of