

TOWN COUNCIL MEETING NO. 694, MAY 24, 2006

ROLL CALL

Vice Mayor Driscoll called the meeting to order at 8:03 p.m. and led the Pledge of Allegiance. Ms. Howard called the roll:

Present: Councilmembers Davis, Derwin and Merk, and Vice Mayor Driscoll
Absent: Mayor Toben
Others: Town Attorney Sloan, Public Works Director Young, Town Administrator Howard, Planning Manager Lambert, and Deputy Clerk Hanlon

ORAL COMMUNICATIONS

Chris Buja, Wayside, urged that an alternate place for the post office be found before the existing post office shuts down in June. Responding, Ms. Lambert said two people in Town were interested in having the post office in their store. They needed to turn in formal applications to the post office so a final determination could be made. Vice Mayor Driscoll confirmed that the Town was actively trying to keep a post office in Town.

- (1) Presentation: Pacific Gas and Electric Update on Response to Storms and Maintenance Infrastructure

Tacy Alferos, PG&E Public Affairs Representative for San Mateo County, introduced: 1) Bob Bondi, restoration lead for the lower half of San Mateo County; and 2) Allen Fisher, project manager for Rule 20 electric undergrounding.

Bob Bondi said he wanted to address concerns expressed by of some Town residents that they were being ignored by PG&E. He discussed: 1) the number of customers in Town; 2) the two primary circuits that fed into the Town and surrounding jurisdictions; 3) reported outages and responses that occurred in Town between December 31, 2005, and January 5, 2006; 4) performance standards; and 5) major cause of outages in Town, which was downed trees.

Vice Mayor Driscoll said the complaints from residents related more to delays about answering the phones and finding out how long the outages would be. Councilmember Davis agreed noting that during the heavy rains, residents had commended PG&E for their response. The complaints had been about the communication mechanisms. The other question the Town had was whether there was something the Town needed to do to educate residents about what they could do to aid PG&E in its response.

Mr. Bondi said residents could assist by staying away from potential dangers. Being 5-6' away from a downed wire in the rain could be fatal. With respect to communication, he said the company realized the telephone hotline could use some improvement. Within the next 5 years, all outages would be tracked automatically, and PG&E would know when the power was out. In the meantime, the company was looking for the best way to become more efficient. He distributed and reviewed a handout showing the history of outages in Town. Responding to Vice Mayor Driscoll, he said outages could be cut 50-70% by undergrounding. He discussed PUC reporting requirements, audits, maintenance and tree trimming. He noted that PG&E trimmed over 4,000 trees in Portola Valley. If the power lines were undergrounded, the trees would not need to be trimmed. There were also power lines over the playing fields and schools.

Chris Buja, Chair-Cable and Undergrounding Committee, asked for more information on costs to respond to outages as well as the cost of tree trimming.

Alan Fisher distributed a handout on the Rule 20 undergrounding program. As shown on the handout, he discussed the Rule 20A program for undergrounding areas used most by the general public, such as main arterials, parks, and scenic corridors. He said PG&E would pay from 95-99% of the cost if all of the criteria were met. Generally, the undergrounding took 1-2 years from inception to completion. Responding to Vice Mayor Driscoll, he said the Town received an allocation every year for undergrounding and had accrued \$221,000, which would underground about 600 feet. Those figures were based on a ratio of overhead to underground meters. Each year the Town received approximately \$30,000/year. As shown on the handout, he discussed Rule 20B projects, which were usually done with larger developments and required undergrounding of at least 600 feet on both sides of the street. The developer paid the majority of the costs. Rule 20C projects were smaller involving a few property owners with all costs paid by the applicants.

Vice Mayor Driscoll said PG&E was spending money maintaining overhead wires that the Town couldn't underground because it was so expensive. He thought it would be in PG&E's interest to help the Town underground more than \$30,000/year. Mr. Fisher noted that it was less costly to do overhead installation for new customers. Poles and wires could also be replaced rather quickly and easily. The majority of undergrounding costs was trenching. In the peninsula area, the cost per foot was \$250-\$350; in this area, it would be closer to \$250/foot and maybe less. He suggested the Town take advantage of the Rule 20A funds to engineer a job.

Responding to Mr. Buja, Vice Mayor Driscoll said there was an existing mechanism for generating funds for undergrounding that amounted to a small surcharge on the bill—which came back to the Town in a \$30,000 deposit each year. Mr. Fisher added that when a Rule 20A project was initiated, the funds that were used for construction came out of several funds. Projects were budgeted every year, and there were always more projects identified than could be funded. Once the project was complete and the system energized, the whole undergrounding cost went to the rate base and everyone throughout the system paid for it. Vice Mayor Driscoll said even under the most optimistic of circumstances, it would take hundreds of years for the Rule 20A mechanism to underground the Town. Mr. Fisher added that along with the yearly allocation, the Town could borrow five years in advance. Councilmember Merk said if the Town borrowed on a project that was a big project, PG&E would pay for more of the engineering out of the Rule 20A funds; there would be fewer outside costs because it was a bigger project.

Responding to Vice Mayor Driscoll, Ms. Howard said towns that had been successful in undergrounding created assessment districts. Tiburon had isolated areas where they created assessment districts. Berkeley had also been quite successful in areas where residents were concerned about improving their views. Mr. Bondi noted that Los Altos Hills had become more aggressive about undergrounding.

Vice Mayor Driscoll said it appeared there were two approaches: 1) identifying small neighborhood areas, creating assessment districts, and doing one project at a time; or 2) have the Town put a bond on the ballot and do it as a single project. Mr. Fisher reiterated that the Town could use its existing funds for engineering. Responding to Vice Mayor Driscoll, he said there was a limit to the number of resources that were available to do this work. System reliability and safety were the top priorities for PG&E. If there were outages, the crews would be pulled to respond.

Councilmember Merk said if it cost \$200 to trim a tree, that was \$800,000; if it was \$50/tree, that was \$200,000. If PG&E was spending \$200,000/year to trim the trees in Portola Valley, there should be a more favorable view on undergrounding. Mr. Bondi said the Council needed to understand the mandates of the PUC; they would not allow the cost of undergrounding to be born by the utilities; it would have to be 100% born by the shareholders. Mr. Fisher confirmed that the Rule 20A program was an electric tariff filed with the PUC.

Vice Mayor Driscoll thanked the PG&E representatives for attending and for the field crews' work during storms.

CONSENT AGENDA

By motion of Councilmember Merk, seconded by Councilmember Davis, the items listed below were approved with the following roll call vote:

Ayes: Councilmembers Davis, Derwin and Merk, and Vice Mayor Driscoll
Noes: None

- (2) Minutes of Town Council Meeting of April 26, 2006, as amended by Councilmember Merk.
- (3) Warrant List of May 24, 2006, in the amount of \$114,394.99.
- (4a) Resolution No. 2238-2006 Authorizing the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2006-2007 Tax Roll and to Collect the Tax at the Same Time as General County Taxes, per Town Administrator's memo of 5/9/06.
- (4b) Resolution No. 2239-2006 Authorizing the San Mateo County Controller to Apply the Special Tax for the Wayside II Road Maintenance District to the 2006-2007 Tax Roll and to Collect the Tax at the Same Time as General County Taxes, per Town Administrator's memo of 5/9/06.
- (5) Resolution No. 2240-2006 Approving and Authorizing Letter Agreement Dated May 17, 2006, Between the Town and Nichols Consulting, Chtd., for FY 2006/2007 Street Resurfacing Design, per Public Works Director's memo of 5/17/06.

REGULAR AGENDA

(6) Reimbursement Policy

Ms. Sloan reviewed her memo of 5/18/06 on the policy for reimbursing actual and necessary expenses incurred in the performance of official duties by Councilmembers and members of any appointed bodies the Council decided could receive reimbursements. As required by AB 1234, all elected and appointed officials who were eligible for reimbursement of expenses had to complete two hours of ethics training by January 1, 2007, and every two years thereafter.

Responding to Councilmember Davis's question on expenses that would not be reimbursed (p. 2), Ms. Sloan said the "personal portion of any trip" meant any part of the trip devoted to personal business. She suggested "non-business portion." After discussion, Council agreed on "non-business expansion of any trip." Responding to Councilmember Davis, she said it was required that the official report on meetings attended at Town expense at the next meeting (p. 4). She said the report could be brief or in writing.

Referring to the Authorized Expenses section (p. 1), Councilmember Merk noted that most of the items listed had to do with things outside of the Town. He felt there should be some provision for reimbursement of expenses that occurred in Town such as driving to field trips. He suggested adding "Attending to Town business." Ms. Sloan suggested, "Travel within the Town attending to Town business." Responding to Councilmember Derwin, Ms. Sloan said the Town Administrator would be reviewing the reimbursement forms.

Regarding the ethics training scheduled for June 15, 2006, in Redwood City, Councilmember Davis said the on-line form for signing up was intended for everyone coming from the Town; it was not for individuals. Ms. Sloan suggested everyone let Ms. Howard know if they wanted to attend so she could register the group. She said self-study on-line was also available.

By motion of Councilmember Davis, seconded by Councilmember Derwin, Resolution No. 2241-2006 Adopting a Reimbursement Policy, as amended, for Local Agency Officials was approved by a vote of 4-0. Ms. Sloan said she would send notification to the Planning Commission and ASCC about the new policy and ethics class.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(7) Document Imaging for Planning and Building Files

Ms. Lambert reviewed her memo of 5/16/06 on digitizing the Town's finalled building permits and plans. While there would be a significant amount of staff time involved in digitizing Town records, she felt it would be well worth it in the long run. Responding to Vice Mayor Driscoll, she confirmed that the Town currently accepted digitized files for site development permits. Responding to Vice Mayor Driscoll, Mr. Young said the Town requested standardized AutoCAD 2000 format. Most of the civil engineers used AutoCAD, but many of the architects used some kind of Mac software.

Councilmember Davis noted that the information system that was able to find and display the documents on demand was as important as getting the files digitized. Vice Mayor Driscoll said the Town needed to determine what needed to be acquired in terms of equipment, etc. He felt it made sense to move forward. He discussed possible approaches such as requiring everything from now on be submitted in digital format and retain the old paper records or digitizing everything back 5 or 10 years. Councilmember Davis said it was more complicated than that. It was a question of: 1) do you know what you have; and 2) what is contained in what you have. If you really needed it, you could go and get the physical document. He felt the hierarchical approach was better than the historic approach. Secondly, he said most of the towns were moving towards more publicly accessible material. The Town would need to decide how much it wanted to make easily available.

With respect to the storage problem, Councilmember Merk said he felt the documents would need to be removed from Room 10 and then moved again. The memo indicated it could cost \$125,000 to digitize 250 boxes of material. That money could be used to rent a space. Additionally, he was concerned about buying the latest equipment and then having to transfer files over to some newer format in 5 years. Another concern was the amount of staff time this would take. Ms. Lambert's memo of 5/18/06 indicated that the activity for the planning and building department was at an all time high. Ms. Lambert noted that staff had discussed the possibility of using interns or temps.

After discussion, Councilmember Davis said the Town was relying on the mental history of members of the staff. The whole purpose for using these kinds of hierarchical approaches was to make it possible to find something over time. He agreed it would be very demanding in both cost and staff time. Ms. Howard agreed that if either she or Ms. Lambert or both left, there would be problems. As much as she hated giving up all the paper, she and Ms. Lambert felt this was something that needed to be done. It needed to be looked at as a long-term project that could be funded and started now. The hope was that the boxes that needed to be moved could be digitized and not moved a second time.

Councilmember Davis and Councilmember Merk agreed to join a subcommittee to study the issue and make a recommendation on what the Town needed to do.

(8) Decision on Type of Delivery System for Town Center Project

Mr. Young reviewed his memo of 5/18/06 on the two delivery systems discussed for the Town Center project: the traditional general contractor/design bid method and the multiple prime method. He distributed handouts prepared by TBI showing cost savings using the multiple prime method for: 1) the public library

project in Morgan Hill; and 2) two school projects in San Jose. He felt the savings would be more than indicated because if the Town used the traditional approach, a project manager would have to be hired. Responding to Vice Mayor Driscoll, he said he thought TBI's estimates for a markup of 12% for the traditional approach was reasonable.

Ms. Howard said cost savings was not the primary driving force. Staff was interested in a better-managed project in the sense of working together as a team with the different components. Mr. Young added that staff and the Council would also have more control over the parts of the project.

Councilmember Davis said the Council had heard primarily from people who felt the multiple prime method was a superior system. Mr. Young said he had spoken with the Berryessa School District, Santa Clara School District and Redwood City. Of the five or ten projects they did, they all started out using the traditional bid method. They indicated that the first, second and third projects went badly with a lot of adversarial relationships, etc. When they started doing multiple prime or some form of that, the projects ended up having much better relationships. They indicated they would never use a process that used a general contractor again. These were very costly projects with time constraints. If there was an argument with the general contractor, the project stopped. Responding to Councilmember Derwin, he said the PV School District had used a CM-GC method where a general contractor was hired to do the multiple prime method.

As indicated in the memo, Mr. Young said selection of the multiple prime method at this time did not obligate the Council to use it for every phase of the project. The ball field, for example, could be done like Rossotti's had been done with the Town doing most of the work. With all the research staff had done, he felt multiple prime was the best system for the Town. Councilmember Davis and Councilmember Derwin concurred.

Councilmember Merk said he had discussed this with Mr. Strain. Although he was basically mistrustful of the multiple prime approach, he felt the Town was likely to get a better project and would be more likely to be on time if the multiple prime method was used. The communication between the various contractors, construction manager, architect and the Town was apparently very enhanced by this system. His one concern was that the Town would choose this system and then try to do it on the cheap. The Town had to be willing to let the people involved get together whenever they felt they needed to get together for a meeting. The road of communication needed to remain wide and clear and easily traversable.

Vice Mayor Driscoll said it was important to recognize that the multiple prime approach was being chosen in order to get a better building and process—not for the sake of money. He did not find the percentages particularly persuasive because they were hypotheticals without validation. The Town had experience with the low bidder process and that could lead to trouble. There was no experience with multiple prime, but it seemed like it gave the Town more control and a better working relationship with the various moving parts. There was a good chance the Town might end up paying the same for either system, but he felt the project would be better with multiple prime.

Councilmembers agreed to use the multiple prime delivery system for the construction of the Town Center project and directed staff to prepare the bid packages.

(9) Storage Options for Town Center Project

Mr. Young reviewed the staff memo of 5/18/06 on storage options for phase 1 of the Town Center project. He said staff had also discussed where maintenance and MUR items could be stored on site that would not require containers—such as in the existing metal shed by the easement road. Staff recommended that all the records should go in containers for safety reasons. He said the biggest concern was how using rooms 1 and 2 would affect the schedule. As indicated in the memo, the new playground could not be built according to the schedule if rooms 1 and 2 were not demolished. There would be a period of 1 to 1.5 years that there

would not be a Town playground. Secondly, he said there had been some questions about how building abatement would be performed. In 2005, he said HazMat Doc had done an analysis of the lead and asbestos. State and local rules regulated how to abate and demo buildings, and exhibits D and E showed the items scheduled for abatement and disposal in rooms 1 and 2. He noted that the majority of the building would be gone. He described what was involved in terms of testing, etc.

Responding to Vice Mayor Driscoll, Councilmember Merk said if testing was not done, the Town would have to pay to dispose of the material in a Class 1 landfill. Responding to Vice Mayor Driscoll, Mr. Young confirmed that if the building was left up more than 1 year, a second permit would be needed. Responding to Vice Mayor Driscoll, he said the current playground would remain until the Town was ready to build. At that time, the new playground was one of the first things to go in.

Councilmember Davis supported using containers for storage and asked that Mr. Young proceed and keep low costs in mind. Vice Mayor Driscoll concurred. Councilmember Derwin said the Town should not be without a playground for a year; she supported using storage containers. Councilmember Merk agreed that not having a playground for 1-1½ years was unacceptable. He also did not feel that the cheapest method for storage might be the best. The Town might be better off storing some of these things a little more attractively and safely.

(10) Not-for-Profit Agency Funding Requests

Ms. Howard reviewed her memo of 5/15/06 on not-for-profit agency funding requests.

Councilmember Davis said he felt awkward using public money even for very good purposes. Fundamentally, the organization needed to serve the Town. He felt CERPP served the Town. The Sustainable San Mateo County publication was one of the few things he read, and he felt the requested increase was justifiable due to the broader distribution. Peninsula Conflict Resolution Center was not utilized very much, and he had no feeling about the Shelter Network. The San Francisquito Watershed Council had been very helpful to the Town even though the Town was not a member of the JPA. He would drop Jobs for Youth because it served an area that was broader than the Town.

Responding to Councilmember Derwin, Vice Mayor Driscoll said the Town had an evolving/historical policy on which agencies were supported. The agency's local effect/contribution had been a key element. Councilmember Derwin said she felt the Watershed Council and CERPP had a local effect. Other than those, she was neutral. Responding to Councilmember Derwin, Vice Mayor Driscoll said when the Peninsula Conflict Resolution Center solved one of the problems referred to it, it would pay for itself. They had also not raised their requested amount. Responding to Councilmember Derwin, Ms. Howard said the agencies that actively asked the Town for funding were the ones that the Town considered. She discussed last year's contribution to BAYROC.

Councilmember Merk said CERPP was without a doubt worth the money at \$5000. He was not sure about the Peninsula Conflict Resolution Center but agreed that one resolution of a problem was worth \$1,288. He supported contributing to the other groups listed, but not at the amounts requested. He thought Sustainable San Mateo County should receive \$1,500, Jobs for Youth \$500, Shelter Network \$500, and the Watershed Council \$2,500.

Councilmembers discussed the cost of joining the San Francisquito Watershed Council. Councilmember Merk said he had met with Cynthia D'Agosta of the Watershed Council and Rich Gordon on Friday. They were concerned that Woodside and Portola Valley were not an active part of the process and were looking at their membership fee policy to see if they could come up with something that was more fair. He thought there might be some changes that would allow the Town to join.

Vice Mayor Driscoll said he agreed with Councilmember Merk's suggested dollar amounts but wanted to meet the \$3,000 requested by the Watershed Council. Council concurred.

(11) Status of Town Center Project

Ms. Howard said the architects were meeting with both the site group and the playground group. The phase 1 plan would be reviewed by the ASCC at the 6/12/06 meeting. On 6/28/06, the bid packages for abatement, salvage and demolition would be agendized for Council's consideration. The lease for the Village Square space would be ready for the 6/14/06 meeting. She said the music program was the only activity without a space because The Sequoias had decided not to host the program. Vice Mayor Driscoll said the Episcopal Church might be willing to assist with that program.

(12) Reports from Commission and Committee Liaisons

(a) Planning Commission

Councilmember Derwin said the Planning Commission granted an exception to front yard setback requirements for a detached garage. The Commission also discussed and disapproved a variance request to replace and expand a guesthouse because the findings could not be made. The project architect had argued that rebuilding the structure and making it bigger would help the Town provide another affordable housing unit. Councilmember Merk noted that the structure had not been occupied since 1967 or 1969 and was basically a room on one side of the garage of about 300 sf. He described the condition of the space noting that it was not an existing guest unit.

(b) Sausal Creek Advisory Committee

Councilmember Derwin said the pros and cons of the four options for Sausal Creek had been discussed. Most people preferred to do nothing (option 1), one person wanted to open up part of the creek (option 2), and three people wanted options 3 or 4. She said Jorgen Blomberg (PWA, Ltd.) felt options 3 and 4 were good options. She said the discussion would continue, and Mayor Toben hoped that the group could reach a consensus in the remaining 2-3 meetings.

(c) School District

Councilmember Derwin said the school district's gala was a success. She noted that Mr. Young and Ms. Howard had been commended for their assistance.

Councilmember Derwin said the ride your bike/walk to school day had been held on Thursday and had been a huge success. Shelly Sweeney indicated that traffic was significantly less and that it showed that the kids really wanted to bike and walk to school; but, parents were concerned about safety. It was felt that better bike/walking routes for kids were needed.

(e) Conservation Committee

Councilmember Merk said the Committee discussed the Sausal Creek Advisory Committee meeting. The Committee would like to see options 3 or 4, but felt it was better to try to reach a consensus and agreed on option 2.

Responding to Councilmember Merk, Vice Mayor Driscoll said Parks and Rec had not met yet to draft any material on the dog park.

(f) Stanford C-1 Trail

Councilmember Merk said he participated in the C-1 trail walk and felt this would be an amazing opportunity for a trail experience within the Town boundary. He said he had discussed the trail with Rich Gordon who indicated the County had been previously unsuccessful in getting creek setbacks some years ago.

Vice Mayor Driscoll said he attended a meeting today on the C-1 trail. Stanford had indicated that whatever money the Town did not spend of its share for the trail would go back to Stanford. There was also some land between the creek and the fence, which might be some of the more pristine areas in Town; putting a trail through might have some negative effects. He felt there was an opportunity to work with Stanford on a good trail. Stanford would be putting some marks on the pavement that identified trail segments, and another field walk would be held.

(g) San Francisquito Creek Meeting

At a meeting with Cynthia D'Agosta from the Watershed Council and Rich Gordon, Councilmember Merk said he had asked that the Town be put on the mailing list. A reconnaissance report had been done that the Town should have received. *[Tape changed - missing dialogue.]*

(h) ASCC

Councilmember Merk said the ASCC had a field trip as part of their post-construction analysis. They had identified 12 projects that they wanted to see after the construction and compare them to what they thought the project would be like. He thought the analysis would give staff some good ideas about some of the problems that occurred as projects progressed. It was surprising to see how few bad projects there were, and the Town was lucky to have the ASCC on the front line.

(i) Emergency Preparedness

Councilmember Merk said a shelter drill had been held and 22 people showed up. Information had been distributed that indicated what the Town needed to do to set up shelters.

(j) HEART (Housing Endowment and Regional Trust)

Councilmember Merk said the Town's fees for HEART went up \$3 from \$1,457 to \$1,460. He said it was questionable whether the Town would be able to transfer its BMR requirements to an area that made more sense. Councilmember Davis noted that a bill had been passed that would enable regionalization of housing. ABAG would be managing it. If it came together, HEART would be very useful.

(h) Parks and Rec Committee

Vice Mayor Driscoll said the Committee would like to come up with a preliminary design for a baseball diamond at Corte Madera School in order to give the neighbors and school district something to react to. The estimate to design a baseball field entirely on school property was \$4,000. Councilmember Davis questioned why Town money had to be spent for a design on School property. If the leagues felt they needed this field, they should come forward with a donation. Vice Mayor Driscoll said Parks and Rec felt the Town should do it because the field would replace the Town field in the interim during construction. After discussion, Council agreed to agendize the issue for discussion at the 6/14/06 meeting.

WRITTEN COMMUNICATIONS

(13) Town Council 5/12/06 Weekly Digest

(a) New Assistant Town Administrator

Referring to her memo of 5/12/06, Ms. Howard introduced Steven Willis, the new Asst. Town Administrator. Councilmembers welcomed Mr. Willis.

(14) Town Council 5/19/06 Weekly Digest

(a) Request for 20B Designation for Solana Road Undergrounding

Vice Mayor Driscoll referred to Matt Avery's request dated 5/17/06, noting that at the last Cable and Undergrounding Committee meeting, Mr. Avery indicated that all six residents on Solana Road were interested in undergrounding the utility poles on the street. They asked for the Town's support for this pilot project. Mr. Buja noted that receiving the 20B designation would put them on the schedule that cut costs; he did not think that Town 20A money could be used. PG&E would pick up some of the costs equal to what it would cost to put in new overhead wires. The difference between the overhead and underground wires was what the residents would pay. Under 20C, the residents would have to pay all the costs. Ms. Howard said the item should be agendaized for the Council to discuss and act on a resolution that created a 20B designation for the street. Ms. Sloan said she had asked PG&E for sample resolutions from other cities to ensure the wording was accurate. Sample 20A designations had been sent rather than 20B and she would follow up.

Councilmember Merk said he had no problem with this but did not want any Town 20A funds used. The Town's 20A funds were for Portola and Alpine Roads and the scenic corridors. He did not, however, object to spending some staff or Town Attorney time on this to ensure their application was done according to PG&E requirements. Councilmember Davis said this would be a learning experience. Vice Mayor Driscoll said he hoped this would start a ground swell.

(b) Planning and Building Activity

Referring to Ms. Lambert's memo of 5/18/06, Councilmembers discussed the current level of permit activity and commended the planning/building staff for their work.

ADJOURNMENT

The meeting adjourned at 10:47 p.m.

Mayor

Town Clerk