

TOWN COUNCIL MEETING NO. 699, JULY 26, 2006

ROLL CALL

Mayor Toben called the meeting to order at 8:00 p.m. and led the Pledge of Allegiance. Ms. Howard called the roll:

Present: Councilmembers Derwin, Driscoll and Merk, and Mayor Toben
Absent: Councilmember Davis
Others: Town Attorney Siegel, Town Administrator Howard, Asst. Town Administrator Willis, Planning Manager Lambert, and Deputy Clerk Hanlon

ORAL COMMUNICATIONS

Bill Henderson, Brookside Dr., reviewed his letter of 7/26/06. He said the tape of the 6/14/06 Council meeting indicated that he said he was willing to extend his questions on the budget to the next meeting providing his questions would be heard. The Mayor had responded that that would be the case along with anyone else's comments. That had not happened, and he had not had an opportunity to ask his questions. There were laws that allowed the public to make comments during public meetings. Additionally, he wanted the minutes of the 6/14/06 meeting changed to reflect his conversation with the Mayor. Mr. Siegel confirmed for Councilmember Merk that the discussion of the budget during the meeting on 6/14/06 was not agendized as a public hearing.

CONSENT AGENDA

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

Ayes: Councilmembers Derwin, Driscoll and Merk, and Mayor Toben
Noes: None

- (3) Warrant List of July 26, 2006, in the amount of \$236,134.26.
- (4) Resolution No. 2258-2006 Determining and Establishing the Appropriations Limit for 2006-2007, per Admin. Services Officer's memo of 7/20/06.
- (5) Annual Report of Fiscal Year Ending June 30, 2006, Budget and Interfund Transfers, per Admin Services Officer's memo of 7/20/06.
- (6) Resolution No. 2259-2006 Ordering and Calling a Special Municipal Election for the Purpose of Submitting to the Voters of the Town a Ballot Measure Authorizing Amendment of the Town's Utility Users' Tax to Reduce the Tax and Ordering the Election to be Consolidated with the Primary Election Conducted by the County of San Mateo to be Held on November 7, 2006. per Town Attorney's memo of 7/18/06.

REGULAR AGENDA

- (1) Minutes of Regular Town Council Meeting of June 14, 2006 (removed from Consent Agenda)

Councilmember Driscoll submitted a change to the minutes of the June 14, 2006, meeting. By motion and second, the minutes were approved as amended by a vote of 4-0.

(2) Minutes of Special Town Council Meeting of July 12, 2006 (removed from Consent Agenda)

Councilmember Merk and Mayor Toben submitted changes to the minutes of the July 12, 2006, meeting. By motion and second, the minutes were approved as amended by a vote of 4-0.

(5) Request for Portola Valley to Become a Member of ABAG's Regional Housing Needs Allocation (RHNA) Program

Ms. Lambert reviewed her memo of 7/14/06 and recommendation to adopt a resolution authorizing the Town to become a member of a Countywide sub-region—an entity that would locally administer ABAG's RHNA program. She introduced Richard Napier, Executive Director, C/CAG.

Responding to Councilmember Derwin, Ms. Lambert said adopting the resolution would not preclude the Town from doing its own low cost housing. Responding to Councilmember Derwin, Mr. Napier said 14 out of 20 cities had adopted the resolution of support; if the Town and South San Francisco adopted the resolution tonight, there would be 16 cities representing 62% of the population. There were a few more hearings to be held, and he anticipated that all the cities would want to participate. He noted that the towns and cities did not like the process and numbers provided by ABAG. By using sub-regions, what cities could do and wanted to do would be discussed. There would be local input and local control. All cities would have the same weight and vote. The worst thing that could happen would be to go back to the numbers assigned by ABAG.

Ms. Howard said San Mateo County was the first county in CA attempting to do housing regionally. Until now, Sacramento had resisted any attempt to look at the problem regionally. With the ability to present solutions to Sacramento, she felt other counties would follow if San Mateo County was successful. If it was not successful, the Town would go back to the numbers assigned by ABAG.

Responding to Councilmember Driscoll, Mr. Napier said C/CAG would facilitate the program and provide staff support to all the cities and the County. Anything that was proposed would come back to the cities. The Town could walk away at any time. The process and result had to be mutually agreed upon. Responding to Councilmember Driscoll, he said currently the State set the numbers that came down to ABAG. ABAG divided the number by the individual agencies. The State law that allowed this sub-regional participation specified the formula that would be used for the region. There would be one number for San Mateo County. It might be different or close to the old number. Under the old system, there was minimal input into the process. There was no guarantee how much difference the new number would be, but he felt the dialogue and discussion that would take place would be very positive. Responding to Councilmember Driscoll, he said the number for the Town would be one that the Town was comfortable with, and the Town had veto power.

Councilmember Driscoll said right now, the Town was one of the smallest in the State. It was unlikely the State would come after a town of 4,000 people for not meeting some housing element issue. However, San Mateo County could not fly under the radar. As a consequence, the Town could be moving from out of the spotlight into the spotlight and end up facing enforcement actions down the road. There was the potential that the Town might need to back out of this decision later.

Responding to Councilmember Merk, Mr. Napier said a different formula would be used to calculate the number for the sub-regions. The number for the County would be based on the State-required formula rather than ABAG's current formula. Responding to Councilmember Merk, he said what that number would be was unknown. It was being developed in parallel with this effort. The process would involve going to each of the cities and asking what they could do realistically, what were some of the unique things they wanted to do, what were the swaps/deals desired, etc. These things would all be summed up. About the same time, the sub-region would get its number. The important thing was that it would start from the needs

of the cities and what each city was able and willing to do. Each city would have to be comfortable with their allocation in the end; there would have to be a unanimous vote because each city had to be reasonably comfortable with the outcome.

Councilmember Merk said the Town had done its best to reach the housing goals and had made a lot of strides. The problem for the Town was the cost of land. Additionally, the Town didn't have transportation corridors, shopping, services, etc. It was in the Town's interest to take the money that developers had given the Town for in lieu fees and build the units somewhere else that was more appropriate. Mr. Napier said the only way that would be possible was to join the sub-region. Whatever deals could be made with the other communities was open to discussion. The reason everybody was joining the sub-region was because there was no cost downstream, and there were some redevelopment agency funds that could be used if the deals could be put together. The hope was that that flexibility might create some extra housing. Responding to Councilmember Merk, he said the last numbers were based on housing and jobs; the State was only basing it on jobs. He expected the sub-region number to be slightly less or similar.

Responding to Councilmember Driscoll, Mr. Napier said about one-third of the cities met their housing numbers; most of them were smaller cities. Councilmember Driscoll said he was concerned that the Town would be joining with cities that had more capacity to add units. He did not want to join with cities that had more problems than the Town did.

Responding to Mayor Toben, Mr. Napier said the process would take some staff time. There would be a kick-off meeting with the planning directors and city managers. Some of the current plans in the Housing Element could be built on, which would somewhat minimize the amount of staff time. There would be no fees assessed; any costs for consultants, etc., would be covered with the current C/CAG budget. The only cost would be staff time to participate. Responding to Councilmember Driscoll, he said whether staff or a Councilmember should represent the Town would be decided when the meeting was held with the city managers and planning directors; the cities would decide at what point they wanted to engage their elected officials. Councilmember Driscoll said the towns needed to have some flexibility on who their representative would be.

Councilmember Merk said he was not really comfortable with this but felt it was worth taking the risk. The Town had had a lot of difficulty getting BMRs built. This might be a way to do that without impacting a neighborhood that didn't want a BMR unit built in their backyard. In the past, the Town had bemoaned the fact that the State didn't allow the Town to transfer its development rights from one place to another. This mechanism should allow that. As this mechanism was developed, he suggested that the Town be represented by Spangle & Associates at some of the key meetings. If necessary, the Town could pay the additional money to have them participate.

Councilmember Driscoll said it looked as though the Town would be a participant to the process of figuring out the housing needs allocation, which was not the case now. He supported the program. Councilmember Merk noted that the numbers would be focused on jobs rather than land, etc.

Councilmember Driscoll moved approval of Resolution 2260-2006 Authorizing the Town to Become a Member of a Countywide Sub-region--an Entity that would Locally Administer ABAG's RHNA program. Councilmember Merk seconded, and the motion carried 4-0.

(8) Ordinance Amendment Regarding Diameter of Blue Oaks

Ms. Lambert reviewed the staff report of 7/13/06 on the recommendation to reduce the existing diameter/circumference of Blue Oaks to be designated as significant trees in the Site Development and Tree Protection Section of the Municipal Code. As indicated in the report, the Design Guidelines would also be amended to incorporate the change.

Councilmember Derwin said she attended the Planning Commission meeting when this item was discussed. Blue Oaks were extremely rare. A couple of the Commissioners felt that the change was not strict enough.

Councilmember Merk moved first reading by title, waive further reading, and introduction of an Ordinance Amending Section 15.12.060.28a of the Portola Valley Municipal Code Regarding Site Development [Definitions of significant trees]. Councilmember Derwin seconded, and the motion carried 4-0.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(9) Portola Valley Community Fund (PVCF) Request for Approval of 3rd Quarter Budget

Beth Rabuczewski, PVCF Treasurer, reviewed her memo of 7/12/06 on 2006 expenditures to date and the proposed third quarter budget. Responding to Councilmember Driscoll, she said some fundraising consultants had been interviewed; SallyAnn Reiss was continuing discussions with one of the firms. She confirmed for Councilmember Driscoll that whoever was retained would be a consultant for the PVCF committee.

By motion of Councilmember Derwin, seconded by Councilmember Driscoll, the proposed third quarter budget for the PVCF was approved by a vote of 3-0, with Councilmember Merk abstaining. Councilmember Merk said he would continue to abstain because he remained uncomfortable with the formation of the committee, which he believed was a Town committee. He noted that he was not against the work the committee was doing.

(10) Status of Town Center Project

Ms. Howard said about seven people had attended the mandatory hazmat bid meetings; she expected 3-4 bids with the opening on 8/2/06. The containers had arrived and staff had done an excellent job installing shelving. The move would take place on 8/8/06.

Ms. Howard reviewed Mr. Willis's memo of 7/25/06 on the recovery and reuse of materials for the project, noting that the salvage portion of the demolition aspect was being greatly expanded. At the ADT meetings, Mr. Strain indicated that he thought a better job of salvaging could be done than was initially proposed. Staff was exploring options including a 4-6 week period of salvage where wood, copper wiring, air conditioning units, etc would all be salvaged; the overall construction schedule would not be impacted. Depending on which option the Town chose, there might be an initial investment of \$25,000-\$50,000--some of which would be recouped through the sale of the material. All materials that the Town could use in the buildings would be kept, with everything else sold. She said staff felt more comfortable with the new approach, which was the greener option.

Summarizing discussions at the ADT meeting, Councilmember Driscoll said the environmentally sensitive way to take down a building was to take it a part piece by piece and sell all the parts. There were dismantlers who would do the whole job for free because they could get all of their costs back in materials. Unfortunately, they wanted 9-12 months on the site. There was also the wrecking ball approach where all the material would be taken away. The ADT considered both extremes and tried to balance the approaches so that it wouldn't drag on for a long time but would include salvage of some of the materials. As proposed, it would be a three-step process: 1) a hazmat process; 2) a salvage process; and 3) demo process. Each step took roughly one month. Salvage involved taking out all of the removable things. At the end of the demo process, there would be a lot of concrete blocks and slab, which would get ground up and re-used as base rock. There might be a slight increase in cost, but it was agreed it was a more sensitive way of doing things. Responding to Councilmember Derwin, he said all of the material that the Town could use would be stored under a tarp in the parking lot. The pile would supposedly be no bigger than one of the containers. Mr. Willis described the materials that would be removed, reused or sold. He said a bid packages had not

yet been prepared pending Council's direction on the options discussed in his memo.

Councilmember Driscoll said the preference was for Option C. Councilmember Merk said he was in favor of either Option C or D. Option D could end up costing less. It meant more money up front, and there was some risk. But, he thought more of the material would be purchased.

Councilmember Driscoll said if the Town paid \$25,000 more as seed money and got 30% of the proceeds, the material would need to be sold for \$85,000-\$90,000; 30% of that would be \$25,000. The architects had some question about whether you could get that much. Councilmember Merk discussed the air conditioning units in Town Hall, lamps, copper wire, and other materials that could be sold.

Responding to Councilmember Derwin, Councilmember Driscoll said the sale of the materials in options C or D would take place on site and take 4-6 weeks. Councilmember Merk reiterated that he felt option D had the potential to sell more things. Responding to Councilmember Derwin, Mr. Willis said he preferred option D. Reduce, re-use, recycle was the hierarchy of the CA Waste Management Board. By paying someone to deconstruct the building and selling most of that material so that it was re-used meant you were higher up on the hierarchy, which was better environmentally. There was some risk on the financial side, which was not known at this point; an estimate of the cost of the material in the buildings and the potential revenue it might generate had not been done. He supported a more "re-use" scenario. Councilmember Driscoll said in both C and D, the same amount of material ended up being re-used or recycled. It was a question of whether the Town financially participated in that.

Mr. Siegel said the salvage bid package would come back for approval as the hazmat had. Thereafter, the demolition package would come to the Council. Demolition could not be bid before you knew how much was salvaged. A better salvaging job would decrease the amount of demolition that needed to be done. It would be a two-step package/process.

In terms of scheduling, Councilmember Driscoll said hazmat work could be done in September, salvaging in October, and demolition in November. The major noise would likely take place after Thanksgiving. The neighbors would need to be notified. Ms. Howard said staff had already spoken with the Goldsteins, and more outreach would be done when the dates were known.

(11) Reports from Commission and Committee Liaisons

(a) Planning Commission

Councilmember Derwin said Commissioner McKitterick suggested the Town consider mandating solar for all large new homes. Mr. Vlasic had indicated that 20-30% of the applicants were using photovoltaics, and a tracking process had been started to verify what was actually done. Also on the agenda was the Priory CUP annual report; things were going well, and the neighbors were not complaining. There would be a new sign installed directing Priory traffic away from Georgia Lane and back to the main Priory entrance. The Commission also discussed the schedule for revision to the General Plan elements. They also discussed riparian corridor regulations and reviewed: 1) the history of the regulations; 2) the Creekside Corridor Committee report/recommendations and status; 3) approaches used by other entities; 4) creeks as systems; and 5) next steps. Jerry Hearn, Watershed Council, had participated in the discussion.

(b) ASCC

Councilmember Merk said the ASCC was working on their follow-up mechanism and had come up with some good forms/paperwork to hand out to homeowners to sign acknowledging that if changes were done, it would be brought to the attention of staff.

(c) Conservation Committee

Councilmember Merk said the Committee was planning a day to celebrate/plant oak trees on September 30.

(d) Emergency Preparedness Committee

After discussion, Councilmembers agreed to hold a tour with the Committee of the alternate EOC at the Priory following a special meeting starting at 7:30 on August 23.

(e) Historic Resource Committee

Councilmember Merk said Nancy Lund indicated that she was having a difficult time getting a quorum. She wanted to purchase a plaque for \$188 commemorating the first Internet transmission by someone from SRI at Rossotti's in 1967. Ms. Howard said Ms. Lund had solved her funding problem. Councilmember Driscoll said he would like to speak with Ms. Lund about the 1967 transmission.

(g) Parks and Rec Committee

Councilmember Driscoll said the Committee was focusing on: 1) getting the Council information about field use and changes; 2) the design of the tot lot; and 3) a low-key dog park by Ford Field. The Committee would also be having a meeting in October to discuss what needed to be done to Ford Field in the future. Councilmember Merk said the Conservation Committee wanted to have input on the dog park.

WRITTEN COMMUNICATIONS

(10) Town Council 7/14/06 Weekly Digest

(a) Ad-hoc Sausal Creek Advisory Committee Meeting Cancellation

Responding to Councilmember Derwin, Mayor Toben said if the Sausal Creek Advisory Committee ended up recommending daylighting the creek in some form at their meeting in September, there would be enough time for the architects to make whatever changes might be necessary. Councilmember Driscoll noted that the direction was to come up with a design that did not require substantial modification of the plans.

(b) San Mateo County Disaster Preparedness Day

Referring to the County's notice of the Preparedness Day on September 30, 2006, Ms. Howard confirmed that CERPP would be participating. Mayor Toben suggested the Emergency Preparedness Committee discuss having a preparedness event for the residents.

(11) Town Council 7/21/06 Weekly Digest

(a) Post Office Station in Town

Ms. Howard confirmed for Councilmember Derwin that the USPS had received three requests from Portola Valley businesses to have a post office station on their site, as indicated by Winifred Groux's letter of 7/6/06. Mayor Toben said he would follow-up with Ms. Groux. Councilmember Merk discussed the letter from the USPS.

(b) Portola Valley Post

Councilmember Derwin asked that a thank you letter be sent to Julia Dillingham for her work as editor of the

PV Post. Ms. Howard noted that the vacancy was posted around Town and on the Website. Councilmembers and staff discussed the position and whether it might be combined with other communications tasks.

(c) Seismic Issue at 11 Buck Meadow Drive

Referring to Dana Cappiello's e-mail of 6/17/06, Councilmember Derwin asked if there had been a response to her concerns. Ms. Howard said Ms. Lambert was researching the complaint and would report to the Council. Mayor Toben asked that Councilmember Derwin be liaison.

ADJOURNMENT

The meeting adjourned at 9:30 p.m.

Mayor

Town Clerk