



TOWN OF PORTOLA VALLEY

Page 1

7:30 PM – Town Council Meeting

Wednesday, May 8, 2013

Historic Schoolhouse

765 Portola Road, Portola Valley, CA 94028

REGULAR MEETING AGENDA

7:30 PM – CALL TO ORDER AND ROLL CALL

Councilmember Aalfs, Councilmember Derwin, Councilmember Driscoll, Vice Mayor Wengert, Mayor Richards

ORAL COMMUNICATIONS

Persons wishing to address the Town Council on any subject may do so now. Please note however, that the Council is not able to undertake extended discussion or action tonight on items not on the agenda.

CONSENT AGENDA

The following items listed on the Consent Agenda are considered routine and approved by one roll call motion. The Mayor or any member of the Town Council or of the public may request that any item listed under the Consent Agenda be removed and action taken separately.

- (1) **Approval of Minutes** – Regular Town Council Meeting of April 24, 2013 (3)
- (2) **Approval of Warrant List** – May 8, 2013 (25)
- (3) **Recommendation by Town Manager** – Adoption of a Resolution Establishing a Flexible Benefits Plan (37)
Document
 - (a) Resolution of the Town Council of the Town of Portola Valley Adopting the Cafeteria Flexible Benefit Plan Document Benefit Plan Document
- (4) **Recommendation by Town Attorney** – Adoption of a Resolution Accepting a Gift of Open Space Lot in Blue (79)
Oaks Subdivision
 - (a) Resolution of the Town Council of the Town of Portola Valley Accepting the Grant Deed from Buck Meadow, LLC and Authorizing the Execution of the Agreement and Declaration of Covenants Between the Town of Portola Valley and Blue Oaks Homeowners Association
- (5) **Request from the Emergency Preparedness Committee** – Referral of the Emergency AM Radio Antenna to (91)
the Architectural and Site Control Commission for Comment

REGULAR AGENDA

PUBLIC HEARING

- (6) **PUBLIC HEARING - Town Council Review** of the Amendment to Conditional Use Permit X7D-30, consisting (93)
of a parcel merger and expansion of athletic facilities with new track and artificial turf infill at the Woodside Priory School at 302 Portola Road and Initial Study/Mitigated Negative Declaration, specifically regarding only whether the proposed use of artificial turf will be in harmony with the general purpose and intent of the zoning ordinance and general plan.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

- (7) **Reports from Commission and Committee Liaisons** (113)
There are no written materials for this item.

WRITTEN COMMUNICATIONS

- (8) **Town Council Weekly Digest** – April 26, 2013 (114)
- (9) **Town Council Weekly Digest** – May 3, 2013 (135)

ADJOURNMENT

ASSISTANCE FOR PEOPLE WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at (650) 851-1700. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley Library located adjacent to Town Hall. In accordance with SB343, Town Council agenda materials, released less than 72 hours prior to the meeting, are available to the public at Town Hall, 765 Portola Road, Portola Valley, CA 94028.

SUBMITTAL OF AGENDA ITEMS

The deadline for submittal of agenda items is 12:00 Noon WEDNESDAY of the week prior to the meeting. By law no action can be taken on matters not listed on the printed agenda unless the Town Council determines that emergency action is required. Non-emergency matters brought up by the public under Communications may be referred to the administrative staff for appropriate action.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge any proposed action(s) in court, you may be limited to raising only issues you or someone else raised at the Public Hearing(s) described in this agenda, or in written correspondence delivered to the Town Council at, or prior to, the Public Hearing(s).

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 858 APRIL 24, 2013

Mayor Richards called the meeting to order at 7:30 p.m. and led the Pledge of Allegiance. Ms. Hanlon called the roll.

Present: Councilmembers Jeff Aalfs, Maryann Derwin and Ted Driscoll; Vice Mayor Ann Wengert, Mayor John Richards

Absent: None

Others: Sharon Hanlon, Town Clerk
Nick Pegueros, Town Manager
Brandi de Garneau, Sustainability and Special Projects Manager
Tom Vlastic, Town Planner
Karen Kristiansson, Principal Planner
Brandi de Garneau, Sustainability and Special Projects Manager
Howard Young, Public Works Director
Leigh Prince, Assistant Town Attorney

ORAL COMMUNICATIONS

Councilmember Derwin said she attended a Board of Supervisors meeting in Redwood City on April 23, 2013, when they presented a proclamation declaring April 2013 as National Poetry Month and read some poetry. She recited a poem written in 2012 by Billy Collins, the 2003 U.S. Poet Laureate:

Simple Arithmetic

*I spend a little time every day
on a gray wooden dock
on the edge of a wide lake, thinly curtained by reeds.
And if there is nothing on my mind
but the motion of the wavelets
and the high shape-shifting of clouds,
I look out at the whole picture
and divide the scene into what was here
five hundred years ago and what was not.
Then I subtract all that was not here
and multiply everything that was by ten,
so when my calculations are complete,
all that remains is water and sky,
the dry sound of wind in the reeds,
and the sight of an unflappable heron on the shore.
All the houses are gone, and the boats
as well as the hedges and the walls,
the curving brick paths, and the distant siren.
The plane crossing the sky is no more
and the same goes for the swimming pools,
the furniture and the pastel umbrellas on the decks,
And the binoculars around my neck are also gone,
and so is the little painted dock itself—
according to my figuring—
and gone are my notebook and my pencil
and there I go, too,
erased by my own eraser and blown like shavings off the page.*

CONSENT AGENDA

- (1) Approval of Minutes: Town Council Regular Meeting of March 27, 2013
- (2) Ratification of Warrant List: April 10, 2013 in the amount of \$118,671.11
- (3) Ratification of Warrant List: April 24, 2013 in the amount of \$124,767.91
- (4) Recommendation by Administrative Services Manager: Signature Authority for the Local Agency Investment Fund
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing Investment of Monies in the Local Agency Investment Fund (Resolution No. 2583-2013)
- (5) Recommendation by Administrative Services Manager: Amendment to Agreement with KPMG for Audit Requirements of the Hasso Plattner Foundation Donation
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Approving and Authorizing Execution of an Agreement Between the Town of Portola Valley and KPMG LLP (Resolution No. 2584-2013)
- (6) Recommendation by Administrative Services Manager: Proposed Provider Change for Workers' Compensation Insurance
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing an Application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities (Resolution No. 2585-2013)

By motion of Councilmember Derwin, seconded by Councilmember Aalfs, the Council approved the Consent Agenda with the following roll call vote:

Aye: Councilmembers Aalfs, Derwin and Driscoll; Vice Mayor Wengert, Mayor Richards (Driscoll abstained from Item 1)

No: None

REGULAR AGENDA

- (7) Public Hearing: Recommendation by Sustainability and Special Projects Manager: Proposed Trial Farmers' Market [7:04 p.m.]

Ms. de Garmeaux said community interest in a farmers' market has been growing, and over the last year, staff was approached independently by residents Laura Stec and Brook Coffee as well as the Library staff. Residents want something that brings them together more regularly than the occasionally scheduled Town events. Toward that end, staff has been working with Ms. Stec and Ms. Coffee on a proposal for a trial farmers' market for the Council's consideration.

In addition to providing a regular gathering place where residents can socialize, Ms. de Garmeaux said the farmers' market would build a connection with our food source, give residents an opportunity to interact directly with the farmers and help establish lifelong healthy-eating habits in children who would be exposed to the farmers' market. As well, she said, it could help reduce transportation-related greenhouse gas (GHG) emissions, because Town residents won't have to drive to Palo Alto or Menlo Park to go to a farmers' market.

As part of this proposal, Ms. de Garmeaux said an "eat local" movement is developing to acquaint Town residents with local produce and food products and try to help enhance business for local food retailers.

In terms of logistics, she said staff is proposing an eight-week trial that would operate from 3:00 to 7:00 p.m. on Thursdays. The farmers' market would accommodate no more than 25 vendors, but would start with about 15 vendors. Local musicians and artists or artisans would be invited to enhance the atmosphere. The Town would host an outreach booth, which could also serve as a potential resource for engaging additional residents in the Town's sustainability programs and joining various Town committees.

She pointed out on a Town Center map where the parking lot at the Historic Schoolhouse would be blocked off to accommodate the farmers' market. Christ Church has agreed to make its parking lot available for overflow parking in exchange for the opportunity to host community-building activities on their portion of the Town Center lot, Ms. de Garmeaux said. Staff would work with Christ Church to agree upon the specific activities, but she suggested they would be child- and family-friendly activities such as face-painting.

Among factors considered in developing the proposal, Ms. de Garmeaux explained that the farmer's market would:

- Be financial self-sustaining and have no fiscal impact on the Town
- Be managed by a certified farmers' market organization that would handle all the permits, vendor management, setup and cleanup
- Require minimal staff time after the initial trial period

Ms. de Garmeaux said staff, Ms. Stec and Ms. Coffee reached out to local merchants and neighborhood organizations to explain the concept, listen to any concerns and brainstorm ideas for engaging them in the farmers' market. She said Roberts Market and Portola Café Deli had concerns about food trucks in particular, so at this stage, staff is not recommending including food trucks in the farmers' market. The "eat local" movement could enhance these restaurants' business, she said, suggesting that Parkside Grille and/or Portola Café Deli could shop at the farmers' market on Thursdays and then feature Farmers' Market special items on the menu that evening or the next day.

Neighbors within 1,000 feet of the Town Center were provided with notices, as well as all businesses in Town, Ms. de Garmeaux said. In addition to the letters included in the staff report, she said an additional seven letters of support have arrived over the last few days, plus one letter expressing concerns about parking and the impact on local businesses.

She read an excerpt from an email that expressed the sentiment in most of the communications:

What a natural complement to our Town . . . yet another space for community by bringing neighbors together and sharing friendship and wonderfully fresh local organic produce. As much as I love other markets in surrounding cities, I prefer to stay right here, saving gas and time, and supporting our community. And for those of us able to walk to the Portola Valley Town Center, wow! . . . Even with Robert's and Bianchini's here in Town, I still find myself shopping in other communities for quality organic produce. It may inspire these stores to improve the quality they sell, yet another benefit to all of us.

As for next steps, Ms. de Garmeaux said that if the Council approves the trial period, staff also would like authorization to proceed with selection of an organizer. She said staff would prepare proposed agreements with an organizer and Christ Church, as well as a recommended opening date for the first farmers' market, and present them for the Council's review at its meeting on May 8, 2013. Throughout the trial period, she added, staff would evaluate the market and submit a report for Council review after the sixth week.

Mayor Richards invited Council questions and comments. There were none. He opened the public hearing.

In response to Virginia Bacon, Ms. de Garmeaux said the farmers' market wouldn't be the venue for residents exchanging harvest excess with one another. That's the Portola Valley Garden Share program, which would be held from 10:00 to 11:00 a.m. the fourth Saturday of every month in the Redwood Grove just behind the Historic Schoolhouse.

Don Jacobson, Farm Road, said that living across the street, albeit in Woodside, he hears the loudspeaker from Spring Down and is afraid the farmers' market would create a lot more noise, especially with music and entertainment. He said he didn't move to this area to be subjected to this. He also noted that a lot of people park on Farm Road, clogging it up and making it inconvenient for residents in that area. He sees no benefit to the farmers' market and wants to know the names of those who support it. He said Ms. de Garmeaux read a nice letter from someone, but didn't disclose who wrote it. He said his neighbor up the road was spraying at 6:00 a.m. this spring, in violation of Town regulations, and he said he believes Spring Down continues to violate Portola Valley's noise restrictions.

Laura Stec, Westridge Drive, said in the six years she's been in Portola Valley, she's found a community of smart, environmentally aware people who value a rural setting. She said a farmers' market is exactly what we want. In working with the local merchants, she said she's heard a lot of support for the farmers' market, with the only objections related to traffic and noise. She said she's actually concerned whether the Town has enough people to support a farmers' market. She said 15 vendors would be fine. If having music didn't work, she said that could be adjusted.

Ms. Stec said we are a world of people in which two-thirds are overweight. We have to realize that local fresh produce, eaten on the day it's picked or the day after, is the highest-value food you could possibly eat. With one-third of our children overweight, she said we must think about how we instill in our young people the idea of focusing on food that's not dead on a store shelf, but alive and vibrant. We eat far too much of the wrong kinds of foods, she said. As a professional chef who teaches all over the Bay Area, Ms. Stec said most of the people in her classes never took a cooking class before. When they get back in their kitchen and are excited about what they're cooking, they find the best places to get to know are the local farmers' markets.

Nicole Pasini, Portola Valley Library Manager, said that as Ms. de Garmeaux mentioned, the Library staff is enthusiastic about the farmers' market. Anything that brings people to the Town Center brings people into the Library, she said, which helps address one of its major goals – to increase usage.

Lynn Lane Jacobson, Farm Road, said she bought land and moved to Portola Valley 50 years ago— her deed says Portola Valley. It subsequently changed to Woodside, then went back to Portola Valley and now it's part of Woodside again. She said she objects strenuously to the farmers' market, commenting that we don't need a farmers' market every two miles. There's one in Woodside, she said, at Skylonda and at Webb Ranch, plus Bianchini's and a whole section in Safeway for local produce. She said "we have all the greatest markets you could live for." She asked what local farms would be represented at the farmers' market, and who are the farmers? She said she doesn't know of any crops other than grapes.

If you want a market to bring people together, Ms. Jacobson continued, bring them to Town Hall to socialize, where the noise wouldn't disrupt the neighborhood. Ms. Jacobson also said parking would be a problem, plus the traffic impacts of cars coming in as well as the bus and motorcycles. She said the event would require law enforcement. Horses are on the trail, and it goes right across the street into Hidden Valley. When there are events at Town Center, no one can get on the trail. Parked cars block the fire hydrant and driveways. Hidden Valley residents can't get their cars in and out.

As for cleanup after the farmers' market events, Ms. Jacobson asked what would happen when it's windy. She questioned whether the Historic Schoolhouse parking lot was zoned for commercial use. She said she has received emails from people who want to file suit to prevent establishing a farmers' market in Portola Valley. She didn't know whether she'd take part in that, she said, but as for a farmers' market in Portola Valley, "I see no use for this. You have enough farmers' markets."

Ms. de Garmeaux said the person whose email she read earlier was Ann Corbett. All the letters she referred to are part the public record, including the names of those who wrote them. As for zoning, the Town Center, of which the parking lot is a part, is zoned R-E; public buildings are permitted when located in conformance with the General Plan, which describes the Town Center Area as “an integrated area for businesses and institutional-type uses serving the residents of Portola Valley and its spheres of influence along with compatible residential uses.” This can support the farmers’ market concept. The General Plan calls for minimizing visual impacts, noise or other impacts on nearby residences. If the farmers’ market were to continue past the trial period that’s being proposed, it could be conditioned to be revisited to review at any potential impacts and make any necessary adjustments.

Mr. Jacobson said this is a rural community and families that want their children grow up knowing about fresh fruits and vegetables should have their own gardens.

Ms. Coffee, Russell Avenue, addressed the noise issue. Living up on the hill, she said that she, too, can hear everything that goes on. In the case of the farmers’ market, though, she said the music is more along the lines of an *a cappella* children’s choir, a banjo or mandolin player – nothing big, loud and carnival-like. She said people in Portola Valley expect the best, and if there’s a farmers’ market, it would be exactly that. She said they’d be very selective in choosing an event organizer, and with relatively few vendors, they will be very high-quality.

Ms. Coffee said she’s exposed her daughters to amazing, organic, affordable food, but unfortunately their friends and classmates don’t have that opportunity all the time. She’s asked how she gets her girls to eat kale, why they actually eat salads, why they love broccoli and take it to school as a snack. It’s because they’ve been raised on these foods, she said, noting that every Sunday, they drive to the Menlo Park Farmers’ Market to buy organic, local produce. One Sunday, she noticed her neighbor driving in the car next to her and going to the same place. She calculated that she alone used a half-gallon of gas every trip to and from the Menlo Park Farmers’ Market – in her Prius. She loves the idea of being able to walk to the Portola Valley Farmers’ Market, and she said 20 to 30 neighbors who now go to Menlo Park every Sunday would do the same.

The fare from farmers’ markets has made a huge impact on the choices she’s made about the food her family eats and what they’ve exposed to numerous other families and friends, Ms. Coffee said. And the place her family chose to live is part of it too, she added. It’s important to live in a community that puts sustainability at the top of its list of priorities.

Tracy Jones, Farm Road, said that she concurs with the Jacobsons and the concerns they raised. She said she’s lived here since 1976. She doesn’t even leave her house on Saturday mornings, because the traffic and bicyclists are so out of control, she said. “We don’t need to go this direction,” she stated, adding that when she thinks of a farmers’ market, she thinks about Palo Alto and Los Altos. Portola Valley is not those places, she said, and she hopes the Town doesn’t get to that size but stays rural. She’s also concerned about parking on her street and along Portola Road, which is hazardous outside of Windy Hill already. As the parent of a new driver, she said she’s especially concerned about that. She said it’s really important to weigh the pros and cons of this proposal carefully.

Ms. Jones said she’s attended Blues & BBQ, plays in the local softball league, takes advantage of Movie Nights and enjoys many other activities in Portola Valley, but she’s not so sure the farmers’ market would be exclusively for residents. Farmers’ markets aren’t all the same, she said, so people from out of Town would want to check it out. And with Woodside just introducing a farmers’ market, locals now don’t have to drive so far to go to the farmers’ market.

Jon Silver, Portola Road, said he thinks a farmers’ market is pretty rural. The Town’s General Plan never said Portola Valley should be exclusively for residents. He said having more heavily commercial areas in places such as Ladera enables the Town to retain its rural character with natural, undeveloped land and open space. He said before anything is litigated, we should see how the farmers’ market works.

Jerry Lami, Executive Director of West Coast Farmers Markets Association (WCFMA), said he's among those who are interested in working with Ms. de Garneau in the hope of being selected to run the Portola Valley farmers' market. He said he's specialized in small communities, and each of them has had the same concerns that people have expressed tonight. He said Webb Ranch is 100% in support of the proposal, and his group would reach out to try to bring the best quality possible in organic produce, from select vendors, to Portola Valley. Mr. Lami said before he opened his first market – Cupertino Oaks, on October 2, 2011 – he greeted an audience of probably three times the number of people present tonight. The same people who voiced the most objections shop the market every Sunday, he said. In Gridley, a community with about 4,000 residents, they've established a farmers' market that stays open year-round. The public loves it, he stated, and the same is true in Brisbane, where most residents have to go to San Bruno or Daly City if they want to shop in major grocery stores. The farmers' market days become community events that bring neighbors out, buy fresh eggs, fresh-baked bread and so on, he said.

Mr. Lami said he came to Portola Valley about a year ago, sat in his car in the church parking lot and watched the food trucks come in. The parking lot filled up within about an hour, he said. The experience prompted him to cross over to Town Hall and leave his business card. Since then, he's opened farmers' markets in Foster City, where the people you see walking to and from the market on Saturdays plan their weekly menus around what they buy there. It's similar at Redwood Shores in Redwood City. WCFMA opened another farmers' market last fall at El Camino Hospital in Mountain View, where Mr. Lami said he's working with the hospital nutritionist, and the group also has a farmers' market at the Harbor Village Shopping Center in Half Moon Bay. Competing with 10 other associations, he said WCFMA was just selected to run the first-ever downtown farmers' market in Carmel-by-the-Sea – which is scheduled to launch on June 20, 2013. He noted that San Francisco supports a total of 47 farmers' markets within its seven square miles.

With a farmers' market, Mr. Lami said, the community has all the power. Without community support, a farmers' market won't last. During the trial period, he said, the community's fears and concerns would go away. The whole reason farmers' markets have become so popular is that people have found them to be something that had been lacking in their lives.

Jean Gifford, a Portola Valley resident since 1975, said she wondered about Mr. Lami's economic stake in bringing a farmers' market to Town. She noted several other farmers' markets nearby, including Jelich's, Webb Ranch, Robert's and Bianchini's – which have fabulous fresh produce every day. She said it's not necessary for Town residents to drive to Menlo Park for those products. In that respect, she said she supports our local merchants. With farmers' market vendors filling the parking lot, she wondered where patrons would park, because there isn't enough space available. People would park on Portola Road and Farm Road. As far as the farmers' market, parking and equestrian trails go, she said vehicles frequently block the trails and the horses can't cross the street safely. The problems with parking along Portola Road near Windy Hill are also problems for horses, she said.

Ms. Gifford said she loves the country atmosphere of Portola Valley, which is why they moved here – to be away from local traffic and shopping centers. She said they don't want a lot more people coming out. As Ms. Jones and Ms. Jacobson said earlier, she said, the volume of traffic on Saturdays makes it difficult to leave their homes safely, and on weekdays, it's unsafe to pass the bicyclists who come through. They ride outside the bike lanes, she added, and most of them are rude. "We just don't need more traffic or more exposure," she said.

Danna Breen, Alpine Road, said a farmers' market would be fabulous for Portola Valley. Describing herself as a "horticultural loser," she said she can't grow a head of lettuce on her property. She loves the idea of a self-contained, self-sustainable community, doesn't want to drive to Menlo Park on Sunday, and looks forward to taking her bag and wandering down to pick up her fresh produce at Town Center on Thursdays. She said the farmers' market would make Portola Valley a more vibrant and healthier community. She said she thinks it's good for us, she wants to see it happen, and she wants to come shopping in Town Center.

Lorraine Jackson, a Woodside resident, expressed concerns about excess traffic, the loitering, the dirt, the excess garbage. She said her family moved from Atherton and Menlo Park to this rural community for the peace and quiet. She said she loves fresh produce, too, and agrees that it's important to health, but driving a few minutes down the hill to Menlo Park isn't difficult, and Woodside also has a farmers' market where Portola Valley residents can shop. She loved the bikers were here on Saturday, but thank God they're only here on Saturdays.

Mayor Richards closed the public hearing and brought the matter back to the Council for discussion.

Councilmember Derwin encouraged people to check out the Woodside Farmers' Market, which she said is so low-key that she had trouble finding it the first time she went. She estimated about four vendors with fresh vegetables, one with nut butter, another with coffee, a couple of bakers, and some with fresh flowers and plants. She said it seems that a farmers' market would be very complementary to Portola Valley's established markets. She said she particularly likes the community aspect of the farmers' market. She has been studying longevity and societies that live long and healthy lives are societies that have a very tight community, who stay connected to each other. Living on a three-acre property, she said her family could go for days without seeing other people, and it's healthy to get out and spend time with others in the community, try the nut butter, talk to the coffee vendor about the beans, listen to the kids play the banjo. She said she understands the concerns that have been expressed about traffic, but staff has proposed a trial period. If it doesn't work, it won't continue, so she supports the staff recommendation.

Councilmember Aalfs said he favors proceeding with the trial to see what it would be like.

Vice Mayor Wengert said she's on the same page. There are potential issues, and it's up to us to take the first steps to see whether a farmers' market fits this community. She said staff's proposal strikes her as a well-reasoned approach. And as Ms. Stec suggested, at this point we don't know whether there would be sufficient community support to sustain it.

Mayor Richards asked whether any consideration was given to different locations, for instance back toward the Town Center. Ms. de Garmeaux said they looked at the possibility of setting the market up in the parking lot next to the library, but it created issues with access to the Town Hall parking spots for disabled people, because it would be during Town Hall's operating hours. She said they also considered a place near the soccer field, but didn't want the farmers' market to interfere with the people using the playing fields. They found that visibility and a central location is important to a successful farmers' market.

Mayor Richards said the proposal is interesting and we should try it to see whether it works.

Councilmember Derwin agreed to work with staff on moving the proposal forward.

Councilmember Aalfs moved to approve the proposed trial farmers' market and designate Councilmember Derwin to work with staff to choose an event organizer, finalize the details and incorporate them same into a proposed agreement with the organizer. Seconded by Councilmember Driscoll, the motion carried 5-0.

- (8) Town Council Review: of the March 20, 2013 Planning Commission adoption of the Initial Study/Mitigated Negative Declaration and approval of the Amendment to Conditional Use Permit X7D-3 (CUP) consisting of a parcel merger and expansion of athletic facilities with new track and artificial turf infill at the Woodside Priory School at 302 Portola Road [8:22 p.m.]

Mayor Richards invited Ms. Prince to speak first.

Ms. Prince outlined the recommended process for this review and provided background information. At the conclusion of its March 20, 2013 meeting, the Planning Commission voted 3-2 to adopt the Initial Study/Mitigated Negative Declaration (IS/MND) and conditionally approve the amendment to the Priory's

Conditional Use Permit X7D-30, including allowing the use of artificial turf infill. The artificial turf issue was controversial, particularly in terms of findings about its consistency with the Portola Valley General Plan.

The aesthetic issue is largely a subjective determination, she said.

Ms. Prince said that as she explained to the Planning Commission, it is possible to determine the environmental analysis issue using objective criteria in the CEQA guidelines, but it could be determined that the artificial turf aesthetically did not satisfy General Plan goals and policies based upon an individual's interpretation of the General Plan.

As part of that, on March 27, 2013, within the timeframe established by the Municipal Code, the Council determined to review the Planning Commission decision. The record was not complete and the Council agreed to continue the matter until it was available in order to make the most informed decision possible. Ms. Prince said the Town is moving forward with this review as expeditiously as possible to either affirm the Planning Commission's decision or to schedule a public hearing on the matter.

Should the Council determine to uphold the Planning Commission's decision, Ms. Prince said, no further action would be required, the decision would be final and effective immediately. On the other hand, if the Council sets the matter for a public hearing – either because the review suggests that new evidence or testimony is required or because the Council decides against affirming the Planning Commission's action. If the matter is set for a public hearing, the Council has the option to review the entire matter, including the IS/MND and the entirety of the CUP application – or to limit the hearing to address the CUP amendment and conditions related specifically to the artificial turf.

Mayor Richards requested Council comments.

Vice Mayor Wengert said this is a very difficult issue – not only for the Council but everyone in the audience, the Priory and Town residents. She said she's spent a long time thinking hard about the matter and reviewing the various issues, the processes and the voluminous records. Speaking for herself, she said the thing that makes it particularly difficult is the fact that on one hand the Council is the "executive branch" of Town government that's being asked to review the decision of another very important body in Town that does a terrific job. Noting that she started her work with the Town as a Planning Commissioner, she said she has the utmost respect and highest regard for the Planning Commission, its credibility, value and process. On the other hand, she said, obviously a number of residents are dissatisfied with the outcome of that process in this case. That makes it difficult to weigh the various sides of what the Council is asked to do as a Council, she said.

Vice Mayor Wengert said where she started when reviewing the record was to evaluate numerous factors, including whether:

- The process was conducted properly
- There were any errors or omissions
- The public was fully involved from the beginning and had multiple opportunities to comment
- Additional data was missing from the record that should have been included
- Whether the MND review was exhaustive and responsive

In addition, she said she looked at the rigor of the Planning Commission in its handling of the matter. The Planning Commission had seven findings to consider, she said, the most controversial of which was Number 6, which relates to the matter of aesthetics that Ms. Prince spoke about:

The proposed use will be in harmony with the general purpose and intent of this title and the General Plan.

Setting Finding 6 aside for the moment, Vice Mayor Wengert said that looking at the findings in aggregate, she found the conditions the Planning Commission added were “exhaustive and incredible” in terms of dealing with all of the concerns raised by the process. She said her review confirmed in her own mind that the process in fact had been conducted correctly, thoroughly and in a manner appropriate for what we do, and that the issue boiled down to the sole matter of the turf. Even with that narrow focus, she said she found no indication that anything had been done incorrectly or that would justify continuing what has already been a very long, very difficult and very expensive process for everybody involved.

That said, Vice Mayor Wengert continued, she wanted to headline some of issues from the other side, including dissatisfaction within the community of the Planning Commission’s decision on aesthetic grounds. She said she also looked at the amount of time and effort the Town and the Priory have devoted to this application – two and a half years, 12 to 13 hearings. That adds up to a lot of time and expense. She said she believes everyone agrees that the Priory has been a perfect Portola Valley citizen and that hasn’t been an issue in this case, either. She also looked at who is most affected by artificial turf versus natural turf. Here again, she said, you get into the different views between owners of properties, users of properties, and the rest of us.

She said she also thinks there’s considerable anxiety related to the potential impact of the turf on Town fields, but as she sees it, there’s a big difference between the Priory’s situation and anything that might ever be contemplated for the Town’s own fields. The Ford Field item is also on tonight’s agenda, she noted, and proposals for Ford Field demonstrate the Town’s commitment to maintain our fields to keeping the playing surface in its current whenever possible.

Vice Mayor Wengert said that it comes down to what Ms. Prince said about reviewing the record, based on the record, and determining whether any evidence is missing that would warrant further public hearings on this matter. She said she is unable to come forward and say that’s the case, so she would affirm the Planning Commission’s decision.

Councilmember Aalfs said he agrees that not a lot of stones have been left unturned. He said he can’t justify asking for more information. The data is as good as we can get, he said, and judging from the materials provided, the process has been complete and nothing in the record suggests any red flags. He said five Councilmembers may never come to agreement on what the General Plan is really saying in this instance, but his single issue is whether more deliberation on interpreting the General Plan in the context of this application would be appropriate. The only reason that would justify continuing this process and holding another public hearing would be to more fully vet Finding 6, he stated, and he’s not sure it hasn’t been vetted enough already.

Councilmember Driscoll said one characteristic of Portola Valley is its tendency to talk things to death. He said he’d be willing consider this again, review the same data and ask some more questions, but he found nothing missing from the materials and sees no need for new data. He said it seems the Planning Commission considered the matter based on all of the information, and to a certain extent, these matters should be left to the Planning Commission without being second-guessed by the Town Council.

Councilmember Derwin said there’s no question this work was a very thorough process and she thanks everybody who was involved, but she said she always knew this matter would come to the Council regardless of the Planning Commission’s decision. She said two acres of artificial turf on the Portola Road Scenic Corridor in an area where we have potential development in the meadow is too important not to come to the Council because it is a departure from the way some of us interpret the General Plan. She said she favors setting this matter for a public hearing at the Council level.

Mayor Richards agreed with Councilmember Derwin. The record is really impressive, he said, but something that may get lost in all that detail relates to subjective issues such as the one we’re talking about regarding Finding 6. The aesthetics often tend to be pushed to the background, he said. The General Plan – the reason he is on the Council, he said – requires protecting the rural character of the Town as much as we can. He said in his opinion, the artificial turf is totally out of keeping with the rural character, so he would like to see the matter come back for a public hearing.

Councilmember Aalfs said that because the Council is so close, and the Planning Commission vote was also close, that he would favor the public hearing also.

Mayor Richards said that he doesn't think there's any need for any further review of the matter beyond Finding 6, so he'd recommend the public hearing be limited to that issue.

Vice Mayor Wengert asked how the Council would apply direction in terms of interpretation of the General Plan in this situation. She said she wanted the Council to think carefully about how to frame that discussion. She also stated that she would still vote to affirm the Planning Commission's decision.

Mayor Richards invited public comment.

Dorian Dunne, Ramona Road, spoke about her personal experience playing on artificial turf. She's played softball for 30-some years. An outfielder, she said there a constant bad odor that even leaves a bad taste in her mouth and results in a sore throat. When it's hot, the stench is incredible, she said, and she gets a headache that lasts for days. Yesterday, she asked to either be taken out of the game or assigned to the infield instead. Whatever is causing the odor makes her very nervous, she said, but it only occurs on the artificial turf. Ms. Dunne said she's also heard about safety issues on natural turf, and she's been injured due to the uneven surface, the dips and other dangers, but she's more concerned about the danger of what she's breathing when she's playing on artificial turf. She stated that she doesn't want to risk exposing children to more of that danger, whatever it is, and she's very afraid of the long-term health effects of exposure to artificial turf.

Ms. Dunne also stated that her teammates feel the same as she does about artificial turf. In addition, she pointed out that one of the definitions of sustainability is "healthy ecosystems and environments are necessary to the survival and flourishing of humans and other organisms."

Referring to discussion about the possibility of a precedent at the Priory resulting in artificial turf on Town fields, Ms. Dunne asked, "How is the Priory not one of our fields? It's right in the middle of Town. It's our fields, too." If we don't want it to happen on our fields, she said she doesn't think we should want it to happen on the Priory's, either.

Steve Dunne, Ramona Road, said he grew up in Menlo Park and has lived in Portola Valley for 30 years. He remembered being in the fifth grade, 50 years ago, and being invited to the Priory to be introduced to a new sport, soccer. He said he can still remember the smell of grass, too, and going home after the field trip to the Priory saying that someday he wanted to live in Portola Valley. He said he's had a soft spot in his heart for the Priory ever since, and for his entire time in Portola Valley he's considered the Priory a contributor to the community. He was shocked to see the Priory wanting artificial turf, which he considers so out of synch with Portola Valley. Artificial turf isn't consistent with the General Plan, nor is it consistent with his image of the Priory, Mr. Dunne said. He said he believes the Priory is putting its image at risk in its pursuit of artificial turf. He said he applauds the idea of the Council reconsidering the results of the Planning Commission's decision.

SallyAnn Reiss, Golden Oak Drive, urged the Council to frame its conversation on this matter now. She said she's sat through 13 meetings over the past two and one half years, with everyone coming in and sharing their personal experiences (positive or negative), talking about the fact that it's private property, that the view belongs to the Town, etc. It's been a very tedious experience for all of us, she said. She said she's very glad that it came to the Council to make sure that no stone was unturned. Ms. Reiss noted that she didn't remember anyone having an issue with the C-1 Trail, despite the fact that part of it was put into the Portola Road Scenic Corridor. She said going over the Priory's application again and again seems to treat the Priory unfairly. If the Council wants to debate the General Plan, she said fine, to go ahead and do that, but not hold the Priory hostage. She urged the Council to respect the Planning Commission's decision.

Tom Kelley, Franciscan Ridge, said he's lived in Portola Valley, raising three children and "a bunch of grandkids." He said he guesses he had too much time on his hands because he got involved in the artificial turf issue when "plastic grass and rubber dirt" were proposed for Ford Field. He said the Councilmembers talk about the Planning Commission doing a great job and they did, but the Priory put a hard press on the Planning Commission. Priory supporters filled all the seats. The Priory is a good citizen, he said, but this isn't about the Priory. This is about Portola Valley and our General Plan, he continued, adding that it's a big deal because once artificial turf gets approved at the Priory it would set a precedent and result in most of our open space carpeted. The Town doesn't have jurisdiction over the schools, he noted, but Council decisions affect the schools and put pressure on the school boards.

Mr. Kelley said he was shocked to see the Priory keep pushing the artificial turf so hard. Its proposal is a good one except for that one issue. You can talk about toxins and science issues until you're blue in the face, he stated, but the real truth is we're talking about plastic grass versus grass in Portola Valley. If you talk about aesthetics, a lot of nature is rough and lumpy. It's not aesthetic, but it's natural. We're about rural, about real, about nature, that's who we are.

Virginia Bacon, Golden Oak Drive, said she wanted to discuss three points:

- She said it's not just a matter of aesthetics but also ecology, and the issue should be framed as an ecological issue because that's where nature and its mix come in.
- As for the Portola Road Scenic Corridor, she said the Planning Commission added a considerable number of conditions to the proposal to shield the artificial turf from the corridor's view. That suggests two themes at play, she said – we want to open up the corridor to the beauty of the valley, but with this proposal we want to close off that view because the artificial turf isn't part of what we think of as Portola Valley.
- In terms of private property, she said the Council should consider that factor as well. She said she thought the majority of Planning Commissioners came down on the side of private-property rights. She said she'd like to understand how ownership makes a difference in the context of the General Plan, but she sees the General Plan as a guide for the entire community of Portola Valley, and policy governing what we do with public and private lands ought to be the same.

She said she believes these are the issues people are questioning.

Marilyn Walter, Coyote Hill, said she's been at a lot of the meetings about the Priory's application, and always came away undecided about the turf issue. She is no longer undecided, and she explained why. On Monday of this week, she said, she went to Robert's Market to buy something and the clerk wouldn't give her a plastic bag. She had to bring a paper bag (because Portola Valley has banned the use of plastic bags). On Tuesday, she went to a Town-sponsored meeting at Hanson Hall at The Sequoias, where she watched the movie *BagIt*, and was shocked to see the effects plastic is having on the whole world. Apparently plastic bottles can be recycled once, she said, but after that the plastic breaks into little bits that no animal can digest. It got her thinking about her Town, which protects the natural environment, and the idea of plastic grass playing fields at the Priory. She said that doesn't make sense.

Jon Silver, Portola Road, submitted the petition with six more signatures than it had when he presented it at the Council meeting on March 27, 2013, and again asked the Council to set a public hearing to reconsider the decision on The Priory's application for artificial turf. He said he collected roughly 220 signatures on a new petition. He said he hasn't had the chance to consolidate the two databases, but probably more than 300 people in total signed one petition or the other if you add up.

He read the new petition:

We respectfully request the Town Council hold a noticed public hearing to review and reconsider the Planning Commission's March 20, 2013, 3-2 decision to permit the construction of artificial turf playing field and track at the Priory along the Portola Road Scenic Corridor. The Town's Planning Commission and Architectural Commission may oppose the recommendations concerning this project. And it is appropriate that a controversial proposal which represents a fundamental shift away from Portola Valley's founding principles of natural preservation and development in concert with nature and safeguarding scenic view sheds, should be decided by elected representatives. We urge the Town Council to preserve the natural grass playing fields and recreation areas in Portola Valley. Synthetic turf and plastic grass are inconsistent with the Town principles of rural living, preservation of natural habitats and not contributing to global warming.

Mr. Silver turned in a hard copy of online signatures and said that additional signatures have probably come in online since he printed those out. He also submitted a copy of a letter received via email, signed by a number of former Mayors, former Planning Commissioners and members of the ASCC.

Mr. Silver said the record is by-and-large the record, but it isn't flawless and in discussing the record there's a bit of softness. He said that he believes since the proposal was finalized; there were three or four, maybe five Planning Commission meetings. He said there's a little sloppiness in discussing this and it should really be precise.

One specific error, Mr. Silver said, is that the Planning Commission did something that's always a little risky, and it's typically done, input a statement after the close of public hearing. Commissioners have questions. And incorrect misinformation was given to the Commission during that period. Mr. Silver said he raised his hand but was not recognized. He said Tad Stearn of PMC, the consulting firm that did the environmental review, in response to a letter Mr. Silver wrote about wetland areas around the existing soccer/baseball field at the Priory, referred to those areas as simply a "concrete ditch." It's not true, Mr. Silver said. Part of it is, but most of it is not. He said Mr. Stearn didn't know what he was talking about. Mr. Silver said it boggled his mind; Mr. Stearn's major point may have been correct, but he was incorrect in that particular fact, and anyone who knows that field knows there's a deep, muddy ditch that's wet most of the year and full of frogs. No one bothered to capture any frogs to see what color their legs are, Mr. Silver contended.

Turning to the "big picture," Mr. Silver continued, artificial turf at the Priory would represent a real change in the direction and character of our Town. The General Plan doesn't distinguish between what's allowed on public versus private lands, he stated, and while different motivations may militate for one use or another on those lands, if the Town finds artificial turf ecologically and aesthetically consistent with our General Plan, it would have no basis to prohibit its installation on Town-owned fields.

Mr. Silver said he's also struck that one member of the public referred to the Priory as a public citizen. He said when he writes about the Priory, he doesn't know whether to use "it" or "they" because "it" is an institution but it's made up of people, which is a "they." And they aren't unanimous, he said. He's spoken with Priory parents who don't want artificial turf, but they feel their kids are being held hostage. There were a few brave Priory parents who signed the petition. He said the Priory is in no way being held hostage, Mr. Silver said. The fact is to make this decision about the Town's future has to come to the Council. Part of the reason there have been so many meetings, he said, is that the Priory deliberately went through what can be a very good process. They submitted a tentative application for feedback. They got feedback, which was positive except for the artificial turf part. That it turned out to be controversial should not have been a surprise to the Priory.

Based on Ms. Walter's statement, Mr. Silver wondered how many plastic bags it would take to make artificial turf. He said he expected it to be enormous.

Mayor Richards asked if the applicant would like to make a statement. He declined.

Judith Hasko, Applewood Lane, said all the comments are great. Her perspective is that there is so much good work and good thought going into the Priory matter, isn't it a sign that this really requires much more review. It's so important. It's about values, about the soft things. It is not about the data. The values are the Town's heart, and the General Plan is about values, which can be aesthetics or it can be ecological, but that's what we're dealing with, she said. She said the Council has the responsibility to bring this out at the level of a public hearing and it's important to take the time to do so.

An unidentified speaker said a lot of emotion surrounds this issue, and factual findings is what the Planning Commission dealt with – and dealt with, and dealt with. He urged the Council, too, to stick to the facts and not the emotional issue.

Ms. Reiss said sometimes we really get into word manipulation, and comparing artificial turf to plastic bags and plastic bottles is really unfair. She said all the environmental documentation related to the proposed artificial turf was gone through, and through, and through. She said it's a good environmental solution and this is an environmental Town. The Priory is an environmental institution, and these things are part of the reason we chose to look at this. She said if instead of saying let's put grass turf, let's put blacktop, the way that Corte Madera or Ormondale have, so that when it rains and kids cannot play on the fields, they have somewhere else to play. She asked, "Would the Council pass it? It's blacktop. It's an aesthetic thing. You're being manipulated about words."

Ms. Reiss asked the Council to keep to the facts. She said those who oppose the artificial turf talk about those who favor it as if they're part of an organized mob team. We're residents of this Town, she stated, describing herself as a "Portola Valley-ite" with an 11th-grade son at the Priory. He plays neither soccer nor football. It's not that Priory parents are trying to manipulate the Planning Commission or the Council; they're residents whose children will be directly affected, they want the artificial turf, and they've been telling their stories for weeks and weeks on end.

Ms. Virginia Bacon said the policies have to be for everyone, not just Priory students. She said a lot of Town residents are older and have to breathe everything that goes on artificial turf.

Mayor Richards brought the matter back to the Council for further discussion.

Councilmember Driscoll said a lot of us are firmly on the fence, but he believes there's sufficient controversy about the subject that the Council should hear it. He said the matter has been stated from a one-sided perspective, plastic versus natural grass. He pointed out that natural turf is not natural for this area, and to keep it green all season requires thousands of gallons of water, plus considerable amounts of fertilizer, pesticides and herbicides. Weighing 10 years of that against an artificial turf installation, he said he wonders ecologically which would be better.

Vice Mayor Wengert said this is an issue of great importance to the community, and while she supports affirming the Planning Commission's decision, if it comes to a public hearing she said she's hopeful the discussion can somehow be prescribed without addressing all of the facts and data that were put together very comprehensively. She said she is afraid of dragging this out to 10 more meetings, which is a possibility due to the high emotional content and she doesn't think that would be fair to anyone involved.

Mayor Richards said that General Plan focuses on preserving the natural features of the land and on preserving the original rural quality of the Town. In his opinion, that's where the artificial turf proposal falls short. He'd prefer to restrict discussion to that portion of the issue, to clarify whether or not this meets the intent of the General Plan.

Vice Mayor Wengert asked whether other interpretations should be included. She thought it would make sense for staff or someone who'd been involved more specifically with those discussions – Mr. Vlasic or Ms. Kristiansson.

Mr. Vlasic said that at staff level they have been very consistent in the concerns of the General Plan findings and the associated values. They believe the MND with the modifications made over the course of the hearings is an adequate document that needs no further review. He said you could go either way on basic judgments in regard to conformance with the General Plan. As for the MND, he said you can always do better and you can always do more, but the data there seems adequate and clearly the Planning Commission felt it was, he said. Crafting conditions associated with visual impacts of the artificial turf, he explained, was done in deference to concerns of Commissioners who were not supportive of the proposal, trying to reach consensus. The Commission worked hard to find consensus, but fundamentally they couldn't.

He said one Commissioner here tonight clearly did not feel the General Plan finding could be made. So the Council can focus on that and incorporate whatever factors the Council needs to do to make a finding, Mr. Vlasic said, but from the staff's standpoint, the focus should be confined to the General Plan question. Clearly when the Planning Commission continued this matter from the meeting from the March 6, 2013 meeting to the meeting on March 20, 2013, the issue had boiled down to the visual impact. One Commissioner had not had an opportunity to see the representative fields. The turf is not the same everywhere, so they found specific locations to view. Mr. Vlasic suggested spending time at least identifying the turf and finding out as much as you can about it, both from the standpoint of functionality and visual impact, and recognize, as the record shows, how the Priory would deal with it (for example striping versus not striping).

Most of the comments focused on the question of the values associated with something that, in essence, is a matter of judgment. Whether we conclude that actual growing grass is not pristine and not natural, Mr. Vlasic said, the feeling was that in some form there's life to it. That's been an issue associated with the finding under the General Plan from day one. He pointed out we have a changing community with differences of opinion about that, but he thinks that really it came down a value judgment on that question.

Mayor Richards asked for a motion – move that based upon review of the record, the Council determines not to affirm the decision of the Planning Commission to approve the CUP amendment of artificial turf and shall set the matters specifically whether the proposed use will be in harmony with the general purpose and intent of the General Plan.

Councilmember Derwin moved; seconded by Councilmember Driscoll.

Barring any special circumstances, Ms. Prince said this would be done at the next meeting, on May 8, 2013. The goal is to get this done in one additional meeting, unless for some reason (i.e., people are still speaking at 2:00 a.m.) it had to be continued. She reminded that when the Council makes its decision on the use permit, it is final 30 days later. The Council is the last stop. In response to Councilmember Aalf's follow-up question, Ms. Prince said this motion could limit the public hearing to a particular issue, a review of the record, as opposed to opening up the entire matter (for example, to include the MND).

Mayor Richards reiterated the motion for the record: to determine not to affirm the decision of the Planning Commission to approve a CUP amendment for artificial turf and to set the matter proposed use will be in harmony with the general purpose and the intent of the General Plan.

Jon Silver said it should only take one meeting and focus on the issue that is important, which is the artificial turf, but he's not clear about the motion. The environmental documents include statements as to whether the proposal is consistent with the General Plan and ordinances in the jurisdiction in question, so how you decide that question depends on whether the Council approves the environmental documents. As he understands the motion, he said, the environmental documents would be carved into being part of the decision being reviewed. If they aren't, it sounds like an inconsistency.

Ms. Prince said there are two separate issues. According to case law, which was discussed in the record of the Planning Commission meeting, she said, you can affirm the environmental document as adequate

based under CEQA and adopt it because there's no fair argument or substantial evidence in the record that there is any significant environmental impact. So you can make that finding and adopt the MND.

Then, Ms. Prince continued, you can make a separate decision on the General Plan. One of the things that the Council could do tonight if the main motion is modified, if it's comfortable doing that, to specifically affirm the adoption of the IS/MND so it's clearly separate and apart. It can be put together with the General Plan question if the Council chooses, but it also can be separated.

Mr. Silver said in the 300-plus pages of the environmental document, he believes there is language about the proposal's consistency with the General Plan. His recollection may be wrong, he added, but if that wording is there, those environmental documents shouldn't be approved until that question is decided. He wanted to be certain whether those words are there. His desire is to focus on the one issue that's important to everyone, but he doesn't want to inadvertently foreclose part of that accidentally.

Ms. Prince said this may be something that Ms. Kristiansson may be able to address. She (Prince) said she thinks that issue was addressed with respect to what's considered in the environmental document, specifically the General Plan goals and policies that affect the environment, plants, fauna, etc., and those were dealt with in the document. But they discussed that when making Finding 6 you look at the entirety of the General Plan and don't deal specifically with the environment or physical nature.

Mr. Silver said the environmental part is part of the controversy. Two Planning Commissioners voted against the environmental document. He said it's a mistake to affirm them without understanding the full implications. He would hope on the issue of the environment, the Council makes it clear that they're reviewing the artificial turf portion of this project, but not rubber-stamping the environmental documents that two Planning Commissioners voted against and that four ASCC members felt wasn't adequate.

Ms. Kristiansson said the item Ms. Prince talked about is in the section of the environmental document called "Land Use and Planning". One item specifically asks under CEQA:

. . . whether the project would conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project, including but not limited to the General Plan, specific plan, local coastal program, or zoning ordinance adopted for the purpose of avoiding or mitigating an environmental effect.

She said a discussion in the Response to Comments section specifically addresses measures described in the environmental document that are intended to avoid or mitigate environmental effects considered in the General Plan. However, she added, other portions of the General Plan as a whole have a bearing on this issue but are not in the environmental documents because they go beyond CEQA's scope.

While CEQA limits review to environmental issues, Ms. Kristiansson explained, under the CUP permit findings, the Council has much broader discretion in determining whether the proposal is consistent with the general purpose of the zoning ordinance and the General Plan. That's a wide-open question, so it is possible to affirm one and reconsider the other.

Mr. Vlasic said the direction is clear that the Council can limit its review to the artificial turf question. If the Council's decision makes any clarifications of the environmental document, staff will explore that and it can be done without reopening the complete environmental document to further discussion.

Mayor Richards asked whether there was further discussion on the motion. There was none.

The motion to set the matter for public hearing at the May 8, 2013 Town Council meeting was approved 4-1 (Wengert opposed).

- (9) Recommendation by Public Works Director: Award of Bid for Ford Field Renovation Project #2011-PW02B and Enter into Funding Agreement with Alpine West Menlo Little League [9:05 p.m.]
- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley authorizing the Town Manager to Award a Contract for the Ford Field Renovation Project #2011-PW02B and Enter into the Funding Agreement with Alpine West Menlo Little League (Resolution No. 2586-2013)

Mr. Young recommended the Town Council award the contract for the Ford Field Renovation Project to the low bidder at \$403,888. He said Jensen Corporation is a reputable company that has done work in the area. He indicated that amounts of the state grant, fundraising results by the Parks and Recreation Committee, the Little League donation, and Sand Hill Foundation funds are included in a spreadsheet attached to the resolution.

Vice Mayor Wengert asked what would happen if we're ready to proceed with construction and any of the funders haven't come through. She wanted to ensure that the Town doesn't end up in a situation in which at the last minute funds don't come together despite all the good intentions.

Because Prop 12 and Prop 40 funding is issued on a reimbursement basis, Mr. Pegueros said the Town wouldn't receive the biggest piece of the funding until the end. The Little League has agreed to provide funding within 10 days of Council's approval. He said he wasn't sure about the Sand Hill Foundation's timing.

Vice Mayor Wengert said to make sure the timeline works for everybody with the sensitivity toward all the things that could happen along the way between what the donors originally committed to and what they ultimately fund.

Mr. Young pointed out there were bid elements for the batting cage and the dugout roof. The Little League, Parks and Recreation Committee Chair Jon Myers and Town staff met and decided against proceeding with those elements at this time unless private funding is specifically donated for those elements and fully covers them.

He summarized the recommendation:

1. It is recommended that the Town Council adopt the attached resolution authorizing the Town Manager to award the contract for the Ford Field Renovation Project to the low bidder, Jensen Corporation Landscape Contractor, for the base bid project of \$403,888
2. Authorize the Town Manager to approve cumulative change orders up to \$46,005.
3. Authorize the Town Manager to approve additive bid Alternate Items 1 and/or 2 for the batting cage and/or the dugout roof if private funding becomes available to fully pay for either or both of the alternates
4. Authorize the Town Manager to execute the Ford Field Funding Agreement between the Town of Portola Valley and Alpine West Menlo Little League

In response to Vice Mayor Wengert's question, Mr. Howard said it had been discussed about using the unspent contingency on one of the bid options, but they have decided to not include it. Vice Mayor Wengert said, then, that the Town may not have to pay anything if we're able to save the contingency. Mr. Howard affirmed that, adding that there will be an excess if he can save the contingency, but they wouldn't know about the contingency until the end, when it would be too late to apply any funds to the batting cage or dugout roof. Once the bids are opened, they move that in. The contractors want to conserve money also. Mr. Howard said everyone is in a conserve money mode.

Councilmember Aalfs said if there is a surplus, those two things could be done later.

Councilmember Driscoll said they'd hold in the surplus in the books in a special account or something like that so it's available for this.

Town Manager Pegueros said this presents an interesting question of whose money is used first. His priority would be first to use the state funds, then the matching funds by Little League and Sand Hill, and lastly the donations they received, which would be held in a restricted fund.

Mr. Young said if there were any extra funds, the Little League wanted to spruce up the existing batting cage.

Mayor Richards said that answers his question, because the original plan for the batting cage was a new material that wouldn't be quite so hideous. Mr. Young said it was going to be black fencing instead of green painted wood. In response to a further question from Mayor Richards about whether the renovation process would involve removing and reinstalling the batting cage, Mr. Young said no, it would stay where it is.

Councilmember Driscoll moved for Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the Town Manager to Award a Contract for the Ford Field Renovation Project #2011-PW02B and Enter into the Funding Agreement with Alpine West Menlo Little League (Resolution No. 2586-2013). Seconded by Vice Mayor Wengert, the motion carried 5-0.

- (10) Recommendation by Town Manager: Approval of new Job Description and Salary Range for the position of Deputy Town Planner [9:17 p.m.]

Mr. Pegueros said that in January 2013 he brought a proposal for a Planning Director job classification to the Council in the ongoing effort to provide for a successor when Mr. Vlastic retires in December 2014. They went through recruitment but for a variety of reasons no Planning Director was hired. An opportunity has since arisen to reevaluate and reassess the situation, he said, and he's now asking the Council to authorize the creation of Deputy Town Planner position.

This position would allow hiring someone with less management experience, inasmuch as Deputy Town Planners are typically at the early stages of their careers. For that position, Mr. Pegueros believes he'd be able to identify a candidate and make a selection soon if the Council approves. It is a management role, he noted, but it is technically a very strong planner.

Councilmember Derwin asked how the Deputy Town Planner job differs from those of Leslie Lambert (former Planning Manager) and Mr. Vlastic (Town Planner). Mr. Pegueros said it recognizes that at some point the Deputy Town Planner would be considered for the Town Planner position when Mr. Vlastic retires, or perhaps sooner.

Vice Mayor Wengert moved for Approval of new Job Description and Salary Range for the position of Deputy Town Planner. Seconded by Councilmember Aalfs, the motion carried 5-0.

- (11) Recommendation by Town Manager: Adoption of Revised Compensation Plan for Town Staff [9:21 p.m.]

- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting the Employee Compensation Plan Including a Modification of the Salary Schedule and the Creation of a Benefits Schedule (Resolution No. 2587-2013)

Mr. Pegueros said the Town's personnel policies provide for creation of a compensation plan. The Council adoption of a salary schedule fulfills that requirement in the personnel rules, he said, but one of his challenges has been having no written document to rely on, which is challenging for policymakers when the Council asks about Town's benefits and where we might have room for changes to contain

costs. It's a challenge for management because we don't have a document to rely upon, and most importantly, he said, it's a big challenge for employees because they don't really know what the Town has established other than what's transmitted by word of mouth. Mr. Pegueros thus proposed adopting a comprehensive compensation plan that includes both the existing salary schedule and a benefits schedule, which is based on documents that already exist with a few exceptions:

- Cafeteria Flexible Benefits Plan: This provides employees with greater control over their benefit package. The Town would provide an allowance that the employee could use to select a plan. In this provision the employee could make a contribution to a flexible spending account (FSA) or deferred compensation account (DCA). From a management perspective, the most valuable part of this proposal would be the opportunity for employees to opt out of Town-paid medical coverage if they have coverage from another source. He said he hasn't asked specific employees about whether they would take advantage of FSAs/DCAs, but three vacancies will be filled within the next three months, and it's possible that new employees would take advantage of these options in addition to existing staff.

If the employee provides proof of insurance from another source, the Town would pay them roughly 50% of the benefit cost as an incentive for him/her to make that choice. The Cafeteria Flexible Benefits Plan also would create the opportunity for employees to use pre-tax dollars (versus post-tax dollars) if their premiums exceed the allowance amount. One employee opting out of the medical program would save the Town between \$8,000 and \$10,000 annually.

- Public Employees' Pension Reform Act of 2012 (PEPRA): The proposed benefits schedule incorporates the PEPRA adopted by the state effective January 2, 2013. Although it's not something the Town has any control over, the new benefits schedule effectively creates a less generous pension program for new employees. The way the legislation defines new employees is something only a government could create, Mr. Pegueros said. When we hire an employee, we are obligated to perform a test to determine whether that employee is truly new to the CalPERS system. "Truly new" means someone who's never worked for a CalPERS agency or hasn't worked for a CalPERS agency in the last six months.

The 2% at 62 benefit represents roughly a 35% reduction in pension benefits for an employee who would retire at age 55. That differential from the current plan, which is 2% at 55, and the 2% at 62 plan for new employees eventually goes to zero. In other words, as the employee approaches age 67, there's zero difference between the two programs. However, there is an incentive for the employee to work longer, with their retirement at 62, he said. Additionally, the earliest retirement age, which is now 50 years, is 52 years under the new system. The new rules also would require employees to pay roughly 7% of the contribution for the cost of the pension program.

Mr. Pegueros estimates that this new legislation alone would result in \$15,000 in savings to the Town over the next year.

- Adjust Salary Range via Consumer Price Index: Mr. Pegueros noted that this increase doesn't automatically increase employee salaries. It applies strictly to the range and is intended to keep the range competitive with the market in this area. Next year, as has happened each year prior, we will be presenting a budget that makes a recommendation on employee salary changes for next year. Salary changes are merit-based.

Vice Mayor Wengert asked why the low end on the proposed salary range wasn't adjusted. Mr. Pegueros said it's because situations in which an employee is very junior, very entry level would warrant that.

Councilmember Aalfs moved to approve the proposed compensation plan as presented. Seconded by Councilmember Driscoll, the motion carried 5-0.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(12) Reports from Commission and Committee Liaisons [9:19 p.m.]

Councilmember Driscoll:

(a) Planning Commission

Although he did not attend the Planning Commission meeting, Councilmember Driscoll said it was covered in the staff report.

(b) Architectural and Site Control Commission (ASCC)

Councilmember Aalfs also attended the ASCC meeting on April 22, 2013.

Councilmember Aalfs:

(c) Nature and Science Committee

The Nature and Science Committee discussed the Math Project and Flight Night. There was a question of a sponsor for Flight Night, which is scheduled for June 1, 2013.

Councilmember Derwin:

(d) Firewise

Mr. Pegueros, who also attended the last Firewise meeting, reported that the Woodside Fire Protection District Fire Chief Dan Ghorso gave a visual demonstration of Rapid Notify, is a reverse 911 emergency communication system. Issues have been resolved the system can be used today if we need it. Councilmember Derwin said Rapid Notify would be used on May 3, 2013 for the Woodside Glens evacuation.

Councilmember Derwin said the High Fire Danger signs would be put out starting in May. The chipper schedule has been released – the first chipping date is May 8, 2013.

She said there was some discussion about merging CERPP with Firewise. Mr. Pegueros said the CERPP Board meets quarterly and there was discussion to merge CERPP and Firewise since the players likely overlap, but there was no resolution.

Councilmember Derwin:

(e) City/County Association of Governments (C/CAG)

The April 11, 2013 C/CAG annual retreat, a once-a-year meeting, included presentations on the Plan Bay Area and MidPen Housing. Councilmember Derwin said it's reassuring when you look at the MTC and ABAG and other planning that's going on in the nine-county region and in San Mateo County, to see how intelligent it is to try to preserve the open space and put the growth along the transportation spine. She said it would be helpful for members of the Ad Hoc Affordable Housing Committee to look at the slides she saw.

She said MidPen Housing talked a lot about why affordable housing is working so well in San Mateo County because they've learned so much from mistakes of the past. The speaker cited things that worked well, including great design, mixed incomes, service-enriched housing and having working families in 65% of their units. He also discussed current legislation in the affordable housing world. It was really impressive, Councilmember Derwin said.

(f) Resource and Climate Protection Committee (RMCP)

At the RMCP meeting on April 17, 2013, PG&E made a 2010-2012 Energy Use and Efficiency Programs in San Mateo County presentation for the SMC Energy Strategy update. Councilmember Derwin reported that electricity usage is trending down but gas usage still needs work.

There also was a presentation on the San Mateo County Green Star Schools Program. Councilmember Derwin indicated that the Portola Valley School District has yet to submit its data.

RMCP is planning a Climate Adaptation Workshop with Joint Venture Silicon Valley.

(d) Sustainability Committee

The Committee met and discussed:

- The Earth Day Fair scheduled for May 27, 2013, at Runnymede Farm in Woodside
- The Earth Day event The Sequoias
- The Committee budget
- Whether to continue the Acterra High Energy Homes audit program
- The very informative Tuesday Harvest Series presentation on lighting technology redesign, which was well-received

(e) San Mateo County Board of Supervisors

In addition to what she reported earlier, Councilmember Derwin said the San Mateo County Board of Supervisors has appointed an ad hoc committee to name a poet laureate for San Mateo County.

(f) Housing Endowment and Regional Trust (HEART) of San Mateo County

Meeting today (April 24, 2013), the HEART Board discussed rolling out of a huge fundraising campaign in the summer and plans for a luncheon to be held in a few weeks. The luncheon topic will be affordable housing, and the Ad Hoc Affordable Housing Committee's outreach subcommittee members (Judith Murphy, Onnolee Trapp and Susan Dworak) were invited. Only Ms. Dworak would be able attend, Councilmember Derwin said, so she would try to get others to join her.

She noted receiving feedback from one of the outreach meetings that it may be inappropriate for her (Derwin) to be serving on the HEART Board. She said she's perplexed by the suggestion that it's somehow conspiratorial for her to be a member of the HEART Board, which she said is a very earnest group that includes people in the building trades, real estate, various developers, business representatives – plus eight city representatives and two from the San Mateo County Board of Supervisors. Councilmember Derwin asserted that HEART does really good work she hopes it can be relayed back through the Committee that the person who made the suggestion is welcome to come to a HEART meeting, and that it's always helpful for the Council to be represented on county committees.

Vice Mayor Wengert:

(g) Bicycle, Pedestrian & Traffic Safety Committee

Meeting on April 3, 2013, BP&TS Committee members were pleased about the bike rodeo held on March 30, 2013. Attendance was strong to start but since it quieted down, they are considering a shorter event next time. Sending League Cycling Instructors (LCIs) out with for each group of kids was very well-received.

This event was a test case for “no parking” signs, which were posted on both sides of Portola Road at Windy Hill, Councilmember Wengert said, and it seemed to work. In fact, she said, no vehicles parked there on Saturday. She doesn't know where they parked, but it wasn't there. They're going to try different approaches on weekends over the next couple of months.

The Committee also:

- Is working with Ranch residents regarding striping and will have an evening meeting coming up in May 2013 in the hope that more people will be able to attend
- Discussed Bike to Work Day, which is scheduled for May 8, 2013

(h) Regional Housing Needs Allocation (RHNA)

Countywide allocations were approved unanimously. Portola Valley's obligation totals 64 units.

(i) Park & Recreations Committee

The Committee met on April 15, 2013. Councilmember Wengert said the Committee has only five members, and although they have great energy, the Committee needs more members. They had a robust discussion on skateboard park and dog park issues. Members agreed unanimously that they wanted to proceed with the skateboard park, but with some disagreement about the dog park, they've tabled that idea.

Mayor Richards:

(j) Cultural Arts Committee

Meeting on April 11, 2013, the Cultural Arts Committee:

- Discussed the Committee budget
- Reported finishing the quilt project
- Talked about the proposed farmers' market and a desire to have food trucks participate

(k) Emergency Services Council

The Emergency Services Council discussed:

- Relocating a 50-foot communications tower at Highway 92, which would be a costly undertaking
- Some city organizations' exercises with CERPP that involve using Twitter

(l) Silicon Valley Association of Realtors (SILVAR)

He attended a monthly breakfast meeting (also attended by Menlo Park Mayor Peter Ohtaki, Woodside Mayor Pro Tem David Burow and new Atherton Councilmember Cary Wiest). It was a question/answer session. There was some discussion about affordable housing and BMRs.

(m) Conservation Committee

The Conservation Committee met on April 23, 2013. Member Paul Heiple has been selected by the Midpeninsula Regional Open Space District (MROSD) to take part in its Imagine Project.

WRITTEN COMMUNICATIONS [10:00 p.m.]

(13) Town Council March 29, 2013 Weekly Digest – None

(14) Town Council April 5, 2013 Weekly Digest

(a) #12 – Email to Town Manager and Public Works Director from Charles Krenz re: Alpine Road Repair Schedule

Councilmember Derwin said a lot of people signed the petition. She understands that San Mateo County Supervisor Don Horsley would meet with Mr. Krenz.

(b) #14 – Letter to the Town Council from Gunther Steinberg re: Concern of Dead Tree/Lumber Removal

Councilmember Derwin said he thought the Fire Department had this matter under control. Mr. Pegueros said they did, but the issue resurfaced and they're getting involved again.

(15) Town Council April 12, 2013 Weekly Digest – None

(16) Town Council April 19, 2013 Weekly Digest – None

ADJOURN TO CLOSED SESSION [10:30 p.m.]

(17) Conference with Legal Counsel: Pending Litigation

Government Code Section 54956.9

Initiation of litigation (one case)

Facts and Circumstances: Illegal removal of significant trees – 18 Redberry Ridge

REPORT OUT OF CLOSED SESSION

Council approved the settlement agreement that resolves potential civil claims of the Town against David Douglass for removal of significant trees in an open-space easement held by the Town. The administrative remedy, including the restoration plan, will continue to move forward.

ADJOURNMENT [10:45 p.m.]

Mayor

Town Clerk

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 1

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

MIKE AGOFF	Instructor Fees, Spring 2013	14162	05/08/2013	
			05/08/2013	
2341 KEHOE AVENUE	0016		05/08/2013	0.00
SAN MATEO	BOA	47586	05/08/2013	0.00
CA 94403				7,728.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	7,728.00	0.00

Check No.	47586	Total:	7,728.00
Total for	MIKE AGOFF		7,728.00

AT&T (2)	May M/W	14127	05/08/2013	
			05/08/2013	
P.O. BOX 5025	877		05/08/2013	0.00
CAROL STREAM	BOA	47587	05/08/2013	0.00
IL 60197-5025				64.39

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4152	Emerq Preparedness Committee	64.39	0.00

Check No.	47587	Total:	64.39
Total for	AT&T (2)		64.39

PATT BAENEN-TAPSCOTT	Reimb, BPTS Committee Banners	14128	05/08/2013	
			05/08/2013	
1148 LOS TRANCOS ROAD	1211		05/08/2013	0.00
PORTOLA VALLEY	BOA	47588	05/08/2013	0.00
CA 94028				446.13

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4143	BicyclePedTraffic Committee	446.13	0.00

Check No.	47588	Total:	446.13
Total for	PATT BAENEN-TAPSCOTT		446.13

BANK OF AMERICA	Earth Fair Postcards	14169	05/08/2013	
Bank Card Center		00006110	05/08/2013	
P.O. BOX 53155	0022		05/08/2013	0.00
PHOENIX	BOA	47589	05/08/2013	0.00
AZ 85072-3155				561.63

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4335	Sustainability	561.63	512.90

BANK OF AMERICA	April Statement	14170	05/08/2013	
Bank Card Center			05/08/2013	
P.O. BOX 53155	0022		05/08/2013	0.00
PHOENIX	BOA	47589	05/08/2013	0.00
AZ 85072-3155				1,271.97

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4143	BicyclePedTraffic Committee	97.33	0.00
05-52-4165	Sustainability Committee	223.67	0.00
05-64-4311	Internet Service & Web Hosting	9.99	0.00
05-64-4312	Office Equipment	189.60	0.00
05-64-4326	Education & Training	350.00	0.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 2

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

05-64-4336	Miscellaneous	401.38	0.00	
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Check No.	47589	Total:	1,833.60
Total for	BANK OF AMERICA		1,833.60

BMI	Annual Music License Renewal	14163	05/08/2013	
			05/08/2013	
10 MUSIC SQUARE EAST	1349		05/08/2013	0.00
NASHVILLE	BOA	47590	05/08/2013	0.00
TN 37203				320.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4336	Miscellaneous	320.00	0.00

Check No.	47590	Total:	320.00
Total for	BMI		320.00

BW CONSTRUCTION	Woodside H'lands, Engineer Svc	14129	05/08/2013	
			05/08/2013	
110 RUSSELL AVE	930		05/08/2013	0.00
PORTOLA VALLEY	BOA	47591	05/08/2013	0.00
CA 94028				4,775.00

GL Number	Description	Invoice Amount	Amount Relieved
90-00-4375	General Expenses	4,775.00	0.00

Check No.	47591	Total:	4,775.00
Total for	BW CONSTRUCTION		4,775.00

CALPERS	April Retirement	14130	05/08/2013	
FISCAL SERVICES DIVISION			05/08/2013	
ATTN: RETIREMENT PROG ACCTG	0107		05/08/2013	0.00
SACRAMENTO	BOA	47592	05/08/2013	0.00
CA 94229-2703				14,246.37

GL Number	Description	Invoice Amount	Amount Relieved
05-50-4080	Retirement - PERS	14,246.37	0.00

Check No.	47592	Total:	14,246.37
Total for	CALPERS		14,246.37

CAREFUL CLEAN	Power Wash, TC/Library walls	14131	05/08/2013	
			05/08/2013	
1914 SPRING STREET	1083		05/08/2013	0.00
REDWOOD CITY	BOA	47593	05/08/2013	0.00
CA 94063	2013-109			1,460.00

GL Number	Description	Invoice Amount	Amount Relieved
05-66-4340	Building Maint Equip & Supp	730.00	0.00
25-66-4340	Building Maint Equip & Supp	730.00	0.00

Check No.	47593	Total:	1,460.00
Total for	CAREFUL CLEAN		1,460.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 3

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

CASEY CONSTRUCTION INC	Remove/Replace Drain Pipe	14132	05/08/2013	
			05/08/2013	
620 HANDLEY TRAIL	2021		05/08/2013	0.00
EMERALD HILLS	BOA	47594	05/08/2013	0.00
CA 94062	05-571			9,310.00

GL Number	Description	Invoice Amount	Amount Relieved
20-60-4260	Public Road Surface & Drainage	9,310.00	0.00

Check No.	47594	Total:	9,310.00
Total for	CASEY CONSTRUCTION INC		9,310.00

CITY OF EAST PALO ALTO	Dinner/Mtg., Derwin/Hanlon	14168	05/08/2013	
			05/08/2013	
ATTN: CITY MANAGER'S OFFICE	887		05/08/2013	0.00
EAST PALO ALTO	BOA	47595	05/08/2013	0.00
CA 94303-1148				100.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4327	Educ/Train: Council & Commissn	100.00	0.00

Check No.	47595	Total:	100.00
Total for	CITY OF EAST PALO ALTO		100.00

COMCAST	WiFi, 4/21 - 5/20	14133	05/08/2013	
			05/08/2013	
P.O. BOX 34744	0045		05/08/2013	0.00
SEATTLE	BOA	47596	05/08/2013	0.00
WA 98124-1744				72.50

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4318	Telephones	72.50	0.00

Check No.	47596	Total:	72.50
Total for	COMCAST		72.50

RENEE COURINGTON	Refund Facility Deposit	14134	05/08/2013	
			05/08/2013	
3 CREEK PARK DRIVE	565		05/08/2013	0.00
PORTOLA VALLEY	BOA	47597	05/08/2013	0.00
CA 94028				100.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	100.00	0.00

Check No.	47597	Total:	100.00
Total for	RENEE COURINGTON		100.00

CSG CONSULTANTS INC	March Inspector Services	14135	05/08/2013	
			05/08/2013	
1700 S. AMPHLETT BLVD	622		05/08/2013	0.00
SAN MATEO	BOA	47598	05/08/2013	0.00
CA 94402	024209			1,794.00

GL Number	Description	Invoice Amount	Amount Relieved
05-50-4062	Temp Bldg Inspection	1,794.00	0.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 4

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
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State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	47598	Total:	1,794.00
Total for	CSG CONSULTANTS INC		1,794.00

AMY DEBENEDICTIS	Instructor Fees, Spring 2013	14136	05/08/2013	
			05/08/2013	
819 LAUREL AVENUE	2130		05/08/2013	0.00
MENLO PARK	BOA	47599	05/08/2013	0.00
CA 94025				952.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	952.00	0.00

Check No.	47599	Total:	952.00
Total for	AMY DEBENEDICTIS		952.00

DELL MARKETING L.P.	Computer, Sustainability Mgr	14137	05/08/2013	
c/o DELL USA L.P.		00006112	05/08/2013	
P.O. BOX 910916	0194		05/08/2013	0.00
PASADENA	BOA	47600	05/08/2013	0.00
CA 91110-0916	XJ4JFMX19			1,220.06

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4312	Office Equipment	1,220.06	1,220.07

Check No.	47600	Total:	1,220.06
Total for	DELL MARKETING L.P.		1,220.06

CHRISTIANA FREED	Refund Deposit/Fees	14138	05/08/2013	
			05/08/2013	
1031 OAKLAND AVENUE	1174		05/08/2013	0.00
MENLO PARK	BOA	47601	05/08/2013	0.00
CA 94025				257.50

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	100.00	0.00
05-56-4228	Miscellaneous Refunds	157.50	0.00

Check No.	47601	Total:	257.50
Total for	CHRISTIANA FREED		257.50

GO NATIVE INC	C-1 Trail Maintenance	14164	05/08/2013	
			05/08/2013	
P.O. BOX 370103	632		05/08/2013	0.00
MONTARA	BOA	47602	05/08/2013	0.00
CA 94037	2514			2,964.00

GL Number	Description	Invoice Amount	Amount Relieved
05-60-4272	C-1 Bio Maintenance	2,964.00	0.00

Check No.	47602	Total:	2,964.00
Total for	GO NATIVE INC		2,964.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 5

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
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State/Province Zip/Postal	Invoice Number			Check Amount

HIGHWAY TECHNOLOGIES, INC	Parking Signs	14139	05/08/2013	
			05/08/2013	
33946 TREASURY CENTER	0067		05/08/2013	0.00
CHICAGO	BOA	47603	05/08/2013	0.00
IL 60694-6300	65122664-001			381.34

GL Number	Description	Invoice Amount	Amount Relieved
20-60-4268	Street Signs & Striping	381.34	0.00

Check No.	47603	Total:	381.34
Total for	HIGHWAY TECHNOLOGIES, INC		381.34

HORIZON	Fertilizer, TC and Rossotti	14165	05/08/2013	
			05/08/2013	
P.O. BOX 52758	0289		05/08/2013	0.00
PHOENIX	BOA	47604	05/08/2013	0.00
AZ 85072-2758	1N126528			545.65

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4240	Parks & Fields Maintenance	545.65	0.00

Check No.	47604	Total:	545.65
Total for	HORIZON		545.65

J.W. ENTERPRISES	Portable Lavs, 4/18 - 5/15	14140	05/08/2013	
			05/08/2013	
1689 MORSE AVE	829		05/08/2013	0.00
VENTURA	BOA	47605	05/08/2013	0.00
CA 93003	167642			235.44

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4244	Portable Lavatories	235.44	0.00

Check No.	47605	Total:	235.44
Total for	J.W. ENTERPRISES		235.44

JORGENSON SIEGEL MCCLURE & FLEGEL	March Statement	14141	05/08/2013	
			05/08/2013	
1100 ALMA STREET	0089		05/08/2013	0.00
MENLO PARK	BOA	47606	05/08/2013	0.00
CA 94025				17,739.25

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4182	Town Attorney	11,251.75	0.00
96-54-4186	Attorney - Charges to Appls	6,487.50	0.00

Check No.	47606	Total:	17,739.25
Total for	JORGENSON SIEGEL MCCLURE &		17,739.25

LUCILLE KALMAN	Instructor Fees, Spring 2013	14142	05/08/2013	
			05/08/2013	
245 OLD SPANISH TRAIL	1082		05/08/2013	0.00
PORTOLA VALLEY	BOA	47607	05/08/2013	0.00
CA 94028				924.00

GL Number	Description	Invoice Amount	Amount Relieved
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INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 6

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

05-58-4246	Instructors & Class Refunds	924.00	0.00	
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Check No.	47607	Total:	924.00
Total for	LUCILLE KALMAN		924.00

INDUPRAKAS KODUKULA	Refund Deposit	14143	05/08/2013	
			05/08/2013	
980 SISKIYOU DRIVE	583		05/08/2013	0.00
MENLO PARK	BOA	47608	05/08/2013	0.00
CA 94025				676.70

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4207	Deposit Refunds, Other Charges	676.70	0.00

Check No.	47608	Total:	676.70
Total for	INDUPRAKAS KODUKULA		676.70

LAURENCE MARKS	Refund Facility Deposit	14171	05/08/2013	
			05/08/2013	
140 WAYSIDE ROAD	1080		05/08/2013	0.00
PORTOLA VALLEY	BOA	47609	05/08/2013	0.00
CA 94028				100.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	100.00	0.00

Check No.	47609	Total:	100.00
Total for	LAURENCE MARKS		100.00

TIM MCADAM	Refund Deposit	14144	05/08/2013	
			05/08/2013	
133 STONEGATE ROAD	1104		05/08/2013	0.00
PORTOLA VALLEY	BOA	47610	05/08/2013	0.00
CA 94028				10,000.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4207	Deposit Refunds, Other Charges	10,000.00	0.00

Check No.	47610	Total:	10,000.00
Total for	TIM MCADAM		10,000.00

NOLTE ASSOCIATES, INC	February Applicant Charges	14145	05/08/2013	
			05/08/2013	
P.O. BOX 93243	0104		05/08/2013	0.00
LAS VEGAS	BOA	47611	05/08/2013	0.00
NV 89193-3243	13030211			198.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4194	Engineer - Charges to Appls	198.00	0.00

Check No.	47611	Total:	198.00
Total for	NOLTE ASSOCIATES, INC		198.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 7

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

O. NELSON & SON	Storm Damage/Trail Work	14146	05/08/2013	
			05/08/2013	
3355 TRIPP ROAD	634		05/08/2013	0.00
WOODSIDE	BOA	47612	05/08/2013	0.00
CA 94062	151			1,780.00

GL Number	Description	Invoice Amount	Amount Relieved
20-60-4270	Trail Surface Rehabilitation	1,780.00	0.00

O. NELSON & SON	Trail Work	14147	05/08/2013	
			05/08/2013	
3355 TRIPP ROAD	634		05/08/2013	0.00
WOODSIDE	BOA	47612	05/08/2013	0.00
CA 94062	150, 152			9,170.00

GL Number	Description	Invoice Amount	Amount Relieved
20-60-4270	Trail Surface Rehabilitation	9,170.00	0.00

Check No.	47612	Total:	10,950.00
Total for	O. NELSON & SON		10,950.00

PG&E	April Statements	14149	05/08/2013	
			05/08/2013	
BOX 997300	0109		05/08/2013	0.00
SACRAMENTO	BOA	47613	05/08/2013	0.00
CA 95899-7300				555.47

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4330	Utilities	555.47	0.00

Check No.	47613	Total:	555.47
Total for	PG&E		555.47

PLATINUM FACILITY SERVICES	Deep Clean, TC Buildings	14166	05/08/2013	
			05/08/2013	
1530 OAKLAND RD., #150	402		05/08/2013	0.00
SAN JOSE	BOA	47614	05/08/2013	0.00
CA 95112	12861			3,100.00

GL Number	Description	Invoice Amount	Amount Relieved
05-66-4341	Community Hall	1,033.33	0.00
05-66-4344	Janitorial Services	1,033.34	0.00
25-66-4340	Building Maint Equip & Supp	1,033.33	0.00

Check No.	47614	Total:	3,100.00
Total for	PLATINUM FACILITY SERVICES		3,100.00

PORTOLA VALLEY HARDWARE	April Statement	14148	05/08/2013	
			05/08/2013	
112 PORTOLA VALLEY ROAD	0114		05/08/2013	0.00
PORTOLA VALLEY	BOA	47615	05/08/2013	0.00
CA 94028				810.97

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4165	Sustainability Committee	38.65	0.00
05-58-4240	Parks & Fields Maintenance	407.77	0.00
05-60-4267	Tools & Equipment	364.55	0.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 8

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	47615	Total:	810.97
Total for	PORTOLA VALLEY HARDWARE		810.97

REGIONAL GOVERNMENT SERVICES	Calopps Job Postings	14150	05/08/2013	
			05/08/2013	
P.O. BOX 1350	1165		05/08/2013	0.00
CARMEL VALLEY	BOA	47616	05/08/2013	0.00
CA 93924	3315			600.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4320	Advertising	600.00	0.00

Check No.	47616	Total:	600.00
Total for	REGIONAL GOVERNMENT SERVIK		600.00

SHARP BUSINESS SYSTEMS	April Copies	14151	05/08/2013	
			05/08/2013	
DEPT. LA 21510	0199		05/08/2013	0.00
PASADENA	BOA	47617	05/08/2013	0.00
CA 91185-1510	C778485-541			92.95

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4308	Office Supplies	92.95	0.00

Check No.	47617	Total:	92.95
Total for	SHARP BUSINESS SYSTEMS		92.95

SPANGLE & ASSOCIATES	3/22 - 4/18 Statement	14153	05/08/2013	
			05/08/2013	
770 MENLO AVENUE	0121		05/08/2013	0.00
MENLO PARK	BOA	47618	05/08/2013	0.00
CA 94025-4736				42,373.00

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4140	ASCC	2,414.00	0.00
05-52-4162	Planning Committee	4,826.00	0.00
05-54-4196	Planner	17,227.50	0.00
96-54-4198	Planner - Charges to Appls	17,905.50	0.00

Check No.	47618	Total:	42,373.00
Total for	SPANGLE & ASSOCIATES		42,373.00

CONNIE STACK	Instructor Fees, Spring 2013	14152	05/08/2013	
			05/08/2013	
10127 LAMPLIGHTER SQUARE	648		05/08/2013	0.00
CUPERTINO	BOA	47619	05/08/2013	0.00
CA 95014				1,392.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	1,392.00	0.00

Check No.	47619	Total:	1,392.00
Total for	CONNIE STACK		1,392.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 9

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

STATE COMP INSURANCE FUND	May Premium	14154	05/08/2013	
			05/08/2013	
PO BOX 748170	0122		05/08/2013	0.00
LOS ANGELES	BOA	47620	05/08/2013	0.00
CA 90074-8170				3,226.67

GL Number	Description	Invoice Amount	Amount Relieved
05-50-4094	Worker's Compensation	3,226.67	0.00

Check No.	47620	Total:	3,226.67
Total for	STATE COMP INSURANCE FUND		3,226.67

STATE CONTROLLER'S OFFICE	Annual Street Report FY 11/12	14155	05/08/2013	
			05/08/2013	
DEPARTMENTAL ACCTG OFC	0218		05/08/2013	0.00
SACRAMENTO	BOA	47621	05/08/2013	0.00
CA 94250-5877	27304			1,156.00

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4180	Accounting & Auditing	1,156.00	0.00

Check No.	47621	Total:	1,156.00
Total for	STATE CONTROLLER'S OFFICE		1,156.00

SUSTAINABLE SILICON VALLEY	2013 Annual Dues	14156	05/08/2013	
			05/08/2013	
P.O. BOX 576	921		05/08/2013	0.00
SANTA CLARA	BOA	47622	05/08/2013	0.00
CA 95052-0576	1224			1,000.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4322	Dues	1,000.00	0.00

Check No.	47622	Total:	1,000.00
Total for	SUSTAINABLE SILICON VALLEY		1,000.00

TAB PRODUCTS CO., LLC	File Folders	14157	05/08/2013	
			05/08/2013	
135 S. LASALLE	401		05/08/2013	0.00
CHICAGO	BOA	47623	05/08/2013	0.00
IL 60674-3736	2169420			75.10

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4308	Office Supplies	75.10	0.00

Check No.	47623	Total:	75.10
Total for	TAB PRODUCTS CO., LLC		75.10

TOWN OF WOODSIDE	Earth Fair Ticket, Council/Vol	14167	05/08/2013	
			05/08/2013	
P.O. BOX 620005	541		05/08/2013	0.00
WOODSIDE	BOA	47624	05/08/2013	0.00
CA 94062				230.00

GL Number	Description	Invoice Amount	Amount Relieved
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INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 10

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

05-64-4335	Sustainability		230.00	0.00
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Check No.	47624	Total:	230.00
Total for	TOWN OF WOODSIDE		230.00

VISION INTERNET PROVIDERS INC	April Web Host	14158	05/08/2013	
			05/08/2013	
P.O. BOX 251588	827		05/08/2013	0.00
LOS ANGELES	BOA	47625	05/08/2013	0.00
CA 90025	24529			200.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4311	Internet Service & Web Hosting	200.00	0.00

Check No.	47625	Total:	200.00
Total for	VISION INTERNET PROVIDERS IN		200.00

JANE WILSON	Reimb, Holiday Fair Banners	14159	05/08/2013	
			05/08/2013	
557 CRESTA VISTA LANE	1162		05/08/2013	0.00
PORTOLA VALLEY	BOA	47626	05/08/2013	0.00
CA 94028				105.04

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4150	Cultural Arts Committee	105.04	0.00

Check No.	47626	Total:	105.04
Total for	JANE WILSON		105.04

WOODSIDE DELIVERY SERVICE	Delivery Thru 4/6, final	14160	05/08/2013	
			05/08/2013	
PO BOX 784	0219		05/08/2013	0.00
RIVERBANK	BOA	47627	05/08/2013	0.00
CA 95367				56.74

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4336	Miscellaneous	56.74	0.00

Check No.	47627	Total:	56.74
Total for	WOODSIDE DELIVERY SERVICE		56.74

WORRELL ROOFING	Refund, Overpd Build Perm Fees	14161	05/08/2013	
			05/08/2013	
3790 EL CAMINO REAL	669		05/08/2013	0.00
PALO ALTO	BOA	47628	05/08/2013	0.00
CA 94306				49.50

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4228	Miscellaneous Refunds	49.50	0.00

Check No.	47628	Total:	49.50
Total for	WORRELL ROOFING		49.50

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST

05/08/13

Date: 05/03/2013

Time: 9:26 am

Page: 11

TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	Taxes Withheld
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

Total Invoices: 45

Grand Total:	144,417.37
Less Credit Memos:	0.00
Net Total:	<u>144,417.37</u>
Less Hand Check Total:	0.00
Outstanding Invoice Total:	<u>144,417.37</u>

TOWN OF PORTOLA VALLEY
Warrant Disbursement Journal
May 8, 2013

Claims totaling \$144,417.37 having been duly examined by me and found to be correct are hereby approved and verified by me as due bills against the Town of Portola Valley.

Date _____

Nick Pegueros, Treasurer

Motion having been duly made and seconded, the above claims are hereby approved and allowed for payment.

Signed and sealed this (Date) _____

Sharon Hanlon, Town Clerk

Mayor



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Nick Pegueros, Town Manager

DATE: May 8, 2013

RE: Adoption of Flexible Benefits Plan Document

RECOMMENDATION

It is recommended that the Town Council adopt the attached resolution adopting a Flexible Benefits Plan document.

BACKGROUND

At their meeting on April 24, 2013, the Town Council approved a Compensation Plan that includes a benefits schedule which documents the existing benefits provided to town staff. While the benefits schedule does not provide for changes in the core benefits provided to employees, the schedule does include a change, Section 3.1 "Cafeteria Flexible Benefits Plan" (Attachment 1), that provides opportunities for both the employer and employee to reduce their costs associated with health and welfare benefits.

DISCUSSION

The purpose of this action is to formally adopt the required document necessary for staff to administer Section 3.1 of the Compensation Plan. The plan document provides for implementation on June 1, 2013 of a 7-month plan year ending on December 31, 2013. The document outlines the procedure for employees to make use of potentially beneficial tax programs that have previously been unavailable to staff. Further, the document reiterates the monthly flexible dollar allowance and the cash-in-lieu of opt-out provisions established in Section 3.1 of the Compensation Plan.

The first year of this plan document is only seven months due to its implementation date. It is important to note that after the Town Council has considered and adopted the Town's budget for 2013-14, the amount provided in the monthly flexible dollar allowance may change. After adoption of the budget staff will return to the Council with an

amended document that outlines the allowance provided to employees for 2014 and changes the plan year to a 12-month year beginning January 1st and ending on December 31st.

FISCAL IMPACT

Management of the Cafeteria Flexible Spending Plan will add approximately \$2,500 a year in third-party administrator costs. This amount will have a minimal impact on the 2012-13 budget and will be included in future budgets.

ATTACHMENTS

1. Compensation Plan Section 3.1
2. Resolution

SECTION 3**HEALTH AND WELFARE****3.1 Cafeteria Flexible Benefits Plan**

The Town provides a cafeteria plan flexible dollar amount as follows:

<i>Level of coverage</i>	<i>Monthly Flexible Dollar Amount</i>
Employee	\$668.03
Employee plus one	\$1,337.26
Employee plus two or more	\$1,738.44

The flexible dollar amount may be used to select any of the CalPERS - Public Employees' Medical and Hospital Care Act (PEMHCA) medical plans available to the employee or any other benefits available in the Town's Cafeteria Flexible Benefits Plan (Plan). In 2013 the additional Plan options include payment of dependent coverage vision insurance, contribution to a deferred compensation program, and contribution to a flexible spending account option. Employees selecting a plan or benefits for which the cost is greater than the Town's applicable flexible dollar amount shall pay the excess cost and may opt to pay the excess cost on a tax deferred basis. Eligible employees with proof of insurance from another source may elect to receive an opt-out payment in lieu of participating in the Town's Cafeteria Flexible Benefits Plan. Opt-out payments are:

<i>Level of coverage</i>	<i>Monthly opt-out payment</i>
Employee Only & Employee plus one	\$600.00
Employee plus two or more	\$800.00

The Town shall adopt and maintain an IRS Section 125 Cafeteria Flexible Benefits Plan Document and the monthly flexible dollar amount may be adjusted by resolution of the Town Council.

3.2 Designated Health Contribution Toward Health Premium

The Town contracts with CalPERS for PEMHCA medical insurance and pays the minimum monthly health contribution toward the health premium, as established by PEMHCA on an annual basis, for eligible employees and qualifying retirees. For eligible employees, this benefit begins on the first day of the calendar month following the employee's hire date and terminates on the last day of the calendar month following the employee's separation date. For 2013, the PEMHCA contribution for health is \$115 per month for eligible employees and qualifying retirees. For 2014, the PEMHCA contribution for health is \$119 per month for eligible employees and qualifying retirees. Retirees will be required to qualify as CalPERS annuitants and meet all statutory and

RESOLUTION NO. _____-2013**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF PORTOLA VALLEY
ADOPTING THE CAFETERIA FLEXIBLE
BENEFIT PLAN DOCUMENT**

WHEREAS, on the 24th day of April, 2013, the Town Council of the Town of Portola Valley considered and approved Resolution 2587-2013 which adopted the Employee Compensation Plan including a modification to the salary schedule and the creation of a benefits schedule; and

WHEREAS, Section 3.1 of the adopted Compensation Plan provides for the creation of a Cafeteria Flexible Benefit Plan; and

WHEREAS, the Town has worked with Flex-Plan Services to prepare the documents necessary to implement a qualifying Flexible Benefit Plan document as attached hereto in Exhibits A and B.

NOW, THEREFORE, the Town Council of the Town of Portola Valley does hereby RESOLVE as follows:

1. The Cafeteria Plan attached hereto as Exhibits A and B, including a Dependent Care Flexible Spending Account and Health Flexible Spending Account, which is effective June 1, 2013, is approved and adopted.
2. The duly authorized agents of the Town are authorized and directed to execute and deliver to the Administrator of the Cafeteria Plan one or more counterparts of the Cafeteria Plan.
3. The Administrator shall take such actions that are deemed necessary and proper in order to implement the Cafeteria Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Cafeteria Plan.
4. The duly authorized agents of the Town shall act as soon as possible to notify the employees of the Town of the adoption of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Cafeteria Plan in the form of the Summary Plan Description.

REGULARLY PASSED AND ADOPTED this 8th day of May 2013.

John Richards, Mayor

ATTEST:

Sharon Hanlon, Town Clerk

EXHIBIT "A"

**TOWN OF PORTOLA VALLEY FLEXIBLE BENEFITS PLAN
AND ALL SUPPORTING FORMS HAVE BEEN PRODUCED FOR
TOWN OF PORTOLA VALLEY**

TOWN OF PORTOLA VALLEY FLEXIBLE BENEFITS PLAN

TABLE OF CONTENTS

**ARTICLE I
DEFINITIONS**

**ARTICLE II
PARTICIPATION**

2.1 ELIGIBILITY..... 5
 2.2 EFFECTIVE DATE OF PARTICIPATION 5
 2.3 APPLICATION TO PARTICIPATE 5
 2.4 TERMINATION OF PARTICIPATION 6
 2.5 TERMINATION OF EMPLOYMENT..... 6
 2.6 DEATH..... 6

**ARTICLE III
CONTRIBUTIONS TO THE PLAN**

3.1 EMPLOYER CONTRIBUTION 6
 3.2 SALARY REDIRECTION..... 7
 3.3 APPLICATION OF CONTRIBUTIONS 7
 3.4 PERIODIC CONTRIBUTIONS 7

**ARTICLE IV
BENEFITS**

4.1 BENEFIT OPTIONS 7
 4.2 HEALTH CARE FLEXIBLE SPENDING ARRANGEMENT BENEFIT 7
 4.3 DAY CARE FLEXIBLE SPENDING ARRANGEMENT BENEFIT 8
 4.4 HEALTH INSURANCE BENEFIT 8
 4.5 DENTAL INSURANCE BENEFIT 8
 4.6 GROUP-TERM LIFE INSURANCE BENEFIT 8
 4.7 DISABILITY INSURANCE BENEFIT 8
 4.8 VISION INSURANCE BENEFIT 8
 4.9 ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE BENEFIT 8
 4.10 CASH BENEFIT 9
 4.11 NONDISCRIMINATION REQUIREMENTS..... 9

**ARTICLE V
PARTICIPANT ELECTIONS**

5.1 INITIAL ELECTIONS 9
 5.2 SUBSEQUENT ANNUAL ELECTIONS..... 9
 5.3 FAILURE TO ELECT 10
 5.4 CHANGE IN STATUS..... 10

**ARTICLE VI
HEALTH CARE FLEXIBLE SPENDING ACCOUNT**

6.1 ESTABLISHMENT OF PLAN 12
 6.2 DEFINITIONS 12

6.3	FORFEITURES	12
6.4	LIMITATION ON ALLOCATIONS.....	12
6.5	NONDISCRIMINATION REQUIREMENTS.....	12
6.6	COORDINATION WITH CAFETERIA PLAN.....	13
6.7	HEALTH CARE FLEXIBLE SPENDING ARRANGEMENT CLAIMS.....	13
6.8	DEBIT AND CREDIT CARDS	13

**ARTICLE VII
DAY CARE FLEXIBLE SPENDING ARRANGEMENT**

7.1	ESTABLISHMENT OF ACCOUNT.....	14
7.2	DEFINITIONS.....	14
7.3	DAY CARE FLEXIBLE SPENDING ARRANGEMENT	15
7.4	INCREASES IN DAY CARE FLEXIBLE SPENDING ARRANGEMENTS.....	15
7.5	DECREASES IN DAY CARE FLEXIBLE SPENDING ARRANGEMENTS.....	15
7.6	ALLOWABLE DEPENDENT CARE REIMBURSEMENT.....	15
7.7	ANNUAL STATEMENT OF BENEFITS	15
7.8	FORFEITURES	15
7.9	LIMITATION ON PAYMENTS	15
7.10	NONDISCRIMINATION REQUIREMENTS.....	15
7.11	COORDINATION WITH CAFETERIA PLAN.....	16
7.12	DAY CARE FLEXIBLE SPENDING ARRANGEMENT CLAIMS.....	16

**ARTICLE VIII
BENEFITS AND RIGHTS**

8.1	CLAIM FOR BENEFITS	17
8.2	APPLICATION OF BENEFIT PLAN SURPLUS.....	18

**ARTICLE IX
ADMINISTRATION**

9.1	PLAN ADMINISTRATION	18
9.2	EXAMINATION OF RECORDS.....	19
9.3	PAYMENT OF EXPENSES.....	19
9.4	INSURANCE CONTROL CLAUSE	19
9.5	INDEMNIFICATION OF ADMINISTRATOR.....	19

**ARTICLE X
AMENDMENT OR TERMINATION OF PLAN**

10.1	AMENDMENT.....	19
10.2	TERMINATION	19

**ARTICLE XI
MISCELLANEOUS**

11.1	PLAN INTERPRETATION.....	19
11.2	GENDER AND NUMBER.....	20
11.3	WRITTEN DOCUMENT.....	20
11.4	EXCLUSIVE BENEFIT	20

11.5	PARTICIPANT'S RIGHTS	20
11.6	ACTION BY THE EMPLOYER	20
11.7	EMPLOYER'S PROTECTIVE CLAUSES.....	20
11.8	NO GUARANTEE OF TAX CONSEQUENCES	20
11.9	INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS	20
11.10	FUNDING.....	20
11.11	GOVERNING LAW	21
11.12	SEVERABILITY	21
11.13	CAPTIONS	21
11.14	FAMILY AND MEDICAL LEAVE ACT (FMLA).....	21
11.15	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA).....	21
11.16	UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)	21
11.17	COMPLIANCE WITH HIPAA PRIVACY STANDARDS	21
11.18	COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS.....	22
11.19	MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT	22
11.20	GENETIC INFORMATION NONDISCRIMINATION ACT (GINA).....	22
11.21	WOMEN'S HEALTH AND CANCER RIGHTS ACT	22
11.22	NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT	23

TOWN OF PORTOLA VALLEY FLEXIBLE BENEFITS PLAN

INTRODUCTION

The Employer has adopted this Plan effective June 1, 2013, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. The Plan shall be known as Town of Portola Valley Flexible Benefits Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

ARTICLE I DEFINITIONS

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Care Flexible Spending Arrangement, a Participant's "Child" includes his natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means June 1, 2013.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means Town of Portola Valley and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 **"Employer Contribution"** means the contributions made by the Employer pursuant to Section 3.1 to enable a Participant to purchase Benefits. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V and as set forth in Section 3.1.

1.14 **"Grace Period"** means, with respect to any Plan Year, the time period ending on the fifteenth day of the third calendar month after the end of such Plan Year, during which Medical Expenses and Employment-Related Dependent Care Expenses incurred by a Participant will be deemed to have been incurred during such Plan Year.

1.15 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.16 **"Insurance Premium Payment Plan"** means the plan of benefits contained in Section 4.1 of this Plan, which provides for the payment of Premiums.

1.17 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan.

1.18 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.19 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.20 **"Plan"** means this instrument, including all amendments thereto.

1.21 **"Plan Year"** means the 7-month period beginning June 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.22 **"Premiums"** mean the Participant's cost for the Benefits described in Section 4.1.

1.23 **"Premium Conversion Benefit"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.

1.24 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.2. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.25 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.26 **"Spouse"** means "spouse" as defined in an Insurance Contract for purposes of coverage under that Contract only or the "spouse," as defined under Federal law, of a Participant, unless legally separated by court decree.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of the date he satisfies the eligibility conditions for the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the first day of the month coinciding with or next following the date on which he met the eligibility requirements of Section 2.1.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or
- (c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

- (a) **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- (b) **Day Care FSA.** With regard to the Day Care Flexible Spending Arrangement, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Day Care Expense reimbursements for claims incurred through the remainder of the Plan Year in which such termination occurs and submitted within 90 days after the end of the Plan Year, based on the level of the Participant's Day Care Flexible Spending Account as of the date of termination.
- (c) **Health FSA.** With regard to the Health Care Flexible Spending Arrangement, the Participant may elect to continue his participation in the Plan.
 - (1) If the Participant elects to continue participation in the Health Care Flexible Spending Arrangement for the remainder of the Plan Year in which such termination occurs, the Participant may continue to seek reimbursement from the Health Care Flexible Spending Arrangement. The Participant shall be required to make contributions to the fund based on the elections made prior to the beginning of the Plan Year.
 - (2) If the Participant does not elect to continue participation in the Health Care Flexible Spending Arrangement for the remainder of the Plan Year in which such termination occurs, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Care Flexible Spending Arrangement have already been made for claims incurred up to the date of termination and submitted within 90 days after the end of the Plan Year.
- (d) **Health FSA treatment.** In the event a Participant terminates his participation in the Health Care Flexible Spending Arrangement during the Plan Year, if Salary Redirections are made other than on a pro rata basis, upon termination the Participant shall be entitled to a reimbursement for any Salary Redirection previously paid for coverage or benefits relating to the period after the date of the Participant's separation from service regardless of the Participant's claims or reimbursements as of such date.
- (e) **Employer Contributions.** With regard to Employer Contributions, if the Participant elects to continue coverage under the Benefit, such contribution shall continue to the Health Flexible Spending Account on behalf of the Participant up to the end of the period for which payments are made to the Plan.

2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 EMPLOYER CONTRIBUTION

The Employer shall make available to each Eligible Employee a monthly flexible dollar amount as follows: Employee - \$511.96,

Employee plus one - \$1,314.31 or, Employee plus two or more - \$1,795.73.

The flexible dollar amount may be used to select one of six (6) PEMHCA medical plans available or any other benefits available in the Employer's Flexible Benefits Plan. In 2013 the Plan options shall include vision for dependents, flexible spending account for health or dependent care, or a deferred compensation program. Employees selecting a plan or benefits for which the cost is greater than the Employer's applicable flexible dollar amount shall pay the excess cost.

The Employer shall make available to each Participant with proof of insurance from another source an opt-out payment in-lieu-of participating in the Employer's group medical plan. Monthly opt-out payments are as follows: Employee Only & Employee plus one - \$600.00 or Employee plus two or more - \$800.00.

3.2 SALARY REDIRECTION

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.3 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Employer Contribution and Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.4 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year. In the event Salary Redirections to the Health Flexible Spending Account are not made on a pro rata basis, upon termination of participation, a Participant may be entitled to a refund of such Salary Redirections pursuant to Section 2.5.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Care Flexible Spending Arrangement
- (2) Day Care Flexible Spending Arrangement

In addition, each Participant shall have a sufficient portion of his Employer Contributions and Salary Redirections applied to the following Benefits unless the Participant elects not to receive such Benefits:

- (3) Health Insurance Benefit
- (4) Dental Insurance Benefit
- (5) Group-Term Life Insurance Benefit
- (6) Disability Insurance Benefit
- (7) Vision Insurance Benefit
- (8) Accidental Death and Dismemberment Insurance Benefit

4.2 HEALTH CARE FLEXIBLE SPENDING ARRANGEMENT BENEFIT

Each Participant may elect to participate in the Health Care Flexible Spending Arrangement option, in which case Article VI shall apply.

4.3 DAY CARE FLEXIBLE SPENDING ARRANGEMENT BENEFIT

Each Participant may elect to participate in the Day Care Flexible Spending Arrangement option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.5 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.6 GROUP-TERM LIFE INSURANCE BENEFIT

(a) **Coverage for Participant only.** Each Participant may elect to be covered under the Employer's group-term life Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable group-term life Insurance Contracts for use in providing this group-term life insurance benefit, which policies will provide benefits for all Participants electing this Benefit on a uniform basis.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such group-term life Insurance Contract shall be determined therefrom, and such group-term life Insurance Contract shall be incorporated herein by reference.

4.7 DISABILITY INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's disability Insurance Contract.

(b) **Long term and/or short term coverage selected by Employer.** The Employer may select suitable disability Insurance Contracts for use in providing this disability Benefit. The disability Insurance Contracts may provide for long-term or short-term coverage.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the Benefits payable from such disability Insurance Contract shall be determined therefrom, and such disability Insurance Contract shall be incorporated herein by reference.

4.8 VISION INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's vision Insurance Contract. In addition, the Participant may elect either individual or family coverage.

(b) **Employer selects contracts.** The Employer may select suitable vision Insurance Contracts for use in providing this vision insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such vision Insurance Contract shall be determined therefrom, and such vision Insurance Contract shall be incorporated herein by reference.

4.9 ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's accidental death and dismemberment Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable accidental death and dismemberment policies for use in providing this accidental death and dismemberment insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such accidental death and dismemberment Insurance Contract shall be determined therefrom, and such accidental death and dismemberment Insurance Contract shall be incorporated herein by reference.

4.10 CASH BENEFIT

If a Participant does not elect any Salary Redirections, such Participant shall be deemed to have chosen the Cash Benefit as his sole Benefit Option. However, if a Participant fails to make any election of Benefit Option, then the Employer Contribution will be deemed to be waived.

4.11 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable Benefits, it shall be done in the following manner. First, the non-taxable Benefits of the affected Participant (either an employee who is highly compensated or a Key Employee, whichever is applicable) who has the highest amount of non-taxable Benefits for the Plan Year shall have his non-taxable Benefits reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his non-taxable Benefits equals the non-taxable Benefits of the affected Participant who has the second highest amount of non-taxable Benefits. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

(a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;

(b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;

(c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premiums apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premiums apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Day Care Flexible Spending Arrangement, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and IRS Notice 2010-38, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

(1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or

(2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Day Care Flexible Spending Arrangement only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Care Flexible Spending Arrangement as a result of a cost or coverage change under any health insurance benefits.

ARTICLE VI HEALTH CARE FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Care Flexible Spending Arrangement is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Care Flexible Spending Arrangement may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Care Flexible Spending Arrangement. Periodic payments reimbursing Participants from the Health Care Flexible Spending Arrangement shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Care Flexible Spending Arrangement"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Health Flexible Spending Account Remainder Amount"** means that portion of the Employer's Contribution, if any, allocated to the Health Flexible Spending Account, determined assuming that Employer Contributions which are converted to Cafeteria Plan Benefit Dollars are first applied to all other Benefits elected by the Participant under the Plan.

(c) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(d) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Care Flexible Spending Arrangement.

6.3 FORFEITURES

The amount in the Health Care Flexible Spending Arrangement as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

Notwithstanding any provision contained in this Health Care Flexible Spending Arrangement to the contrary, the maximum amount that may be allocated to the Health Care Flexible Spending Arrangement by a Participant in or on account of any Plan Year is \$2,500.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Care Flexible Spending Arrangement not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Care Flexible Spending Arrangement, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this

Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Care Flexible Spending Arrangement by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Care Flexible Spending Arrangement for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Care Flexible Spending Arrangement. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Care Flexible Spending Arrangement. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH CARE FLEXIBLE SPENDING ARRANGEMENT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year including the Grace Period shall be reimbursed during the Plan Year subject to Section 2.5, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Care Flexible Spending Arrangement for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Care Flexible Spending Arrangement, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Grace Period.** Notwithstanding anything in this Section to the contrary, Medical Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(e) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Care Flexible Spending Arrangement. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Care Flexible Spending Arrangement.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;
- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VII DAY CARE FLEXIBLE SPENDING ARRANGEMENT

7.1 ESTABLISHMENT OF ACCOUNT

This Day Care Flexible Spending Arrangement is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Day Care Flexible Spending Arrangement.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Day Care Flexible Spending Arrangement"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

- (1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Day Care Flexible Spending Arrangement purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Day Care Flexible Spending Arrangement.

7.3 DAY CARE FLEXIBLE SPENDING ARRANGEMENT

The Administrator shall establish a Day Care Flexible Spending Arrangement for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Day Care Flexible Spending Arrangement benefits.

7.4 INCREASES IN DAY CARE FLEXIBLE SPENDING ARRANGEMENTS

A Participant's Day Care Flexible Spending Arrangement shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Day Care Flexible Spending Arrangement pursuant to elections made under Article V hereof.

7.5 DECREASES IN DAY CARE FLEXIBLE SPENDING ARRANGEMENTS

A Participant's Day Care Flexible Spending Arrangement shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Day Care Flexible Spending Arrangement, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Day Care Flexible Spending Arrangement as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Day Care Flexible Spending Arrangement in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Day Care Flexible Spending Arrangement that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Day Care Flexible Spending Arrangement that not

more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Day Care Flexible Spending Arrangement by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Day Care Flexible Spending Arrangement for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Day Care Flexible Spending Arrangement. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Day Care Flexible Spending Arrangement. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DAY CARE FLEXIBLE SPENDING ARRANGEMENT CLAIMS

The Administrator shall direct the payment of all such Day Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year including the Grace Period and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.

(i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.

(b) **Health and Day Care Flexible Spending Arrangement Claims.** The Participant must submit all claims no later than 90 days after the end of the Plan Year. Any claims submitted after that time will not be considered.

If a claim under the Plan is denied in whole or in part, the Participant will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure.

A level one appeal must be submitted within 180 days of receipt of the denial. Any such request should be accompanied by documents or records in support of the appeal. The Participant may review pertinent documents and submit issues and comments in writing. The claims administrator will review the claim and provide, within 30 days, a written response to the appeal (extended by reasonable time if necessary). In this response, the claims administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. If the Participant disagrees with the level one appeal decision the Participant may submit a request for a level two appeal to be determined by the Employer. The Participant must submit the request for level two appeal within 60 days of receipt of the level one notice. The Participant will be notified within 30 days after the Employer receives the appeal (extended by reasonable time if necessary). The Employer has the exclusive right to interpret the appropriate plan provisions. Decisions of the Employer are conclusive and binding.

The following timetable for claims applies:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Denial or insufficient information on the claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	30 days

The Participant must file the appeal by submitting a written request by email, fax, or mail to Flex-Plan and indicate either level one or two appeal on the email, fax, or letter.

Email: claims@flex-plan.com

Fax: 425-451-7002 or 866-535-9227

Mail: Flex-Plan Services, PO Box 53250, Bellevue WA 98015.

The response will provide written or electronic notification of any claim denial. The notice will state:

- (a) The specific reason or reasons for the denial;
- (b) Reference to the specific Plan provisions on which the denial was based;
- (c) A description of any additional material or information necessary for the Participant to perfect the claim and an explanation of why such material or information is necessary;
- (d) A description of the Plan's review procedures and the time limits applicable to such procedures.
- (e) A statement that the Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and
- (f) If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the Participant upon request.

When the Participant receives a denial, the Participant will have 180 days following receipt of the notification in which to appeal the decision. The Participant may submit written comments, documents, records, and other information relating to the claim. If the Participant requests, the Participant will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a claim if it:

- (a) was relied upon in making the claim determination;
- (b) was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
- (c) demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions

have been applied consistently with respect to all claimants; or

(d) constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the Participant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

(b) **Forfeitures.** Any balance remaining in the Participant's Dependent Care Flexible Spending Account or Health Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year and Grace Period (if applicable) shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;

(f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;

(g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;

(h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.12.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

11.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of California.

11.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

11.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy officer. The privacy officer shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

- (iii) mitigation of any harm caused by the breach, to the extent practicable; and
 - (iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- (e) **Certification.** The Employer must provide certification to the Plan that it agrees to:
- (1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
 - (2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
 - (3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
 - (4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
 - (5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
 - (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
 - (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
 - (8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
 - (9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
 - (10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- (a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- (b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- (c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act and ERISA Section 712.

11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this _____ day of _____.

Town of Portola Valley

By _____
EMPLOYER

EXHIBIT "B"

TOWN OF PORTOLA VALLEY FLEXIBLE BENEFITS PLAN
SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

I ELIGIBILITY

1.	When can I become a participant in the Plan?	14
2.	What are the eligibility requirements for our Plan?	14
3.	When is my entry date?	14
4.	What must I do to enroll in the Plan?.....	14

II OPERATION

1.	How does this Plan operate?.....	14
----	----------------------------------	----

III CONTRIBUTIONS

1.	How much of my pay may the Employer redirect?.....	2
2.	How much will the Employer contribute each year?	2
3.	What happens to contributions made to the Plan?	2
4.	When must I decide which accounts I want to use?	2
5.	When is the election period for our Plan?	2
6.	May I change my elections during the Plan Year?.....	2
7.	May I make new elections in future Plan Years?	33

IV BENEFITS

1.	What benefits are offered under the Plan?.....	33
2.	Health Care Flexible Spending Arrangement.....	33
3.	Day Care Flexible Spending Arrangement.....	44
4.	Premium Conversion Benefit.....	44

V BENEFIT PAYMENTS

1.	When will I receive payments from my accounts?	44
2.	What happens if I don't spend all Plan contributions during the Plan Year?	55
3.	Family and Medical Leave Act (FMLA)	55
4.	Uniformed Services Employment and Reemployment Rights Act (USERRA).....	55
5.	What happens if I terminate employment?	55
6.	Will my Social Security benefits be affected?.....	56

VI HIGHLY COMPENSATED AND KEY EMPLOYEES

1.	Do limitations apply to highly compensated employees?.....	66
----	--	----

VII PLAN ACCOUNTING

1.	Periodic Statements.....	66
----	--------------------------	----

**VIII
GENERAL INFORMATION ABOUT OUR PLAN**

1.	General Plan Information.....	66
2.	Employer Information.....	66
3.	Plan Administrator Information	66
4.	Service of Legal Process.....	67
5.	Type of Administration.....	77
6.	Claims Submission	77

**IX
ADDITIONAL PLAN INFORMATION**

1.	Claims Process.....	77
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APPENDIX II TO THE FLEXIBLE BENEFITS PLAN SUMMARY PLAN DESCRIPTION

**X
SUMMARY**

TOWN OF PORTOLA VALLEY FLEXIBLE BENEFITS PLAN

INTRODUCTION

We are pleased to announce that we have established a "Flexible Benefit Plan" for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

I ELIGIBILITY

1. When can I become a participant in the Plan?

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan once you have satisfied the conditions for coverage under our group medical plan.

3. When is my entry date?

Once you have met the eligibility requirements, your entry date will be the first day of the month coinciding with or following the date you met the eligibility requirements.

4. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for a portion of the benefits you have elected.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan.

II OPERATION

1. How does this Plan operate?

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. Also, we will make additional Employer contributions to the Plan that you may use to increase the amounts used to pay benefits. However, if you receive a reimbursement for an expense under

the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the insurance coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

2. How much will the Employer contribute each year?

Each year we will make available to you a monthly flexible dollar amount as follows: Employee - \$511.96, Employee plus one - \$1,314.31 or, Employee plus two or more - \$1,795.73.

The flexible dollar amount may be used to select one of six (6) PEMHCA medical plans available or any other benefits available in the our Flexible Benefits Plan. In 2013 the Plan options shall include dental and/or vision for dependents, flexible spending account for health or dependent care, or a deferred compensation program. If you select a plan or benefits for which the cost is greater than the applicable flexible dollar amount you will pay the excess cost.

If you provide proof of insurance from another source we will provide an opt-out payment in-lieu-of participating in our group medical plan. Monthly opt-out payments are as follows: Employee Only & Employee plus one - \$433.72 or Employee plus two or more - \$592.59.

3. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

4. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance unless you elect, during the election period (defined below), not to participate in the Plan.

5. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

6. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

- Marriage, divorce, death of a spouse, legal separation or annulment;
- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Day Care Flexible Spending Arrangement, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Care Flexible Spending Arrangement, and you may not change your election to the Health Care Flexible Spending Arrangement if you make a change due to cost or coverage for insurance.

You may not change your election under the Day Care Flexible Spending Arrangement if the cost change is imposed by a dependent care provider who is your relative.

7. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV BENEFITS

1. What benefits are offered under the Plan?

Under our Plan, you can choose to receive your entire compensation or use a portion to pay for the following benefits or expenses during the year.

2. Health Care Flexible Spending Arrangement

The Health Care Flexible Spending Arrangement enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan and save taxes at the same time. The Health Care Flexible Spending Arrangement allows you to be reimbursed by the Employer for expenses incurred by you and your dependents.

Drug costs, including insulin, may be reimbursed.

You may be reimbursed for "over the counter" drugs only if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$2,500. In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry

between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

3. Day Care Flexible Spending Arrangement

The Day Care Flexible Spending Arrangement enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- (a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- (b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- (c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan.

The law places limits on the amount of money that can be paid to you in a calendar year from your Day Care Flexible Spending Arrangement. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Day Care Flexible Spending Arrangement under our Plan. Ask your tax adviser which is better for you.

4. Premium Conversion Benefit

A Premium Conversion Benefit allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

- Health care premiums under our insured group medical plan.
- Group term life insurance premiums.
- Dental insurance premiums.
- Disability insurance premiums.
- Vision insurance premiums.
- Accidental death and dismemberment insurance premiums.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any insurance contracts providing benefits described above. We will not be liable to you if an insurance company fails to provide any of the benefits described above. Also, your insurance will end when you leave employment, are no longer eligible under the terms of any insurance policies, or when insurance terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

V BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from

the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. Requests for payment of insured benefits should be made directly to the insurer. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

If you have not spent all the amounts in your Health Flexible Spending Account or Dependent Care Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 2 1/2 months after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Health Flexible Spending Account or Dependent Care Flexible Spending Account.

Any monies left at the end of the Plan Year and the Grace Period will be forfeited. Obviously, qualifying expenses that you incur late in the Plan Year or during the Grace Period for which you seek reimbursement after the end of such Plan Year and Grace Period will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance, group-term life insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from \$100 per month to \$150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Care Flexible Spending Arrangement under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

- (a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.
- (b) You will still be able to request reimbursement for qualifying dependent care expenses incurred during the remainder of the Plan Year from the balance remaining in your Day care FSA at the time of termination of employment. However, no further salary redirection and contributions will be made on your behalf after you terminate. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.
- (c) You may elect to continue your participation in the Health Care Flexible Spending Arrangement for the remainder of the Plan Year.
- (d) If you elect to continue your participation in the Health Care Flexible Spending Arrangement, you must continue to make any required contributions to the Plan.
- (e) If you elect not to continue participation in the Health Care Flexible Spending Arrangement, participation will cease and no further salary redirection and Employer contributions will be contributed on your behalf. You will be able to submit claims for health care expenses. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Care Flexible Spending Arrangement have already been made. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

**VI
HIGHLY COMPENSATED AND KEY EMPLOYEES**

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

**VII
PLAN ACCOUNTING**

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

**VIII
GENERAL INFORMATION ABOUT OUR PLAN**

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

Town of Portola Valley Flexible Benefits Plan is the name of the Plan.

Your Employer has assigned Plan Number 501 to your Plan.

The provisions of the Plan become effective on June 1, 2013, which is called the Effective Date of the Plan.

Your Plan's records are maintained on a seven-month period of time. This is known as the Plan Year. The Plan Year begins on June 1 and ends on December 31.

2. Employer Information

Your Employer's name, address, and identification number are:

Town of Portola Valley
765 Portola Road
Portola Valley, California 94028
94-1581254

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Town of Portola Valley
765 Portola Road
Portola Valley, California 94028
(650) 851-1700

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Town of Portola Valley
765 Portola Road
Portola Valley, California 94028

5. Type of Administration

The type of Administration is Employer Administration.

6. Claims Submission

Claims for expenses should be submitted to:

Flex-Plan Services, Inc.
P.O. Box 53250
Bellevue, WA 98015

IX ADDITIONAL PLAN INFORMATION

1. Claims Process

Claims that are insured or self-funded will be handled in accordance with procedures contained in the insurance policies or contracts. All other general requests should be directed to the Administrator of our Plan. If a Day Care or medical expense claim under the Plan is denied in whole or in part, you will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 180 days after receipt of the denial, you may submit a written request for reconsideration of the denial to the claims administrator.

If a dependent care or medical expense claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

You must file both level one and level two appeals by submitting a written request by email, fax, or mail. Indicate either level one or two appeal on the email, fax, or letter.

Email: claims@flex-plan.com
Fax: 425-451-7002 or 866-535-9227
Mail to: Flex-Plan Services, PO Box 53250, Bellevue WA 98015..

APPENDIX I TO THE FLEXIBLE BENEFITS PLAN SUMMARY PLAN DESCRIPTION

We understand that medical information about you and your health is personal. We are committed to protecting medical information about you. This summary applies to all of the personal health information we maintain with regard to the Plan. Your doctor or health care provider will have different policies or notices regarding the doctor's use and disclosure of your medical information created in the doctor's office or clinic. During the course of providing you with coverage under the Plan, the Plan will have access to information about you that is deemed to be "protected health information", or PHI, by the Health Insurance Portability and Accountability Act of 1996, or HIPAA. The following is a summary of procedures adopted by the Employer to ensure that both Employer and any third party service providers treat your PHI with the level of protection required by HIPAA.

This summary will provide you with a general overview of the ways in which we may use and disclose medical information about you. We also describe your rights and certain obligations we have regarding the use and disclosure of medical information.

We are required by law to:

- make sure that medical information that identifies you is kept private;
- give you this notice of our legal duties and privacy practices with respect to medical information about you; and
- follow the terms of the notice that is currently in effect.

Your PHI will be disclosed to certain employees of Employer who assist in administration of the Plan. These individuals may only use your PHI for Plan administration functions including those described below, provided they do not violate the provisions set forth herein. Any employee of Employer who violates the rules for handling PHI established herein will be subject to adverse disciplinary action. Employer will establish a mechanism for resolving privacy issues and will take prompt corrective action to cure any violations.

By adoption of the SPD, Employer has certified that it will comply with the privacy procedures summarized herein and detailed in any separate privacy notice. Employer may not use or disclose your PHI other than as summarized herein or as required by law. Any agents or subcontractors who are provided your PHI must agree to be bound by the restrictions and conditions concerning your PHI found herein. Your PHI may not be used by Employer for any employment-related actions or decisions or in connection with any other benefit or employee benefit plan of Employer. Employer must report to

the Plan any uses or disclosures of your PHI of which the Employer becomes aware that are inconsistent with the provisions set forth herein.

HOW WE MAY USE AND DISCLOSE MEDICAL INFORMATION ABOUT YOU.

The following categories describe different ways that we use and disclose medical information for purposes of Plan administration. For each category of uses or disclosures we will explain what we mean and try to give some examples. Not every use or disclosure in a category will be listed. However, all of the ways we are permitted to use and disclose information will fall within one of the categories.

For Payment (as described in applicable regulations). We may use and disclose medical information about you to determine eligibility for Plan benefits, to facilitate payment for the treatment and services you receive from health care providers, to determine benefit responsibility under the Plan, or to coordinate Plan coverage.

For Health Care Operations (as described in applicable regulations). We may use and disclose medical information about you for other Plan operations. These uses and disclosures are necessary to run the Plan.

As Required By Law. We will disclose medical information about you when required to do so by federal, state, or local law.

To Avert a Serious Threat to Health or Safety. We may use and disclose medical information about you when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

SPECIAL SITUATIONS

Disclosure to Health Plan Sponsor. Information may be disclosed to another health plan maintained by Employer for purposes of facilitating claims payments under that plan. In addition, medical information may be disclosed to Employer personnel solely for purposes of administering benefits under the Plan.

Organ and Tissue Donation. If you are an organ donor, we may release medical information to organizations that handle organ procurement or organ, eye, or tissue transplantation or to an organ donation bank, as necessary to facilitate organ or tissue donation and transplantation.

Military and Veterans. If you are a member of the armed forces, we may release medical information about you as required by military command authorities.

Workers' Compensation. We may release medical information about you for workers' compensation or similar programs.

Public Health Risks. We may disclose medical information about you for public health activities (e.g., to prevent or control disease, injury, or disability).

Health Oversight Activities. We may disclose medical information to a health oversight agency for activities authorized by law.

Lawsuits and Disputes. If you are involved in a lawsuit or a dispute, we may disclose medical information about you in response to a court or administrative order. We may also disclose medical information about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request or to obtain an order protecting the information requested.

Law Enforcement. We may release medical information if asked to do so by a law enforcement official for law enforcement purposes.

Coroners, Medical Examiners and Funeral Directors. We may release medical information to a coroner or medical examiner. We may also release medical information about patients of the hospital to funeral directors as necessary to carry out their duties.

National Security and Intelligence Activities. We may release medical information about you to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

Inmates. If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may release medical information about you to the correctional institution or law enforcement official.

YOUR RIGHTS REGARDING MEDICAL INFORMATION ABOUT YOU.

You have the following rights regarding medical information we maintain about you:

Right to Inspect and Copy. You have the right to inspect and copy medical information that may be used to make decisions about your Plan benefits. To inspect and copy medical information that may be used to make decisions about you, you must submit your request in writing to Personnel/Benefits Office, except as otherwise set forth in any separate Privacy Notice provided to you by Employer. If you request a copy of the information, we may charge a fee for the costs of copying, mailing or other supplies associated with your request.

We may deny your request to inspect and copy in certain very limited circumstances. HIPAA provides several important exceptions to your right to access your PHI. For example, you will not be permitted to access psychotherapy notes or information compiled in

anticipation of, or for use in, a civil, criminal, or administrative action or proceeding. Employer will not allow you to access your PHI if these or any of the exceptions permitted under HIPAA apply. If you are denied access to medical information, you may request that the denial be reviewed.

Right to Amend. If you feel that medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by or for the Plan.

To request an amendment, your request must be made in writing and submitted to your human resources department. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- Is not part of the medical information kept by or for the Plan;
- Was not created by us, unless the person or entity that created the information is no longer available to make the amendment;
- Is not part of the information which you would be permitted to inspect and copy; or
- Is accurate and complete.

Employer must act on your request for an amendment of your PHI no later than 60 days after receipt of your request. Employer may extend the time for making a decision for no more than 30 days, but it must provide you with a written explanation for the delay. If Employer denies your request, it must provide you a written explanation for the denial and an explanation of your right to submit a written statement disagreeing with the denial.

Right to an Accounting of Disclosures. You have the right to request an "accounting of disclosures" (other than disclosures you authorized in writing) where such disclosure was made for any purpose other than treatment, payment, or health care operations. You will be notified of where you can obtain an accounting of disclosure in the separate Privacy Notice. Your request must state a time period that may not be longer than six years and may not include dates before April 2003. Your request should indicate in what form you want the list (for example, on paper or electronically). The first list you request within a 12-month period will be free. For additional lists, we may charge you for the costs of providing the list. We will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

Note that HIPAA provides several important exceptions to your right to an accounting of the disclosures of your PHI. For example, Employer does not have to account for disclosures of your PHI (i) to carry out treatment, payment or healthcare operations, (ii) to correctional institutions or law enforcement officials, or (iii) for national security or intelligence purposes. Employer will not include in your accounting any of the disclosures for which there is an exception under HIPAA. Employer must act on your request for an accounting of the disclosures of your PHI no later than 60 days after receipt of the request. Employer may extend the time for providing you an accounting by no more than 30 days, but it must provide you a written explanation for the delay. You may request one accounting in any 12-month period free of charge. Employer will impose a fee for each subsequent request within the 12-month period.

Right to Request Confidential Communications. You have the right to request that we communicate with you about medical matters in a certain way or at a certain location. For example, you can ask that we only contact you at work or by mail.

To request confidential communications, you must make your request in writing to your human resources department. We will not ask you the reason for your request. We will accommodate all requests we deem reasonable. Your request must specify how or where you wish to be contacted.

When Employer no longer needs PHI disclosed to it by the Plan, for the purposes for which the PHI was disclosed, Employer must, if feasible, return or destroy the PHI that is no longer needed. If it is not feasible to return or destroy the PHI, Employer must limit further uses and disclosures of the PHI to those purposes that make the return or destruction of the PHI infeasible.

CHANGES TO THIS SUMMARY AND THE SEPARATE PRIVACY NOTICE

We reserve the right to change this summary and the separate Privacy Notice that may be provided to you. We reserve the right to make the revised or changed notice effective for medical information we already have about you as well as any information we receive in the future. The notice will contain the effective date on the front page.

COMPLAINTS

If you believe your privacy rights have been violated, you may file a complaint with the Plan or with the Secretary of the Department of Health and Human Services. To file a complaint with the Plan, contact your human resources department except as otherwise provided in any separate Privacy Notice. All complaints must be submitted in writing.

You will not be penalized for filing a complaint.

OTHER USES OF MEDICAL INFORMATION.

Other uses and disclosures of medical information not covered by this notice or the laws that apply to us will be made only with your written permission. If you provide us permission to use or disclose medical information about you, you may revoke that permission, in writing, at any time. If you revoke your permission, we will no longer use or disclose medical information about you for the reasons covered by your written authorization. We are unable to take back any disclosures we have already made with your permission and that we are required to retain our records of the care that we provided to you.

X

SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Councilmembers

FROM: Sandy Sloan, Town Attorney

DATE: April 30, 2013

RE: GIFT OF OPEN SPACE LOT IN BLUE OAKS SUBDIVISION

RECOMMENDATION: Adopt the resolution accepting the Grand Deed of the open space lot in the Blue Oaks subdivision and approve the Agreement and Declaration of Covenants (“Agreement”) between the Town of Portola Valley (“Town”) and Blue Oaks Homeowners Association (“Association”).

BACKGROUND: In December of 2012, the Town merged the four former below market rate lots in the Blue Oaks subdivision into two lots and sold those two lots to Buck Meadow LLC (“LLC”), a limited liability company formed by owners of lots in the Blue Oaks subdivision. The goal of the LLC was to donate one of these lots to the Town to be held in permanent open space. The LLC members met with the Town’s open space committee to discuss their plans, and the committee determined that this lot was appropriate for open space preservation. The Grant Deed donates this lot from the LLC to the Town.

The Grant Deed is presented to the Town with restrictions on the use of the lot. These restrictions, which are set out in Exhibit B to the Grant Deed, are similar to the restrictions the Town places on its open space easements on private property. The Association (as well as the Town) wishes to have the right to enforce the restrictions, and this seems appropriate in this case, since the Association has agreed to maintain the property. The Agreement establishes a contract between the Association and the Town setting out the rights of enforcement and the obligations of maintenance.

Accepting the Grant Deed and entering into the Agreement have no fiscal impact on the Town since the transaction costs for the legal work were paid by the LLC and since the maintenance costs of the open space property will be paid by the Association.

Attachments: Resolution; Grant Deed; Certificate of Acceptance; and Agreement and Declaration of Covenants

cc: Town Manager
John Hanna, Esq.

RESOLUTION NO. _____

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PORTOLA VALLEY ACCEPTING THE GRANT DEED FROM BUCK MEADOW, LLC AND AUTHORIZING THE EXECUTION OF THE AGREEMENT AND DECLARATION OF COVENANTS BETWEEN THE TOWN OF PORTOLA VALLEY AND BLUE OAKS HOMEOWNERS ASSOCIATION

WHEREAS, the Town Council of the Town of Portola Valley (“Town”) has read and considered that certain Grant Deed (“Deed”) dated April 17, 2013; and

WHEREAS, the Town has read and considered that certain Agreement and Declaration of Covenants (“Agreement”) dated April 17, 2013; and

WHEREAS, the Deed grants the property located on Lot A as shown and described in the Certificate of Compliance recorded December 21, 2012 as Document 2012-193701 in the Official Records of San Mateo County to be kept in permanent open space; and

WHEREAS, the Agreement is for the benefit of the Town and Blue Oaks Homeowners Association (“Association”) in that it requires the Association to maintain and enforce the open space restrictions.

NOW THEREFORE, the Town Council of the Town of Portola Valley does hereby **RESOLVE** as follows:

1. The Town Council hereby accepts the Deed on behalf of the Town and authorizes the Mayor to execute the Certificate of Acceptance.
2. The Town Council approves the Agreement and the Mayor is authorized on behalf of the Town to execute the Agreement.

PASSED AND ADOPTED this 8th day of May, 2013.

By: _____
Mayor

ATTEST:

Town Clerk

This Document Is Recorded
For the Benefit of the Town of Portola Valley
and is Fee Exempt per Government Code
Section 6103 and 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

TOWN OF PORTOLA VALLEY
765 Portola Road
Portola Valley, CA 94028

GRANT DEED

Assessor's Tax Parcel Number: 080-241-260; 080-241-250
Documentary transfer tax is \$ None — Gift Deed — No consideration

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Buck Meadow, LLC, a California Limited Liability Company ("Grantor"),

HEREBY GRANTS to Town of Portola Valley ("Grantee"), all the property located in the Town of Portola Valley, county of San Mateo, state of California, described in Exhibit A attached hereto and incorporated by reference herein, subject to the restrictions set forth in Exhibit B attached hereto and incorporated by reference herein.

IN WITNESS WHEREOF, this instrument is executed this 17 day of April, 2013.

BUCK MEADOW, LLC by:



Patricia Murray, Manager

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On April 17, 2013, before me, Michelle Bogosian, Notary Public, personally appeared Patricia Murray, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michelle Bogosian

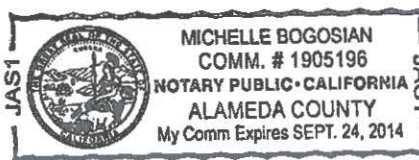


EXHIBIT "A"

Real property in the Town of Portola Valley, County of San Mateo, State of California, described as follows:

LOT A AS SHOWN AND DESCRIBED IN THE
CERTIFICATE OF COMPLIANCE RECORDED
12-21-12 AS 2012-193701
OFFICIAL RECORDS:

BEING A PORTION OF LOTS 25 AND 26 AS SAID LOTS ARE SHOWN ON THE BLUE OAKS SUBDIVISION MAP FILED FOR RECORD AUGUST 6, 1998 IN BOOK 128 OF MAPS, PAGES 64-92, SAN MATEO COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF REDBERRY ROAD, FORTY FEET (40') IN WIDTH AS SHOWN ON SAID MAP, SAID POINT BEING THE NORTHEASTERLY CORNER OF LOT 26;

THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE ALONG THE EASTERLY LINE OF LOT 26, SOUTH $53^{\circ} 19' 00''$ EAST A DISTANCE OF 123.75 FEET;

THENCE LEAVING SAID EASTERLY LINE OF LOT 26, SOUTH $41^{\circ} 25' 46''$ WEST A DISTANCE OF 251.84 FEET TO A POINT ON THE WESTERLY LINE OF LOT 25 AND THE EASTERLY RIGHT-OF-WAY LINE OF BUCK MEADOW DRIVE;

THENCE ALONG SAID WESTERLY LINE, ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE TO THE EAST, WHOSE RADIAL BEARS SOUTH $55^{\circ} 55' 08''$ WEST, HAVING A RADIUS OF 380.00 FEET, THROUGH A CENTRAL ANGLE OF $03^{\circ} 03' 08''$, AN ARC DISTANCE OF 20.24 FEET;

THENCE CONTINUING ALONG THE ARC OF A REVERSE CURVE, HAVING A RADIUS OF 220.00 FEET, THROUGH A CENTRAL ANGLE OF $44^{\circ} 29' 00''$, AN ARC DISTANCE OF 170.80 FEET;

THENCE ALONG THE ARC OF A REVERSE CURVE, HAVING A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF $108^{\circ} 56' 17''$, AN ARC DISTANCE OF 66.55 FEET TO THE NORTHERLY LINE OF LOT 25 AND THE SOUTHERLY RIGHT-OF-WAY LINE OF REDBERRY ROAD;

THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE AND ALONG THE ARC OF A COMPOUND CURVE HAVING A RADIUS OF 90.00 FEET, THROUGH A

CENTRAL ANGLE OF $46^{\circ} 51' 40''$, AN ARC DISTANCE OF 73.61 FEET;

THENCE NORTH $80^{\circ} 17' 13''$ EAST FOR A DISTANCE OF 106.97 FEET;

THENCE ALONG THE ARC OF A TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 120.00 FEET, THROUGH A CENTRAL ANGLE OF $36^{\circ} 49' 41''$, AN ARC DISTANCE OF 77.13 FEET TO THE POINT OF BEGINNING.

EXHIBIT B**RESTRICTIONS ON USE OF PROPERTY**

The property shall not be used for any purpose other than open space and those uses related to or compatible therewith. No construction of any improvements on the property shall be allowed except for public and private utilities, and drainage facilities. No extraction of natural resources or other activities which may destroy the unique physical and scenic characteristics of the land shall be permitted. No grading shall be permitted. No cutting of vegetation or cutting or removal of trees except as may be required for fire prevention, thinning, elimination of diseased growth, and similar measures. These restrictions constitute a covenant running with the land which will be binding upon all subsequent grantees. These restrictions are for the benefit of and may be enforced by the Town and by the Blue Oaks Homeowners Association ("Association"), a non-profit mutual benefit corporation, the owner of record of contiguous property, to whom the right of maintenance of the property is hereby assigned by Grantor and which assignment is accepted by the Association pursuant to the covenant recorded concurrently with this Grant Deed.

**CERTIFICATE OF ACCEPTANCE
(GOVERNMENT CODE SECTION 27281)**

This is to certify that the interest in real property conveyed by the foregoing Grant Deed by which the property described therein is conveyed to the Town of Portola Valley, a California general law municipality, is hereby accepted by the undersigned on behalf of the Town pursuant to authority conferred by resolution of the Town Council of the Town of Portola Valley bearing No. _____, adopted on the ____ day of _____, 2013, and said Town consents to the recordation thereof.

TOWN OF PORTOLA VALLEY

Dated: _____, 2013

**By: _____
Mayor**

ATTEST:

**By: _____
Town Clerk**

This Document Is Recorded
For the Benefit of the Town of Portola Valley
and is Fee Exempt per Government Code
Section 6103 and 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

TOWN OF PORTOLA VALLEY
765 Portola Road
Portola Valley, CA 94028

AGREEMENT AND DECLARATION OF COVENANTS

The Town of Portola Valley (the "Town") and Blue Oaks Homeowners Association, a California nonprofit mutual benefit corporation (the "Association") each in return for consideration, the receipt of which is hereby acknowledged, have executed this Agreement and Declaration of Covenants ("Agreement") on the date or dates set forth below, which Agreement shall be effective upon recordation in the County of San Mateo.

The Town is the owner of the property located in the County of San Mateo described in Exhibit A attached hereto (the "Property"). The Property has been conveyed to the Town subject to restrictions on use of the Property ("Restrictions"), said restrictions being set forth in Exhibit B attached to the Grant Deed by which title was transferred to the Town by a Grant Deed recorded on the ____ day of _____, 2013, Instrument No. _____. Said Restrictions are for the benefit of and may be enforced by the Town and/or the Association.

The Association is the owner of property adjacent to and near the Property consisting of, among other things, the common areas and the private streets within the Blue Oaks subdivision.

The Town and the Association desire to establish these mutually enforceable covenants which shall govern the future use and maintenance of the Property.

NOW, THEREFORE, the parties agree as follows:

1. The Restrictions are and shall be enforceable by the Town and/or the Association.
2. The Association assumes responsibility for the maintenance of the Property. Maintenance includes, without limitation, the measures reasonably required to preserve and promote growth of the blue oaks on the Property and of any other important indigenous plants. Maintenance also includes removal of trash and measures reasonably required for prevention of fires. In the event that, in the opinion of the Town, the Association's maintenance is or becomes inadequate, the Town retains the authority

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On April 17, 2013, before me, Michelle Bogosian, Notary Public, personally appeared Patricia Murray who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he~~she~~ executed the same in his~~her~~ authorized capacity, and that by his~~her~~ signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michelle Bogosian

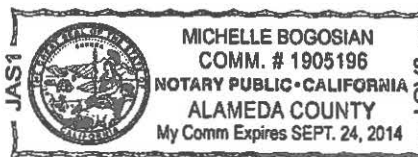


EXHIBIT "A"

Real property in the Town of Portola Valley, County of San Mateo, State of California, described as follows:

LOT A AS SHOWN AND DESCRIBED IN THE
 CERTIFICATE OF COMPLIANCE RECORDED
12-21-12 AS 2012-193701
 OFFICIAL RECORDS:

BEING A PORTION OF LOTS 25 AND 26 AS SAID LOTS ARE SHOWN ON THE BLUE OAKS SUBDIVISION MAP FILED FOR RECORD AUGUST 6, 1998 IN BOOK 128 OF MAPS, PAGES 64-92, SAN MATEO COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF REDBERRY ROAD, FORTY FEET (40') IN WIDTH AS SHOWN ON SAID MAP, SAID POINT BEING THE NORTHEASTERLY CORNER OF LOT 26;

THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE ALONG THE EASTERLY LINE OF LOT 26, SOUTH 53° 19' 00" EAST A DISTANCE OF 123.75 FEET;

THENCE LEAVING SAID EASTERLY LINE OF LOT 26, SOUTH 41° 25' 46" WEST A DISTANCE OF 251.84 FEET TO A POINT ON THE WESTERLY LINE OF LOT 25 AND THE EASTERLY RIGHT-OF-WAY LINE OF BUCK MEADOW DRIVE;

THENCE ALONG SAID WESTERLY LINE, ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE TO THE EAST, WHOSE RADIAL BEARS SOUTH 55° 55' 08" WEST, HAVING A RADIUS OF 380.00 FEET, THROUGH A CENTRAL ANGLE OF 03° 03' 08", AN ARC DISTANCE OF 20.24 FEET;

THENCE CONTINUING ALONG THE ARC OF A REVERSE CURVE, HAVING A RADIUS OF 220.00 FEET, THROUGH A CENTRAL ANGLE OF 44° 29' 00", AN ARC DISTANCE OF 170.80 FEET;

THENCE ALONG THE ARC OF A REVERSE CURVE, HAVING A RADIUS OF 35.00 FEET, THROUGH A CENTRAL ANGLE OF 108° 56' 17", AN ARC DISTANCE OF 66.55 FEET TO THE NORTHERLY LINE OF LOT 25 AND THE SOUTHERLY RIGHT-OF-WAY LINE OF REDBERRY ROAD;

THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE AND ALONG THE ARC OF A COMPOUND CURVE HAVING A RADIUS OF 90.00 FEET, THROUGH A

CENTRAL ANGLE OF $46^{\circ} 51' 40''$, AN ARC DISTANCE OF 73.61 FEET;

THENCE NORTH $80^{\circ} 17' 13''$ EAST FOR A DISTANCE OF 106.97 FEET;

THENCE ALONG THE ARC OF A TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 120.00 FEET, THROUGH A CENTRAL ANGLE OF $36^{\circ} 49' 41''$, AN ARC DISTANCE OF 77.13 FEET TO THE POINT OF BEGINNING.



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Nick Pegueros, Town Manager

DATE: May 8, 2013

RE: Referral of the Emergency AM Radio Antenna to the Architectural and Site Control Commission for Comment

RECOMMENDATION:

It is recommended that the Town Council refer the Emergency Preparedness Committee's request to install a permanent radio antenna at the Town Center to the Architectural and Site Control Commission (ASCC) for comment.

BACKGROUND:

The 2012-13 adopted Town Budget includes appropriations to purchase and install an emergency AM radio system to provide an additional method of communication with Town residents in the event of an emergency. At the Town Council's joint meeting with the EPC on January 30, 2013, the EPC identified the remaining items necessary to activate the emergency AM radio system. This included a communications policy and the installation of a permanent antenna. The Council directed the EPC to work with staff on the communications policy and the ASCC on the location of the antenna.

DISCUSSION:

Attached please find an email from EPC Chair Ray Rothrock that summarizes the research conducted by the Committee to date on potential locations for the antenna. The committee will take formal action on the recommended location for the antenna at their regular meeting on May 9th. The recommendation is for the antenna to be mounted on a lamp post on the western edge of the parking lot outside Town Hall. Staff is working with the committee chair to prepare a report to the ASCC for their comment.

ATTACHMENT:

1. "AM Antenna Update" email from Ray Rothrock dated April 30, 2013.

Nick Pegueros

From: Ray Rothrock <ray@rothrockfamily.com>
Sent: Tuesday, April 30, 2013 9:15 AM
To: Danna Breen; Howard Young
Cc: Anne Kopf-Sill; Bud Trapp; Craig Taylor; Susan & Stuart Young; John Richards; Diana Koin; Chris Raanes; Dave Howes; John Boice; Ray Rothrock; Tom Vlastic; Nick Pegueros; Carol Borck
Subject: AM Antenna Update

Danna, Howard,

I thought I would send a quick update on the EPC's work on the AM antenna. We have been very busy in April working on this specific project.

We researched 12 different locations around the area of the Town Center, including the roof of Town Center, replacement of the flag pole, maintenance shed and many other locations. At the end of the day, considering transmission performance, safety, survivability, cost, and location of radio, and the other criteria, the EPC decided to test a location along the western side of the parking lot there at Town Center. There are some perfectly good positions for an antenna such as this but all further away from Town and more costly to implement.

We will be reviewing all the results again, the criteria for selection, input from experts and any other inputs collected by the committee at our regularly scheduled May meeting for final recommendation to the Town.

I understand this matter is on the agenda at the May 13 ASCC meeting. We will have our work ready for your discussion by that meeting. While I personally cannot be there, someone from EPC will be there to answer questions.

Thanks for your inputs in this process. The EPC appreciates your attention to this matter.

Regards,
Ray



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Tom Vlastic, Town Planner
Karen Kristiansson, Principal Planner

DATE: May 8, 2013

RE: **Public hearing to consider general plan conformity of the artificial turf component of the application for amendment to CUP X7D-30 for parcel merger and expansion of athletic fields, at 302 Portola Road, The Priory School**

RECOMMENDATION

After holding the May 8, 2013 public hearing and considering the input received, staff recommends that the town council discuss and determine whether the artificial turf component of the proposed project at the Priory School is “in harmony with the general purpose and intent” of the zoning ordinance and the general plan. The town council can then take one of the three sets of actions outlined below in the “summary of options” section of this report.

BACKGROUND

On March 20, 2013 the planning commission approved an amendment to the Priory’s conditional use permit (CUP) with a 3-2 vote to allow replacement of an existing soccer field with a new track and an artificial turf infield on the interior of the track. The town council initiated a review of the planning commission decision on April 10 and continued the review until the complete record was available.

At its April 24 meeting, based on the complete record, the town council completed its review and voted to hold a public hearing on the artificial turf component of the project. The town council also concluded that the planning commission record was complete and adequate, and that no new information or additional analysis was necessary. Instead, the council specifically directed that the focus of the public hearing should be on the issue of whether the artificial turf is consistent with the goals and purposes of the general plan. A finding of general plan consistency (finding #6) is required in order to

grant a conditional use permit amendment. The council indicated that the Initial Study/Mitigated Negative Declaration (the environmental documents) would be part of the discussion and public hearing to the extent the general plan consistency issue impacts the environmental document.

The council requested some guidance in terms of the general plan consistency question and also relative to the location of artificial turf fields that could be inspected. A separate memorandum was distributed on April 26, 2013 with some of the information and is attached to this report as Attachment D. Since the time that memo was distributed, the Priory has suggested two additional fields that town council members may want to view, located at Castilleja School and Crystal Springs Uplands School. The fibers used for these artificial turf fields are not the same as what is proposed at the Priory, but both provide a view of artificial turf fields that the Priory feels is more similar to what they are proposing.

GENERAL PLAN CONSISTENCY

Council members expressed support for all aspects of the proposed project other than the artificial turf and limited its review to the question of whether the artificial turf would be “in harmony with the general purpose and intent of [the zoning ordinance] and the general plan” (finding #6). The comments that follow are intended to help the council consider and act on this matter.

The issue of general plan consistency has been addressed in a number of documents in the planning commission record, which are listed in the April 26 memo to the town council (Attachment D). Although these documents reference various policies and goals throughout the general plan, it should be noted that finding #6 does not require the council to find that the project is consistent with every sentence or policy in the general plan; instead, this finding calls for “harmony with the general purpose and intent” of the zoning ordinance and the general plan. In other words, the project needs to be consistent with the overall vision for the town that is set forth in these documents. For reference, Section 18.02.020 of the zoning ordinance and Section 1010 of the General Plan are attached to this staff report as Attachment A. These sections of the zoning ordinance and general plan describe the purposes of the two documents.

To be clear, as was stated at previous meetings, staff has advised the applicant from very early discussions on the CUP amendment application that the proposed artificial turf would present the biggest challenge relative to making finding #6 for the CUP amendment. We have stressed that while, for example, the basic technical tests associated with the environmental review may be met and answered, the matter of general plan consistency, and the town “values” as presented in the general plan would likely be held to a higher standard, taking into account all aspects of the more natural values provided in the objectives, policies and standards in the general plan and how it has been applied by the town over the years.

The comments that follow consider specific general plan and zoning provisions, and how those provisions might be applied in judging the artificial turf proposal. These

comments are based on consideration of both the general plan and zoning ordinances, as well as statements made at public hearings, particularly by ASCC and planning commission members.

The artificial turf is proposed for an area which is designated as playing fields on the general plan diagram. This is an area which is recognized as an athletic resource not just for the Priory School, but also for the community. The area is already developed with grass playing fields, which are frequently mowed, watered and fertilized to keep them usable. The Priory has suggested that state-of-the-art artificial turf is a better way for the school to provide playing fields because their surface is more consistent and therefore arguably safer for children to play on, and is also more usable in wet weather. In addition, artificial turf requires less maintenance, significantly less water, and no fertilizers, which is consistent with the general plan's intent to protect and preserve the natural environment.

The general plan does not intend for every part of Portola Valley to be completely natural; otherwise residents could not build homes, driveways, and patios, for example. Instead, the general plan sets an overall direction for the town and designates certain areas within the town for specific kinds of development, such as commercial areas and in this case, playing fields. The artificial turf material proposed has been designed to mimic natural grass as much as possible. This could be considered in keeping with the general plan's statement that the town's rural quality is protected in part by the use of man-made features which blend with the natural environment in terms of scale, materials, form and color (General Plan Section 1010.4.c).

In addition, the general plan calls for both public and private schools to make their recreational facilities available for broader community use. The Priory is also required to make its playing fields available to community groups under the provisions of its CUP, which puts more pressure on the maintenance of the fields. For fields that get significant amounts of play, the artificial turf may provide a better type of playing field for both school and community use. Therefore, it is possible to conclude that the artificial turf that is proposed here is consistent with the overall intent and purpose of the zoning ordinance and general plan.

On the other hand, the core values set forth in the general plan are the rural character of the town, the preservation of the natural environment, and the protection of the natural beauty of the area (see General Plan Sections 1010.1 and 1010.3 in particular). While the existing Priory playing fields are not unspoiled natural environments, their living grass surfaces could be considered more in keeping with these town values than what a number of speakers have characterized as "plastic grass and rubber dirt." Even with the maintenance and fertilizer, living grass provides habitat for soil microorganisms, earthworms, and other creatures, and other wildlife may use living grass for foraging. The general plan diagram recognizes the existing playing fields in this part of the Priory, and continuing the grass playing fields would be fully consistent with the historic use recognized in the general plan.

In terms of aesthetics, while the proposed artificial turf may have been designed to look more like living grass than earlier products, there is still a visual difference. Artificial turf has a more uniform color and surface quality, which has been characterized as unnatural. In addition, from viewing the sample artificial turf sites, the artificial turf reflects some glare when viewed from certain angles at certain times of day. The aesthetics of the artificial turf is an important issue, especially given the field's location and visibility from the Portola Road scenic corridor. Although artificial turf may make sense in more urban environments, many have contended that artificial turf along Portola Road in particular is simply not in keeping with the rural nature of Portola Valley. As a result, it is possible to conclude that artificial turf would be inconsistent with the general purpose and intent of the town's zoning code and general plan.

The question of whether or not the artificial turf component is consistent with the general purpose and intent of the zoning ordinance and general plan does not have a clear technical answer. As was shown above, there are positions that can be taken on both sides of the general plan consistency question, and this becomes a question of value judgments and interpretation.

POTENTIAL ACTIONS

The main decision the town council needs to make is whether or not the artificial turf is consistent with the overall vision of the town's general plan and zoning ordinance. Once that key decision is made, the council will then need to take appropriate action on first the environmental documents and then on the CUP amendment for the project.

Options for Action on the Environmental Documents

The council needs to determine whether to affirm the environmental documents or amend them. California law states that the town council shall adopt the environmental documents if it finds, on the basis of the whole record before it, that there is no substantial evidence that the project will have a significant effect on the environment (CEQA Guidelines Section 15074(b)). This decision, and the environmental documents as a whole, should reflect the town's independent judgment and analysis.

The town council could affirm the environmental documents regardless of whether or not the council finds the artificial turf component consistent with the town's general plan. It has been suggested at previous meetings that the town should not approve the environmental document as written if the town does not find the artificial turf consistent with the general plan because the environmental documents conclude that the project, including the artificial turf, would have a less than significant impacts in terms of two items in particular:

1. whether the project would "substantially degrade the existing visual character or quality of the site and its surroundings", as found in Section 3.1 (Aesthetics), or
2. whether the project would "conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning

ordinance) adopted for the purpose of avoiding or mitigating an environmental effect”, as found in Section 3.10 (Land Use and Planning).

As can be seen from the wording of these items, which is taken from the California Environmental Quality Act (CEQA) Checklist, the impacts considered under CEQA are much narrower than the town’s jurisdiction in terms of CUP finding #6. For example, it would be possible for the town council to find that the artificial turf is not compatible with the intent of the general plan even though the artificial turf would not substantially degrade the visual character of the site or conflict with a general plan policy adopted to avoid or mitigate an environmental effect.

Additionally, case law has found that aesthetics under CEQA are not the judging of the individual beauty of the project, but rather the physical impacts of the project (*Eureka Citizens for Responsible Government v. City of Eureka* (2007) 147 Cal.App.4th 357). Therefore, it is possible to find that there is a less than significant impact on the environment and adopt the environmental documents, but in judging the aesthetics of the project find that artificial turf is not consistent with the general plan.

The environmental documents could be adopted and used as the basis for approving the project with a condition requiring living grass instead of artificial turf because the analysis of the project with the artificial turf is the worst-case scenario. There is already a living grass playing field on the site. Replacing this existing field with another living grass playing field within the track would be similar to current conditions and would not need further analysis. A living grass field could in effect be considered a less significant alternative.

If, however, the council finds that the conclusions in the aesthetics section or the land use and planning section of the environmental documents should be modified to indicate that there would be potentially significant environmental impacts in these areas, the town would need to amend the documents. The council could direct staff to amend the environmental documents in this way and to incorporate a mitigation measure requiring the use of living grass instead of artificial turf to reduce the impact to a less than significant level. This action would require the town to then recirculate the revised documents for public review for 30 days, after which the town council would need to consider any comments on the revised environmental documents prior to acting on the CUP amendment for the project. This would likely delay any action on the project to at least July.

Options for Action on the CUP Amendment

If the town council determines that artificial turf is consistent with the intent and purpose of the general plan and zoning ordinance, the council could affirm the CUP amendment. The Priory would then be allowed to install artificial turf as part of the project and could bring an application for a site development permit to the town. The conditions of approval developed and adopted by the planning commission would apply to the project, and no further action would be needed by the town council. The action would be final immediately.

Alternatively, if the town council determines that artificial turf is not consistent with the general plan, the council could then modify the CUP conditions to require living grass and remove or adjust the remaining CUP conditions as necessary. The Priory could then proceed with the project, substituting living grass for artificial turf. In this case, the town council action would be final in 30 days, assuming that the environmental documents were adopted without revision. If the environmental documents were amended and needed to be recirculated, however, the town council could not act until the end of the recirculation period, and the action would not be final for 30 days, which would likely be August at the earliest.

THE QUESTION OF PRECEDENT

One question that has been raised is whether the town, by permitting artificial turf on the Priory field, would be setting a precedent which could lead to artificial turf on other playing fields in town. There are two main points to keep in mind when considering this question:

1. The only playing fields in town other than the Priory fields are owned by either the town or the school district. The town can decline to put artificial turf on its own fields for any number of reasons, because the town has not just regulatory control over the fields, but the town itself is actually the property owner. In contrast, the town does not have any regulatory control over the school district and therefore cannot prohibit or in any way regulate the schools' playing fields, regardless of the town council's actions relative to the Priory field.
2. The town assesses each application on its own circumstances and merits, and by California law, is required to look at the potential environmental impacts of each application individually. Each project is different due to the specific conditions of each project site, and what may be appropriate and approved in one location may not be in another location. In addition, the environmental analysis of any turf will be specific to the material proposed, which may not be identical to this project.

For these two reasons, the town council's decisions on this application will set little if any precedent that would affect the other playing fields in town. This is true both with respect to the environmental analysis and to CUP finding #6.

PRIVATE PROPERTY RIGHTS, PUBLIC PROPERTY AND THE GENERAL PLAN

There have been suggestions in some discussions of the proposed project that the town's general plan perhaps applies differently to public property than to private property. For example, statements have been made that the town should allow the Priory to move ahead with the project because the Priory is a private property owner who should be allowed to do as they like with their own property.

California law requires all jurisdictions to have a general plan, and a zoning ordinance which is consistent with its general plan. The general plan describes the town's vision for its future and applies to both public and private property. The source of the town's

power to enact and enforce planning and land use regulations on private property, as set forth in the general plan and zoning ordinance, is the police power to protect the public health, safety and welfare of residents. In California, the general police power to enact and enforce land use regulations is contained within Article XI Section 7 of the State Constitution. The courts have liberally construed the police power as broad and inclusive in the field of land use regulations, finding for example that the police power can be used to enact land use guidelines that create a quiet place where yards are wide, people are few and motor vehicles restricted (*Village of Belle Terre v. Borasas* (1974) 94 S.Ct. 1536). The town's general plan therefore clearly applies to private property such as the Priory School.

Additionally, the Priory also operates subject to a conditional use permit (CUP) which was approved for the school after the town's incorporation. In awarding the CUP, the town recognized that the Priory was a pre-existing use and would likely never have a school population with 50% or greater attendance from the town and its spheres of influence, as the general plan requires for service to the community. Instead, the CUP approvals provided, with Priory concurrence, that the school would make its athletic facilities available for use by community organizations when not needed for Priory activities. The agreement for such community uses is, therefore, a critical part of the findings made to support the school use and, over time, CUP amendments for changes to the school and to ensure its continuing "service to the community." Thus, in this case, there is an even stronger basis for town oversight of the specifics of the proposed changes to the athletic facilities.

As for public land, the town has additional control over property the town owns, simply because the town is the property owner. Therefore, the town could set a higher standard for the use of its own land. As a result, the town could determine that it would not allow artificial turf on town-owned lands, just as a residential property owner could determine to build a home that significantly exceeds requirements for energy conservation or recycling of materials, even though that would not be required.

SUMMARY OF OPTIONS

To summarize, the main issue the town council needs to decide is whether the artificial turf component of the project is consistent with the general purpose and intent of the town's zoning ordinance and general plan. If the council determines that the artificial turf is consistent, then the council can affirm the adoption of the environmental documents and CUP amendment allowing the use of artificial turf using the draft resolution provided in Attachment B. This action would take effect immediately.

If the council finds that the artificial turf component is not consistent with the general purpose and intent of the zoning ordinance and general plan, the council could then affirm the adoption of the environmental documents but add a condition of approval to the CUP requiring that living grass be substituted for the artificial turf. The draft resolution and revised conditions of approval in Attachment C could be used for this action. The resolution includes language relative to the environmental documents specifically stating that the adoption of the environmental documents is not intended to

create precedent relative to the environmental impact of artificial turf in town. This action would be final in 30 days.

Alternatively, the town council could direct that the environmental documents be revised and recirculated. After the 30-day recirculation period, the town council would need to hold a public hearing to consider comments on the revised environmental documents, adopt the revised documents and approve the CUP with a condition that living grass be substituted for the artificial turf. In this case, final action on the project would likely not occur until July at the earliest.

KK/TCV/LFP

APPROVED – Nick Pegueros, Town Manager

Cc: Leigh Prince, Assistant Town Attorney
Steve Padovan, Interim Planning Manager
Alex Von Feldt, Planning Commission Chair
Danna Breen, ASCC Chair

Attachment A

General Purpose and Intent of the Zoning Code and General Plan

Zoning Ordinance Section 18.02.020

The zoning ordinance codified in this title is adopted to promote and protect the public health, safety, peace, morals, comfort, convenience and general welfare and for the accomplishment thereof is adopted for the following more particularly specified purposes:

- A. To guide, control and regulate the future growth and development of the town in a manner consistent with the general plan;
- B. To protect the established "rural" quality and the stability of private and public areas within the town and assure the orderly and beneficial development of such areas;
- C. To prevent overcrowding the land and prevent undue congestion of population;
- D. To maintain Portola Valley as a major open space preserve;
- E. To obviate the menace to the public safety resulting from the locating of buildings, and the use thereof, and the use of land, in such manner as to cause interference with existing or prospective traffic movements on said streets;
- F. To preserve and enhance the natural beauty of the town;
- G. To provide adequate light, air, privacy and convenience of access to property;
- H. To minimize silting of drains and drainage channels;
- I. To secure safety from fire, inundation and other danger;
- J. To protect the community against excessive storm water runoff, soil erosion, earth movement, earthquake, and other geologic hazards.

General Plan Section 1010

Major Community Goals

1010 The goals included below are general in nature and basic to the entire general plan. Goals related to specific aspects of the plan are stated in other appropriate sections. The plan is designed and intended to assist in achieving these major local goals:

1. To preserve and enhance the natural features and open space of the planning area because they are unusual and valuable assets for the planning area, the Peninsula and the entire Bay Area.
2. To allow use of the planning area by residents and others but to limit that use so that the natural attributes of the planning area can be sustained over time.
3. To conserve the rural quality of Portola Valley and maintain the town as an attractive, tranquil, family-oriented residential community for all generations compatible with the many physical constraints and natural features of the area. Rural quality as used in this plan includes the following attributes:
 - a. Minimal lighting so that the presence of development at night is difficult to determine, so that the subtle changes between day and night are easily discernible and so that the stars may be readily seen at night.

- b. Minimal man-made noise so that the prevailing sense tends to be one of quiet except for the sounds of nature.
 - c. Man-made features which blend in with the natural environment in terms of scale, materials, form and color.
 - d. An overall impression of open space, natural terrain and vegetation, interrupted minimally by the works of people.
 - e. Narrow roads bordered by natural terrain and native vegetation.
 - f. Unobtrusive entrances to properties, primarily designed to identify addresses and provide safe access.
 - g. Minimal use of fencing except when necessary to control animals and children on properties and then of a design which is minimally visible from off-site.
 - h. The ability to maintain horses on private properties and to enjoy a trail system throughout the town.
 - i. Paths and trails that allow for easy access throughout the town.
 - j. Agricultural pursuits in appropriate locations.
4. To guide the location, design and construction of all development so as to:
 - a. Minimize disturbances to natural surroundings and scenic vistas.
 - b. Reduce the exposure of people and improvements to physical hazards such as earthquakes, landslides, fire, floods, traffic accidents and to provide evacuation routes for emergencies.
 - c. Protect the watershed of the planning area.
 - d. Ensure that projects complement and are subordinate to their natural surroundings.
 - e. Minimize the use of non-renewable energy resources, conserve water, and encourage energy conservation and the use of renewable energy sources.
 5. To protect, encourage and extend the use of native plant communities, grasses and trees, especially oak woodlands, because they reduce water usage and preserve the natural habitats and biodiversity.
 6. To ensure that growth and development within the planning area is evaluated against required regional environmental standards.
 7. To subject new developments with potential for adverse fiscal and other effects on the delivery of essential public services to an impact analysis to avoid unreasonable financial burdens on the town and other affected local governmental agencies and ensure the continued availability of essential public services.
 8. To provide civic and recreation facilities and activities that are supported by the local citizenry and that encourage the interaction of residents in the pursuit of common interests and result in a strong sense of community identity.
 9. To provide scenic roads, trails and paths to enhance enjoyment of the planning area and to increase convenience and safety.
 10. To encourage the increased availability and use of public transportation and shared private transportation in connecting the town to regional shopping, employment and recreational areas and to the regional transportation network.

11. To provide for those commercial and institutional uses which are needed by the residents of Portola Valley and its spheres of influence on a frequently recurring basis and which are scaled to meeting primarily the needs of such residents. Commercial and institutional uses that meet the frequently recurring needs range from those that most residents of the town and its spheres of influence could be expected to use frequently, typically daily or weekly, to those that, while not frequented so often by most residents, still could be expected to be used primarily by residents of the town and its spheres of influence. Those uses that meet the more frequently recurring rather than occasional needs of the residents are preferred.
12. To limit growth in order to minimize the need for additional governmental services and thereby maintain and preserve the town's predominately volunteer local government, a government which fosters a sense of community.
13. To work with neighboring communities, when appropriate, to identify and develop solutions to interjurisdictional problems.
14. To ensure that development will produce a maximum of order, convenience and economy for local residents consistent with other stated goals and objectives.
15. To foster appreciation of the heritage of the planning area by encouraging the recognition and preservation of important historic resources.
16. To control the size, siting and design of buildings so that they, individually and collectively, tend to be subservient to the natural setting and serve to retain and enhance the rural qualities of the town.

Attachment B

RESOLUTION NO. _____-2013

RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF PORTOLA VALLEY

WHEREAS, the Woodside Priory School proposed to amend its Conditional Use Permit X7D-30 (CUP) to replace an existing athletic field at the school with a 400 m track and field, including artificial turf and other related field modifications (“Project”); and

WHEREAS, an Initial Study, Notice of Preparation and Mitigated Negative Declaration (“CEQA Documents”) were prepared based on substantial evidence analyzing the potential environmental impacts of the Project, and these CEQA Documents were circulated for public comment from November 21, 2012 through January 4, 2013; and

WHEREAS, although not required by California law, a response to comments document was prepared and was released on February 26, 2013; and

WHEREAS, the Portola Valley Planning Commission conducted three duly noticed public hearings on the Project and the CEQA Documents during meetings held on December 5, 2012; March 6, 2013; and March 20, 2013, and considered all information presented at those meetings; and

WHEREAS, the planning commission adopted the CEQA Documents, including a Mitigation Monitoring and Reporting Program (MMRP) and the Project at its meeting on March 20, 2013 as set forth in Planning Commission Resolutions 2013-1 and 2013-2; and

WHEREAS, the CEQA Documents, public comments, response to comments and all other materials that constitute the record of proceedings upon which the Planning Commission’s decision was based are on file with the Town of Portola Valley Town Clerk and have also been made available to the public at Town Hall, the Portola Valley Library, and through the town website; and

WHEREAS, the Town Council of the Town of Portola Valley reviewed the record of the planning commission’s decisions at its meetings on April 10 and April 24, 2013, and set the project for public hearing before the council on May 8, 2013 specifically to focus on the question of whether the artificial turf component of the project was “in harmony with the general purpose and intent” of the town’s zoning ordinance and general plan, as is required by Finding #6 for granting of a CUP amendment; and

WHEREAS, the May 8, 2013 public hearing was duly noticed and conducted, and the town council considered all comments and information presented at the meeting, in addition to the information in the planning commission record and the information in the staff report prepared for the May 8th meeting;

NOW, THEREFORE, be it resolved that the Town Council of the Town of Portola Valley hereby affirms the decisions of the Planning Commission as set forth in Resolutions 2013-1 and 2013-2.

PASSED AND ADOPTED at the regular meeting of the Town Council of the Town of Portola Valley on May 8, 2013.

By: _____
Mayor

Attest: _____
Town Clerk

Attachment C

RESOLUTION NO. _____-2013

RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF PORTOLA VALLEY

WHEREAS, the Woodside Priory School proposed to amend its Conditional Use Permit X7D-30 (CUP) to replace an existing athletic field at the school with a 400 m track and field, including artificial turf and other related field modifications (“Project”); and

WHEREAS, an Initial Study, Notice of Preparation and Mitigated Negative Declaration (“CEQA Documents”) were prepared based on substantial evidence analyzing the potential environmental impacts of the Project, and these CEQA Documents were circulated for public comment from November 21, 2012 through January 4, 2013; and

WHEREAS, although not required by California law, a response to comments document was prepared and was released on February 26, 2013; and

WHEREAS, the Portola Valley Planning Commission conducted three duly noticed public hearings on the Project and the CEQA Documents during meetings held on December 5, 2012; March 6, 2013; and March 20, 2013, and considered all information presented at those meetings; and

WHEREAS, the planning commission adopted the CEQA Documents, including a Mitigation Monitoring and Reporting Program (MMRP) and the Project at its meeting on March 20, 2013 as set forth in Planning Commission Resolutions 2013-1 and 2013-2; and

WHEREAS, the CEQA Documents, public comments, response to comments and all other materials that constitute the record of proceedings upon which the Planning Commission’s decision was based are on file with the Town of Portola Valley Town Clerk and have also been made available to the public at Town Hall, the Portola Valley Library, and through the town website; and

WHEREAS, the Town Council of the Town of Portola Valley reviewed the record of the planning commission’s decisions at its meetings on April 10 and April 24, 2013, and set the project for public hearing before the council on May 8, 2013 specifically to focus on the question of whether the artificial turf component of the project was “in harmony with the general purpose and intent” of the town’s zoning ordinance and general plan, as is required by Finding #6 for granting of a CUP amendment; and

WHEREAS, the May 8, 2013 public hearing was duly noticed and conducted, and the town council considered all comments and information presented at the

meeting, in addition to the information in the planning commission record and the information in the staff report prepared for the May 8th meeting; and

WHEREAS, the town council finds that the analysis presented in the CEQA Documents is a worst-case scenario, and that substitution of a living grass playing field such as the field that is already located on the site would be similar to current conditions, would be a less significant alternative, and would not require further analysis; and

WHEREAS, the town council finds that while the CEQA Documents are adequate pursuant to State law, the higher standard of overall general plan consistency required under the town's zoning ordinance findings for granting of a CUP or any amendment thereto takes precedence relative to the matter of artificial turf, and that the CEQA Documents should not be viewed as setting any town policy or position relative to the use of artificial turf for other playing fields in the community;

NOW, THEREFORE, be it resolved that the Town Council of the Town of Portola Valley hereby affirms the decision of the Planning Commission adopting the CEQA Documents for the project, as set forth in Resolution 2013-1.

PASSED AND ADOPTED at the regular meeting of the Town Council of the Town of Portola Valley on May 8, 2013.

By: _____
Mayor

Attest: _____
Town Clerk

RESOLUTION NO. _____-2013

RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF PORTOLA VALLEY

WHEREAS, the Woodside Priory School proposed to amend its Conditional Use Permit X7D-30 (CUP) to replace an existing athletic field at the school with a 400 m track and field, including artificial turf and other related field modifications (“Project”); and

WHEREAS, the planning commission adopted the Initial Study, Notice of Preparation and Mitigated Negative Declaration (“CEQA Documents”) for the Project, including a Mitigation Monitoring and Reporting Program (“MMRP”) and the Project at its meeting on March 20, 2013 with Resolutions 2013-1 and 2013-2; and

WHEREAS, the Town Council of the Town of Portola Valley reviewed the record of the planning commission’s decisions at its meetings on April 10 and April 24, 2013, and set the project for public hearing before the council on May 8, 2013 specifically to focus on the question of whether the artificial turf component of the project is “in harmony with the general purpose and intent” of the town’s zoning ordinance and general plan, as is required by Finding #6 for granting of a CUP amendment; and

WHEREAS, the May 8, 2013 public hearing was duly noticed and conducted, and the town council considered all comments and information presented at the meeting, in addition to the information in the planning commission record and the information in the staff report prepared for the May 8th meeting; and

WHEREAS, at its May 8, 2013 meeting, the town council affirmed the planning commission adoption of the CEQA Documents as set forth in Resolution 2013-1; and

WHEREAS, Section 18.72.130 of the Portola Valley Municipal Code sets forth the required findings for granting or amending a Conditional Use Permit, as follows:

1. The proposed use or facility is properly located in relation to the community as a whole and to land uses and transportation and services facilities in the vicinity.
2. The site for the proposed use is adequate in size and shape to accommodate the proposed use and all yards, open spaces, walls and fences, parking, loading, landscaping and such other features as may be required by this title or in the opinion of the commission be needed to assure that the proposed use will be reasonably compatible with land uses normally permitted in the surrounding area and will insure the privacy and rural outlook of neighboring residences.
3. The site for the proposed use will be served by streets and highways of adequate width and pavement type to carry the quantity and kind of traffic generated by the proposed use.

4. The proposed use will not adversely affect the abutting property or the permitted use thereof.
5. The site for the proposed use is demonstrated to be reasonably safe from or can be made reasonably safe from hazards of storm water runoff, soil erosion, earth movement, earthquake and other geologic hazards.
6. The proposed use will be in harmony with the general purpose and intent of this title and the general plan.
7. When this title or the town general plan specifies that a proposed use shall serve primarily the town and its spheres of influence, the approving authority must find that it is reasonable to conclude, based on the evidence before it, that the proposed use will meet a need in the town and that a majority of the clientele of the proposed use will come from the town and its spheres of influence within the near future, normally no more than two years. In general, in making such finding, the approving authority shall, in addition to other information, explicitly take into consideration all similar uses in the town and its spheres of influence; and

WHEREAS, the town council reviewed these findings and determined that Finding #6 could not be made for the Project as proposed with artificial turf and therefore modified the conditions of planning commission approval to require the use of living grass instead of artificial turf; and

WHEREAS, the town council has determined that based on the record and with the revised conditions of approval that are attached in the "Conditions Exhibit" to this resolution, all of the findings set forth in 18.72.130 of the Portola Valley Municipal Code can be made;

NOW, THEREFORE, be it resolved that the Town Council of the Town of Portola Valley approves the amendment to Conditional Use Permit X7D-30 for the field replacement project at the Woodside Priory School subject to the provisions contained in the "Conditions Exhibit."

PASSED AND ADOPTED at the regular meeting of the Town Council of the Town of Portola Valley on May 8, 2013.

By: _____
Mayor

Attest: _____
Town Clerk

Conditions Exhibit
Amendment to CUP X7D-30, Woodside Priory
May 8, 2013

(Conditions of Approval for the Project Eliminating use of Artificial Turf)

(Note: These conditions would be for this requested amendment and would be in addition to the master plan conditions required with the 2005 CUP amendment.)

1. Synthetic or artificial turf shall not be used as part of this project.
2. Detailed grading and drainage plans shall be submitted for ASCC review and approval prior to issuance of a site development permit. These detailed plans shall be consistent with the Priory's master drainage plan, and verification of consistency shall be to the satisfaction of the town public works director.
3. The final design of the shed, including its size, shall be subject to review and approval by the ASCC prior to issuance of a building permit. The shed shall not be larger than 2,000 square feet in area.
4. The final color of the track shall be subject to the review and approval of the ASCC prior to installation of the track.
5. Prior to issuance of a site development permit for the project, a final landscaping plan for removal of non-native plantings and species and addition of selected natural screening of the field along the Portola Road corridor shall be submitted to the ASCC for review and approval. The final landscaping plan shall show all existing and proposed vegetation along the Portola Road frontage and in the berm area, as well as all proposed fencing in those areas.
6. Approximately 18-24 months after the new landscaping is complete, there shall be a follow-up meeting to review the landscaping with the ASCC. Additional plantings or other landscaping adjustments may be required by the ASCC as a result of the follow-up meeting.
7. Equipment used for field maintenance shall be energy-efficient and should be electric if possible.
8. Within four months of the effective date of the CUP amendment, the Priory shall complete an analysis of the structural condition of the Fromhertz House and provide recommendations for protecting it from failure due to deferred maintenance or structural failure. The analysis and recommendations shall be provided to the town and reviewed by the Town Planner and the Building Official, who shall work with the Priory to develop an appropriate schedule for carrying out the recommendations.
9. Fencing around the track and/or field shall be prohibited.
10. Any signs that are erected in the project area must be reviewed and approved by the ASCC.
11. The project shall comply with the mitigation measures set forth in the Initial Study/Mitigated Negative Declaration for the project except where they specifically refer to mitigations associated with artificial turf (MM 3.3-2a, 3.3-2b, 3.3-2c, and 3.17-2).

Attachment D



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Karen Kristiansson, Principal Planner

DATE: April 26, 2013

RE: **Key documents in the Planning Commission record related to General Plan consistency and artificial turf examples**

At its April 24, 2013 meeting, the town council determined to hold a public hearing specifically on the artificial turf component of the Priory's proposed project and whether the artificial turf is consistent with the goals and purposes of the general plan, as is required in order to make Finding #6 for a conditional use permit amendment. The council did not indicate that their decision to conduct a public hearing was based upon the need for new evidence or testimony. Staff, therefore, understands that the council found the information contained in the Planning Commission's record on this matter complete. The complete record can be found at: www.portolavalley.net/prioryfield.

This memo is intended to guide council members to key documents in the planning commission record that relate to general plan consistency. If after reviewing these key documents, there are any questions or requests for specific information, staff respectfully requests that council members make those known to staff by Wednesday, May 1st so that staff will have time to address those questions in the staff report that is being prepared to assist the town council in its consideration of this item on May 8, 2013.

In addition, town council members are encouraged to visit the Priory site prior to the public hearing. Individual council members can contact staff to make arrangements to visit the site.

Key Items from the Planning Commission Record

The list below, which is in chronological order, contains links to documents from the planning commission record that specifically discuss general plan consistency.

- 1) Staff report for the [December 5](#) planning commission meeting, pages 4-7 and the attachment immediately following the staff report on the general purpose and intent of the zoning code and General Plan
- 2) Mitigated Negative Declaration/Initial Study, [as adopted](#) by the planning commission, pages 40-41 (aesthetics) and 140-142 (land use and planning)
- 3) Minutes from the ASCC meeting of [January 14](#), pages 8-9
- 4) Response to comments document, which was discussed at the [March 6](#) meeting, pages 5-10 and 21-24
- 5) Staff report for the [March 6](#) planning commission meeting, pages 6-8
- 6) Minutes of the planning commission's [March 20](#) meeting, especially pages 12-15, although there are related comments throughout the minutes

Local Fields with Artificial Turf Field

Council members may also want visit an artificial turf field. There are several in the area which use the same fiber material as is proposed at the Priory. However, it is important to note that all of the examples are striped and fenced, which would not be the case at the Priory. In addition, none of the fields use the same infill material as is proposed for the Priory; all use black rubber pellets made from recycled tires instead of the green pellets made from TPE (FieldTurf's "EcoFill" product). Viewing these fields can be helpful nonetheless as it is primarily the fiber which is visible from a distance. More information about the sample locations is provided in memos dated [March 12](#) and [March 18](#). The locations are:

- Cupertino High School, 10100 Finch Avenue, Cupertino
- Homestead High School, 21370 Homestead Road, Cupertino
- Lynbrook High School, 1280 Johnson Avenue, San Jose
- Monte Vista High School, 21840 McClellan Road, Cupertino
- Burlingame High School, 1 Mangini Way, Burlingame
- DeAnza Community College, 21250 Stevens Creek Blvd., Cupertino (The football/soccer field with the "DA" logo and end zone letters is the one with the same fiber that is proposed at the Priory. There is also a soccer field at DeAnza that uses an older product and just has stripes.)
- Cunha Middle School, 600 Church Street, Half Moon Bay (This is a closed campus and we would need to arrange for a pass to view this field. Please contact Karen if you would like a pass.)

Cc: Nick Pegueros, Town Manager
Tom Vlastic, Town Planner
Steve Padovan, Interim Planning Manager
Leigh Prince, Town Attorney

#7

There are no written materials for this agenda item.

TOWN COUNCIL WEEKLY DIGEST

Friday – April 26, 2013

1. Agenda (Action) – Special Joint ASCC/Planning Commission Field meeting – Monday, April 17, 22, 2013
2. Agenda (Action) – Town Council – Wednesday, April 24, 2013
3. Agenda (Special) – Nature & Science Committee – Monday, April 29, 2013
4. Agenda – Ad-Hoc Affordable Housing Committee – Tuesday, April 30, 2013
5. Agenda (Cancellation Notice) – Bicycle, Pedestrian & Traffic Safety Committee – Wednesday, May 1, 2013
6. Agenda – Planning Commission – Wednesday, May 1, 2013
7. Memo from Stacie Nerdahl, Administrative Services Manager re: Website Questions regarding website domain name change – April 26, 2013
8. Report – San Mateo County Sheriff's Office re: Incident report for April 17 – April 21, 2013
9. May 2013 Meeting Schedule
10. Town Center Reservations Report for May 2013
11. Email from Becky Romero, City Selection Secretary re: Vacant seat on the LAFCo Executive Board
12. Email from Becky Romero, City Selection Secretary re: Vacant seat on the HEART Executive Board

Attached Separates (Council Only)

1. Peninsula Volunteers, Inc. re: Annual Report 2011 - 2012
2. Invitation – Open House at Rosener House Adult Day Services – May 4, 2013
3. Letter from Michael Bloomberg, re: Invitation to join Mayors Against Illegal Guns – April 12, 2013



TOWN OF PORTOLA VALLEY
 ARCHITECTURAL AND SITE CONTROL COMMISSION (ASCC)
 Monday, April 22, 2013
Special Joint Field Meeting (time and place as listed herein)
7:30 PM – Regular ASCC Meeting
 Historic Schoolhouse
 765 Portola Road, Portola Valley, CA 94028

ACTION

SPECIAL JOINT ASCC/PLANNING COMMISSION FIELD MEETING*

4:00 p.m., 117 Pinon Afternoon session for preliminary consideration of plans for new residential development of 2.5 acre Westridge Subdivision property. (ASCC review to continue at Regular Meeting) **Project team discussed design, led Commissioners through site, and responded to questions. Comments were held for discussion at the evening meeting.**

7:30 PM - REGULAR AGENDA*

1. Call to Order: 730 p.m.
2. Roll Call: Breen, Clark, Hughes, Koch, Ross **(All present. Also present: Tom Vlasic Town Planner; Carol Borck Assistant Planner; Chip McIntosh Planning Commission Liaison; Ted Driscoll Town Council Liaison)**
3. Oral Communications: **None.**

Persons wishing to address the Commission on any subject, not on the agenda, may do so now. Please note, however, the Commission is not able to undertake extended discussion or action tonight on items not on the agenda.

4. Old Business:
 - a. Follow-up Review for Landscaping and Exterior Lighting Related to Proposed Residential Additions, Remodeling and Guest House, 230 Shawnee Pass, Gurtner **Follow-up items approved subject to conditions to be met to the satisfaction of Planning Staff and Designated ASCC member prior to building permit issuance.**
5. New Business:
 - a. Architectural Review, Carport and Guest House Additions, 45 Granada Court, Postich *Continued to May 15, 2013 Meeting* **Project review continued to 5/13/13**
 - b. Preliminary Architectural Review for New Residence with Detached Pool House, Swimming Pool and Horse-keeping Facilities, and Site Development Permit X9H-649, 117 Pinon Drive, Divita **Commission provided feedback and offered comments on proposal. Comments from WASC also heard. Project review continued to 5/13/13 meeting. Public hearing with Planning Commission will be scheduled for 5/15/13.**

6. Commission and Staff Reports

Vlasic updated Commission on Planning Budget for FY13-14

Clark updated Commission on Ford Field renovations

Breen discussed additional planting at 451 Portola post-final building permit sign off. (Interim Planning Manager Padovan is addressing this matter)

ASCC discussed next regular meeting being 5/27/13 (Memorial Day) and found a quorum for a special meeting on 5/29/13.

7. Approval of Minutes: April 8, 2013 **Minutes approved as submitted.**

8. Adjournment **9:00 p.m.**

*For more information on the projects to be considered by the ASCC at the Special Field and Regular meetings, as well as the scope of reviews and actions tentatively anticipated, please contact Carol Borck in the Planning Department at Portola Valley Town Hall, 650-851-1700 ex. 211. Further, the start times for other than the first Special Field meeting are tentative and dependent on the actual time needed for the preceding Special Field meeting.

PROPERTY OWNER ATTENDANCE. The ASCC strongly encourages a property owner whose application is being heard by the ASCC to attend the ASCC meeting. Often issues arise that only property owners can responsibly address. In such cases, if the property owner is not present it may be necessary to delay action until the property owner can meet with the ASCC.

WRITTEN MATERIALS. Any writing or documents provided to a majority of the Town Council or Commissions regarding any item on this agenda will be made available for public inspection at Town Hall located 765 Portola Road, Portola Valley, CA during normal business hours.

ASSISTANCE FOR PERSONS WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Assistant Planner at 650-851-1700, extension 211. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge a proposed action(s) in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing(s) described later in this agenda, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing(s).

This Notice is Posted in Compliance with the Government Code of the State of California.

Date: April 19, 2013

CheyAnne Brown
Planning Technician



TOWN OF PORTOLA VALLEY

7:30 PM – Town Council Meeting

Wednesday, April 24, 2013

Historic Schoolhouse

765 Portola Road, Portola Valley, CA 94028

ACTION MEETING AGENDA

7:30 PM – CALL TO ORDER AND ROLL CALL

Councilmember Aalfs, Councilmember Derwin, Councilmember Driscoll, Vice Mayor Wengert, Mayor Richards

All Present

ORAL COMMUNICATIONS

Persons wishing to address the Town Council on any subject may do so now. Please note however, that the Council is not able to undertake extended discussion or action tonight on items not on the agenda.

Councilmember Derwin attended a San Mateo County Board of Supervisors meeting where they declared April as poetry month

CONSENT AGENDA

The following items listed on the Consent Agenda are considered routine and approved by one roll call motion. The Mayor or any member of the Town Council or of the public may request that any item listed under the Consent Agenda be removed and action taken separately.

- (1) **Approval of Minutes** – Regular Town Council Meeting of March 27, 2013

Approved 4-0-1 Councilmember Driscoll abstained

- (2) **Ratification of Warrant List** – April 10, 2013

- (3) **Approval of Warrant List** – April 24, 2013

- (4) **Recommendation by Administrative Services Manager** – Signature Authority for the Local Agency Investment Fund

(a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing Investment of Monies in the Local Agency Investment Fund (Resolution No. 2583-2013)

- (5) **Recommendation by Administrative Services Manager** – Amendment to Agreement with KPMG for Audit Requirements of the Hasso Plattner Foundation Donation

(a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Approving and Authorizing Execution of an Agreement Between the Town of Portola Valley and KPMG LLP (Resolution No. 2584-2013)

- (6) **Recommendation by Administrative Services Manager** – Proposed Provider Change for Workers' Compensation Insurance

(a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing an Application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities (Resolution No. 2585-2013)

Items 2 – 6 approved 5-0

REGULAR AGENDA

PUBLIC HEARING

- (7) **PUBLIC HEARING - Recommendation by Sustainability and Special Projects Manager** – Farmers' Market

Council approved (5-0) to move forward with a trial period and designated Councilmember Derwin to work with staff.

- (8) **Town Council Review** - of the March 20, 2013 Planning Commission adoption of the Initial Study/Mitigated Negative Declaration and approval of the Amendment to Conditional Use Permit X7D-3 consisting of a parcel merger and expansion of athletic facilities with new track and artificial turf infill at the Woodside Priory School at 302 Portola Road

Council approved to set matter for Public Hearing 4-1 Vice Mayor Wengert voting no. Public hearing is set for May 8 Council meeting

- (9) **Recommendation by Public Works Director** – Award of Bid for Ford Field Renovation Project #2011-PW02B and Enter into Funding Agreement with Alpine West Menlo Little League
- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the Town Manager to Award a Contract for the Ford Field Renovation Project #2011-PW02B and Enter into the Funding Agreement with Alpine West Menlo Little League (Resolution No. 2586-2013)

Approved 5-0

- (10) **Recommendation by Town Manager** – Approval of new Job Description and Salary Range for the position of Deputy Town Planner

Approved 5-0

- (11) **Recommendation by Town Manager** – Adoption of Revised Compensation Plan for Town Staff
- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting the Employee Compensation Plan Including a Modification of the Salary Schedule and the Creation of a Benefits Schedule (Resolution No. 2587-2013)

Approved 5-0

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

- (12) **Reports from Commission and Committee Liaisons**
There are no written materials for this item.

Councilmember Driscoll - PC Field meeting and ASCC meeting

Councilmember Aalfs – Planning Commission meeting where The Priory asked for approval of a one night car show event.

Nature & Science Committee discussed Math Project and Flight Night

Councilmember Derwin – Firewise – Fire Chief Ghiorso gave a visual presentation of the Rapid Notify system. The High Fire Danger signs will start to appear in May and the chipper schedule has been released.

C/CAG annual retreat – Presentations on Plan Bay Area by MTC and Mid Pen Housing from ABAG. Resource Management and Climate Protection Committee heard a presentation on electricity and gas usage. Electricity usage is trending down but gas usage still needs work.

The Sustainability Committee discussed Earth Day fair scheduled for Saturday, May 27 at Runnymede Farm in Woodside. A Tuesday Harvest Series was held with the topic being lighting.

At the San Mateo County Supervisors meeting on April 23 they selected an inaugural ad-hoc committee to appoint a laureate for the county. HEART will hold a luncheon in a few weeks and look at affordable housing.

Vice Mayor Wengert – Bicycle Pedestrian & Traffic Safety Committee held a bike rodeo this past Saturday, noted that the no parking signs on Portola Road at Windy Hill were very effective, striping in the Ranch and Bike to Work Day scheduled for May 8.

Regional Housing Needs Allocation – Countywide allocations were approved unanimously. Portola Valley has a RHNA number of 64 units.

Parks & Recreation Committee – currently have only 5 members. The committee agreed to work on a skateboard park and table the dog park issue for now.

Mayor Richards – Cultural Arts Committee discussed budget, quilts and the proposed farmers market.

Emergency Services Council must relocate a 50' communications tower at Hwy 92. Some local cities organizations held an exercise with CERPP.

Conservation Committee – Paul Heiple was chosen by MROSD to take part in their Imagine Project which will look at the future of regional parks.

WRITTEN COMMUNICATIONS

- (13) **Town Council Weekly Digest – March 29, 2013 - None**

(14) **Town Council Weekly Digest** – April 5, 2013 - **#12 Councilmember Derwin reported that Krenz and Horsley will meet**

#14 Resident concerned with dead tree is working with the Fire District

(15) **Town Council Weekly Digest** – April 12, 2013 - **None**

(16) **Town Council Weekly Digest** – April 19, 2013 - **None**

ADJOURN TO CLOSED SESSION: 10:30 pm

(17) **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION**

Government Code Section 54956.9

Initiation of litigation (one case)

Facts and Circumstances: Illegal removal of significant trees – 18 Redberry Ridge

REPORT OUT OF CLOSED SESSION: Council approved the settlement agreement that resolves potential civil claims of the Town against Mr. Douglass for removal of significant trees in an open space easement held by the Town. The administrative remedy, including the restoration plan, will continue to move forward.

ADJOURNMENT: 10:45 pm

ASSISTANCE FOR PEOPLE WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at (650) 851-1700. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley Library located adjacent to Town Hall. In accordance with SB343, Town Council agenda materials, released less than 72 hours prior to the meeting, are available to the public at Town Hall, 765 Portola Road, Portola Valley, CA 94028.

SUBMITTAL OF AGENDA ITEMS

The deadline for submittal of agenda items is 12:00 Noon WEDNESDAY of the week prior to the meeting. By law no action can be taken on matters not listed on the printed agenda unless the Town Council determines that emergency action is required. Non-emergency matters brought up by the public under Communications may be referred to the administrative staff for appropriate action.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge any proposed action(s) in court, you may be limited to raising only issues you or someone else raised at the Public Hearing(s) described in this agenda, or in written correspondence delivered to the Town Council at, or prior to, the Public Hearing(s).



Town of Portola Valley
Nature and Science Committee Special Meeting
Monday, April 29, 2013 – 4:00 pm
Historic Schoolhouse
765 Portola Road, Portola Valley, CA

SPECIAL MEETING AGENDA

1. Call to Order
2. Oral Communications (Anyone wanting to address the Committee OR anyone wanting to speak on something that is not on the agenda)
3. Proposal to Town Council regarding proceeding with efforts to establish a Nature Center at the Hawthorns property of the Mid-Peninsula Regional Open Space District
4. Finalize budget for 2013-2014 fiscal year
5. Adjournment: Next meeting, June 13, 2013



TOWN OF PORTOLA VALLEY
Affordable Housing Ad-Hoc Committee
Tuesday – April 30, 2013 at 7:00 p.m.
Historic Schoolhouse
765 Portola Road, Portola Valley, CA 94028

AGENDA

1. Call To Order
2. Oral Communications
3. Report from Program Assessment Subcommittee (7:10) - Members Eisberg, Hasko, Pierce
4. Discussion of Draft Mission Statement and Criteria for Achieving Affordable Housing Requirements (7:45)
5. Discussion of Next Steps for the Subcommittees (8:30)
 - a. Opportunity Assessment Subcommittee - Members Ginner, Myers, Warr
 - b. Community Outreach Subcommittee - Members Dworak, Murphy, Trapp
6. Wrap up and discussion of next meeting: May 14th (8:50)
7. Adjournment (9:00)

Note – The meeting minutes for the Committee's April 16, 2013 meeting will be provided at the next Committee meeting

5



TOWN OF PORTOLA VALLEY
**Bicycle, Pedestrian and Traffic Safety
Committee**

Wednesday, May 1, 2013 – 8:00 AM
Historic Schoolhouse
765 Portola Road, Portola Valley, CA

**BICYCLE, PEDESTRIAN AND TRAFFIC SAFETY
COMMITTEE**

NOTICE OF MEETING CANCELLATION

Wednesday, May 1, 2013

The Bicycle, Pedestrian and Traffic Safety Committee regularly scheduled meeting of Wednesday, May 1, 2013 has been cancelled. A special meeting is scheduled for Tuesday, May 7, 2013, 7:00 pm in the Historic Schoolhouse.



TOWN OF PORTOLA VALLEY
REGULAR PLANNING COMMISSION MEETING
765 Portola Road, Portola Valley, CA 94028
Wednesday, May 1, 2013 – 7:30 p.m.
Council Chambers (Historic Schoolhouse)

AGENDA

Call to Order, Roll Call

Commissioners McIntosh, McKitterick, Targ, Chairperson Von Feldt, and Vice-Chairperson Gilbert

Oral Communications

Persons wishing to address the Commission on any subject, not on the agenda, may do so now. Please note, however, the Commission is not able to undertake extended discussion or action tonight on items not on the agenda.

Regular Agenda

1. Proposed Planning Program and Budget for Fiscal Year 2013-2014

Commission, Staff, Committee Reports and Recommendations

Approval of Minutes: April 17, 2013

Adjournment:

ASSISTANCE FOR PERSONS WITH DISABILITIES

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Planning Commission Agenda
May 1, 2013
Page Two

PUBLIC HEARINGS

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Hearing(s) described later in this agenda, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing(s).

This Notice is posted in compliance with the Government Code of the State of California.

Date: April 26, 2013

CheyAnne Brown
Planning Technician



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Nick Pegueros, Town Manager

FROM: Stacie Nerdaahl, Administrative Services Manager

DATE: April 26, 2013

RE: **Website Questions from March 13 Council Meeting**

Website Domain Name Change:

The Town Council asked staff to determine the feasibility of changing the Town website's domain name to a more standard governmental URL such as www.portolavalley.org or www.portolavalley.ca.gov.

For informational and point-of-reference purposes, URL suffixes for bay area cities are quite varied. In a survey of 102 local cities (see attached detail), the URL suffixes were as follows:

ci.agencyname.ca.us	64
agencyname.ca.us	5
agencyname.org	20
agencyname.gov	2
agencyname.net	6
agencyname.ca.gov	5
agencyname.com	5

Twelve of the websites with "ca.us" URLs proved to be redirects to the agency's dot-gov, dot-net, or dot-org website. Additionally, there was variety in how the actual agency name was incorporated, with some agencies incorporating "Town" or "City" at the beginning or end of their URL. The three major bay area cities provide a quick glance at the variety of governmental website URLs:

Oakland	www.oaklandnet.com
San Francisco	www.sf.ca.us
San Jose	www.sanjoseca.gov

While Google is likely the most ubiquitous tool to locate a governmental agency's official website, if the Council wishes, staff can work with our website and IT consultants to move forward with the necessary steps to create a redirecting URL for the Town of

Portola Valley website that would be more typical for a local town/city, such as www.ci.portolavalley.ca.us.

Installation costs would be \$400-500 for the consultants' labor to complete a hardcode link scan/repair (to locate any links with old domain name and revise to new domain name) and for the purchase and installation of an SSL certificate for the new domain name.

NOTE: To complete an entity-wide domain name change would involve a more significant degree of staff/consultant hours to implement the change and then troubleshoot during and after the initial transition period. To complete this type of project could cost around \$2,000, not including the purchase of new stationery and business cards to reflect the new domain name and email addresses.

Website Security:

The Town's website is hosted by Vision Internet (VIP), the same firm that maintains our Content Management System. Vision Internet specializes in government website development and its servers host over 300 government websites nationwide. They have confirmed that they have several practices and security protocols in place to guard against not just hackers, but also system failures and freak accidents.

Specifically, VIP does a nightly backup of the database to another server, and also employs monitoring software that notifies them whenever a website is down. In a worst-case scenario (server crash), they estimate complete restoration of service within 3 days at most. A more technical listing of their hosting security measures is as follows:

- Encrypted login pages
- Server-side data validation
- Sites managed via encrypted connections
- Strong, cross-platform compatible encryption (TLS)
- Firewall secured internal network
- Anti-Virus software protection
- Key-based authentication
- Redundancy and data backups
- Explicitly-defined character sets
- Input validation
- Filtered SQL
- Captcha on email utility

To date, none of VIP's clients' websites have been hacked.

Attachment

ci.*.ca.us
 ci.alameda.ca.us
 ci.antioch.ca.us
ci.atherton.ca.us
 ci.benicia.ca.us
 ci.berkeley.ca.us
 ci.brentwood.ca.us
ci.brisbane.ca.us
 ci.calistoga.ca.us
 ci.campbell.ca.us
 ci.clayton.ca.us
 ci.concord.ca.us
 ci.corte-madera.ca.us
 ci.cotati.ca.us
ci.daly-city.ca.us
 ci.danville.ca.us
 ci.dixon.ca.us
 ci.dublin.ca.us
ci.east-palo-alto.ca.us
 ci.emeryville.ca.us
 ci.fremont.ca.us
 ci.gilroy.ca.us
 ci.hayward.ca.us
 ci.healdsburg.ca.us
 ci.hercules.ca.us
 ci.lafayette.ca.us
 ci.larkspur.ca.us
 ci.livermore.ca.us
 ci.los-altos.ca.us
ci.menlo-park.ca.us
ci.millbrae.ca.us
 ci.milpitas.ca.us
 ci.mtnview.ca.us
 ci.newark.ca.us
 ci.oakley.ca.us
 ci.orinda.ca.us
 ci.piedmont.ca.us
 ci.pinole.ca.us
 ci.pittsburg.ca.us
 ci.pleasant-hill.ca.us
 ci.pleasanton.ca.us
ci.redwoodcity.ca.us
 ci.richmond.ca.us
 ci.rohnert-park.ca.us
 ci.st-helena.ca.us
ci.sf.ca.us
 ci.san-leandro.ca.us
ci.sanmateo.ca.us
 ci.san-pablo.ca.us
 ci.san-ramon.ca.us
 ci.santa-clara.ca.us
 ci.santa-rosa.ca.us
 ci.sausalito.ca.us
 ci.sebastopol.ca.us
 ci.sunnyvale.ca.us
 ci.tiburon.ca.us
 ci.union-city.ca.us
 ci.vallejo.ca.us
 ci.walnut-creek.ca.us
 ci.windsor.ca.us

REDIRECTS TO:
 cityofalamedaca.gov

dalycity.org

fremont.gov
 cityofgilroy.org

cityoflivermore.net

cityoforinda.org

redwoodcity.org

sanleandro.org

santaclaraca.gov

sunnyvale.ca.gov
 townoftiburon.org

***.ca.us**
half-moon-bay.ca.us
 town.los-gatos.ca.us
 moraga.ca.us
 city.palo-alto.ca.us
 saratoga.ca.us

cityofpaloalto.org

***.org**
 albanyca.org
 cityofamericancanyon.org
 cityofbelvedere.org
burlingame.org
 cupertino.org
 el-cerrito.org
 town-of-fairfax.org
fostercity.org
 cityofmartinez.org
 cityofmillvalley.org
 montesereno.org
 cityofnapa.org
 cityofnovato.org
cityofpacifica.org
 townofross.org
 townofsananselmo.org
cityofsancarlos.org
 cityofsanrafael.org
 sonomacity.org
woodsidetown.org

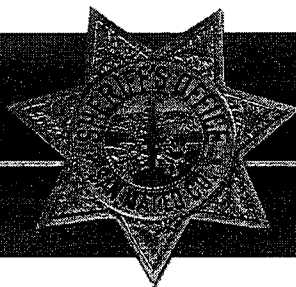
***.gov**
belmont.gov
sanjoseca.gov

RED TEXT = SAN MATEO COUNTY
 BLUE TEXT = BAY AREA MAJOR CITIES

***.net**
 cloverdale.net
hillsborough.net
 cityofpetaluma.net
portolavalley.net
ssf.net

***.ca.gov**
colma.ca.gov
 fairfield.ca.gov
 losaltoshills.ca.gov
 morgan-hill.ca.gov
sanbruno.ca.gov

***.com**
Oaklandnet.com
 riovistacity.com
 suisun.com
 cityofvacaville.com
 townofyountville.com



SHERIFF'S OFFICE

A TRADITION OF SERVICE SINCE 1856

San Mateo County Sheriff's Office (Headquarters Patrol) Press

Information on selected incidents and arrests are taken from initial Sheriff's Office case reports. Not all incidents are listed due to investigative restrictions and victim privacy rights.

Wednesday, 04/17/13 to Sunday, 04/21/13

Greg Munks
Sheriff

CASE NUMBER	DATE & TIME Reported	LOCATION	DESCRIPTION	FACTUAL CIRCUMSTANCES
13-3229	04/17/13 9:58 PM	Unit Blk Tripp Court Woodside	Identify theft	Reporting party called to report that an unknown subject(s) filed a California State tax return using his Social Security number. The victim does not know how his information was obtained. There is no suspect information. The victim reviewed his credit report and he had not sustained any loss or been the victim of any other fraud.
13-3354	04/21/13 10:18 PM	200 Blk Westridge Rd. Portola Valley	Robbery, burglary, Assault with a deadly weapon, Vandalism, Possession of Stolen Property and DUI	Suspect Alexander Stefan Dombovic was interrupted by a 12 year old child resident while burglarizing reporting party's vehicle and two other vehicles. Suspect struck the child with a baseball bat on the left shoulder knocking him to the ground. Suspect fled in a gold Toyota SUV without his lights on and at a high rate of speed. As the deputy attempted to catch up to him, the suspect crashed on the 900 Blk of Westridge Drive. He was detained and positively identified by the 12 year old victim. A search of his vehicle located over 100 pieces of mail stolen from 8 residences in the vicinity. Dombovic additionally forcibly entered 3 mailboxes using a baseball bat at Alamos Lane and 2 on

				Westridge Drive. He was determined to be under the influence of an alcoholic beverage. He was arrested and booked into the Main Jail. Reporting party checked his vehicle and found that no property was missing. Reporting party later reported that his registration and insurance information for his vehicle was missing.
13-3287	04/19/13 Between 2:00 and 2:30 PM	200 Blk La Cuesta Dr. Ladera	Residential Break In	Unknown suspect(s) gained entry into an attached apartment located on the north side of the residence. Point of entry was a rear window. The eastern window had fresh pry marks and paint chipped off. The window to the west had its screen pulled off and also had pry marks. The deputy was unable to locate any usable latent finger prints. The home is monitored by ADT, but, was told by the homeowner that the alarm system is not audible nor is it monitored by an alarm company. Upon any activation, the son of the reporting party received multiple text message notifications alerting him of the activation, but he did not respond to the residence. Nothing was missing from the home.
13-3296	04/19/13 9:07 PM	700 Blk La Mesa Dr. Ladera	Bench Warrant	A deputy located an active bench warrant for Patrick Heydon of Ladera for driving on a suspended license. Upon contact, the subject was asked if he knew why the Sheriff's Office was there and he stated he did. The subject was arrested and booked into the Maguire Correctional Facility for the bench warrant.

Town of Portola Valley

Town Hall: 765 Portola Road, Portola Valley, CA 94028 Tel: (650) 851-1700 Fax: (650) 851-4677

MAY 2013 MEETING SCHEDULE

Note: **Unless otherwise noted below and on the agenda, all meetings take place in the Historic Schoolhouse**, located at 765 Portola Road, Portola Valley, CA

TOWN COUNCIL – 7:30 PM (Meets 2nd & 4th Wednesdays)

Wednesday, May 8, 2013

Monday, May 13, 2013 – **JOINT TC / PC / ASCC SPECIAL FIELD MEETING – 4:30 PM start**

Wednesday, May 22, 2013 – **CANCELLED**

Wednesday, May 29, 2013 – **JOINT TC / EPC SPECIAL MEETING – COMMUNITY HALL - 7:30 PM**

PLANNING COMMISSION – 7:30 PM (Meets 1st & 3rd Wednesdays)

Council Liaison – Jeff Aalfs (for months April, May & June)

Wednesday, May 1, 2013

Monday, May 13, 2013 – **JOINT TC / PC / ASCC SPECIAL FIELD MEETING – 4:30 PM start**

Wednesday, May 15, 2013

ARCHITECTURAL & SITE CONTROL COMMISSION - 7:30 PM (Meets 2nd & 4th Mondays)

Council Liaison – Ted Driscoll (for months April, May, June)

Monday, May 13, 2013 – **JOINT TC / PC / ASCC SPECIAL FIELD MEETING – 4:30 PM start**

Monday, May 13, 2013 – **SPECIAL MEETING - 7:00 PM start**

Monday, May 27, 2013 – **CANCELLED**

Wednesday, May 29, 2013 – **SPECIAL MEETING**

AD-HOC AFFORDABLE HOUSING COMMITTEE

Tuesday, May 14, 2013 - 7:00pm in Historic Schoolhouse

BICYCLE, PEDESTRIAN & TRAFFIC SAFETY COMMITTEE – 8:15 AM (Meets 1st Wednesday of every month)

Council Liaison – Ann Wengert

Wednesday, May 1, 2013 – **CANCELLED**

Tuesday, May 7, 2013 – **SPECIAL MEETING – 7:00 PM start**

CABLE TV COMMITTEE – 8:15 AM (Meets 2nd Thursday) alternate odd numbered months

Council Liaison – Ted Driscoll

Thursday, May 9, 2013

COMMUNITY EVENTS COMMITTEE

Council Liaison – Maryann Derwin

As announced

CONSERVATION COMMITTEE – 7:45 PM (Meets 4th Tuesday)

Council Liaison – John Richards

Tuesday, May 28, 2013

CULTURAL ARTS COMMITTEE – (Meets 2nd Thursday of every month)

Council Liaison – John Richards

Thursday, May 9, 2013

EMERGENCY PREPAREDNESS COMMITTEE – 8:00 AM (Meets 2nd Thursday) in the EOC /

Conference Room at Town Hall

Council Liaison – John Richards

Thursday, May 9, 2013

FINANCE COMMITTEE

Council Liaison – Jeff Aalfs

Tuesday, May 28, 2013 – TOWN HALL CONFERENCE ROOM - 5:30 PM

GEOLOGIC SAFETY COMMITTEE – 7:30 PM

Council Liaison – Ted Driscoll

As announced

HISTORIC RESOURCES COMMITTEE

Council Liaison – Jeff Aalfs

NATURE AND SCIENCE COMMITTEE – 4:00 PM (Meets 2nd Thursday) alternate even numbered months

Council Liaison – Jeff Aalfs

OPEN SPACE ACQUISITION ADVISORY COMMITTEE

Council Liaison – Jeff Aalfs

PARKS & RECREATION COMMITTEE – 7:30 PM (Meets 3rd Monday)

Council Liaison – Ann Wengert

Monday, May 20, 2013

PUBLIC WORKS COMMITTEE

Council Liaison – Ted Driscoll

As announced

SUSTAINABILITY COMMITTEE – 3:30 PM (Meets 3rd Monday)

Council Liaison – Maryann Derwin

Monday, May 20, 2013

TEEN COMMITTEE

Council Liaison – Jeff Aalfs

As announced

TRAILS & PATHS COMMITTEE – 8:15 AM (2nd Tuesday of each month, or as needed)

Council Liaison – Ann Wengert

Tuesday, May 14, 2013 – 8:15 AM



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: San Mateo County Sheriff's Department
FROM: Sharon Hanlon
DATE: April 26, 2013
SUBJ: Town Center Reservations for May 2013

Following is the current schedule of events for the Town Center and surrounding area for May 2013.

May 4: Neighborhood Clean Up Day / Town Center Parking Lot / 8:00 – 11:00 am

May 5: Pacific Therx Run/Walk / Portola Road / 7:00 – 9:30 am

May 27: Memorial Day Observed / Town Hall Closed

May 31: Flight Night / Baseball Field at Town Center / 3:00 – 6:00 pm

From: Rebecca Romero [rxromero@smcgov.org]
Sent: Monday, April 01, 2013 2:47 PM
To: Cathy Baylock; jdeal@burlingame.org; Cary Wiest; jcarlson@ci.atherton.ca.us; W. Conway; Cliff Lentz; Sue Digres; Rico Medina; Lisa Yarbrough-Gauthier; Larry Moody; Karen Clapper; Matt Grocott; Brandt D. Grotte; Shawn Christianson; Rick Kowalczyk; Ann Wengert; Alicia Aguirre; Jeff Ira; Rosanne Foust; Pradeep Gupta; Rich Garbarino; Dave Tanner; Peter Mason; r.romines@woodsidesetown.org
Cc: Belmont Clerk; Terri Cook; Mary Ellen Kearney; Theresa DellaSanta; Sheri Spediacci; Siohban Smith; Angela Louis; Jill Glander; Kathy O'Connell; Nora Pimentel; Christine Boland; Crystal Mui; Patrice Olds; Caitlin Corley; Rosa Padilla; Cyndy Smith; Doris Palmer; Miyuki Yokoyama; G Pat Carson; Margaret S Roberts; Sharon Hanlon; Silvia Vonderlinden; Donna Ochoa; Krista Martinelli-Larson; Janet Koelsch
Subject: Call for Letters of Interest for LAFCo
Importance: High

**** High Priority ****

Hello Honorable Mayors and Councilmembers;

The following seat will be on the May 17th City Selection Committee agenda:

LAFCo Executive Board seat currently held by Naomi Patridge. Ms. Patridge will retain her seat on LAFCo until someone has been appointed.

If you are interested in this position, please send a PDF of your letter of interest on your city's letterhead, signed by you and emailed to me at rxromero@smcgov.org or faxed to (650) 363-1916 no later than 3:00 p.m. on Thursday, May 9th.

Thank you,
Becky Romero
City Selection Secretary
rxromero@smcgov.org
(650) 363-1802 Direct
(650) 363-1916 Fax

Save Paper.
Think before you print.

Save Paper.
Think before you print.

Subject: Added item to the May 17th City Selection Committee Agenda
Importance: High

**** High Priority ****

Hello Honorable Mayors and Councilmembers:

The Executive Director of HEART, Mark Moulton has requested that John Seybert's vacant seat be added to the City Selection Committee agenda for Friday, May 17th.

The position represents Cities for a term of 3 years, ending the last day of February.

If you are interested in this position, please send a PDF of your letter of interest on your city's letterhead, signed by you and emailed to me at rxromero@smcgov.org or faxed to (650) 363-1916 no later than 3:00 p.m. on Thursday, May 9th.

Thank you,
Becky Romero
City Selection Secretary
rxromero@smcgov.org
(650) 363-1802 Direct
(650) 363-1916 Fax

TOWN COUNCIL WEEKLY DIGEST

Friday – May 3, 2013

1. Agenda (Action) – Planning Commission – Wednesday, May 1, 2013
2. Agenda – Bicycle, Pedestrian & Traffic Safety Committee – Wednesday, May 7, 2013
3. Agenda – Emergency Preparedness Committee – Thursday, May 9, 2013
4. Agenda – Cable & Undergrounding Committee – Thursday, May 9, 2013
5. Agenda – Cultural Arts Committee – Thursday, May 9, 2013
6. Letter from Karen Kristiansson, Principal Planner re: Planning Commission record related to General Plan consistency and artificial turf examples
7. Memo from Nick Pegueros, Town Manager re: Weekly Update – May 3, 2013

Attached Separates (Council Only)

1. Invitation from LAFCO - Notice of Public Hearing for Consideration of Adoption of Proposed Net Operating Budget for Fiscal Year 2013-14 – April 28, 2013
2. Request from ABAG – Local Actions needed to Support Producer Responsibility for Managing Batteries, Pharmaceuticals, Sharps and Other Products – April 23, 2013
3. Certificate of Recognition from Senator Jerry Hill re: On a successful Earth Day Celebration And Congratulations for Promoting Sustainability and Preservation



TOWN OF PORTOLA VALLEY
REGULAR PLANNING COMMISSION MEETING
 765 Portola Road, Portola Valley, CA 94028
 Wednesday, May 1, 2013 – 7:30 p.m.
 Council Chambers (Historic Schoolhouse)

ACTIONS

Call to Order, Roll Call 7:35 p.m.

Commissioners McIntosh, Targ, Vice-Chairperson Gilbert and Chairperson Von Feldt present. Commissioner McKitterick absent.

(Also present: Jeff Aalfs, Town Council Liaison; Tom Vlasic, Town Planner; Steve Padovan, Interim Planning Manager; Karen Kristiansson, Principal Planner)

Oral Communications **None**

Persons wishing to address the Commission on any subject, not on the agenda, may do so now. Please note, however, the Commission is not able to undertake extended discussion or action tonight on items not on the agenda.

Regular Agenda

1. Proposed Planning Program and Budget for Fiscal Year 2013-2014

Town Planner Vlasic provided a staff report that included a report on the status of the current fiscal year Planning Program and budget, the work to be completed in the next few months and the proposed program and budget for the next fiscal year. The Commission opened the item for public comment of which there was none. Upon close of public comment, the Commission briefly discussed several projects. The program and budget were forwarded to the Town Council with no changes.

Commission, Staff, Committee Reports and Recommendations

Town Planner Vlasic updated the Commission on the May 8th Town Council review of the Priory project, the revival of the Sausal Creek Associates project, and a future meeting on the thinning of vegetation along Portola Road. He also provided follow-up information to the 18 Redberry tree removal issue, changes to the Neely Conditional Use Permit application, and the May 13th joint field meeting at the Neely site.

Approval of Minutes: April 17, 2013 **Approved 4-0-1 as corrected.**

Adjournment: **8:25 p.m.**

ASSISTANCE FOR PERSONS WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Assistant Planner at 650-851-1700 ext. 211. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Any writing or documents provided to a majority of the Town Council or Commissions regarding any item on this agenda will be made available for public inspection at Town Hall located 765 Portola Road, Portola Valley, CA during normal business hours.

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley branch of the San Mateo County Library located at Town Center.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge a proposed action(s) in court, you may be limited to raising only those issues you or someone else raised at the Public

Hearing(s) described later in this agenda, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing(s).

This Notice is posted in compliance with the Government Code of the State of California.

Date: April 26, 2013

CheyAnne Brown
Planning Technician



TOWN OF PORTOLA VALLEY
Special Bicycle, Pedestrian and Traffic
Safety Committee
Tuesday, May 7, 2013 – 7:00 PM
Historic Schoolhouse
765 Portola Road, Portola Valley, CA

AGENDA

1. Call meeting to order
2. Roll Call
3. Oral Communications
4. Approve Minutes from April 3, 2013 meeting
5. Sheriff's Report
6. Corte Madera Neighborhood Workshop – 1 Hour
 - a. Introduction
 - b. Outline of issues:
 - *Alpine Road traffic
 - *Crossing guard
 - *Trail along Alpine Road
 - *Fence Repair
 - *Neighborhood safety
 - *School Crossing signs on Corte Madera Road
 - *Pursue restricting access to "local traffic only" at specified times
 - c. Open discussion on ideas going forward
 - *Vote to conduct neighborhood survey on possible solutions
7. Public Works Report
 - a. Schedule of paving/stripping plan for summer
 - *PV Ranch striping
 - *Striping of crosswalk in Hardware Store parking lot
 - Update on bike lane study
 - Windy Hill update
 - Tree trimming
8. Recap Rodeo
9. Bike to Work Day
10. Public Outreach/Education
 - a. Vote on purchases of items needed for events
 - b. Weekly/Monthly postings on PV Forum, Next-door, Women's Forum
11. Adjournment



TOWN OF PORTOLA VALLEY
Meeting of the
Emergency Preparedness Committee
Thursday, May 9, 2013 - 8:00 AM
EOC / Town Hall Conference Room
765 Portola Road, Portola Valley, CA 94028

AGENDA

1. Call to order
2. Oral communications
3. Review minutes of March & April meetings
4. Review activities of April 6, conclusions and any other inputs. Review memo of action to Town Council
 - a) Volunteers for ASCC May 13 Field Trip
 - b) Volunteers for Town Council Meeting May 29 EPC review, AM Radio
5. Review plan of action to get the portable EOC on the air, equipment, etc.
6. Subcommittee Reports (Medical Corp., Home Data Collection)
7. Other Business
8. Adjourn



TOWN OF PORTOLA VALLEY
Cable & Undergrounding Committee
Thursday, May 9, 2013 – 8:15 AM
Historic School House
765 Portola Road, Portola Valley, CA

AGENDA

1. Call meeting to order
2. Minutes: Approval of January 2012 minutes
3. Communications from Members of the Public
4. Old Business
 - Town Council Resolution. Status.
 - Samcat
5. New Business
 - Discuss committee charter
 - Measurable committee objectives for 2013
 - New member application
6. Adjournment:

Next meeting on Thursday, July 11, 2013 at 8:15 am



TOWN OF PORTOLA VALLEY
Cultural Arts Committee
Thursday, May 9, 2013 - 1:00 PM
Historic Schoolhouse
765 Portola Road, Portola Valley, CA

AGENDA

1. Call to Order
2. Oral Communications
3. Approval of April minutes
4. Old Business:
 - Budget
 - Summer Concert Series
 - Art at the August Concert
 - Holiday Faire
 - ✓ Venue & Chairman
 - Art Preservation projects
 - Art in Action projects
 - Publicity for events
 - PV Newsletter
 - Committee membership
5. New Business:
6. Adjournment



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Karen Kristiansson, Principal Planner

DATE: April 26, 2013

RE: **Key documents in the Planning Commission record related to General Plan consistency and artificial turf examples**

At its April 24, 2013 meeting, the town council determined to hold a public hearing specifically on the artificial turf component of the Priory's proposed project and whether the artificial turf is consistent with the goals and purposes of the general plan, as is required in order to make Finding #6 for a conditional use permit amendment. The council did not indicate that their decision to conduct a public hearing was based upon the need for new evidence or testimony. Staff, therefore, understands that the council found the information contained in the Planning Commission's record on this matter complete. The complete record can be found at: www.portolavalley.net/prioryfield.

This memo is intended to guide council members to key documents in the planning commission record that relate to general plan consistency. If after reviewing these key documents, there are any questions or requests for specific information, staff respectfully requests that council members make those known to staff by Wednesday, May 1st so that staff will have time to address those questions in the staff report that is being prepared to assist the town council in its consideration of this item on May 8, 2013.

In addition, town council members are encouraged to visit the Priory site prior to the public hearing. Individual council members can contact staff to make arrangements to visit the site.

Key Items from the Planning Commission Record

The list below, which is in chronological order, contains links to documents from the planning commission record that specifically discuss general plan consistency.

- 1) Staff report for the [December 5](#) planning commission meeting, pages 4-7 and the attachment immediately following the staff report on the general purpose and intent of the zoning code and General Plan
- 2) Mitigated Negative Declaration/Initial Study, [as adopted](#) by the planning commission, pages 40-41 (aesthetics) and 140-142 (land use and planning)
- 3) Minutes from the ASCC meeting of [January 14](#), pages 8-9
- 4) Response to comments document, which was discussed at the [March 6](#) meeting, pages 5-10 and 21-24
- 5) Staff report for the [March 6](#) planning commission meeting, pages 6-8
- 6) Minutes of the planning commission's [March 20](#) meeting, especially pages 12-15, although there are related comments throughout the minutes

Local Fields with Artificial Turf Field

Council members may also want visit an artificial turf field. There are several in the area which use the same fiber material as is proposed at the Priory. However, it is important to note that all of the examples are striped and fenced, which would not be the case at the Priory. In addition, none of the fields use the same infill material as is proposed for the Priory; all use black rubber pellets made from recycled tires instead of the green pellets made from TPE (FieldTurf's "EcoFill" product). Viewing these fields can be helpful nonetheless as it is primarily the fiber which is visible from a distance. More information about the sample locations is provided in memos dated [March 12](#) and [March 18](#). The locations are:

- Cupertino High School, 10100 Finch Avenue, Cupertino
- Homestead High School, 21370 Homestead Road, Cupertino
- Lynbrook High School, 1280 Johnson Avenue, San Jose
- Monte Vista High School, 21840 McClellan Road, Cupertino
- Burlingame High School, 1 Mangini Way, Burlingame
- DeAnza Community College, 21250 Stevens Creek Blvd., Cupertino (The football/soccer field with the "DA" logo and end zone letters is the one with the same fiber that is proposed at the Priory. There is also a soccer field at DeAnza that uses an older product and just has stripes.)
- Cunha Middle School, 600 Church Street, Half Moon Bay (This is a closed campus and we would need to arrange for a pass to view this field. Please contact Karen if you would like a pass.)

Cc: Nick Pegueros, Town Manager
Tom Vlastic, Town Planner
Steve Padovan, Interim Planning Manager
Leigh Prince, Town Attorney



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council
FROM: Nick Pegueros, Town Manager
DATE: May 3, 2013
RE: Weekly Update

The purpose of this report is to provide a summary update on items/projects of interest for the week ended May 3, 2013.

1. **Ford Field Project** – The Alpine Little League delivered their \$100,000 contribution to the Ford Field project this week. Staff is in the process of seeking advances from the State and from the Sand Hill Foundation for their grant contribution to the project.
2. **High Fire Danger Signs** – The High Fire Danger sign program is back and you should see the banner at Town Center and in neighborhoods around town when an advisory is in place. Information on the program can be found on the CERPP website:
www.cerpp.org/fire/high-fire-danger.html
3. **Exterior Library Walls** – Staff removed a sealer that was applied to several exterior walls as a test several years ago and which resulted in noticeably different weathering compared to the untreated walls. The walls now blend much better and enhance the beauty of the facility even more.
4. **Affordable Housing Committee** – The affordable housing committee met again this week and made some significant progress on the development of a mission statement and both overarching and specific criteria to evaluate housing programs. [The agenda packet for that meeting can be found by clicking here.](#)