

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 862 JUNE 26, 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: Nick Pegueros, Town Manager  
Sharon Hanlon, Town Clerk  
Sandy Sloan, Town Attorney

ORAL COMMUNICATIONS

Addressing the increasing problem of aircraft noise, Victor Schachter, Golden Hills Drive, said it's been established statistically that 183 flights flew over Portola Valley at less than 10,000 feet within a 24-hour period on Memorial Day at a constant stream at two- to three-minute intervals, so there was no pause between them. Of these flights, 142 arrived from airports around the world. This continued through June, he said; for example, on June 18, 13 flights per hour on average flew over Portola Valley from 7:00 p.m. to 1:45 a.m., with 18 flights between 11:00 p.m. and midnight, 18 flights between midnight and 1:00 a.m., and 10 flights in the 45-minute window from 1:00 a.m. to 1:45 a.m.

Mr. Schachter reviewed some comments from the PV Forum:

"I was not one bit surprised to be awakened around midnight by a series of unbelievably loud airplanes, three in a row, about one a minute, sounded like either private jets or military planes, and then two more that were clearly commercial flights flying at a very low altitude. It was so loud I had to shut all the doors and windows in our bedroom. We sold our house in Burlingame to come to the quiet community of Portola Valley."

Mr. Schachter said we are not an extended runway to the San Francisco Airport and his focus group will continue to press on. He happily reported that UPROAR group was represented at their last meeting. He said around 2005 UPROAR was the group that showed up with 200 people at Rep. Anna Eshoo's office and as a result an agreement was reached – which he said the FAA has denied ever existed – to the effect that these planes would be flying at a certain altitude. He said UPROAR has contacted some other community leaders in the area to keep them informed. He said they would press on with a political initiative with Rep. Eshoo. He also noted that Congresswoman Jackie Speier's representative has been to the SFO Airport Community Roundtable meetings and is now interested in joining with them. They also hope to get Sen. Dianne Feinstein involved.

According to Mr. Schachter, there is a rising community of voices from our community and our related communities, and they're also trying to contact people statewide. He said San Jose is also having an issue. He said they will press on in the political sphere and will continue to work with the Roundtable. He said at times his group is very alone in the process, but is building toward a critical mass in moving forward. He said they hope to go live with an internet access where the community can log on and the group can accumulate material to can distribute to political leaders and others. He said the combined voices will speak very loudly to Ms. Eshoo and Ms. Speier. He said they will get the ear of the FAA, but the FAA is stiff-arming in terms of responses that they've received formally and otherwise, so the needle continues to move at a very slow pace. He thanked the Council for their continued support.

In response to Councilmember Derwin, Mr. Schachter said he thought it was Brian Perkins, but would confirm the name. An extremely good listener, he said he found the statistics extremely credible and got

their attention. He was clearly recommending to Ms. Speier that she get more heavily involved. He said they would first meet with Ms. Eshoo and then the FAA.

CONSENT AGENDA [7:35 p.m.]

- (1) Approval of Minutes: Town Council Regular Meeting of June 12, 2013 [*removed from Consent Agenda*]
- (2) Ratification of Warrant List: June 26, 2013 in the amount of \$ 300,413.54
- (3) Recommendation by Administrative Services Manager: Approval of Investment Policy
  - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting Town Investment Policy (Resolution No. 2596-2013)
- (4) Recommendation by Administrative Services Manager: Approval of 2013-2014 Appropriations Limit
  - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Determining and Establishing the Appropriations Limit for 2013-2014 (Resolution No. 2597-2013)
- (5) Recommendation by Administrative Services Manager: 2013/2014 Woodside Highlands and Wayside II Road Maintenance District Tax Assessments
  - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2012-13 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2598-2013)
  - (b) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Wayside II Road Maintenance District to the 2013-14 Tax Roll and to Collect the Tax at the same time as the General County Taxes (Resolution No. 2599-2013)

By motion of the Council approved the Consent Agenda with the following roll call vote:

By motion of Councilmember Driscoll, seconded by Councilmember Aalfs, the Council approved the Consent Agenda Items 2 through 5 with the following roll call vote:

Aye: Councilmembers Aalfs, Derwin and Driscoll; Vice Mayor Wengert, Mayor Richards

No: None

- (1) Approval of Minutes: Regular Town Council Meeting of June 12, 2013

Councilmember Driscoll moved to approve the minutes of the June 12, 2013 Regular Town Council Meeting, as amended. Seconded by Vice Mayor Wengert, the motion carried 5-0.

REGULAR AGENDA

- (6) Public Hearing: Adoption of the Fiscal Year 2013-2014 Budget [7:38 p.m.]
  - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting the Operating and Capital Budgets for Fiscal Year 2013-2014 (Resolution No. 2600-2013)

Mr. Pegueros highlighted some of the budget changes and covered new information received since the budget was printed. He pointed out that we again have an ever robust capital program, service levels, and employee comp changes. Since the last budget, we had included an anticipated reduction in the fees the Town will receive for rental of the Community Hall. He reminded the Council that an issue came out earlier regarding private events at Community Hall, when staff decided to look further at that policy. He said that a recommendation from that evaluation to reduce the number of such private events would come to the Council in July 2013. If Council approves the recommendation, he said it would result in a reduction of revenue next year. To be conservative, he said he anticipated the lower revenue in the budget.

Mr. Pegueros also said that the San Mateo County Assessor has revised projected increases in property taxes from 3% to 6% for next year. He and Ms. Sloan would meet on July 1, 2013 with the County to talk about the recalculations, so the budget doesn't yet reflect the increased amount. He said they don't really know what the impact of the excess Educational Revenue Augmentation Fund (ERAF) reduction will be. The County initially expected no impact in FY 2013-14, and the budget was prepared with that assumption. While the increase definitely came as a welcome surprise, Mr. Pegueros cautioned that some minor issues may slightly temper the increase.

The Town's General Fund balance for a five-year period shows it is relatively stable with no significant increases expected for the upcoming year. With respect to the operating surplus, Mr. Pegueros reported a very solid trend of revenues exceeding expenditures. The major revenue assumptions include:

- Property taxes up 3%

The property tax revenues were higher this year because of a one-time repaying of the Proposition 1A loan, which was about \$137,000. The property tax assumptions include no loss of excess ERAF; however, that may be changing.

- Permit fees and user fees are up 2.5% largely due to the recently approved adjustment

Mr. Pegueros noted that the adjustment wouldn't go into full effect until August.

- \$40,000 in anticipated project chargebacks by in-house staff
- \$20,000 reduction for private parties

Overall, on the personnel side, salaries would increase by about 5%, mostly due to the upgrade of the Planning Manager to the Deputy Town Planner position, plus a 2.5% increase in the allowance for merit-based salaries (\$25,000). Pension costs for FY 2013-14 are stable, Mr. Pegueros said, but the Town must start planning for significant increases in future years. An increase of 10.7% for medical, dental and vision insurance costs is in the budget, as is the 11.5% increase in rates based on CalPERS projections. The budget also includes an auto allowance for the Public Works Director, and a 15% reduction in the Workers' Compensation insurance premium.

On the expenditures side, the budget doesn't include Blues & Barbecue, approximately \$5,000 total planned for 2014, but the actual event will not be in 2013. The election is \$14,000. There is a reduction in the contract planning services as part of the transition of Karen Kristiansson onto staff as Deputy Town Planner.

The most notable change in capital improvements is the street resurfacing program, which is larger than usual due to a federal grant. The Town's certified Housing Element makes Portola Valley eligible for these funds, Mr. Pegueros said.

Councilmember Aalfs asked whether there's any allowance for the Town's 50th Anniversary celebration. Mr. Pegueros said yes, that budgets for the Town Picnic and all events have increased to anticipate

adjunct events. At this point, they don't know whether there would be a separate event or something planned in conjunction with another event.

Bill Urban, said that the Town has already introduced the cafeteria plan as a step toward containing the costs of health insurance, he said, but was unsure about how many people would opt out. If additional cost containment measures are necessary in the coming fiscal year, he asked what those might be. Mr. Pegueros said one of the concerns is that if we anticipate exceeding the budget, which we probably will due to the Affordable Care Act, the Town would have to make up for it somewhere. What would be on the table might be something similar to what other communities propose, such as a cap beyond which employees would pick up the excess. That hasn't been formalized just yet, he stressed, but it's also important to note that the proposed premium increases aren't yet firm, either. When they are, which should be within the next few weeks, he said he'd come back to the Council to specifically address this issue.

Mayor Richards opened the public hearing. There were no comments. [7:48 p.m.]

Councilmember Driscoll moved to approve the budget as amended. Seconded by Councilmember Aalfs seconded, the motion carried 5-0.

- (7) Recommendation by Town Clerk – Calling of the 2013 Election and Giving Notice of an Election to Extend the Current Reduction in the Utility Users Tax [7:50 p.m.]
- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2012-13 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. 2601-2013)
  - (b) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Wayside II Road Maintenance District to the 2013-14 Tax Roll and to Collect the Tax at the same time as the General County Taxes (Resolution No. 2602-2014)

Ms. Hanlon presented a resolution calling for the November 5, 2013 general municipal election, in which three Council seats are up for election due to expiring terms for Mayor Richards and Councilmembers Derwin and Driscoll. In another resolution, she said, voters also will decide whether to continue the reduced 4.5% Utility User Tax (UUT) for four more years (July 1, 2014 through June 30, 2018). If a majority of voters approves this ballot measure, the ordinance would take effect 10 days after the Council certifies the election. She confirmed Councilmember Driscoll's statement that if voters reject the proposal, the rate would go up effective July 1, 2014.

Councilmember Derwin asked if any residents had questioned why the idea of having a UUT at all isn't on the ballot. She said the layperson does not understand the connection with the appropriations limit. Mr. Pegueros said he has not received any questions or concerns. Vice Mayor Wengert suggested outreach to the community to let them know the election is coming up and what's on the ballot, because someone always comes forward saying they didn't know about something. Councilmember Driscoll suggested a PV Forum posting to alert the majority of the community. Ms. Hanlon opined that perhaps questions or concerns don't surface because people don't understand what's going on. She said maybe they think the UUT would be up again, not about whether they want a reduction. Councilmember Derwin said she's little nervous about it. Vice Mayor Wengert said it's never been very clear, and because people always discuss and debate the UUT, she wondered if they might develop a strategy to clarify it.

Mr. Pegueros attempted to summarize. He said the General Purpose UUT was established at 6.5% by ordinance of the Town Council. He said 1987 was the first time it was put on a ballot, and that authorization was for a four-year period ending June 30, 1992. In 1993, another ballot measure reduced

the General Purpose UUT to 5.5%, with no expiration date specified. It was also in 1993 that the appropriations limit override for a four-year period was put on the ballot for the first time.

In response to a question, Ms. Hanlon said she thought that was the first time an override of the appropriations limit was necessary, because apparently the Town Manager at that time determined that the appropriations limit was going to be hit. Meanwhile, the 5.5% from 1993 remained on the books, Mr. Pegueros said, and then in 1997, a measure to establish a 2% UUT for open space was on the ballot.

In response to Councilmember Derwin, Mr. Pegueros said the 2% UUT for open space – like the 5.5% General Purpose UUT – had no sunset clause. A need for the appropriations limit override surfaced again in 1997, with overrides of the extensions approved in 2001 and 2005. Then in 2006, he said that in a special election voters approved a temporary reduction of the UUT to 4.5% (through to June 30, 2010). The 4.5% rate was renewed again in 2009, remains in force through 2014. Councilmember Driscoll recalled that 2006 reduction was proposed in an attempt to make it a more palatable measure by giving the voters a little bit of relief. Ms. Sloan said it was right after we found out the County hadn't been giving us our TEA-shift (Tax Equity Allocation) money.

Mr. Pegueros said the proposal before the Council tonight is to authorize the ballot measure for the temporary reduction to continue through 2018. If there is no action, the UUT would go back to 5.5% effective July 1, 2014. The Town Council discussed the appropriations limit calculations, which demonstrated no need for an override, at its meeting on June 12, 2013, and approved that on tonight's Consent Agenda.

Councilmember Derwin asked how one would go about challenging the UUT in general. Ms. Hanlon said they could draft an initiative whereby voters could take a legislative action to repeal it.

In response to Councilmember Driscoll, Mr. Pegueros said the 2% for open space is not on the ballot at this time, and hasn't been since 1997.

Councilmember Driscoll said he wished there was a way to simplify it because it's so confusing that people don't know what they're voting for. Vice Mayor Wengert said the history is very useful, and while agreeing with Councilmember Driscoll that it helps explain how convoluted it is, she said it at least gives some background as to why it's so difficult for people to understand.

Councilmember Derwin asked if this is how it is in other cities. Ms. Sloan said she doesn't know of any other city that votes on appropriations limit every four years. It's puzzled her since she came to the Town in 1996, and every four years she asks questions about it. She said once she learned that other cities weren't having these elections, she researched it and determined that if you're going to bump into the appropriations limit, you must have the election – not to continue the tax, but to continue spending the money. She said this last year, Mr. Pegueros, with his finance background and a fresh perspective, really looked into it in depth and together they decided as a double-check to turn to the municipal tax attorney they use. She said this attorney agreed with Mr. Pegueros approach, so they feel comfortable about it.

Councilmember Derwin said she did not want the Council accused of pulling a fast one. Councilmembers discussed Vice Mayor Wengert's idea of putting all of the election information on the Town website, along with the history of the UUT issue, and direct citizens there. Vice Mayor Wengert said the more information we make available on the ballot will make it more understandable. Councilmember Driscoll said to summarize the history in a very succinct memo would be very helpful. Councilmember Derwin said it should also be explained why it is necessary.

Mr. Pegueros said the Town definitely needs the money. Councilmember Driscoll said he noticed the buffer is being built up again, that we are continually spending less than we collect, so people who oppose taxes in general may look at that and say we're overtaxing. Mr. Pegueros said the Finance Committee assessed projections, the concern over pension obligations surfaced. In that context, he said the Committee recommended that the Town consider designated almost half of our reserves to that,

which will be coming back to the Council. He said while the Town's surpluses are healthy, the reality is that some of our costs are going up, particularly personnel. Ms. Sloan said Menlo Park and Palo Alto have UUTs.

Ms. Sloan, referring to a court decision that rejected taxes on cell phones, noted that more and more people are giving up their landlines, and apparently the courts felt the cell providers get a franchise from the Town to use the street and the wires on the Town property and therefore we have the ability to essentially tax them.

Ms. Sloan also pointed out that when Council seats are unopposed, new Councilmembers may be appointed rather than elected, but that cannot be done if there's another measure on the ballot. In other words, if people are coming out anyway, the law provides that they also vote on Councilmembers.

Mayor Richards asked for further comments or questions.

As a historical note, Bill Urban, a member of the Finance Committee, said about six or seven years ago when the Council was talking about the UUT, some citizens had a good idea – suggesting it may be possible to replace the UUT with a tax that's deductible, by adding it to the property tax or a parcel tax. If the UUT were deductible, the Town could still raise \$800,000 but it would actually cost taxpayers \$550,000 or \$600,000 out of pocket. Mr. Urban said he doesn't know whether anyone has explored the technical or legal issues of doing making the tax deductible.

Councilmember Driscoll wondered whether the cost of drafting such a measure to add to the property tax to make it deductible wouldn't be greater than the amount taxpayers would save. Mr. Urban said it would not only eliminate the need to put the UUT on the ballot every four years issue but replace it with something people could understand, because they know what parcel taxes and property taxes are.

Councilmember Aalfs said if the school district has a parcel tax, if we were to do a parcel tax it would be on top of that. When Councilmember Derwin pointed out that seniors can be exempt from the parcel tax, Ms. Sloan clarified that the exemption applies to school parcel taxes but not all parcel taxes.

Vice Mayor Wengert moved to adopt the resolution of the Town Council calling and giving notice of the holding of a general municipal election to be held on November 5, 2013, for the purpose of electing three members of the Town Council. Seconded by Councilmember Aalfs, the motion carried 5-0.

Councilmember Aalfs moved to adopt the resolution of the Town Council of the Town giving notice of the holding of a general municipal election to be held on November 5, 2013, for the purpose of submitting to the voters of the Town a ballot measure authorizing the extension of the reduction in the Utility Users Tax. Seconded by Councilmember Driscoll, the motion carried 5-0.

Ms. Sloan said regarding the resolution regarding the continuation of the reduced UUT, she writes an impartial analysis and up to five people can write an argument in favor. suggested the Finance Committee think about who those five people should be. As liaison to the Finance Committee, Councilmember Aalfs said he'd work with the Committee on that. Ms. Sloan said anybody who wants to may also write an argument against the measure, and Jack Hickey in San Mateo County usually writes against anything to do with taxes.

#### COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS [8:12 p.m.]

- (8) Request from the Nature and Science Committee: Proposed Nature Center at the MROSD's Hawthorns Site

Nature and Science Committee Chair Yvonne Tryce said the Committee has been trying for a long time to have a nature center open to the public. She said now that the Midpeninsula Regional Open Space

District (MROSD) has obtained the Hawthorns property, the Committee is seeking the Town Council's blessing to pursue developing a nature center there.

Councilmember Aalfs said the Committee laid a bit of groundwork and identified some people who are interesting in supporting it. He said we wouldn't want one building in the middle of a bunch of dilapidated structures and it would take two or three other projects such as what Nature and Science is proposing, so he'd suggested forming a coalition to rehabilitate that property. He has been told it would take \$10 million or so. He said the Committee has reached out to the Historical Resources Committee, and he spoke today with Planning Commission Chair Alexandra Von Feldt. He noted also that Mr. Pegueros has spoken informally with Acterra, which might be looking for a new place and expressed interest in space at the Hawthorns. He said Acterra wouldn't likely be in a position to raise a lot of money, but could certainly provide volunteers. He said it's worth exploring.

Mayor Richards said it calls for an overall master plan to deal with parking, traffic, security and all the other general things involved with a site such as the Hawthorns, in addition to the issues of the individual buildings. He said it really needs to start with MROSD's involvement and developing a plan. Councilmember Aalfs agreed they'd need a master plan to make something happen

Vice Mayor Wengert agreed that it requires a very large top-down view and MROSD is in the position to that; at this stage, the Town is a secondary player. She said in her experience with a large multifaceted projects that involve a lot of players doing a lot of different things, the steward – in this case MROSD – must initiate and prioritize and determine its vision for that property. She said it is likely it could include something like this, but we just don't know and we don't know how quickly they'll be able to do anything. She said she applauds all the Committee's energy in trying to get this venture going.

Ms. Tryce said Nature and Science Committee member Paul Heiple, also is a very active member of MROSD's Vision Plan Community Advisory Committee, has reported that MROSD wants more close-in facilities, so it's probably an ideal location for what the Nature and Science Committee has in mind. Vice Mayor Wengert agreed, adding that a number of different things on that property would be terrific for the Town for the Nature and Science Committee. She said it's hard to know how to start the process and where the resources come from. Ms. Tryce said that's why the Committee surveyed different people and came up with a number of well-known individuals who are willing to participate financially. In the same way they were able to raise money for the Sausal Creek and that sort of thing, she said she thinks this will be a similar venture. Vice Mayor Wengert says that's a terrific way to look at it.

But, Vice Mayor Wengert repeated, MROSD is the driver as opposed to the Town, because the Town doesn't own the property. Ms. Tryce said she agrees, but unless we throw in our ideas, MROSD won't see them, which is why she feels it's important to get in and talk to them now. She said one of the MROSD office people told her it was time for the Nature and Science Committee to start talking to them, probably for this very reason, so they don't go off in a certain direction without hearing the input from the Nature and Science Committee, so they can at least clearly know what we have in mind. She said MROSD needs to understand 50 people have already stated their willingness to support it.

Councilmember Driscoll said in talking to MROSD management a couple of years ago when this first came up, Board members had expressed discomfort about taking the lead on something like that because their task is to manage open space and this these historic structures are out of their norm. Councilmember Aalfs said he doesn't know what the right solution is, but wondered if we shouldn't form some sort of independent committee that includes representatives of both the Town and MROSD representatives. He also suggested that if a couple of groups banded together, like Nature and Science and Historic Resources and others, that could move the needle somewhere.

Mayor Richards said it would be great to do something without further taxing our already overtaxed staff, because that's also a major issue. Councilmember Aalfs said there are currently four groups – Windmill, Nature and Science, Acterra and Historic Resources have all talked about that property and it always comes back to, "Do you really want your structure in the middle of derelict buildings?" Whereas now he

thinks we've almost got a critical mass. Vice Mayor Wengert said whoever is tasked at MROSD will have to step back and say, "Wait, what are we doing with this property?" in a specific way. She said they will either say this is priority 5 out of 10 and we're not going to touch it for four years, or the priority is somewhere in the top tier so we will potentially put resources – their staff – behind it. She said we have a great and very interested group of people and that's terrific, but we need a sense of where this is among MROSD's Peninsula's priorities. Councilmember Aalfs agreed and said the Nature and Science Committee wants to take a lead in trying to answer that question.

Ms. Tryce said she spoke with a couple of MROSD Board members and an administrator about a year ago, and they were very favorably inclined, so at least two or three people there are supportive. But hanging back and waiting for things to happen would make the process take even longer, she contended, so we need to take some action. She is not suggesting we necessarily commit the Town in any way, she said. Councilmember Aalfs suggested she convey the fact that the Town has a couple of bodies, Historic Resources and Nature and Science, that are interested in the property and can actually help raise some funds.

Mayor Richards said the initial step is to find out where it is on their radar. Mr. Pegueros said when he talked to the MROSD General Manager, he got the impression that whatever happens at this site is at the bottom of their list. He said they don't have the staff resources and they have a whole queue of projects. He said that may have changed, he doesn't know, but his most recent conversation with him indicated that it's at the bottom of their list. He said the Town's most recent interaction with the MROSD with respect to the tree clearing at the Meadow Preserve, MROSD staff was relatively supportive of doing something, but only if the Town managed it and paid for it. He said any initiative would need to be led by either the Town or MROSD and he doesn't know that MROSD is ready to lead the initiative at this point.

Vice Mayor Wengert suggested a first step may be for Mr. Pegueros to do a reconnaissance of the MROSD Board and the executive level, because the people there are in the decision-making role, to get a feeling for how much if any resources they're willing to commit. Vice Mayor Wengert said property that size would require a master plan; she recollected the planning for the Town Center project not being a matter of going building-by-building, but having a whole master plan.

Councilmember Driscoll said that with the Town Center, they gathered a bunch of different designs and there was a common design process, sort of a master plan, that originally had four buildings that was cut back to three buildings and fundraising didn't begin until that process was complete. It's that sort of planning process that usually kicks off something like this. She said it would be unusual for a non-owning entity to take the lead on a major plan, because it is expensive in terms of time and people. She's not saying we should or should not do it, she's just sort of explaining that she thinks the process would be most efficiently managed by MROSD.

Mayor Richards said he'd see if he could get a sense from MROSD of where they think they're headed and where they've got it on their list and the priorities.

Ms. Tryce said in addition, to get an overview of what the whole property might look like, since we were talking about not having just one building but multiple buildings that are falling apart, they wanted to set up a meeting of whoever wanted to come to talk to people from the Historic Resources, the Conservation Committee, and so forth, and just see what we can look at. She said it could very well be that they want to use the main house for history or an art gallery. She said there are a numerous options to be thinking about. She said in order to present to MROSD, we need to get started. "We've got the momentum now, and if we just drop it and let it go, it's not going to happen."

Vice Mayor Wengert said in her view, it just needs to be part of a bigger plan, that whatever is proposed is to be part of a long-term solution for that property. The question, she said, is how you get there. She said Ms. Tryce is absolutely right that it might be a terrific use for all of these different functions we're talking about, and if MROSD is looking at this, they're asking how they would fund it and have an operating budget to sustain it. She said it's doable, but it's a big issue in the sense that somebody has to

own the project, the whole property, not just one part of it. She said she doesn't want the Committee to get excited about doing something and have a really good plan for how to fund it and get it going, and then because they haven't figured out the whole property, have it all fall apart at the last minute, after they've done an awful lot of work and gone awfully far down the road, with people committed to raising funds. She said she's not trying to discourage Ms. Tryce, but she thinks it's important to make sure MROSD is committed and able in both resources of time and people, to be able to manage the process.

Ms. Tryce she's thinking along the lines of Friends of Edgewood. Vice Mayor Wengert said that is entirely possible, but even that was fully redone. Councilmember Aalfs said they talked about the same thing; don't go to MROSD saying you can raise \$3 million out of a \$12 million project. That's why he's recommending getting three or four groups together that could raise \$10 million or more. He said Nature and Science is talking to MROSD, and the Council talking to MROSD, also trying to recruit whatever other issues or ventures at that site, so you've got one leg of the stool here. Vice Mayor Wengert said the question is what is the project at the macro level, at the full property level.

Mayor Richards will get that lined up and get back to Ms. Tryce. Ms. Tryce asked to speak with Mayor Richards afterwards and he agreed.

(9) Recommendation by Town Manager – Proposed Office Closures [8:33 p.m.]

Mr. Pegueros said the recommendation is for Town Council approval to close the Town Hall offices on July 5, 2013. He said a number of staff members have requested the day off, and given the minimum staffing, they can't honor those days off. He said it is typically a relatively quiet week to begin with and, barring any natural disasters, we don't anticipate having a service impact. He pointed out that it would not be a paid holiday, but staff members would be required to either use accrued paid time off or take the day off unpaid. He said of the individuals scheduled to work that day, three have indicated they would take the day off unpaid. He said staff would be very appreciative if the Council were to approve that.

He said the second request is to close the Town Hall offices on October 29, 2013, to allow staff to hold their team-building day. He said they are planning an event with morning team-building exercises and an educational component in the afternoon. He said it has been challenging to line everyone up to be in the same place at the same time, but they were able to hone in on October 29, 2013. In response to Councilmember Derwin, Mr. Pegueros said they were looking at the San Francisco Academy of Sciences to hold the team building exercises.

Councilmember Driscoll moved approval of the proposed office closures. Seconded by Councilmember Aalfs, the motion carried 5-0.

(10) Reports from Commission and Committee Liaisons [8:36 p.m.]

Vice Mayor Wengert:

(a) Park and Recreations Committee

The Committee met on June 17, 2013, when:

- Jon Myers reported he will step down as Chair and either Vice Chair Wendi Haskell or Simone Lavallo would take over
- The Committee learned that Ms. Lavallo has recruited four new potential Committee members – Meghan Sweet, Lance Vaughn, Jeannie Warr and Jonathan Bradford
- Mr. Myers said he'd be talking to Mr. Pegueros about the need for softball nets to keep balls from the Little People's Park during softball season

(b) SFO Airport/Community Roundtable

A productive work program subcommittee meeting on June 25, 2013, focused on what percentage of flight/noise problems in the Woodside VOR they are able to tackle. Participants included representatives of Woodside, Pacifica, Brisbane and Portola Valley, plus a team of consultants. She said when one gets past all the nomenclature and terminology – oceanic arrivals, oceanic-tailored arrivals (OTA) and others – essentially 95% percent of flights over Portola Valley aren't subject to any of the regulation because they're vectored flights, which are completely under control of the FAA and Air Traffic Control, so ATC is controlling them from Sacramento.

Councilmember Derwin asked if that meant the Congresswoman would have absolutely no effect. Vice Mayor Wengert said she doesn't want to say that, but was not encouraged, noting how it's all being managed and who has responsibility for the safe arrival and passage of flights, and the fact that we're in what's called the Point Reyes Gate, they turn left over Portola Valley instead of turning right over Moffett Field. She said it may improve over time with technology making the airplanes quieter. OTA, the new NextGen and other things are coming, but they are coming slowly and it's difficult to know how quickly they would actually take effect.

Councilmember Derwin asked why it's worse now. Vice Mayor Wengert said the volume of flights is higher and there is also runway maintenance going on. She said the Roundtable agreed that we have to keep the pressure on to get the FAA to focus on maintaining or raising minimum altitude levels. She said the minimum allowable altitude is 4,000 feet above mean sea level. She said they have that latitude and there is no violation. She said they also heard about how pilots come in as low as possible so they don't have more than a 3% angle of descent. She said there is no question that pressure needs to be maintained for the things we can control, such as the oceanic arrivals, and particularly between the hours of 10:30 p.m. and 6:30 a.m., which is what we are most concerned about with regard to noise levels.

According to what she learned in the meeting, Vice Mayor Wengert said there have been ATC reprimands issued as a result of direct flights. It was pointed out to them that Airport needs to be doing a much better job of communicating. Councilmember Driscoll said when he was on the Airport Roundtable some years ago, there was a list of the planes and airlines that were in violation, and he thinks that sort of publicity would add market forces to help address the problems. Vice Chair Wengert said this is a great idea, but pointed out that a number of larger foreign carriers are at the bottom of the list in terms of compliance. She said there's no question that a noise disturbance exists and is obviously tremendous in other communities as well. She said we're focused on making sure we're in the middle of that environmental impact study related to NextGen, and some new techniques are being used in Europe. Councilmember Driscoll added with increasing automation and if we don't have some influence there, altitudes could be predefined even lower than they are now.

Vice Mayor Wengert said it was the most productive meeting she's ever attended related to the Airport Roundtable.

Councilmember Aalfs:

(c) Nature and Science Committee

The Committee met on June 17, 2013, with discussion centered on tonight's agenda item.

(d) Planning Commission

The Planning Commission held an in-depth study and editing session on the Portola Road Corridor Task Force report at its June 19, 2013 meeting. The next step will be a joint Town Council/Planning Commission session to review the revised draft. Councilmembers Aalfs said it is a good document.

(e) Farmer's Market

Having attended the Farmers' Markets the past two weeks, Councilmember Aalfs reported that they're going very well. The markets are drawing a nice, steady stream of people, but it's not the overwhelming some residents worried about.

Councilmember Derwin:

(f) Sustainability Committee

At their June 17, 2013 Sustainability Committee meeting, members discussed:

- Fire-safe vents

Member Virginia Bacon brought up an issue regarding wanting to use fire-safe vents for her home but didn't know where to buy them. Councilmember Derwin agreed that the Town should be assisting people with that, although she understands we can't point people toward specific vendors. Ms. Bacon will be talking with Dudley Carlson (Portola Valley Ranch Fire Risk Management Chair) to see if she can come up with a list of vendors.

Mayor Richards said Vulcan Vents makes eave vents that melt and seal themselves. He said another company also makes them, but he doesn't think they've been approved yet.

- Climate Action Plan template

Of the 18 measures, Portola Valley already is doing 16, with two to go. Brandi de Garneau, Sustainability and Special Projects Manager, wants to do a voluntary residential energy disclosure so that when someone sells their house, they disclose its energy usage. She said apparently a new state law requires non-residential building sellers to disclose energy usage at the time of sale.

Ms. Bacon opposed this idea, so a subcommittee was formed to look into it a little bit more.

Ms. Bacon said she'd prefer to focus on a transportation measure, trying to encourage people to carpool, for example. Among the options to increase carpooling are the PV Forum and the Peninsula Congestion Alliance.

(g) Architectural and Site Control Commission (ASCC)

During the ASCC meeting on June 24, 2013:

- Commissioners conducted architectural reviews for additions and remodels for homes at 45 Prado Court and 155 Portola Road, with some discussion about concerns about light spilling from a skylight of the new addition on the Prado Court proposal.
- Chair Danna Breen reported that the Planning Commission had a great working session on the Portola Road Corridor; Planning Commissioner Nate McKitterick also commented on the proceedings.

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

The HEART Board met today (June 26, 2013) and discussed a new plan, Opening More Doors, which is looking to raise more than \$200 million over the next 10 years. Councilmember Derwin pointed out HEART is currently an \$8 million agency, wanting to grow to \$200 million. Executive Director Mark Moulton proposed a consultant, whose \$130,000 proposed fee for a feasibility study concerns her, Councilmember Derwin said. After a lot of discussion, they committed to \$50,000 for phase one of the feasibility study. The idea is they can provide 4,000 housing units at \$50,000 per unit. The \$50,000 would come from an unrestricted fund with a \$500,000 balance.

There was a proposal to lend \$700,000 to an agency in need of immediate funding to build affordable housing for the mentally disabled. They will then apply to funds from the Board of Supervisors to be paid back, which has been assured. When they pay it back, HEART will lend it to another organization, like bridge loans.

HEART also discussed extending a loan to partners who are building the Delaware Project in San Mateo, which is a two-part project, with the second piece being moderate-income housing. They stressed that moderate-income housing in the County is particularly challenging; it's the most critically needed but expensive to build.

Mayor Richards:

(i) Cultural Arts Committee

The June 13, 2013, meeting of the Cultural Arts Committee recapped the Art Walk, which drew fewer artists than expected, and also discussed:

- Possible Holiday Fair venues
- What to do with the remaining children's painted tiles, which may go back to the school

(j) San Mateo County Emergency Services Council

The Council discussed the failure to have been using the necessary Form 700s and work on the lease for the big antenna.

(k) Bay Area Urban Shield

A big Urban Shield exercise hosted by Alameda County is on the horizon, a training exercise involving local, national and international first-responder agencies working seven different scenarios. It is scheduled for October 25-28, 2013.

(l) Conservation Committee

During their meeting on June 25, 2013, the members of the Conservation Committee discussed the rotting oak tree in the Schoolhouse parking lot next to Portola Road. Mr. Pegueros reported that an arborist's report is expected on June 27, 2013. The first priority is to remove limbs that overhang where pedestrians walk. Committee members recommended removing branches incrementally over a period of time, so the most critical (dangerous) branches are cut right away, and then eventually cutting down the whole tree.

WRITTEN COMMUNICATIONS [9:09 p.m.]

## (11) Town Council June 13, 2013 Weekly Digest – None

(12) Town Council June 21, 2013 Weekly Digest – None

ADJOURN TO CLOSED SESSION [9:10 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 [9:40 p.m.]

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Mayor

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Town Clerk