

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 880, MAY 28, 2014

Mayor Wengert called the Town Council's regular meeting to order at 7:30 p.m. and led the Pledge of Allegiance. Ms. Hanlon called the roll.

Present: Councilmembers Maryann Moise Derwin, Craig Hughes and John Richards; Vice Mayor Jeff Aalfs; Mayor Ann Wengert

Absent: None

Others: Nick Pegueros, Town Manager  
Leigh Prince, Town Attorney  
Brandi de Garmeaux, Sustainability & Special Projects Manager  
Karen Kristiansson, Interim Town Planner  
Sharon Hanlon, Town Clerk

ORAL COMMUNICATIONS

Louis Ebner, Wyndham Drive, indicating his dissatisfaction with what he considered a short noticing period for the May 18, 2014 Town Council/Planning Commission/ASCC retreat, asked the Town Council to consider adopting a 10-day Agenda Noticing Policy in the interest of transparency as well as encouraging more of a public turnout.

CONSENT AGENDA

- (1) Ratification of Warrant List: May 28, 2014 in the amount of \$452,016.82
- (2) Report from Sustainability and Special Projects Manager: Farmers' Market Quarterly Report
- (3) Recommendation from Town Manager: Consultant Services Agreement with Spangle Associates

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

Aye: Councilmembers Derwin, Hughes and Richards, Vice Mayor Aalfs, Mayor Wengert.

No: None.

REGULAR AGENDA

- (4) Report from Interim Town Planner: 18 Redberry Permit Release

Ms. Kristiansson presented her staff report which asks the Town Council to review the restoration efforts on the subject property to determine whether to allow release of the building permit to construct a house. The March 14, 2014 Restoration Monitoring Report from Rana Creek, included in the Council packet, concludes that the restoration effort continues to mature as expected. According to Ms. Kristiansson, both the Planning Commission and the ASCC considered the progress of the plantings and the screening they'd provide for the house and reviewed computer-generated models from various angles.

The ASCC approved the architectural review at of the project its April 14, 2014 meeting, and recommended that the Town Council allow release of building permits for the project. The Planning Commission approved the site development permit at its May 7, 2014 meeting. Conditions of Approval include requirements for continued monitoring of plantings. Given progress to date, the Conditions of Approval, commission recommendations, the \$65,000 cash deposit and continued sureties with the Rana Creek contract, staff also recommends release of the building permits.

Mayor Wengert asked how long the \$65,000 surety bond is in place and what the requirements are for its release. Ms. Prince said if all looks as it should in 2.5 years, a portion of it gets released and the Town will retain \$30,000. The rest would be released upon completion. In response to a further question, Ms. Kristiansson said that the owner would be required to replace any plantings that die.

Vice Mayor Aalfs said he's comfortable with the recommendation to release the building permits.

Councilmember Derwin, indicating that she hopes there was a lesson learned here for the property owner and others, said it's time to let him move ahead with his project.

Councilmember Hughes, who was involved with this matter as an ASCC member before coming to the Town Council, said the restoration is heading in the right direction.

Councilmember Richards said it's the best we can hope for, and he's pretty happy with the way it's been pursued.

Mayor Wengert agreed, noting that the owner has been very responsive and it's a positive outcome at this point, invited a motion.

Councilmember Richards moved to release the building permits, with the conditions imposed. Seconded by Councilmember Hughes, the motion carried 5-0.

(5) Report from Interim Town Planner: Housing Element Annual Report

Ms. Kristiansson presented her staff report and highlighted that state law requires jurisdictions to produce annual reports each spring, and in addition, the Town's 2009 Housing Element requires ongoing monitoring of three housing programs – Inclusionary Housing, Multi-Family (now called Affiliated) Housing and Second Units. The annual report notes that the Town has adopted all six Zoning Ordinance amendments planned, made progress on the Blue Oaks inclusionary housing by selling the lots, and issued 32 building permits for second units, all but two of the 34 projected. More detailed information on the implementation of the 2009 Housing Element is part of the Evaluation section of the 2014 Housing Element update, which the Town Council will be reviewing in June 2014. Ms. Kristiansson said tonight the Council needs only to review the Annual Element Progress Report, take any public comments and authorize submittal to the state.

Mayor Wengert asked for elaboration on progress on affiliated housing at the Priory. Ms. Kristiansson said that in 2005, the Town approved a master plan for the campus, which included 11 new units and a variety of other projects. She said that Head of School Tim Molak told her they hope to get these units built within the next five years. The timing would depend on fundraising and the status of other construction projects.

Vice Mayor Aalfs asked whether the Priory was considering a different location. Ms. Kristiansson said as they work on implementing parts of the master plan, they want make some adjustments along the way, and a different location for the housing units may be one of the adjustments they would seek.

Councilmember Richards asked the timeframe when the 32 second-unit permits were issued. Ms. Kristiansson said from the second half of 2008 through the beginning of 2014. He said it's amazing that the numbers have come out as well as predicted. It shows that we're doing our best.

Mayor Wengert said she was impressed as she reviewed the Report.

Councilmember Derwin asked whether the second units are being added to existing homes or coming with new building projects. In response, Ms. Kristiansson said most of them are part of new projects, but

we're seeing more than previously being added. She said at least two applications have started the process in the last two months.

Councilmember Hughes said it's good to see that we're on track and continue moving in the right direction.

Councilmember Derwin said that Ms. Kristiansson, Tom Vlastic (now Town Planning Consultant) before her, and before that George Mader always did a fabulous job with the Housing Element. When she was elected in 2005, Councilmember Derwin recalled, then Town Attorney Sandy Sloan told her if something weren't done about those Blue Oaks units, eventually it's going to catch up with us and our Housing Element won't be certified. Councilmember Derwin said she had no idea what Ms. Sloan was talking about at the time, but there were many attempts between 2005 and 2012 to deal with those units. "In 2012 we finally did," she said, applauding the 2012 Councilmembers for the grit, stamina and courage they showed in dealing with it. Had we not sold those units and put the money into an inclusionary fund, she said, she doesn't know that we'd be getting a certified Housing Element this time around.

Vice Mayor Aalfs said it's exciting to see this progress; he said second units and Blue Oaks were both great steps. He hopes it continues with the next Housing Element.

Mayor Wengert agreed with Councilmember Derwin and said that it's was a tough battle but the best outcome is that we did deal effectively and with finality with the Blue Oaks issue and can now move forward. She also said she's happy that the Planning Commission has been working hard on second unit program improvements and other ideas to expand housing programs.

Councilmember Hughes moved to approve the Annual Element Progress Report and authorize its submittal to the state. Seconded by Councilmember Derwin, the motion carried 5-0.

(6) Presentation by Town Manager: Review Proposed 2014/2015 Budget and Set Public Hearing

Beginning with a high-level overview, he said the current fiscal year is ending strong, with revenues higher than budgeted and expenses slightly lower. He then presented his transmittal memo in detail to the Town Council.

Mr. Pegueros noted that sales tax projection of \$300,000 over the current year adopted budget as included in the transmittal memo requires adjustment downward due to an error in sales tax transmittals from Sacramento in the current year. The budget presented on June 25<sup>th</sup> will have a revised sales projection for the current year which would likely result in sales tax exceeding current year budget by \$150,000 to \$200,000.

Significant budget assumptions for 2014-15 as detailed in the memo include: 1) Building permit activity should remain steady, with the small fee schedule adjustment the Council approved at its May 14, 2014 meeting; 2) Assessed values are projected to increase 5% by the San Mateo County Assessor and will increase property tax revenues accordingly; 3) Sales taxes, when scrubbed of onetime events, are projected to grow at 6% in-line with State Board of Equalizations estimates

Focusing on the most significant expenditure areas in the General Fund, Mr. Pegueros said personnel costs represent about 47% of expenditures. The anticipated \$323,000 increase in personnel expenditures for FY 2014-2015, he said, includes:

- \$201,000 for the fully burdened cost for the new Planning Director
- \$100,000 for temporary and special project contract staff

- \$50,000 in merit salary increases
- \$3,500 for a new long term disability benefit which will be presented to the Town Council for consideration at a future date
- \$3,000 for the new tuition reimbursement program

Mr. Pegueros said the cost of medical coverage for employees has remained stable year-over-year, due to the Town Council's adoption of a phased-in employee cost-sharing program implemented in January 2014. Mr. Pegueros said when he evaluates personnel budgets; he looks at both dollars and headcount. Even with the Planning Director position added, he said staff has worked hard to shuffle duties at the front counter and as a result a vacant Office Specialist position has been eliminated. He also noted that the budget includes a considerable but fiscally prudent sum for temporary services. He said temporary services may be more expensive than wages on an hourly basis, but they provide greater flexibility.

The year-over-year increase projected for consultant services in FY 2014-2015 is \$276,000, Mr. Pegueros said. The consultant services would include the final six months of the agreement with Spangle Associates (approved to December 31, 2014 on tonight's Consent Agenda) and consultants to help with some deferred special projects and other items detailed in the transmittal memo.

The Parks and Recreation budget for FY 2014-2015 is \$26,000 higher than in FY 2013-2014. One of the primary reasons for the increase is higher instructor fees as a result of programs expanding and becoming more popular. The contracted instructors receive 80% of the fees for each class, and the Town retains 20%. Field maintenance costs in the new budget are also up; with the drought, all fields need more attention (beyond the biological field management program underway on Russ Miller Field).

Service Agreements comprise mainly the Town's contract with the San Mateo County Sheriff's Department. We're coming on the final year of a three-year contract, which stipulates a 3% increase. The budget increase is somewhat more than that, mainly because the General Fund usually picks up a smaller portion than it will in FY 2014-2015. Mr. Pegueros said the Finance Committee has recommended taking a hard look at the agreement going forward. The increase in Services and Supplies is \$17,000, almost entirely due to funding for the part-time coordinator for the Citizens Emergency and Response Preparedness Program (CERPP) which was conceptually approved in March 2014 by the Town Council.

The Town Center budget is increasing by \$35,000 to fund two primary projects: repairing the central path and buying new chairs and additional cabinets for Community Hall.

The recommended capital program budget of \$408,000 would use the operating surplus plus some savings, for:

- Street and trail improvements of \$163,000 from the General Fund (with other funding from Measure A, Measure M, grants and the last remaining Road Impact Fee funds)
- Redesigning some cubicles and workspaces in Town Hall to accommodate the expansion of Planning Department services (\$40,000);
- Additional Ford Field improvements, covered by donations that have been collected already and will carry over into FY 2014-2015

Equipment purchases included in the budget include a generator to power areas of Town Hall outside of the Emergency Operations Center (EOC). The budget reflects Public Works Director Howard Young's initial estimate (\$100,000), but Mr. Pegueros said refined quotes have raised the cost to \$180,000. Considering the price tag, Mr. Pegueros said we'd have to decide on the best solution.

Also on the equipment list are a large-format printer or plotter that needs replacing (\$10,000), funds to replace the speed trailer and message board (subject to the Town's design review process) with more modern technology (\$15,000) and audio-visual (AV) equipment for Community Hall (\$50,000).

Turning to the Town's reserves, Mr. Pegueros said the total is currently \$2.6 million. The Town Council has earmarked some of the undesignated General Fund balance for three areas, including the unfunded pension liability. As detailed in the transmittal memo, the recommendation for the FY 2014-2015 budget would increase this part of the reserve to equal 33% of the termination liability, which Mr. Pegueros said would be prudent and far more aggressive than what he's aware of in other communities. The 2014-2015 budget marks the first time he would not identify personnel costs as a significant budgetary risk, Mr. Pegueros said, thanks to adjustments in the medical benefit and efforts to cover the Town's unfunded pension liabilities. On the other hand, if an El Niño hits, significant storm damage could create a cash flow issue and at least temporarily reduce property values (and revenue from property taxes).

The budget includes a new section, Priorities for 2014-2015. Staff worked together to identify three areas on which to concentrate their efforts to improve and maintain high-level service, Mr. Pegueros said:

1. Community Service and Engagement, with priorities in staffing (new Planning Director and Deputy Building Official), communications (to address questions and concerns about access to information and consistent communication) and community events
2. Emergency Preparedness, focusing on the EOC, community preparedness and infrastructure readiness
3. Sustainability, with the emphasis on water and greenhouse gas (GHG) issues

He also pointed out that the budget recognizes the vital contribution of volunteers. The cornerstone of the Town and its financial strength are volunteers and last year volunteers stepped in to do work that would otherwise fall to staff, from replacing a damaged hitching rack to supervising the summer concert series to raising funds for the skate park to organizing 50th Anniversary activities and the Town Picnic, removing fallen trees, writing grants and most recently, producing the coyote forum within a week's time. He also acknowledged:

- Administrative Services Manager Stacie Nerdahl and Accounting Assistant Cindy Rodas, whose hard work basically keep the Town's financial ship in order
- Senior staff, who provided most of the data on the expenditure side
- The Finance Committee, a forward-thinking group and excellent sounding board; Mr. Pegueros said the Committee was the driving force behind establishing the reserve funds and updating the Town's medical benefits

Mr. Pegueros indicated that a public hearing on the proposed budget would be scheduled for the June 25, 2014, Town Council meeting.

Mayor Wengert commented that Mr. Pegueros' presentation was very impressive, and invited questions from the Council. Councilmember Richards said the budgets are always laid out so clearly he never has questions, and he likes the new section on priorities.

Councilmember Hughes said both the level of detail and the summaries make it easy to work with the data and find what you want, but he didn't see a figure attached to raising the unfunded pension liability to equal 33% of the Calipers termination liability. Mr. Pegueros explained that the PERS actuarial update, which arrives in December 2014, would be used to determine how close we could get to reaching 33% and presented to the Town Council at that time.

Councilmember Derwin asked whether the link to the termination liability means the Town is considering pulling out of PERS. Mr. Pegueros said it's prudent fiscal management to plan for eventually recording

our unfunded pension liability on the Town's financial statements. In just the last week, he said CalPERS announced a change in how local governments will be charged for pension costs. Instead of being based on a percentage of payroll, which has made CalPERS fall farther and farther behind due to retirements and downsizing, they're moving to a flat dollar amount. In addition, he said CalPERS plans to create jurisdiction-specific unfunded pension liability accounts that jurisdictions can pay down or pay 7.5% interest on those accounts.

In contrast to the aggressive stance being proposed for Portola Valley, Councilmember Derwin said neighboring communities, as far as she knows, aren't even talking about it. It's not on their immediate horizon, Mr. Pegueros said, but he supposed that other jurisdictions' finance staffs are thinking about it. More significantly, in most cities the number is so big they couldn't conceivably deal with it. Mayor Wengert said some colleagues in other communities have indicated they'd have no way to even approach it. Mayor Wengert said while Portola Valley isn't planning to exit CalPERS, the more we can approach the termination liability figure the better off we'd be.

Referring to efforts to reduce GHG emissions and conserve natural resources, one of the Sustainability objectives on the list of priorities in the budget for FY 2014-2015, Councilmember Derwin asked for elaboration on the grant fund to support a pilot school bus program. Mr. Pegueros said the idea of bringing school buses back to Town came up during conversations with the School District about traffic issues in the Corte Madera neighborhood. The School District agreed to look into the costs. To the extent the Town could assist, either through its own resources or any grant funds that may be available, Mr. Pegueros said it could reduce GHG emissions (because the number of trips created by the school have an impact on the Town's footprint) as well as mitigate the traffic problem.

Councilmember Derwin said six years ago, Menlo Park started a school bus program going that was a joint effort involving the School District, the city and the parents, who paid a fee. She said she didn't know whether that program remains in effect.

Councilmember Derwin also asked whether encouraging "the use of fuel-efficient vehicles, including bicycles, by Town staff through incentives" means getting the new Deputing Building Official riding around on a bike. Mr. Pegueros said various ideas have been discussed. The Town might, for example, purchase a bike that staff could borrow at lunchtime.

Vice Mayor Aalfs said the budget summary at the beginning is good, he appreciates the new priorities section as a commentary on where we're going, and the numbers are great.

Mayor Wengert said she completely shares her colleagues' views that the budget is a terrific effort on the part of the entire staff, but had comments in several areas:

- The Sheriff's Department contract; she considers this contract one of the Town budget's greatest risks, and she's concerned that we've underestimated the potential liability for FY 2014-2015, once the new contract comes into play.
- Staffing; on the Town Hall staffing front, she said it's an interesting dilemma in the sense that we've managed to keep ourselves so small in the face of increased demand for services, but the situation may warrant a longer-term look at alternatives so we can maintain the caliber of services and add new ones.
- Investment alternatives; looking at the current interest rate, Mayor Wengert noted (on page 17 of the budget document) that the Town's reserves are invested in the State Local Agency Investment Fund (LAIF), with an average effective yield of 0.233% for April 2014. Now that we have larger reserves than in the past, even those that are designated could be invested longer-term; she suggested the Finance Committee look for alternative potential investment recommendations without assuming undue risk.
- Website issues; Mayor Wengert asked whether the Town website is keeping up technologically. Mr. Pegueros said that staff is looking at the infrastructure this year, and continuation of an

improvement project that was planned for FY 2013-2014. He said he doesn't expect a big change in appearance, indicating that the biggest impact would be in enabling more staff to update the site more efficiently. Staff is also working toward digitizing records to consolidate the paper records, make them more accessible to the public as well as staff, and make better use of office space. Councilmember Richards said digitizing the whole plan check process should be part of that. In response to Councilmember Hughes, Mr. Pegueros said the PIO consultant also would be looking ahead for ways to use technology to help improve consistency of communication and access to information. Mayor Wengert noted that consistent focus on technology should be a priority, because the problems will worsen if we fall further behind.

- Water; as for issues related to water consumption and conservation, Mayor Wengert said if the Ad Hoc Water Conservation Task Force evolves into a very active standing committee, it might make sense to have additional funds available.

With respect to demands on staff, Mr. Pegueros said clearly Town Center has introduced a whole new level of service to the community, but demands are also coming from outside – especially Sacramento and the Regional Water Quality Control Board. Outside agencies are expecting Portola Valley to do the same work effort as larger communities like Redwood City and South San Francisco. He also said that the Town's emergency radio system did not perform to expectations during the Wildland Fire Drill, with Vista Verde and Los Trancos Woods not getting the signal. Mr. Pegueros noted that he is working with EPC Chair Ray Rothrock, to identify solution and will return to the Town Council with a proposal when ready.

With respect to budget amendments, for the water committee or items like the emergency radio, Mr. Pegueros said it's best to do those in the December-January timeframe, because arrival of the first property tax receipts gives a sense of where budget projections stand in terms of revenues.

Resident Louis Ebner said that with fewer volunteers to organize events, Town staff has to pick up the burden they previously provided. He asked for more information about the dimensions of that problem. Mr. Pegueros mentioned three examples: The Community Events Committee no longer exists, so now Town staff organizes the volunteer party. The Trails and Paths Committee no longer runs a program that has schoolchildren picking up litter; that work is left for staff to organize or hire out. Ed Davis is no longer able to provide free support for our Microsoft Access database. On the other hand, when a tree fell on the hitching rack at Town Center, and when a fallen tree blocked a path, volunteers rose to the occasion.

Councilmember Derwin noted that on the Community Events Committee, very few volunteers carried the whole burden and could no longer do so – Michael Bray, Diana Raines, Karen Mobley and Meghan Sweet. Mayor Wengert added that committees also go through lifecycles, evolving and revitalizing over time; examples include the Trails and Paths Committee, and the Bicycle, Pedestrian and Traffic Safety (BPTS) Committee, which had been the Traffic Committee before issues started changing. Councilmember Richards pointed out that recruitment is pretty much handled word-of-mouth by existing committee members. Councilmember Derwin noted that Danna Breen and Cindie White have recruited an army of people for the 50th Anniversary activities.

Mr. Pegueros said one of the PIO's duties would be to develop a list of ongoing projects that could be posted to the website as a forum, inviting residents to help out. Mayor Wengert said recent postings on the PV Forum have sought help with this year's Town Picnic.

Councilmember Hughes noted that the children's theatre and road use fees for construction remain in the budget although they have been dormant for some time. Mr. Pegueros said the Council could change the reserves at any time. With respect to the roadway impact fee, he said that fund would be depleted in FY 2014-15 and no new money would go into it, so that one should go away on its own.

(7) Presentation by Town Manager: Not-for-Profit Agency Funding Requests

Mr. Pegueros said that every year, the Town Council receives requests for funding from nonprofit agencies. This time around, the recommendation incorporates a few changes:

- Shifting the San Francisquito Watershed Project (\$3,000 in FY 2013-2014) into the maintenance budget; if Acterra weren't involved, Mr. Pegueros said, we'd have to hire someone else to do it
- A recommendation to decrease support for the Peninsula Conflict Resolution Center (PCRC) to a nominal \$500 (versus the \$0 recommended in the staff report of May 28, 2014); no Portola Valley clients have used the PCRC for the past couple of years
- Increase Sustainable San Mateo County to \$3,000 (from \$2,775 recommended in the staff report) to \$3,000 (versus a request for \$4,000)

Requests totaled \$9,003, Mr. Pegueros said, and if the Council concurs with the recommended changes, the award to all nonprofit agencies would be \$6,500.

After confirming that the Acterra sum has been moved elsewhere in the budget, Councilmember Derwin asked whether anyone spoke with Acterra about this change. Mr. Pegueros said he has not, but he believes that Mr. Young has and would follow up to double-check.

Councilmember Derwin asked why nothing has been earmarked for Jobs for Youth in FY 2014-2015. Mr. Pegueros said that the Town didn't fund them in FY 2013-2014.

Councilmember Derwin commented that the Sustainable San Mateo County award is generous. When asked why, she said Sustainable San Mateo County's *Indicators* report is really useful, but there's a lot of overlap with other programs, and for a community as small as Portola Valley, \$3,000 is very generous. She said she'd rather give more to HIP Housing, in part because nobody else does what they do and in part because they serve such a marginalized population.

Because we've had a good year, Mayor Wengert said she'd be comfortable giving more to HIP Housing. She suggested adding \$500 for HIP (for a total of \$3,000), reduce Sustainable San Mateo County to \$2,500 (from the \$3,000 recommended), and give \$500 to PCRC.

Councilmember Richards concurred.

Mr. Pegueros said increasing the total to \$10,000 (including the \$3,000 for Acterra in the maintenance budget) wouldn't be a problem, but he'd recommend allocating it among the nonprofits already on the list; to do otherwise might trigger a flurry of requests. Ms. de Garmeaux pointed out that Joint Venture Silicon Valley does a lot of good work. Councilmembers agreed to increase its allocation from \$500 to \$1,000.

Councilmember Derwin moved to allocate a total of \$7,000 to four nonprofit agencies as follows: HIP Housing, \$3,000; Joint Venture Silicon Valley, \$1,000; Peninsula Conflict Resolution Center, \$500; Sustainable San Mateo County, \$2,500. Seconded by Vice Mayor Aalfs, the motion carried 5-0.

HIP Housing Associate Director Laura Fanucchi thanked the Council and said this would be the first year that communities from all 20 jurisdictions are contributing. She also mentioned a new partnership with Star Vista, which provides services to low-income families, including a program for emancipated foster youth. She said HIP Housing has partnered with them to place emancipated foster youth in the home-sharing program and also provides funding for the rental costs for up to two years. She invited Councilmembers to attend HIP Housing's annual luncheon on June 13, 2014 at the San Mateo Marriott. Special guest Jamie Hyneman, host and executive producer of TV's popular *Myth Busters*, will speak about "Busting myths about affordable housing."

(8) Presentation by Town Manager: Approval of mid-year budget amendment



Mr. Pegueros said this item is a cleanup request to move \$10,000 from Miscellaneous Expenses, which is the contingency, to Service Agreements to correct the \$10,000 error in the Sheriff's contract he'd mentioned earlier, and move the cost of maintaining the fields through Botanical Arts, which was originally in Consulting Services to the Maintenance budget. The net effect of these two moves in budget authority would be zero on the bottom line, he said. Councilmember Hughes pointed out that there was an error in the arithmetic on the staff report and should be corrected.

Councilmember Hughes moved to approve the requested budget amendments as corrected. Seconded by Councilmember Richards, the motion carried 5-0.

#### COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

##### (9) Reports from Commission and Committee Liaisons

Councilmember Richards

###### (a) San Mateo County Office of Education

Michelle Gay, who founded Safe and Sound after her 7-year-old daughter was killed during a school shooting in Newtown CT on December 14, 2012, spoke at the second "Beyond Newton" summit that Councilmember Richards attended on May 5, 2014. Ms. Gay's most striking point, Councilmember Richards said, related to the "it could never happen here" mentality. Hosted by the San Mateo County Office of Education at the College of San Mateo to address safety issues in schools, the event drew participants ranging from educators, community leaders and parents to behavioral health experts, representatives of law enforcement and first responders and government officials.

###### (b) Emergency Preparedness Committee

At a special meeting convened on May 15, 2015, the Emergency Preparedness Committee heard a report from Mr. Pegueros about the May 7, 2014 Wildlands Fire Drill and discussed the issue of the CERPP radio signal not reaching Vista Verde and Los Trancos neighborhoods that day. Apparently varying atmospheric conditions contribute to whether the signal transmits or not.

EPC members also talked about the upcoming Ham Radio Field Day, scheduled for June 28, 2014.

###### (c) Conservation Committee

Meeting on May 27, 2014, the Conservation Committee continued discussion on the increasingly contentious topic of eucalyptus tree removal. Also on the agenda:

- Listing locally appropriate drought tolerant plant list for the Ad Hoc Water Conservation Task Force
- Earth Fair debriefing
- Backyard Habitat program update

Councilmember Hughes

###### (d) Planning Commission

The Planning Meeting Commission conducted preliminary reviews on three items at its May 21, 2014, meeting:

- Application for a variance for a house addition on Russell Avenue in Woodside Highlands
- Proposed amendment for the CUP regarding professional and personal office use and a zoning permit application at 828 Portola Road
- Proposed CUP for professional and personal office uses and an art/gallery studio at Michael and Lisa Douglas's property at 888 Portola Road; in response to questions, Councilmember Hughes that the Planning Commission essentially said it would not likely force a sewer connection if the application complies with Community Commercial (C-C) District zoning requirements and the County determines the septic system can accommodate the proposed uses.

The Planning Commission also reviewed the final sections of the Housing Element; the document draft should come to the Town Council for review at a special meeting on June 18, 2014. Councilmember Hughes reported some discussion among Commissioners about use of the proceeds from the sale of the Blue Oaks lots.

Mr. Ebner was there also, Commissioner Hughes said, saying he looked forward to better communicating about major meetings in Town.

(e) Trails and Paths Committee

Dialogue between the Trails and Paths Committee and the Conservation Committee is improving since Judith Murphy (Conservation Committee) and Phil Reilly (Trails and Paths Committee) have been attending one another's committee meetings, Councilmember Hughes said, noting that Chair Murphy attended the Trails and Paths Committee's May 27, 2014 meeting.

One bone of contention between the committees concerns whether or not to remove some eucalyptus trees. On behalf of those favoring preservation of the trees, Mr. Reilly assembled a draft memo outlining reasons for keeping them. Once revisions are incorporated, Councilmember Hughes expects it to be forwarded to the Town Council. In response to those who want to remove eucalyptus because of the fire risk they pose, those who want to keep them say the risk lies in lack of maintenance, accumulated eucalyptus leaves and nuts and undergrowth. Members of the Conservation Committee discussed getting volunteers together to clean up and minimize the risk.

The Committee also:

- Received an update on plans for path repairs at Portola and Alpine Roads from Mr. Young
- Discussed concerns about bikes on trails, particularly along Alpine Road and the hillsides, endangering equestrians and pedestrians alike
- Put the finishing touches on planning for the guided trails walk on May 24, 2014

The Committee expected about 30 participants to take part in this community hike, which was planned as a part of Portola Valley's 50th Anniversary celebration. The event actually drew more than 100 participants, about 20 of whom brought well-behaved dogs. The crowd met at Portola Vineyards, hiked and afterwards enjoyed a wine-tasting courtesy of Portola Vineyards and a light lunch courtesy of the Committee, Roberts Markets and Mr. Reilly's artisan bakery, Portola Valley Breads.

(f) Architectural and Site Control Commission (ASCC) [Note: Also see (j)]

On May 27, 2014, the ASCC and Planning Commission held two site meetings beginning at 3:30 p.m. at Cindie and Phil White's Jelich Ranch, 683 Portola Road, for a preliminary review of a CUP amendment, site development permit and architectural review related to relocating a barn. Councilmember Hughes, commenting on the excellent condition of the property, also noted that their amendment application includes changing some of the language related to the Chilean woodchopper's cottage to provide some flexibility in case they're unable to save it.

Afterward seeing the Jelich Ranch, the ASCC and Planning Commission moved on to 17 Redberry Ridge for a preliminary review of proposed architectural and site development plans for a new single-story home with a basement, attached garage and swimming pool. The plan includes a proposal to smooth out the hillside so less dirt would have to be hauled away. Councilmember Hughes noted that moving dirt to build Redberry Ridge during Blue Oaks construction created a somewhat unnatural contour to the land that the applicant wants to correct. This is not something the Blue Oaks Planned Unit Development (PUD) would allow, the two Planning Commissioners present, Alex Von Feldt and Judith Hasko, did not feel it should be done.

ASCC members reconvened for a special meeting in the evening, continuing discussion from the two field meetings as well as:

- Continuing review of a variance request and architectural review of a proposed addition to a small home on Russell Avenue
- Reviewing proposed revised architectural and site development plans for a new residence with detached guest house on Escobar Road

Councilmember Derwin

(g) Resource Management and Climate Protection (RMCP) Committee

Meeting on May 21, 2014, the RMCP Committee, part of C/CAG, heard a presentation on Global Climate Change. One of the Committee members, Bob Cormia, who teaches at Foothill DeAnza Community College, made the presentation, based on the Intergovernmental Panel on Climate Change (IPCC) Report. Councilmember Derwin said it's really sobering information – droughts, landslides, flooding, more heat extremes. California's fire season this year carried straight over from 2013 and there's a general trend for fire season starting earlier, she reported, while Pensacola FL received 24 inches of rain in eight hours.

Mr. Cormia also reported on emission trends. Emissions, which have actually decreased here, are past 400 parts per million (ppm) globally; and China surpassed the U.S. by 100% in emissions.

As discouraging as the news was, Mr. Cormia said the situation isn't hopeless, because regionally we can still have an impact. We don't have to wait for global and national actions. For example, he said a group called Carbon Free Palo Alto has a target to reduce carbon 60%, and want one electric vehicle (EV) per household. San Mateo County and the RMCP Committee have begun forming a working group on sea-level rise.

Mr. Cormia also reported on a Future Public Utility Business Model, based on educational discussions held at the California Public Utilities Commission (CPUC) in October 2013. Participants explored the nature of the impact of new technologies and services on the traditional electric utility model. Mr. Cormia said Joint Venture Silicon Valley is using a

Smart Energy Enterprise Development Zones (SEEDZ) technology platform in to demonstrate how to bring in an advanced technology and make it work in a policy environment.

Councilmember Derwin, also reporting that Home Energy Analytics (HEA) Founder Steve Schmidt and architect of Acterra's High Energy Homes program is now pitching his programs to counties, said it would be good for San Mateo County to evaluate, because it reaches all income levels.

The May 21, 2014 RCMP meeting also featured a presentation by Eileen Hays, Project Manager at Optony, on the Solar Roadmap Program funded by the U.S. Department of Energy (DOE). Silicon Valley-based Optony, a global research and consulting services firm focused on enabling government and commercial organizations to bridge the gap between solar energy goals and real-world results, provides solar strategy development and implementation services. Ms. Hays explained the Roadmap program and how San Mateo County could participate. The goal is to reduce the installation cost of solar equipment and increase deployment of solar energy systems across the U.S. by lowering the barriers. After analyzing a community to determine what's viable, they set goals; work with officials to streamline the permitting process, etc.

Ms. Hays also talked about EnergySage, which facilitates group buys but doesn't require buyers to make their purchases at the same time.

Councilmember Derwin pointed out that Portola Valley's fees for solar installation permits are much lower than any other communities at the RCMP table. Mr. Pegueros said that PG&E presents the biggest barrier; it needs to agree to let people install batteries along with their solar panels.

RCMP members also received an update on current water supply and drought conditions. Adrienne Carr, Senior Water Resource Specialist with the Bay Area Water Supply and Conservation Agency (BAWSCA), which Councilmember Derwin said she's already shared with the Ad Hoc Water Conservation Task Force. As of mid-May 2014, Hetch Hetchy was at 77.9%, Cherry Lake at 87.3%, Lake Eleanor at 96.7% and the water bank we can't touch was at 52.2%. We're tracking a bit better on precipitation that in February 2014, for example, but we've still seen the three driest consecutive years on record. 1977 was the driest in California's history, she said. She also said that our water use is still lower per-capita than in was in the 1970s, 1980s and 1990s.

A 10% voluntary reduction program is currently in place. If we don't achieve that target by June 15, 2014, the San Francisco Public Utilities Commission (SFPUC) will reevaluate water use. At that point, the SFPUC could call for a 20% voluntary program or some level of mandatory reduction in water consumption.

Councilmember Derwin said that CalWater apparently is going to contact top water users, BAWSCA is rolling out a media campaign and will let us use its materials.

(h) Ad Hoc Water Conservation Task Force

The Ad Hoc Water Task Force Committee met on April 14, 2014 and again on May 27, 2014, with Councilmember Derwin and Mayor Wengert in attendance at both. At the first, members worked primarily on the non-verbal Jiro Kawakita (K-J) method of goal-setting. At the second, members had a roundtable discussion to cover projects they'd undertaken since the last meeting.

The Task Force expects to submit its report to the Council at its meeting on June 25, 2014 meeting.

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

At its latest meeting, the HEART Board:

- Viewed a delightful new film that addresses the housing crisis in San Mateo County and that Councilmember Derwin suggested showing at the Town Council's Special Meeting on June 18, 2014, when the Council reviews the draft 2014 Housing Element
- Debriefed about the May 7, 2014 Annual Luncheon, which raised nearly \$115,000 and drew 375 guests, including 45 elected officials
- Reviewed the Opening More Doors program; HEART will be issuing a RFP for a new consultant
- Discussed a letter to South San Francisco from HEART's Executive Director that did not reflect the Board's did not conversation about it

Vice Mayor Aalfs

(j) Architectural and Site Control Commission (ASCC) [Note: Also see (j)]

Vice Mayor Aalfs, commenting on the ASCC's meeting on May 27, 2014, said that the house proposed for 17 Redberry Ridge, located between the George Salah and Jim Gibbons' residences, is an amazing design. An especially interesting feature, he said, is a bridge that goes from the uphill grade to the roof. He said the applicants are planning a green roof, and want deer to be able to walk on it.

(k) Midpeninsula Regional Open Space District (MROSD)

Vice Mayor Aalfs reported meeting last week with Nancy Lund (Town Historian), Carter Warr (CJW Architecture), Bill Stronck (Gonsalves & Stronck) and other residents who are working on their letter of intent (LOI) to submit to the Midpeninsula Regional Open Space District (MROSD) regarding its Hawthorns property. They brought in former Portola Valley Mayor Kent Mitchell to discuss forming a group that would work with them beyond the LOI.

Vice Mayor Aalfs said Ms. Lund asked to be on the Town Council agenda for the special meeting on June 18, 2014, but he advised it would not be possible. Stating that the group would want a letter of support from the Council prompted a brief discussion among Councilmembers.

Mayor Wengert

(l) SFO Airport/Community Roundtable

June 4, 2014 is the date for the next scheduled meeting of the SFO Airport Roundtable. Mayor Wengert said she's had conversations with Vic Schachter, who co-chairs the Ad Hoc Citizens Committee on Airplane Noise Abatement, and has advised toning things down a bit as far as pressure on our elected representatives is concerned. She said we'd support an online petition and other continuing efforts to gather the data necessary.

She also said it would be great if the committee forms a coalition with Palo Alto and others, because the more regionalized approach we take, the better.

Mayor Wengert said she has no confidence that the Federal Aviation Administration (FAA) will ever change the way it operates, and thus expects they won't come through with the data that's been requested, at least before the Northern California Optimization of Airspace and Procedures in the Metroplex (OAPM) gets underway.

(j) Woodside Priory

Mayor Wengert presented a proclamation to the Woodside Priory School at an assembly held on May 27, 2014, honoring the school on the occasion of its 56th anniversary and recognizing its contributions to the growth and richness of the Town and community.

WRITTEN COMMUNICATIONS

(10) Town Council May 16, 2014 Weekly Digest

(a) #7 – Planning Director Recruitment Brochure for the Town of Portola Valley

In response to Mayor Wengert asking about the status of applications, Mr. Pegueros said he's asking candidates to watch the video of former Mayor Steve Toben's introductory "1964 Consensus" comments at the joint Town Council/Planning Commission/ASCC retreat on May 18, 2014 and to request informational interviews with Mr. Vlastic.

Postings appear on specialized public service websites as well as other places, Mr. Pegueros said.

(11) Town Council May 23, 2014 Weekly Digest – None

(a) #7 – (1) Memo from Town Manager, Nick Pegueros re: Weekly Update – May 23, 2014

About 40 people attended the May 19, 2014 Coyote Workshop organized by Town residents on Bill Dewes, Majda Jones and Karen Katz in the wake of recent coyote encounters. They brought in Mary Paglieri, a human animal conflict consultant and behavioral ecologist to help community members – and their pets – coexist with coyotes. Ms. Paglieri advised against trapping and killing coyotes – particularly alpha males – because doing so actually can worsen the problem. The fact that alpha males are the only males that breed limits the number of pups born, but killing one results in all of the males mating, producing many more offspring.

ADJOURNMENT [10:00 p.m.]

---

Mayor

---

Town Clerk