

PORTOLA VALLEY TOWN COUNCIL REGULAR MEETING NO. 921, DECEMBER 9, 2015

CALL TO ORDER AND ROLL CALL

Mayor Aalfs called the Town Council's Regular meeting to order at 7:00 p.m. and led the Pledge of Allegiance. Ms. Hanlon called the roll.

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

Absent: None

Others: Debbie Pedro, Acting Town Manager
Leigh Prince, Town Attorney
Sharon Hanlon, Town Clerk
Brandi de Garmeaux, Sustainability and Special Projects Manager

ORAL COMMUNICATIONS – None

(1) Presentation: Beacon Awards by the League of California Cities

Andrea Pappajohn, Resource Conservation Specialist with San Mateo County Office of Sustainability, presented the Town with the following awards:

- Platinum Level Beacon Spotlight Award for 43% Agency Energy Savings
- Platinum Level Beacon Spotlight Award for 34% Agency Natural Gas Savings
- Platinum Level Beacon Spotlight Award for 28% Agency Greenhouse Gas Reductions

Mayor Aalfs accepted the awards and thanked all the people involved in achieving these reductions.

(2) Presentation: Backyard Habitat Awards by the Conservation Committee

Resident Marge DeStaebler presented Backyard Habitat Awards to residents and described each of their achievements in improving their backyard habitats and gardens. Each of the awardees received a plaque and wildflower seeds to be planted on the Town's right of way near the recipients' mailboxes.

- Alex and Randy Von Feldt – Ms. DeStaebler said the Von Feldt's habitat has been completely redone with all of the invasives and lawn removed from the property and replaced with native grasses, creating a wonderful habitat for animals that live in the area.
- Geoff Nuttall – Ms. DeStaebler said the driveway, garage, pool, lawn, and cottage were removed from this property and replaced with all native plants. She said chickadees nest in nesting boxes, the milkweed has milkweed larvae, and the bee blocks have bees. She said the New York Times quoted Mr. Nuttall as saying he wished to encourage his neighbors to join the native plant party. She said he uses no pesticides, no herbicides, and no fertilizers; all watering is done by hand; and all of the yardwork is done by the family. Mr. Nuttall accepted the award and presented each member of the Town Council with three native plants.
- David Pierce (not present) – Ms. DeStaebler said this property has the most majestic manzanitas the Committee has ever seen. She said Mr. Pierce has worked to return his land to a more natural state by removing lawn, letting native grasses grow, and cutting invasives before they set seed. She said there is no fencing and only native plants near the intermittent stream/drainage.
- Bev and Peter Lipman – Ms. DeStaebler said this property is a parklike setting with trails and paths that slope down to the Shady Trail. She said there are invasive plants all along Shady Trail except for at this property where Ms. Lipman regularly weeds the area with the trails in their yard

strategically placed so that all weeding can be done by hand. They use no herbicides or pesticides and there is no fencing. She said it is the most spectacular understory of native plants the Committee has ever seen. She said the Lipmans removed 75 Monterey Pines, vinca, ivy, and lawn from their land, and purchased a neighboring lot in order to preserve and open more land.

- Meredith Rothrock – Ms. DeStaebler said enormous eucalyptus and non-native plantings have been removed on the property and replaced with California natives. She said they have a circulating pool, stream, and pond that provides water for wildlife that move through. She said the owners purchased the lot below their property in order to return it to a more natural state.
- Sue and Gene Chaput – Ms. DeStaebler said this land has been left open to wildlife and the land is maintained in its most natural state. She said it is a spectacularly open habitat reminiscent of the old Ormendale Ranch. She said there is some fencing, but it is old and wildlife can pass through it. She said all of the canopy is native. She said the Chaputs have set aside 2-1/2 acres of their land as a Portola Valley Conservation Easement. She said there are a mating pair of red tailed hawks that have roosted there for years. Ms. Chaput accepted the award and commended the Conservation Committee for their hard work.
- Allyson Illich (not present) – Ms. DeStaebler said the Illiches have removed all the junipers and oleanders from their property and replaced them with manzanitas, toyon, lemonade berries, and native shrubs and grasses. She said the lower part of the lot was originally a swale and is now all planted in native red fescue.
- Mark Deem and Laura Maren – Ms. DeStaebler said these owners transplanted oak trees and rescued manzanitas. She said the major part of their land is a steep slope that descends to the seasonal stream that leads to Los Trancos Creek and the vegetation is undisturbed where wildlife can move freely. She said Mr. Deem is planning to remove the invasives that come when the septic tank drain fields get worked and replace them with native plants.

(3) Reorganization of the Town Council:

(a) Election of Mayor

(b) Election of Vice Mayor

Ms. Hanlon announced that Mayor Aalfs and Councilmember Wengert ran uncontested in the November 3 election and will continue to serve on the Portola Valley Town Council for another four years through 2019. On behalf of Mark Church, San Mateo County, Chief Elections Officer, Ms. Hanlon presented Mayor Aalfs and Councilmember Wengert with their Certificates of Election.

Councilmembers Wengert and Aalfs took the Oaths of Office.

Councilmember Wengert nominated Maryann Derwin for Mayor of Portola Valley. Seconded by Councilmember Richards; the motion carried 5-0.

Councilmember Richards nominated Craig Hughes as Vice Mayor of Portola Valley. Seconded by Councilmember Wengert; the motion carried 5-0.

Mayor Derwin presented a speech upon accepting the position of Mayor of Portola Valley. "First of all, I think we owe a debt of gratitude to Jeff for dealing with this year's intensely complicated personnel issues and getting us through in one piece. Thanks to your leadership, Jeff, the Council and the staff are strong and united and we are all looking forward to a fresh year with a brand new Town Manager. When I started thinking about our fresh new year, I immediately felt myself sinking into an existential depression over climate change, religious radicalism, gun violence, racism, income inequality, the housing crisis, traffic congestion, and even new residents who clear cut their properties and always seem to claim ignorance. It's a seemingly bottomless pit of intractable problems and bad news. But then I attended last week's memorial for one of our long-time volunteers, John Boyce, which was lovingly organized by his friends

and neighbors at the Community Hall, and I remembered what has sustained and defined Portola Valley for the last 51 years – that is a deep commitment to community and what community can create together. In these uncertain times, I challenge our community, both the veterans and the newcomers, to step up and engage with us in the new year. How do you feel about the, in my opinion, visionary County Community Choice Energy Program that will invite all the towns and cities to join in an alternative power company that will promise a higher mix of renewables? What would you like to see at the Town Center now that the Master Plan Committee is reviewing the campus property and structures? We will be rolling out a new Green Building Ordinance and a new Water Efficient Landscape Ordinance. Are we hitting all the right notes there? Are we preparing the community well enough for a major wildfire or earthquake event? Isn't it time to update our Tree Ordinance to make it more painful for folks to cut down dozens of heritage native trees? Should the Planning Commission schedule a study session to talk about HOAs such as the Westridge Architectural Committee? Do we need a drone policy? What about leaf blowers? As upper San Francisquito Creek Watershed stewards, what sustainable water practices and habitat restoration projects might help with downstream flooding in our neighboring communities, as well as recharging the aquifer. Should we talk to Westbay Sanitary again about recycling wastewater? How about airplane noise? Are we keeping you in the loop to know what's happening on that front? And then there's housing. I've been attending the County, closing the jobs, housing gap task force meetings and each time I come home inspired by new ideas. Now that we've created a more streamlined and liberal second unit polity in Portola Valley, how can we encourage residents to actually build those units and rent them for reasonable amounts of money? Should we consider impact fees or overlay zones? While we can't influence COP21 or force Congress to require background checks or ban the sale of assault weapons, even though I would like to, we can make small changes right here in our own backyard by chipping away at climate change through energy reduction, contributing to ground water recharge, lessening downstream flooding risks, continuing to use less water, and trying to provide more housing, and we can do it as a community who still understands the importance and power of coming together with persimmon puddings and noodle casseroles to remember a friend, neighbor, and volunteer who shared our values and walked with us. Thank you and I look forward to serving as Mayor in 2016."

(4) Presentation: Community Choice Aggregation program by San Mateo County Office of Sustainability.

Councilmember Aalfs introduced San Mateo County Supervisor Dave Pine. Mr. Pine said Community Choice Energy ("CCE") showed great promise for San Mateo County and they were very excited about the idea of bringing more renewable energy to residents and businesses at competitive rates and giving residents choices. He said San Mateo County will form a JPA where the decisions about energy are made locally. He introduced their team – Dave Silberman, County Counsel; Seth Baruch, Consultant with Carbonomics; Gordon Tong, Office of Sustainability; and Jim Eggemeyer, Office of Sustainability.

Mr. Baruch presented an overview of Community Choice Energy ("CCE"). He explained that CCE is codified under AB117 and enables local County and municipal government jurisdictions to form an entity that goes out to market and procures and generates electricity on behalf of businesses and homes within their jurisdictions, with that electricity carried over existing transmission distribution lines (in this case PG&E). He said the CCE program focuses just on the energy supply, procurement, and generations, while the delivery of energy stays with PG&E. He described the benefits of CCE, including local community control of electricity; offering consumers a choice; cleaner power supply; stable, often cheaper, electricity rates; reduced air pollution, and providing a funding source for energy efficiency and innovative energy programs.

Mr. Baruch described the basic program features, showed a sample energy bill, the opt-out feature, and the CPUC regulatory oversight. Mr. Baruch explained that if Portola Valley joined the JPA, they would have a seat on the Board of Directors. He said members of the JPA are insulated from any liabilities or obligations of the JPA. He said the deadline for joining the JPA is February 29, 2016, after which there will be a small fee to join.

Mr. Baruch reported on the results of the CCE technical study with regard to the overall size of the program (megawatt hours and peak demand levels); forecasted demand into the future; resource availability and other compliance issues; ability to be rate competitive; development of different power supply scenarios and their impact on GHGs, jobs created, etc.; and robust risk analysis. He described the three prospective supply scenarios – Scenario 1 with a baseline with a minimum of 35% renewable energy content scaling up to 50% by 2030; Scenario 2 with a minimum 50% renewable energy content scaling up to 75% by 2030; and Scenario 3 with 100% renewable energy content with significant GHG emissions reductions.

Mr. Baruch explained the risks, uncertainties, and mitigations: PG&E rate uncertainty (generate rates and exit fees); length of current wholesale energy price trough; availability of large hydro to meet carbon-free content goals; opt-out rate uncertainty; overall program size uncertainty; credit structure for power supply; and future CCE specific legislation and regulatory change.

Mr. Baruch said that generally the technical study indicated that the Peninsula Clean Energy program could be economically viable while also achieving the County's environmental objectives.

Mr. Baruch described the key elements of the Peninsula Clean Energy Authority (JPA) and presented an overview of the PCE formation timeline: Phase 1, Pre-Planning & Due Diligence, January-September 2015; Phase 2, Community Outreach, PCE Planning & Development, October 2015-February 2016; Phase 3, Preparing for Launch, March-October 2016.

Mayor Derwin called for questions from the Council.

In response to questions by Councilmember Wengert and Vice Mayor Hughes, Mr. Baruch said the staffing costs associated with the administrative side of running the PCE, as well as the Power Charge Indifference Adjustment (PCIA), are included in the cost analyses.

Vice Mayor Hughes asked if different communities could have different defaults, for example setting Portola Valley's default at 100% green with residents being able to opt down. Mr. Baruch said that has been discussed in detail and the initial feeling is that will be difficult due to the number of requirements such as power content labeling, notifications to customers, etc. He said they have been advised by the technical consultants that there is no precedent for offering different defaults and it gets tricky very quickly.

Councilmember Wengert asked regarding the projected future availability of alternative energy sources. Mr. Baruch said there has been a lot of speculation regarding whether the price of a renewables would rise if a lot of people are chasing a finite number of renewable resources. He said the technical consultants say there are many projects that have not yet been developed but there is no market for it. He said he believes that if the demand is there, the market will respond and supply.

With no further questions from the Council, Mayor Derwin called for questions from the public. Hearing none, Mayor Derwin brought it back to the Council for comments.

Councilmember Aalfs said Supervisor Pine emailed the Councilmembers regarding an impending increase in the PCIA. Supervisor Pine explained PG&E is proposing to increase the exit fee by 94%. He said there is a lobbying effort against this and the final decision will be made this month.

Supervisor Pine said they are asking Towns and Cities to adopt the ordinance by the end of February 2016. He said it is required that the JPA agreement be approved before the end of February 2016, recognizing that the ordinance would not be effective until late-March 2016.

Councilmember Aalfs is supportive of moving forward with two ordinance readings tentatively scheduled for January 2016. He said this is one of the best levers available for the Town to meet their future climate

action plan goals. He reported that the CPUC will be voting on a PCIA recommendation on December 17 and suggesting sending a letter. Ms. Prince said because that item is not on tonight's agenda, Councilmembers cannot decide tonight to send a letter on behalf of the Town.

Councilmember Richards said he is impressed with the community outreach and said the substantial feedback he has received has been very positive. He said he is supportive of the JPA agreement.

Councilmember Wengert said she is supportive of the JPA agreement.

Vice Mayor Hughes said he has been following the topic closely and has thoroughly read the JPA agreement. He said he is comfortable that the Town is protected and he is supportive.

Mayor Derwin is supportive of the JPA agreement.

It was agreed that the Council will hear a first reading of ordinance regarding formation of a CCE JPA at a January 2016 meeting.

CONSENT AGENDA [8:17 p.m.]

- (5) Approval of Minutes: Town Council Regular Meeting of November 11, 2015.
- (6) Ratification of Warrant List: November 25, 2015, in the amount of \$100,538.03.
- (7) Approval of Warrant List – December 9, 2015, in the amount of \$75,981.82.
- (8) Appointment by Mayor – Request appointment of a Member to the Trails & Paths Committee.

Councilmember Aalfs moved to approve the Items 6, 7, and 8. Seconded by Vice Mayor Hughes, the motion carried 5-0 by roll call vote. Item 5 was approved 4-0, with Councilmember Richards abstaining.

WRITTEN COMMUNICATIONS [8:18 p.m.]

- (9) Town Council Digest – November 13, 2015

#2 – Agenda (Special) – Conservation Committee – Tuesday, November 17, 2015. Councilmember Richards attended this meeting.

#6 -- Article from The Almanac re: Eshoo's Bills aims to lower volume on Airplane Noise. Councilmember Wengert attended a significant Airport Roundtable meeting where this was discussed, with approximately 100 people in attendance, with many public comments. She said she would be attending a three-hour technical subcommittee meeting on December 10. She said efforts are underway to try to include additional members to the Roundtable, either on an ad hoc basis or to expand to allow all of the other communities that are affected by San Francisco Airport. She said Ms. Pedro will be drafting a letter in support of Congresswoman Eshoo's newly-introduced legislation. They have requested that Portola Valley's technical consultant comment specifically on what the FAA provided.
- (10) Town Council Digest – November 20, 2015

#1 – Agenda-ASCC-Monday, November 23, 2015. Councilmember Wengert attended, where they discussed a property at 180 Golden Oak and a request to look at Kirk Neely's meadow plan.
- (11) Town Council Digest – November 25, 2015

#1 – Agenda-Bicycle, Pedestrian & Traffic Safety Committee-Wednesday, December 2, 2015. Vice Mayor Hughes attended.

#2 – Agenda-Water Conservation Committee-Wednesday, December 2, 2015. Councilmember Wengert attended.

(12) Town Council Digest – December 4, 2015

#1 – Parks & Recreation Committee-Monday, December 7, 2015. Vice Mayor Hughes attended where they discussed a Survey Monkey survey regarding facilities and programs. Council decided that Vice Mayor Hughes and Mayor Derwin will review the final version of the survey before distribution.

#3 – Ad-Hoc Town Center Master Plan Committee Agenda-Tuesday, December 8, 2015. Vice Mayor Hughes attended.

#7 – Memorandum to Council Liaison Craig Hughes from Cable and Undergrounding Committee Chair, Ken Lavine, re: PG&E Rule 20A Situation. Vice Mayor Hughes said they will be sending PG&E a note contesting the PG&E charges.

ADJOURNMENT [8:55 p.m.]

Mayor Aalfs adjourned the meeting.

Mayor

Town Clerk