



**MILLBRAE CITY COUNCIL
MINUTES
July 28, 2015**

CALL TO ORDER MILLBRAE CITY COUNCIL

Mayor Gottschalk called the meeting to order at 7:02 p.m.

ROLL CALL: Mayor Robert G. Gottschalk, Vice Mayor Anne Oliva, Councilmembers Reuben D. Holober, Marge Colapietro, and Wayne J. Lee.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

1. **CEREMONIAL/PRESENTATION**
 - NONE
2. **AGENDA OVERVIEW/STAFF BRIEFING**
 - Report of Bills and Claims

City Manager Raines reviewed the agenda items.

3. **APPROVAL OF MINUTES**
 - Regular Meeting of July 14, 2015

Upon a motion/second by Colapietro/Holober, the minutes were approved; Mayor Gottschalk and Councilmember Lee abstained.

4. **ORAL REPORT FROM CITY COMMITTEE/COMMISSION CHAIRS**
 - NONE

PUBLIC COMMUNICATION

NONE

CONSENT CALENDAR

5. Acceptance of the Quarterly Investment Report for Period Ending June 30, 2015
6. Resolution 15-33 Approving the County of San Mateo Public Works Mutual Aid Agreement
7. Resolution 15-34 Awarding a Construction Agreement to A Good Sign & Graphics, Co., for the Signage and Wayfinding Project
8. Council Consideration to Cancel the August 11, 2015 Council meeting and Hold a Special Meeting on August 18, 2015

Upon a motion/second by Colapietro/Oliva, Consent Calendar items 5 – 8 were unanimously approved.

PUBLIC HEARING

9. Appeal of a Planning Commission Denial to a Modification for an Approved Design Review Permit, Specifically General Condition #4, to Allow Second Floor Exterior Stairs on a Single-Family Residence at 603 Juanita Avenue (*Continued from June 23, 2015*)

Mayor Gottschalk opened the public hearing.

Councilmember Holober recused himself as he lived within 500 feet of the property.

Vice Mayor Oliva stated that she visited site with the owner present and noted that the staircase could not be seen from the street. She stated that if the Council made an exception with this appeal it would set precedent. The stair will need to be torn down and the property owner must follow the process and staff instruction to have the stair approved.

Councilmember Colapietro stated that at the June 23, 2015 Council meeting, Council requested that the Chief Building Official visit the site and make a full inspection and present a report. She noted that Mr. Young, the property owner, is a contractor and knowledgeable in the law and constructed the structures without approval. She noted that the Council should deny the appeal and uphold the findings of the Planning Commission and requested that the Chief Building Official's letter be included as part of the Planning Commission process to obtain proper permits. She also requested that the Chief Building Official confirm that all rear yard structures are removed as required.

It was noted that Mr. Young, the property owner, was not present.

No public comment for this item.

Upon a motion/second by Colapietro/Oliva, the public hearing was closed.

Upon a motion/second by Colapietro/Oliva, the Council upheld the decision of the Planning Commission and denied the appeal, and included in the recommendations of the Chief Building Official's letter to ensure that all items are addressed.

10. Public Hearing to Establish New Wastewater Rates for Fiscal Year 2015-2016 to Fiscal Year 2019-2020

Mayor Gottschalk opened the public hearing.

Assistant City Manager/Public Works Director Taylor presented the report and clarified that tonight's meeting is about wastewater and not potable drinking water; there appeared to be confusion with some of the protest letters received. He also stated a correction to the staff report: the letter that was mailed out was mailed to all persons responsible for the utility bills as per Prop 218. He went on to state that rates have not increased in 5 years. The City has inspected all sewer lines with CCTV and replaced main lines and sewer laterals without raising rates, and that the increase in rates will help improve the City's infrastructure. The second component is compliance with the Baykeeper Consent Decree, and this would replace 11 miles of pipe and replace 1,400 laterals and replace/repair water tanks. These replacements/repairs are needed to prevent stormwater from entering the wastewater system and causing sewer overflows into the Bay. The City is bound by a court order to comply with the Consent Decree.

Assistant City Attorney Conneran stated that the noticing was done under the proper notification to the customer and property owners.

Begin public communication.

Regina Barry, Millbrae resident, reject the rate increases and extend to 60 days. The notice should have been included in the water bill and not a mailing that was thrown out in recycling. The City needs to provide information on why rates were being raised. There was not enough Council discussion on these sewer charges, there is a need to explain the Baykeeper Consent Decree, need to go back to the drawing board and base on usage not a flat rate. This is a financial burden to low income families.

Louise Tully, Millbrae resident, spoke on behalf of neighbors, and asked for more time and allow for an additional 60 days. How will this impact new developments coming to town. This is a burden to low income families.

Sheila Sullivan, Millbrae resident, why does the City Manager make a higher salary than the Governor. I pay \$140 before washing dishes and flushing the toilet. Not everyone received the notices, they were tossed into the recycling, the increases are incredible, and the way they went out was insulting. Put off for at least 65-70 days.

Gina Papan, Millbrae resident, I understand the frustration of fellow residents. We are asking for transparency and accountability, asking for clarification of the Consent Decree. We need an explanation on what our money is being spent on. How will new developments impact the City, will we pay for them, how are they helping us and not burdening us. The City needs to be accountable and provide more information on how our money will be spent.

Roshan Kapur, Millbrae resident, Millbrae pays the highest water rates in all of the peninsula and now a 150% increase to pay for pipes. The Council needs to be responsible for why we pay the highest rates. There is something wrong with this and we need accountability. I am upset that other cities are only paying \$40 - \$50 for their water bills.

Sarah Anderson, Millbrae resident, was shocked at her water bill when she first moved to Millbrae. I am retired and reading the material that has come out, I agree with the other speakers tonight. I have a V-ditch behind property and it floods my house. I would never have bought house if she had known. There is water back there that sits and stinks. I was informed that it was my V-ditch and need to maintain it. The run off that comes from El Camino Real and the City needs to look into these.

Ming Lee, Millbrae resident, I have seen a lot of changes through the years that I have lived here. In December of 2013 the City experienced multiple water main breaks and at the time Mayor Lee appointed an Infrastructure Task Force, I am a licensed engineer and was tasked into looking at infrastructure; tonight only the sewer system is being addressed. How do we meet the Baykeeper Decree in which the City must comply – we need to spend \$35 million to accomplish this, no one wants to pay rate increases or taxes, we need to take care of system now otherwise we will need to pay more in the future? This is our City, if we love our City we must take care of this now. I am not pro or against rates, just presenting facts.

Errol Zhornak, Millbrae resident, this public hearing is ill timed and the notice sent is doubtful. At this time of the year many residents are away on vacation, and the City timed the passage of measure with least amount of opposition.

Francis Axiaq, Millbrae resident, the water bill goes up every year. Can we check if any of these charges are tax deductible?

Constancio Rodriguez, Millbrae resident, I understand the need of what must be done, there are different rates, commercial, residential, 2-tier system, those who use more pay more. Has this been looked into?

Carlos Martos, Millbrae resident, I cut down water usage and the water bill is still the same amount as before, and I use grey water. How are you charging the sewer rate?

Mark Johnson, Millbrae resident, I love living in Millbrae, and have been here for one year. Why the disparity between Millbrae and other cities? The rates are higher solely based on the Baykeeper lawsuit? There has been a disparity in rates for many years.

Sathish Rao Koteswar, Millbrae resident, the rates are very high; we need to look into this. Why can't we do a better job of managing our budget and not charging residents more? This is not fair to those on a fixed income.

Albert Chan, Millbrae resident, Millbrae has bad roads that have not been addressed, will we be charged to fix roads, or trash in park? Where is the comprehensive plan? I have heard that this is inevitable; there is no alternative plan, how about a tiered system or other sources of funding, or a sunset on the increase?

Omar, Millbrae resident, there is a lack of responsibility on the part of the City, when raw sewage flows in the Bay, this needs to be taken care of. Commercial customers need to pay more, provide an extension, and get the feedback that is necessary.

Rick Eastman, Millbrae resident, I have heard the numbers bandied about, is this the best rate for the project? Is this the highest, average or low number? Not arguing the solution but the cost of the solution.

Sylvia Yeh, Millbrae resident, rates must be categorized for commercial and residential, and breakdown the commercial even further. This would also provide assistance to those on a fixed income.

Shelia Sullivan, Millbrae resident, have two tiers, with commercial paying more than residential. Prop. 13 is not hurting the state of California, except with regard to commercial property. Residential properties are not hurting the State, Prop. 13 is helping many in the City to stay here.

Ken, Millbrae resident, you can't always get residents to read the mail. I live in an apartment unit, and see how mail is delivered; I only found out about this from the apartment owner. Commercial and residential are the same, how is that possible. Each apartment in the complex will pay the same rate, how is it that everyone in the complex will pay the same rate.

End of public comment.

Council received the public input and thanked them for attending the meeting. They noted that the City's infrastructure is old and needs to be replaced. If these issues are not addressed now they will worsen in the future. They inquired what would happen if they waited and brought this back in 60 days.

Staff noted that if the City were to delay, the debt ratio to the State on the SRF loan may be out of compliance and the City may need to further increase rates. The City must also be in compliance with the Baykeeper Consent Decree and if the City were in contempt, this would add additional legal fees for missed deadlines and Baykeeper would reopen the lawsuit.

Assistant City Attorney Conneran stated that the Council met back in May and approved the Prop. 218 noticing which gave 45 day notice of the public hearing. The City cannot make any changes as this will trigger the need for another 45 day noticing. The City can do a 60 day extension to extend this to the September 22nd Council meeting. Prop. 218 deals with evenness of charge and if we do not do this it can present a legal challenge. The rates were looked at by consultants and if anything changes we will need to look at re-noticing. The City can put off the protest period until the September 22nd Council meeting to allow for more protests to be submitted.

Mayor Gottschalk, Vice Mayor Oliva, and Councilmember Colapietro noted that delaying the process would be irresponsible as it could cause for more costs in the future.

Councilmember Holober noted that extending this for an additional 60 days may just be prolonging the issue and asked the City to look at phasing in the increase over time.

Councilmember Lee noted that he would like for this to be extended until September 22nd and put forward a motion.

Upon a motion/second by Lee/Oliva, the Council did not approve the extension until September 22nd by a vote of 2:3; Mayor Gottschalk, Vice Mayor Oliva, and Councilmember Colapietro dissented. The motion failed.

Upon a motion Second by Colapietro/Oliva, the Council adopted Resolution 15-35 approving and adopting the new wastewater rates schedule covering fiscal years 15-16 through fiscal years 19-20 by a vote of 4:1; Councilmember Lee dissented.

EXISTING BUSINESS

11. Designation of Voting Delegates and Alternates to the League of California Cities Annual Conference (*Continued from June 23, 2015*)

Mayor Gottschalk opened this item for discussion and inquired which Councilmembers wished to attend.

Councilmember Lee volunteered to be the Delegate and volunteered Vice Mayor Oliva as the Alternate.

It was the consensus of the Council to appoint Councilmember Lee as the Delegate and Vice Mayor Oliva as the Alternate.

NEW BUSINESS

12. Response to Grand Jury Report – Flooding Ahead: Planning for Sea Level Rise

Mayor Gottschalk noted that item R3 did not have a response and requested that “Neither agree nor disagree with recommendation” be included.

Councilmember Colapietro requested that the developers of Site 1 be advised of this pending action.

Upon a motion/second by Holober/Lee, the response to the Grand Jury Report - Flooding Ahead: Planning for Sea Level Rise was unanimously approved as modified above.

- 13. Amending Section 1.05.020 of Chapter 1.05 and Chapter 8.25 and Adding Chapter 8.35 of the Millbrae Municipal Code Regarding Street Excavations and Telecommunications Infrastructure Improvements
 - Waive 1st Reading
 - Introduce Ordinance

City Manager Raines noted that this item was the culmination of the Technology Subcommittee, staff, and City Attorney’s Office to bring this item forward.

Councilmember Colapietro requested that the developers of Site 1 be informed.

Upon a motion/second by Lee/Colapietro, Council waived the first reading and introduced an Ordinance amending Section 1.05.020 of Chapter 1.05 and Chapter 8.25 and adding Chapter 8.35 of the Millbrae Municipal Code regarding Street Excavations and Telecommunications Infrastructure Improvements

COUNCIL COMMENTS

Mayor Gottschalk:

- No comments.

Vice Mayor Oliva:

- No comments.

Councilmember Holober:

- No comments.

Councilmember Colapietro:

- Attended the recent luncheon and Symposium hosted by the Magnolia of Millbrae: Walk in the U.S., Talk on Japan, We are Tomodachi. She brought with her two books and a Ceremonial Coin from the Government of Japan that was presented at the luncheon.

Councilmember Lee:

- Thanked staff on their work on the Dig Once Ordinance that was presented at tonight’s meeting..

CLOSED SESSION

Conference with Labor Negotiators

Closed Session held pursuant to Government Code §94557.6

Agency Negotiator:	Marcia Raines
Employee Organizations:	Teamsters Local 856, Miscellaneous Unit Teamsters Local 856, Sanitation Division

Employee Group:	Unrepresented Management
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ADJOURN CITY COUNCIL

There being no further regular business to discuss the City Council adjourned at 10:00 p.m.

/s/ Angela Louis
City Clerk

/s/ Robert G. Gottschalk
Mayor