



**MILLBRAE CITY COUNCIL
MINUTES
March 26, 2013**

CALL TO ORDER MILLBRAE CITY COUNCIL

Mayor Papan called the meeting to order at 7:05 p.m.

ROLL CALL: Mayor Gina Papan, Council Members Lee, Colapietro, and Gottschalk. Vice Mayor Holober was excused.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

1. **CEREMONIAL/PRESENTATION**

- Certificate of Appreciation for Recent Donation to the Millbrae Historical Society

Mayor Papan presented Dave Hanningan with a Certificate of Commendation and thanked him for his generous donation of a 1929 Ford Model AA Truck and a 1931 Ford Model AA Southern Pacific Fire Engine to the Millbrae Historical Society.

Mayor Papan also announced that March 25, 2013 marked Greek Independence Day. This item will be on a future Council agenda for recognition. A celebration is scheduled to take place in downtown San Francisco on April 7, 2013.

2. **AGENDA OVERVIEW/STAFF BRIEFING**

- Report of Bills and Claims

City Manager Marcia Raines reviewed the agenda items.

3. **APPROVAL OF MINUTES**

- Regular Meeting of March 12, 2013

Councilmember Gottschalk requested the following correction to his comments..."Announced that he participated in the Rotary Club's presentation to the **School Board** on Monday night..."

Upon a motion/second by Colapietro/Lee, the minutes were approved with corrections.

4. **ORAL REPORT FROM CITY COMMITTEE/COMMISSION CHAIRS**

- NONE

PUBLIC COMMUNICATION

Ed Banayat, Millbrae Chamber of Commerce CEO, announced the Community Billboard on Broadway where community groups can post their event flyers. The Chamber will come up with an incentive program/trivia contest to get the community involved.

CONSENT CALENDAR

Councilmember Colapietro requested that item 5 be pulled for discussion.

5. Acceptance of Fiscal Year 2013-2014 Budget Preparation Calendar - ACTION

Councilmember Colapietro requested that staff look at what additional documents have been requested in the past and to provide those documents to the Council at the onset of the budget process and that any Councilmember requesting additional documents/information do so at the onset of the process to save time and to move the process forward.

City Manager Raines stated that staff has records of what information has been requested in the past.

Councilmember Colapietro requested that wording be added to the calendar that Council provide additional documentation requests to staff by the May 14, 2013 Council meeting.

Councilmember Gottschalk stated that Vice Mayor Holober requested confirmation regarding the meeting with the Budget Subcommittee.

City Manager Raines stated that the meeting would be scheduled during the week of April 29 – May 1, 2013.

Upon a motion/second by Lee/Colapietro the Fiscal Year 2013-2014 Budget Preparation Calendar was unanimously adopted.

PUBLIC HEARING

NONE

EXISTING BUSINESS

6. Resolution No. 13-10 Accepting the Millbrae Community Youth Center and Authorizing Issuance of a Notice to Proceed with the Project

Randy Sahae, Millbrae Lions Club, presented a slide show of the renovation of the Scout House into the Millbrae Community Youth Center. She stated that this project was a three year collaborative effort and noted the following major partners: the City of Millbrae; Denis Fama, Fundraising Chair of the Millbrae Community Youth Center; the Millbrae Elementary School District; the Millbrae Community Foundation; the Millbrae Rotary Club; Central Peninsula Church; Rebuilding Together; the Peninsula Chinese Business Association; the Millbrae Lions Club; the Millbrae Leos Club; Boy Scout Troop 355; Cub Scout Pack 355, and many others who donated money, time, and services/supplies/equipment for the new Center.

Lions Club President Ron Frediani thanked Randy Sahae for her hard work in getting the project off the ground.

Mayor Papan read into the record a letter submitted by Daniel F. Quigg, Millbrae Lions Club.

Mayor Papan invited School Board President Frank Barbaro to the podium. Board President Barbaro accepted the quit claim deed.

Councilmember Colapietro requested a Council tour of the building. She also noted that the staff report indicates that the facility will be closed for approximately 60 days. She inquired as to what steps will be taken during that time to protect the building.

City Manager Raines stated that the facility will be treated the same as other City facilities.

Councilmember Gottschalk stated it was great to see so many groups get behind one big project, and that he would like to see the same effort put forward into future projects. He requested that photos taken this evening be given to the Millbrae Historical Society to preserve the moment.

Councilmember Lee stated that one of the new models for cities facing fiscal challenges is to use community volunteers. He thanked everyone and stated that he was extremely grateful to be a part of this community. He also acknowledged former Mayor Paul Seto for his efforts on the project as well as former Mayor Daniel F. Quigg and Vice Mayor Holober.

Mayor Papan stated that she saw first hand all of the efforts that went into this project, and that this Center will be an investment in the City's youth. She asked that a list of everyone who assisted on this project be compiled so that their efforts could be acknowledged.

Begin public comment.

Mary Griffin, Millbrae Lions Club, recalled the many hours her late husband, Donald Griffin, had spent on the Scout House and requested that those no longer with us be recognized and appreciated for what they did. She stated that people in the past made this evening possible.

Cari Pang Chan, Rebuilding Together, announced the April 27th National Rebuilding Day. She also stated that Rebuilding Together has a year round "Safe at Home" Program for minor building repairs.

End of public comment.

Upon a motion/second by Lee/Papan Resolution No. 13-10 accepting the Millbrae Community Youth Center and authorizing issuance of a Notice to Proceed with the Project was unanimously adopted.

NEW BUSINESS

7. Discussion and Approval or Disapproval of Proposed Amendments to the League of California Cities Bylaws

City Clerk Angela Louis presented the report.

Councilmember Gottschalk questioned the vagueness of "city official" in the amendment for Article VI, section 2. He stated that in any given city there are many officials who would qualify and that this is weakly drafted language.

There was Council discussion as to who "city official" refers to.

The Council agreed that they could approve both amendments and send a letter to the League requesting clarification of “city official”.

No public comment for this item.

Upon a motion/second by Colapietro/Lee the proposed amendments to the League of California Cities Bylaws were approved and staff was directed to prepare a letter to the League requesting clarification of the term “city official”.

8. Discussion of Sustainable Financial Plan for Millbrae

Mayor Papan stated that she had requested that this item be placed on the agenda and that it had come about since the School District held a meeting about a parcel tax. She also stated that the City has a Fire Assessment set to expire in 2014. There are revenue enhancement options that the City could explore:

- Sales tax;
- Parcel tax;
- Special tax – Fire Assessment and the Library Bonds;
- Business License tax;
- Utility Users Tax;
- Transient Occupancy Tax;
- Increased parking fees for long term parking.

City Manager Raines presented the report and discussed the assumptions to the City’s projected forecast gap beginning with \$1,424,712 in fiscal year 2014-2015 and up to \$2,049,904 in fiscal year 2017-2018, as presented to Council back on October 23, 2012. She stated that there have been discussions on how the City is thinly staffed and its ability to accomplish goals. Currently the City is at a little over 119 positions; a right sizing chart shows an increase to 124 positions. The City needs to look forward and prepare and possibly poll the community. Staff has spoken with a firm about polling if the Council chooses this option.

Mayor Papan stated that it is important to point out the cuts and reduction taken by staff and what the city has done to control costs working with the employees. We are trying to run efficiently and we have cut too far to fully service the City and its residents. We need the input of the voters. The Fire Assessment ends in fiscal year 2013-2014 and it represents a loss of \$1.4 million and is 22% of the Fire Department budget. The City is also hoping to refinance the Library Bonds. She requested that staff provide a list of all the services provided by the City so that public can see what is provided. The City is also looking to improve the downtown and is actively seeking to bring new business to the City to bring in more sales tax.

Councilmember Lee stated that he recently attended a seminar with Councilmember Colapietro regarding Economic Development and that Millbrae is in competition with other cities. Millbrae needs to come into the 21st Century. He also stated that he would like to see how the completion of a fire merger in this scenario would impact the budget.

Chief Dornell described some of the efficiencies in the Fire Department which began in the late 1990’s and have since expanded.

Councilmember Colapietro reinforced that this is a hard reality for everyone, residents, business members, and employees. The addition of four City employees would help the situation, and the sacrifices that have been made by the employees must be recognized. We need to figure out a way to run the City more efficiently. She inquired if any of the revenue enhancement options on Attachment C might become a potential legal challenge.

City Attorney Cassman stated that these are tools available to cities when looking for revenue enhancements.

- Sales tax – the state allows cities to go to residents to apply a larger sales tax increment to its jurisdiction from $\frac{1}{4}\%$, $\frac{1}{2}\%$ up to 1%;
- Parcel tax - not many cities do parcel taxes, schools districts typically do parcel taxes and this requires a 2/3 vote;
- Fire Assessment – this is not a tax, it is a mechanism and an assessment on the owner of real property and done by a mail ballot;
- Library Bonds – this is not a tax; it would be to refinance the bonds;
- Utility User Tax (UUT) – there have been challenges by some of the utilities;
- Transient Occupancy Tax (TOT) – this is a tax that has been in place in the City for many years. Typically the City will look at what its neighbors are charging so as not to disadvantage local hotels;
- Parking fee – a tax on long term parking was approved and our current Ordinance targets private parking. Possibly look to tax BART in future. The tax would not be directed towards the BART commuter;
- Public Safety tax – the City can present a public safety tax. It requires a 2/3 vote and can cover Police, Fire or both and this should be added to the list of revenue enhancements.

City Attorney Cassman also stated that the City receives a small fraction of property tax money.

Councilmember Colapietro stated that the City does not always jump on opportunities because we do not have the appropriate staffing. There should be town hall meetings to lay everything out and engage the community. She also inquired about the referral for the polling and strategic consulting on Attachment F; where did we get the company referral and was an RFP issued? She added that Council must act now and that we cannot afford to do nothing.

Mayor Papan indicated that she was given two referrals one of which is already working with the School District, and this is the other one. There was no RFP as the agreement is under the amount required.

There was discussion regarding the length of the poll and the number of polls to be conducted. Mayor Papan stated that there would be 200 total polls, and not just conducting 200 phone calls.

Councilmember Gottschalk commented that when he was first on Council, the City had 165 employees and now has 119. He stated that at a previous Council meeting the Chief indicated a savings of \$900,000 per year with the Fire Merger. This is a complex issue as the School District is trying to see if they can establish a parcel tax. Without the Fire Assessment we have a serious problem going forward, and we can not continue on the current path. We can not begin to have public meetings with the information before us; we need to clarify, add, and/or delete information before we move forward. We need to figure out where we want to go. More taxes are not reasonable. We should look at the Fire Assessment moving forward; perhaps we do not need as much.

Mayor Papan stated that the City is still falling far behind and that we need to talk to our public. We need to do our homework and find out what other cities are doing. We need to educate our public and find out what they want, and we need to plan for the ballot in November.

No public comment for this item.

Upon a motion/second by Lee/Colapietro, Council received the report, requested that staff add a link with this information to the website and approved the \$30,000 contract for polling, by vote of 3:0:1 Councilmember Gottschalk abstained.

COUNCIL COMMENTS

Mayor Papan:

- Thanked Green Hills School for allowing her to be Principal for a Day. She announced their wish list: iPads and smart boards for classrooms, and a Ram Mascot;
- Announced that Council had received a letter from Walter Kelly regarding the banners along Broadway. Anyone interested in sponsoring new banners should contact staff;
- Announced the appointment of a new Planning Commissioner, Jean Joh;
- Announced that the Mayor's Civic Coordinating Council met on March 22nd, the next meeting is scheduled for April 19th;
- Announced that she had been approached regarding the City hosting a car show in downtown Millbrae;
- Announced she had been approached by Americans Supporting Americans regarding the City adopting an active Military unit. She requested that this item be added to a future Council agenda for discussion;
- Attended the recent CMEQ meeting and announced that there is some funding available for cities to update their environmental impact report;
- Announced the April 18th San Mateo County/Silicon Valley Visitors and Convention Bureau Mixer at the Aloft hotel;
- Announced the April 12th Hats Off to Education Fundraiser Dinner at the South San Francisco Conference Center;
- Announced the April 12th San Mateo County Legal Aide Society Luncheon;
- Announced the April 11th ABAG Spring General Assembly.

Councilmember Lee:

- Attended the Ribbon Cutting for the Tom Lantos Tunnel in Pacifica;
- Announced that tomorrow's Downtown Process Committee meeting will be held at City Hall.

Councilmember Colapietro:

- Announced that she had participated in the ICSC Conference. At the conference, 89 people came to speak with her about Millbrae because of Safeway's renovation. She thanked staff for providing flyers for an informational table;
- Announced the Annual Youth in Government Week activities in April;
- Announced the Streets Alive Parks Alive Event on May 5th from 1:30 p.m. – 5:30 p.m. One block of downtown Millbrae will be blocked off for this outdoor event.

Councilmember Gottschalk:

- Announced the HEART Annual Lunch on May 6th. The speaker will be from Google.

ADJOURN CITY COUNCIL

There being no further business to discuss the Council adjourned at 9:37 p.m. in memory of former State Senator Nicholas Petris, former Millbrae City Administrator Jim Erickson, San Mateo County Sheriff's Deputy Jamie Mateo, former Millbrae Police Officer Frank Gerald Paglia, and Jarratt Lewis Brunson, step-father of MCTV employee Dave Cooper.

/s/ Angela Louis
City Clerk

/s/ Gina Papan
Mayor