



**MILLBRAE CITY COUNCIL
MINUTES
May 28, 2013**

CALL TO ORDER MILLBRAE CITY COUNCIL

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

ROLL CALL: Mayor Gina Papan, Vice Mayor Wayne J. Lee, Councilmembers Marge Colapietro and Robert G. Gottschalk.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

1. CEREMONIAL/PRESENTATION

- Recognition of Eagle Scouts from Boy Scout Troop 355

The Mayor and Councilmembers presented Commendations to Eagle Scouts Andrew Graham, Daniel Hoffman, and Brandon Le.

- Recognition of CORA Officer of the Quarter in San Mateo County

Melissa Lukin, Executive Director of CORA, recognized Sheriff's Deputy Steve O'Malley for responding to a domestic violence call in Millbrae. Deputy O'Malley advocated for the victim and went above and beyond the normal call of duty. Deputy O'Malley was presented with a plaque.

- Business Presentation – Pape's Meat

Mayor Papan recognized Pape's Meat as a longstanding business in Millbrae and thanked them for being a part of the Millbrae community. Alan Anzel and Guy Crim of Pape's Meat, made a brief presentation regarding the market and stated that the market is in the process of expanding its local operation. Pape's Meat has been in Millbrae since 1958 and this year marks their 55th Anniversary.

- Bay Area Water Supply and Conservation Agency Update Report

Daniel F. Quigg, Bay Area Water Supply and Conservation Agency (BAWSCA) Board Member, presented the update report on BAWSCA's first ten years. The Agency was formed ten years ago by Assembly Member Louis J. Papan to protect the water supply that member agencies purchase from the City and County of San Francisco.

2. AGENDA OVERVIEW/STAFF BRIEFING

- Report of Bills and Claims

City Manager Marcia Raines reviewed the agenda items and recommended that item 10, Update Report on Council Appointment Process to Fill Council Vacancy, be moved to the end of the agenda, after the New Business items. She also announced that the Spring 2013 Newsletter is on-line on the City's website.

- Report out from Closed Session of May 21, 2013

City Attorney Joan Cassman stated that the Council had met in Closed Session and discussed the matter of Labor Negotiations; there was no reportable action taken, however direction was given.

3. APPROVAL OF MINUTES

- Special Meeting of May 21, 2013

Councilmember Gottschalk noted the following corrections:

- Page 2, 5th bullet point under staff responses should reflect that “the \$1,000 would remain as refundable **to encourage clean up**”;
- Page 3, 4th paragraph under Councilmember Gottschalk’s comments should read as “He noted that in 2007, Council **enacted** reduced fees for non-profit groups”;
- Page 6, 1st paragraph, should note that “...staff received a \$20,000 donation from LF George for playground equipment. **Staff recommended that these funds be used for playground equipment for Lions Park**”;
- Council adjourned at 10:45 p.m. not 11:00 p.m.

There were other minor corrections submitted to the City Clerk.

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

4. ORAL REPORT FROM CITY COMMITTEE/COMMISSION CHAIRS

- NONE

PUBLIC COMMUNICATION

Daniel F. Quigg, Millbrae Lions Club, the Millbrae Lions Club presented a donation to the Sheriffs Activities League.

Ed Banayat, Millbrae Chamber of Commerce CEO, announced the Friday Fitness walks beginning the first Friday in June at 12:00 noon in front of City Hall. He also announced the June 12th State of the City Address at 5:30 p.m. in the Chetcuti Room.

Brian McBride, Millbrae resident, addressed the Council regarding a fence easement set back; there is an issue regarding the utility easement with his neighbors’ property. He requested assistance from the City and asked that the set back be maintained and that the encroachment permit not be approved.

CONSENT CALENDAR

Councilmember Gottschalk requested that all three items be pulled for discussion.

5. Resolution No. 13-19 Adjusting the City’s Employer Contribution Under the Public Employees’ Medical And Hospital Care Act With Respect to Members of the City Council

Councilmember Gottschalk noted the inconsistency of the effective date in the resolution, it currently reads as April 1, 2013, and how can this be implemented retroactively. He requested that the effective date be changed to “June 1, 2013”. Additionally, he requested that the word “Council” be added in front of the word “annuitant” in the first paragraph on page 2 of the resolution.

Upon a motion/second by Colapietro/Lee, Resolution No. 13-19 adjusting the City's employer contribution under the Public Employees' Medical and Hospital Care Act with respect to Members of the City Council was unanimously adopted with the corrections noted above.

6. Resolution No. 13-20 Adjusting the City's Employer Contribution Under the Public Employees' Medical And Hospital Care Act With Respect to Future Unrepresented Employees

Councilmember Gottschalk noted that nowhere in the resolution is it stated that it applies only to future employees and is ambiguous as to who is affected and when.

Human Resource Project Manager Audrey Daniels stated that the resolution is written in a format approved by CalPERS, and the language can not be changed. Additionally he noted that the City can not pay different levels of contributions for active employees and retirees. In order to comply with the terms of the Public Employees Medical and Hospital Care Act, the City must contribute an equal amount towards the medical insurance premiums for both active employees and retirees.

City Attorney Joan Cassman noted that CalPERS has form resolutions that agencies must use. This will make it clear that the City is setting up a two-tier system for future management employees. If the Council were to change the resolution or adopt something other than the CalPERS resolution, CalPERS could ask for that document and possibly deny a benefit.

Councilmember Gottschalk noted that on page 2 of the resolution, the word "enrolled" is used as a one time event and not an ongoing status. He asked that staff return with a stand alone resolution establishing a cafeteria plan and a retirement health care account.

Mr. Daniels noted that the 1st paragraph on page 2 of the resolution is what the City is currently doing and that the 2nd and 3rd paragraphs are what the City is changing.

City Manager Marcia Raines noted that Council could adopt the resolution and direct staff to bring back a resolution adopting a cafeteria plan and a retirement health care plan at a future Council meeting.

Councilmember Gottschalk requested that Council discuss the next report prior to taking action.

7. Resolution No.13-21 Approving Management Employee Benefits

City Manager Raines stated that the Summary of Management Benefits includes the modification presented in the previous agenda item. Adoption of the Summary of Management Benefits will formalize a practice that has been in place but never adopted.

Mr. Daniels noted a correction page 5, the last sentence in the first paragraph should be 5.5%, not 4.5%.

Councilmember Gottschalk noted the date on page 2, paragraph D, contradicts with the June 1, 2013 date. He also noted the January 1, 2013 date on page 5 contradicts the June 1, 2013 date.

Mr. Daniels stated that the January 1, 2013 date is per state law and can not be changed.

Councilmember Gottschalk also inquired about the educational incentive on page 10; the two semesters of undergrad tuition are these costs equivalent at all state colleges.

Ms. Raines indicated that this program has been done away with due to budgetary issues.

Councilmember Gottschalk stated that if it is no longer in use, we may want to remove it, rethink it, or add language stating that it is subject to the budgetary process.

Upon a motion/second by Lee/Papan consent calendar items 6 and 7 were unanimously adopted with the following corrections: effective date of June 1, 2013, and to include language that the educational incentive in the Summary of Management Benefits is subject to budgetary approval.

PUBLIC HEARING

NONE

EXISTING BUSINESS

8. Economic Development Implementation Plan Update and Way-Finding Signage and Entry Monument Presentation

Community Development Director Farhad Mortazavi presented the report. He briefly discussed some of the short term projects in the Economic Development Plan that Council adopted on February 12, 2013. There was brief discussion regarding the San Francisco Public Utilities Commission property located on El Camino Real.

Mayor Papan noted that she would like to see Short Term Item 1 before it goes out; she would like a letter from the Council included in the packet.

Ms. Raines stated that a copy would be provided to Council before it goes out.

Mr. Mortazavi introduced Chris Beynon, Principal of MIG, Inc., who presented a power point on way-finding signage and entry monuments. MIG was chosen to make the presentation because they are currently working with the City of San Bruno and their work is impressive.

Mr. Beynon's presentation focused on how the various signage is currently being used to identify Millbrae. There is a need to navigate and "way-find" a way around the City. Millbrae has a sense of place and character; it needs to be advertised to the public. Way-finding is not only about hard concrete signs but can be applied to 21st Century technology as well. Millbrae needs to build upon its assets.

Council discussion ensued and there was inquiry on what the next steps would be.

Mr. Beynon stated that typically study sessions and large community workshops are held, three concepts are developed, brought to Council for input and refinement and then the final product is brought back before the Council.

Ms. Raines stated that tonight's presentation was to engage Council and find out if staff is on the right track with Council direction, and that staff can bring back a timeline of workshops, etc.

There was Council consensus that there should be community input and feedback.

Vice Mayor Lee requested that this be part of the City's General Plan update.

Councilmember Gottschalk stated that he was impressed and enthusiastic about what was presented. He also stated that the City had once considered an arch at the corner of El Camino Real and Hillcrest Boulevard.

Mayor Papan noted that she would also like to see consistency in the design along the El Camino Real corridor.

No public comment for this item.

Council received the report. Staff will continue to work on this item and bring it back to Council.

Council took a short break and recessed at 9:11 p.m. Council reconvened at 9:16 p.m.

9. Second Budget Study Session for Fiscal Year 2013-2014 Budget

City Manager Marcia Raines presented the report. She noted that there is a revised Attachment A to reflect the correct title of "Successor Agency", a revised Attachment X to reflect the correct allocation of sales tax for San Mateo County, and the inclusion of the salary schedule for the Fire Department. Ms. Raines introduced the new Finance Director Genevieve Fredericks and the Financial Services Manager Manuel Sandoval.

Councilmember Gottschalk had the following comments/questions:

- Page 4 of the resolution list Parks and Recreation in the definitions;
- Paragraph 7.2 of the resolution, add wording to include "upon approval of the City Council" and modify to read any amount exceeding \$100,000;
- Attachment A – Field License Agreement – additional \$168,000 is this for additional maintenance;
- Attachment C – General Fund subsidy to Recreation, the numbers do not add up with what is noted on Attachments G and Q;
- Attachment J, reduction in allocation for Council expenses from \$1,500 to \$1,300; should be the same as last year, \$1,500.

Staff responded:

- Parks and Recreation are under Administration in the current organization chart;
- The wording requested can be added to the resolution;
- The \$168,000 for the Field License Agreement is for additional maintenance;
- Staff will provide Council with more detail on the line items concerning this issue;
- The allocations for Council expenses should be at \$1,500 and that change will be made.

Ms. Raines noted that if the Council wished, they could adopt the budget with the requested changes and staff can come back to Council with an explanation memo regarding the General Fund subsidy to the Recreation Department or staff can bring this item back at next Council meeting.

No public comment for this item.

Upon a motion/second by Colapietro/Lee the FY 2013-2014 Budget was adopted with the additional wording in paragraph 7.2 of the resolution, the adjustment to the Council expenditures to reflect \$1,5000 per Councilmember, and to provide Council with a detailed memo regarding the Recreation Department subsidy and the General Fund.

10. Update Report on Council Appointment Process to Fill Council Vacancy

City Clerk Angela Louis presented the report. City Attorney Joan Cassman stated that there could be no mandate or enforcement requiring that an applicant not run in the November 5th General Municipal Election.

Council discussion ensued and the Council directed staff to:

- Prepare and send out a press release announcing the vacancy, the filing period, and the date of the special meeting for interviews;
- Set the filing period to end at 12:00 noon on Friday, June 14th,
- Set the special meeting date to interview applicants on Tuesday, June 18th at 7:00 p.m.;
- Announce that the applicants would be applying to fill a term ending on December 10, 2013;
- Announce that applicants must be able to attend Council meeting on the 2nd and 4th Tuesdays of the month;
- Create an application using the current Commission/Committee application as a model.

Council noted that depending on the number of applications received they would need to be flexible with the amount of interview time. Council also stated that they hoped to make the appointment on June 18th at the conclusion of the interviews otherwise an additional special meeting may need to be scheduled.

No public comment for this item.

NEW BUSINESS

11. Resolution Authorizing the Issuance and Sale of 2013 General Obligation Refunding Bonds for the Purpose of Refunding Outstanding 2001 General Obligation Bonds, and Approving Related Documents and Official Actions

Interim Finance Director Genevieve Frederick presented the report. She introduced Mark Curran, Jeffries, who made a brief presentation to the Council. He stated that Millbrae's Standard and Poor's rating is still at AA and this AA rating was also approved for the bond refinancing. The refinancing of these bonds will translate into savings for the residents. The preliminary marketing will begin as soon as Council gives approval. What is being presented is the most cost effective measure and will equate to approximately \$20.00 in annual savings for the average homeowner. He went on to state that no debt is being extended, and no new money is being generated, this is just a refinancing of the debt. He requested that if the resolution is passed that the bonds be termed as "bank qualified" as there are advantages and could help save an approximate additional 50 cents per assessment.

Staff will work to include an article in the City newsletter about the refinancing of the Library Bond and the savings being generated.

Upon a motion/second by Papan/Lee Resolution No. 13-23 authorizing the issuance and sale of 2013 General Obligation Refunding Bonds for the purpose of refunding outstanding 2001 General Obligation Bonds, and approving related documents and official actions was unanimously adopted with addition of language of the bonds being "bank qualified".

12. Response to Grand Jury Report – Water Recycling – an Important Component of Wise Water Management

Public Works Director Cyrus Kianpour presented the report.

Ms. Raines noted that Millbrae is a leader in sustainability and that the City is not in a position with our current infrastructure to use recycled water.

Vice Mayor Lee encouraged staff to look into a rainwater capture program for the residents. He also stated that Los Angeles County recharges water. This is a process where water is sent underground and nature takes it's course to disinfect it. There may be an opportunity to possibly partner up with other dischargers and store underground water.

Mr. Kianpour stated that the City currently has a rainwater harvesting program in place. Regarding the recharging of water, he stated that this is a difficult project to undertake as it is costly and could affect the long term price of water.

Councilmember Gottschalk noted that the largest water user in the City was Green Hills Country Club and second largest was the School District. If there could be some recycling of water for landscaping use at Green Hills he would encourage it.

Mr. Kianpour noted that Green Hills Country Club is exploring other resources and that they are looking to store some water in the water tank on Helen Drive. The School District would need to install dual plumbing and a totally separate water distribution system to consider using recycled water and this would be costly.

Councilmember Colapietro requested that the response letter highlight that Millbrae is a leader in sustainability and that the City has invested over \$28 million to renovate the Water Pollution Control Plant.

No public comment for this item.

Upon a motion/second by Lee/Colapietro Council received the report, approved the response letter and directed staff to forward the letter to the Grand Jury with the requested additional language.

COUNCIL COMMENTS

Mayor Papan:

- Announced the recent passing of Georgette Holesapple. She served on the Senior Advisory Committee and was a Police Department and Sheriff's volunteer. She requested that tonight's meeting be closed in her memory;
- Announced that C/CAG has opening and encouraged her fellow Councilmembers to apply;
- Announced an upcoming PG&E service interruption;
- Announced the June 8th Disaster Preparedness Day;
- Announced the May 30th Friends of the Millbrae Library Open Board meeting;
- Announced that both Mills High School and Capuchino High School will hold graduation ceremonies on May 31st;
- Announced the June 6th Taylor Middle School Promotion Ceremony;
- Announced the Fitness Fridays beginning the first Friday in June;
- Announced the Friends of the Millbrae Library Book Sale on June 7th, 8th, and 9th;

- Announced the Millbrae Lions Club Pancake Breakfast on June 8th.

Vice Mayor Lee:

- Attended the recent Caltrain Local Policy Makers Work Group meeting.

Councilmember Colapietro:

- Announced that residents will soon receive a post card regarding water rate increases and cautioned everyone the card is not junk mail and to please read carefully;
- Announced the June 8th Disaster Preparedness Day;
- Encouraged residents to sign up on the City's website to receive the City Newsletter electronically;
- Announced that the Millbrae Police Bureau is participating in the Click It or Ticket Campaign through June 2nd;

Councilmember Gottschalk:

- Attended the recent C/CAG Airport Land Use Committee meeting. There was discussion on the new noise parameters for the Half Moon Bay airport.

ADJOURN CITY COUNCIL

There being no further business to discuss the City Council adjourned at 10:38 p.m. in memory of Millbrae resident Georgette Holesapple.

/s/ Fran Nelson
Acting City Clerk

/s/ Gina Papan
Mayor