



**MILLBRAE CITY COUNCIL
MILLBRAE REDEVELOPMENT AGENCY
MINUTES
February 22, 2011**

CALL TO ORDER MILLBRAE CITY COUNCIL AND REDEVELOPMENT AGENCY

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

ROLL CALL: Mayor/Agency Chair Daniel F. Quigg, Vice Mayor/Agency Vice Chair Marge Colapietro, Council/Agency Members Gina Papan, Nadia V. Holober, and Paul Seto

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

1. **CEREMONIAL/PRESENTATION**

- Proclamation Proclaiming the Month of March 2011 as American Red Cross Month

Mayor Quigg presented a proclamation to Joe Quadt, American Red Cross Bay Area, proclaiming the month of March 2011 as American Red Cross Month. Mr. Quadt thanked the Mayor and invited the community to attend the upcoming Heroes Breakfast.

- Presentation of BART Station Projects by Jeff Ordway, Manager of Property Development

Bart Director Joel Keller introduced Jeff Ordway, Manager of Property Development, who presented an overview report on BART Station Projects.

Council thanked Mr. Ordway for his presentation, noted that they would like Bart to consider a commercial aspect in the Millbrae Bart Station area, and encouraged local hire on the project.

2. **AGENDA OVERVIEW/STAFF BRIEFING**

- Informational Report Regarding Bills, Claims, and Payroll

City Manager Marcia Raines reviewed the agenda items.

- Report out from Closed Session of February 8, 2011

City Attorney Joan Cassman stated that the Council met in Closed Session and discussed the items of anticipated litigation and the City Manager performance evaluation; no reportable action was taken.

3. **APPROVAL OF MINUTES**

- Regular Meeting of February 8, 2011

Councilmember Holober noted that there were minor typos in the minutes that needed correction. She requested that the attachment for item 7 be included in the minutes and inquired if staff had responded to Council's question regarding item 6. Staff noted that this inquiry was on the work list.

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

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

- NONE

CITIZEN COMMUNICATION

NONE

CONSENT CALENDAR

5. Fiscal Year 2011 – 2012 Budget Preparation Calendar

Councilmember Seto requested that item 5 be pulled for discussion.

Finance Director LaRae Brown stated that budget calendar is being moved up this year to complete the process by the May 24th Council meeting.

Councilmember Seto requested that the budget have a three to nine month actual and a three month forecast so as to have a better picture of what is going on.

Ms. Brown stated that this evening’s Mid Year Budget report is the actual projection for what will be done on June 30th.

Council requested that the budget calendar be posted on the City website and forwarded to MCTV for posting.

Upon a motion/second by Colapietro/Seto consent calendar item 5 was approved.

PUBLIC HEARING

NONE

OLD BUSINESS

6. Progress Report on Affordable Housing Projects in the City’s Redevelopment Project Area

Community Development Director Farhad Mortazavi presented a progress report on affordable housing projects in the City’s redevelopment project areas: 88 South Broadway, Park Broadway, Belamor, and Dolores Lia.

Council requested:

- ✓ Notices of default be filed on the units that the City assisted in financing at 88 South Broadway;
- ✓ Staff to look into re-zoning the RDA area to make it smaller to decrease the amount of tax increment that would go into the RDA Fund.

Staff noted if RDA survives the governor’s current proposal, Council could look into an amendment of the City’s RDA area.

No public comment for this item.

Council received the report.

NEW BUSINESS

7. Informational Report on Clean Energy Project

City Engineer Khee Lim introduced Kelly Fergusson, Siemens Business Development Manager Self Funding Clean Energy Projects – Local Government, who presented a Clean Energy report and provided information on performance contracting as a financial tool to enable large capital projects:

- ✓ No upfront costs
- ✓ Bundling of items
- ✓ Leveraging future savings
- ✓ Design/build/guarantee approach.

This project is geared to facilities that are owned and operated by the City and would include opportunities for savings with electricity, facilities (City Hall and Community Center), street lighting, and irrigation.

Council requested that staff return with more information on whom else provides this type of service/project/financing and more analysis on a Request for Qualification (RFQ) and/or Letter of Intent (LOI).

Council inquired into the status the LED streetlight project. Mr. Lim stated that the City had selected a contractor and that he would provide Council with the schedule; this project is being managed by PGE.

No public comment for this item.

Council received the report.

8. Joint Resolution of the City of Millbrae and the Millbrae Redevelopment Agency Amending the Approved Budget for the General Fund, Redevelopment Agency Fund and Other Funds as Listed, for Fiscal Year 2010-2011

Finance Director LaRae Brown stated an in depth analysis of the City's budget has been completed and tonight's report is the mid year budget review. During the year the City receives updated information on key fiscal indicators from Federal and State and other sources that affect our projected estimates. There are both positive and negative findings. There is an increase in revenues in the General Fund in property tax, sales tax, and the Transient Occupancy Tax. We are projecting an overall revenue estimate increase of \$644,000. On the expenditures we are projecting an overall increase in legal services of \$311,000 due to several ongoing litigation issues.

There are ongoing issues that need to be addressed and issues that have not been addressed in the past:

- Budget reserves
- Liability for retiree medical care
- Increase in CalPERS employer contributions rates
- Possible elimination of RDA
- Expiration of current labor contracts on June 30th.

Councilmember Holober inquired if the expenditure increase for legal services includes the legal services that are used to negotiate the City's labor contracts. She requested that information be provided to Council. Staff will provide the requested information to Council.

Councilmember Seto inquired about the Housing Fee figure. Staff will research and provide information to Council.

Upon a motion/second by Colapietro/Papan City Council Resolution No 11-06 and Redevelopment Agency Resolution 11-02 amending the approved budget for the General Fund, Redevelopment Agency Fund and other Funds as listed, for fiscal year 2010-2011 was unanimously adopted.

9. Discussion Regarding Utility Users Tax

Finance Director LaRae Brown noted that this item is an information report on what a Utility Users Tax it is and its pros and cons, key issues, timeline, and cost of placing this item on the ballot. Additional costs would be incurred to hire a consultant, and conduct community outreach.

It was noted that in the current economic conditions adding another tax would be a burden. Council stated that community outreach would be needed in order to determine public opinion on a Utility Users Tax.

Council requested information on which cities in San Mateo County had passed a Utility Users Tax after the passage of Proposition 218. They also requested additional information on cell phones and telephone lines.

Begin public comment.

Mike Sullivan, Millbrae resident, stated that people are going through difficult times. Garbage, water, and sewer rates are up and there has been no increase in the cost of living. The report on a Utility Users Tax is coming to Council at same time that the FY 2011-2012 is due and the City should review this timeline.

End of public comment.

Council received the report.

COUNCIL COMMENTS

Councilmember Seto:

- Attended the Parks and Recreation Commission meeting. The Commission is looking at their goals and objectives;
- Thanked everyone who attend the Rotary Lunar New Year dinner on February 11th;
- Announced the February 26th Lunar New Year Festivities at Civic Center Plaza at 10:30 a.m. and invited the community to attend;
- Announced the Peninsula Chinese Business Association Lunar New Year dinner on February 27th at Zen Peninsula at 6:30 p.m.;
- Announced the opening of Taylor Field on Saturday, March 5th at 8:30 a.m.;
- Expressed condolences to the Chin family on the recent loss of Liza Chin.

Councilmember Holober:

- Thanked Councilmember Seto for announcing the Lunar New Year Festivities. The Sister Cities Commission is diligently working on this year's program;
- Congratulated the Rotary Club on their February 11th dinner;
- Announced the start up of the 211 County Service. This is a phone line that residents can call to receive various assistance for social and human services;
- Expressed condolences to the Chin family.

Councilmember Papan:

- Congratulated Rahm Emmanuel at on his appointment as Mayor of Chicago;
- Announced the upcoming May 3rd Special Election;
- Attended the recent Peninsula Traffic Congestion Relief Alliance meeting;
- Congratulated the American Cancer Society on their new offices in Redwood City;
- Announced the upcoming Bark for Life fundraiser for the Relay for Life;
- Expressed condolences to the Chin family.

Vice Mayor Colapietro:

- Attended San Mateo County Streets Alive planning meeting for the May 1st event. Anyone interested in assisting with this event should call 692-3195;
- Attended the High Speed Rail meeting on February 10th;
- Attended the C/CAG Board of Directors meeting;
- Attended the official launch of the 211 Service in San Mateo County;
- Attended the social hour at the Rotary's Lunar New Year dinner;
- Attended the 35th Anniversary of the World Journal Newspaper;
- Attended the meetings of the Parks and Recreation Commission and the Senior Advisory Committee;
- Attended the Chamber of Commerce's Winter Mixer;
- Congratulated the Millbrae Lions Club for their recent successful fundraising dinner;
- Encouraged the community to watch MCTV;
- Announced vacancies on the City's Commissions and Committees. Anyone interested in serving should contact the City Clerk.

Mayor Quigg:

- Attended many of same meeting/events as his fellow Councilmembers;
- Adjourned the Council meeting in memory of Millbrae resident Liza Chin. The Chin family is very active in the Millbrae community.

RECESS CITY COUNCIL AND ADJOURN REDEVELOPMENT AGENCY

There being no further regular business to discuss, the City Council recessed and the Redevelopment Agency adjourned at 9:42 p.m.

RECONVENE CITY COUNCIL**10. CLOSED SESSION**

Conference with Legal Counsel – Existing Litigation
Closed Session held pursuant to Government Code §54956.9 (a)
Butler v. Millbrae

Conference with Legal Counsel – Anticipated Litigation
Closed Session held pursuant to Government Code §54956.9(c)
(1 potential case)

Public Employee Performance Evaluation
Closed Session held pursuant to Government Code §54957
Title: City Manager

ADJOURN CITY COUNCIL

There being no further business to discuss, the City Council adjourned at 11:30 p.m. in memory of Millbrae resident Liza Chin.

/s/ Angela Louis
City Clerk

/s/ Daniel F. Quigg
Mayor