

Town of Los Altos Hills

City Council Regular Meeting Minutes

Thursday, November 13, 2008
Council Chambers, 26379 Fremont Road

CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

Mayor Mordo called the City Council Regular Meeting to order at 6:45 p.m. in the Council Chambers at Town Hall.

Present: Mayor Jean Mordo, Mayor Pro Tem Dean Warshawsky (joined meeting at 7:00 p.m.), Councilmember Craig A. T. Jones, Councilmember Breene Kerr (joined meeting at 7:00 p.m.) and Councilmember Mike O'Malley
Absent: None
Staff: City Manager Carl Cahill, City Engineer/Public Works Director Richard Chiu, Finance Director Nick Pegueros, City Attorney Steve Mattas, City Clerk Karen Jost

Council adjourned to Closed Session at 6:47 p.m.

CLOSED SESSION

CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to Government Code Section 54956.8)
Property: APN No. 182-21-003
Agency Negotiator: Steve Mattas
Negotiating Parties: Town of Los Altos Hills and Steve and Karla Jurvetson
Under Negotiation: Purchase terms

PUBLIC SESSION

Council reconvened to Open Session at 7:00 p.m.

City Attorney Steve Mattas reported out of Closed Session: City Council provided direction; there was no reportable action. (Mayor Pro Tem Warshawsky and Councilmember Kerr did not participate in the Closed Session discussion)

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Warshawsky and passed unanimously to limit comments from the floor to two minutes.

APPOINTMENTS AND PRESENTATIONS

1. Appointment(s) to Standing Committees:

Community Relations Committee

Council had before them requests for re-appointment to the Standing Community Relations Committee from the following: Roger Burnell, Karen Emerzian, Ron Knapp, Duffy Price, Patty Woolsey and Roy Woolsey. The applicants had each completed their four year terms and had expressed their wishes for re-appointment in writing or verbally to the City Clerk. Additionally, Roy Woolsey, pursuant to the Standing Committee Resolution requirements, requested Council approval to serve another term as the Committee's Chair.

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Warshawsky and passed unanimously to appoint Roger Burnell, Karen Emerzian, Ron Knapp, Duffy Price, Patty Woolsey and Roy Woolsey to the Standing Community Relations Committee for a term of four years and authorize Roy Woolsey to serve an additional term as the Committee's Chair.

Finance and Investment Committee

Council had before them requests for re-appointment to the Finance and Investment Committee from the following: Wilfred Corrigan, Frank Lloyd, R. Douglas Norby, and Lalla Stark. The applicants had each completed their four year terms and had expressed their wishes for re-appointment in writing or verbally to the City Clerk.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Warshawsky and passed unanimously to appoint Wilfred Corrigan, Frank Lloyd, R. Douglas Norby, and Lalla Stark to the Finance and Investment Committee for a term of four years.

Pathways Committee

Council had before them for their consideration applications from Nick Dunckel, Jolon Wagner, Bob Stutz, Eileen Gibbons, Ann Duwe and Tim Warner. Following a ballot vote, Dunckel, Duwe, Gibbons, Stutz and Warner were selected to fill the five vacancies on the Pathways Committee.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Warshawsky and passed unanimously to appoint Nick Dunckel, Ann Duwe, Eileen Gibbons, Bob Stutz and Tim Warner to the Pathways Committee for a term of four years.

CONSENT CALENDAR

MOTIONED SECONDED AND CARRIED: Moved by Warshawsky, seconded by Kerr and passed unanimously to approve the consent calendar, specifically:

2. Review of Disbursements: October 1, 2008 – October 31, 2008 \$1,639,459.14
3. Acceptance of 2007-2008 Street Rehabilitation Project- Resolution # 75-08
(Staff: R. Chiu)

4. Notification of Fast Track: Lands of Somasundaram, 12244 Windsor Court, (File #163-08-ZP-SD) A Request for a Site Development Permit for a New 5,748 square foot Two Story Residence and Detached Second Unit (maximum height: 28') CEQA Review: Categorical Exemption per Section 15303(a) (Staff: N. Horvitz)

PRESENTATIONS FROM THE FLOOR

Jitze Couperus, resident, provided a brief update on the Adobe Creek Restoration project. The relocation of several wood rat habitats had delayed the project and necessitated a permit extension. A majority of the site work has been completed and the final stage of re-planting the creek with natural vegetation was expected to be finished by mid-January 2009.

Council extended a thank you to Mr. Couperus for his service on the Adobe Creek project noting that the revitalized creek was an asset to the beauty of the Town.

Rich Larsen, resident, thanked the City Council for their guidance and support on the West Loyola neighborhood annexation and sewer project. On behalf of the West Loyola Sewer Assessment District No. 1, Larsen presented a framed certificate to Councilmember O'Malley for his ongoing support over the past 8 years.

Jim Abraham, resident, thanked Councilmember O'Malley for his 8 years of service as a Councilmember noting that O'Malley had always been a "voice of reason" and guiding light on many critical projects for the Town.

PUBLIC HEARINGS

5. Consideration of Resolution Ordering Abandonment and Sale of the Approximately 8,712 Square Foot Vacant Town-Owned Land Identified as APN No. 182-21-003 (property located adjacent to Altamont Road near the intersection of Black Mountain Road) (Staff: City Attorney)

Mayor Pro Tem Warshawsky and Councilmember Breene Kerr recused themselves from consideration of this item and stepped down from the dais.

City Attorney Steve Mattas introduced the item to Council. Mattas explained that the item subject to the public hearing related to a piece of Town owned property that was approximately 8,712 square feet located across the street from Byrne Preserve. Mattas reviewed a vicinity map with Council that identified the property and adjacent property. The Municipal Abandonment Law of 1939, allowed the City Council to abandon the property if certain criteria was met. The criteria included: 1) the property had not been used by the public for park purposes, 2) no consideration had been paid for the property except by the Town, and 3) no public funds have been extended to improve the property as a park, and the City Council could make the determination that the property was not appropriate, convenient, or necessary for park purposes. Staff had confirmed that the findings could be met. Staff had also concluded that the property was not necessary for

other Town purposes. The Act further permitted the City Council to order the property sold as it deemed most advantageous to the Town.

The resolution before Council approved abandonment of the property, authorized the sale of the property and restricted the use of the funds received for the property to open space and public recreation uses only. Mattas clarified that this was consistent with the original acquisition of the property.

Council questioned who the property had been purchased from and if there were any restrictions placed on the sale. Mattas clarified that it had been part of a larger acquisition from the Nature Conservancy. Altamont Road separated the parcel from Byrne Preserve. The limits/restrictions that would be placed on the funds from the sale of the parcel would maintain consistency with the acquisition from the Nature Conservancy.

OPENED PUBLIC HEARING

Nick Dunckel, resident, questioned if the property could be sold without a vote of the residents. He did not want to set a precedent regarding the sale of Byrne Preserve.

The City Attorney offered that the small parcel had not been included in the Open Space Initiative and had no restrictions regarding the potential sale.

Jitze Couperus, resident, noted that the parcel had been purposely excluded from the Open Space Initiative. Following a request of clarification from Councilmember O'Malley, Couperus explained that several small parcels had been specifically excluded but they were not aware of the location of parcels.

Kathy Evans, resident, favored the sale of the property and use of the funds for recreational purposes.

Jim Abraham, resident, opposed the sale of the property. He believed that there had not been adequate notice of the sale and suggested that it should have been more widely advertised similar to previous town-owned property sales. Abraham questioned if the purchaser would be required to dedicate a right-of-way easement to the Town given it's location within 30 feet of the center line of Altamont Road.

Councilmember Jones explained that the item before Council was a two step process. First, Council would determine if the abandonment of the property was appropriate and second, disposition of the property that would be considered as Agenda Item #9. The City Attorney concurred with the Councilmember's assessment of the process.

City Manager Cahill stated that staff was recommending that it be disclosed to the buyer that a 10 foot right-of-way dedication would be required at the time that the property owner submitted an application for a site development approval. This process was consistent with the Town's standard that was applied to all other property owners for right-of-way dedications.

CLOSED PUBLIC HEARING

Council discussion ensued. There was a consensus that the piece of property under consideration did not serve a public purpose for open space or recreation and there was a true community benefit that could be realized by the funds that would be received from the sale of the parcel.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by O'Malley and passed unanimously to approve Resolution No. 76-08 ordering the abandonment and sale of APN 182-21-003. Mayor Pro Tem Warshawsky and Councilmember Kerr recused themselves from consideration of this item.

UNFINISHED BUSINESS

6. 1st Quarter Investment Report and Presentation for the Period Ending September 30, 2008 (Staff: N. Pegueros) (Item continued from 10/23/08)

Finance Director Nick Pegueros introduced the item to Council. Council had before them a staff report that included a summary of the Town's investments as of September 30, 2008.

Pegueros provided an overview of the Town's current investment strategy. Key elements included the preservation of principal; liquidity, and investment income. Pegueros noted that given the current financial environment, preservation of principal was the overarching strategy. The Town was invested in US Treasuries and guaranteed federal agencies and most recently had withdrawn a majority of the funds from the LAIF money market fund in anticipation of potential issues that could arise from the state's financial problems.

Pegueros reviewed a chart of the Town's portfolio "Issuer Distribution and Credit Quality" with Council. The Town's portfolio was invested in securities rated in S&P's highest ratings category and AAA/AAAm Treasuries. Pegueros noted that the Town's portfolio was in compliance with the California Government Code and the Town's investment policy. The total market value of the Town's portfolio as of September, 2008 was \$12,151,500.

Pegueros reported that staff was working with the Finance and Investment Committee on the annual review of the Town's Investment Policy and the expectation was that it would be ready for Council consideration in December or January 2009.

Council briefly discussed retirement pension liabilities.

OPENED PUBLIC COMMENT

Jim Abraham, resident, spoke to his personal experience with a pension shortfall.

CLOSED PUBLIC COMMENT

Council thanked Pegueros for his report.

7. Revision of Speed Study and Establishment of Speed Limits on Certain Streets
(Staff: R. Chiu)

City Engineer/Public Works Director Richard Chiu introduced the item to Council. In August 2008, the City Council had accepted the speed study prepared by RKH with the exception of seven street segments. At that time staff had been directed to return to Council with alternatives to raising the speed limits for these segments and potential traffic calming measures.

Chiu proceeded with a PowerPoint Presentation that included a map of the street segments and photos of street sections. Chiu reviewed each of the sites and staff recommendations included in the staff report before Council. Traffic calming measures included electronic speed signage; installation of speed humps; installation of rumble strips; and, use of the speed trailer.

Chiu advised Council that the Sheriff's department had been consulted on the staff recommendations and Captain Calderone, Santa Clara County Sheriff's Office, was in the audience to answer any questions.

Council suggested that prior to the use of specific traffic calming measures, they should be returned to Council for their review and approval.

OPENED PUBLIC COMMENTS

Betty Kerns, resident, commented that she did not believe the speed survey was justifiable and suggested that it would be thrown out by the courts. She had challenged the last survey and been responsible for having the last survey "thrown out". She reviewed the state law that was relevant to speed limits and suggested that the Town review and fix all of the speed allocations in Town. She was of the opinion that drivers knew what the appropriate speed limit for them to drive was.

Jay Shideler, resident, commented that if the speed limits were set too low people would ignore them. He suggested that they should be set at a reasonable level and believed that the 25 miles per hour recommendation for some streets was not safe. Shideler noted that the turn at Via Ventana and Page Mill was not safe and recommended that it be posted.

Ginger Summit, resident, commented that during her canvassing of neighborhoods for the recent election, the strongest complaint expressed by residents was speeding cars. She believed it was not unreasonable to lower approved speed limits to make it safer for residents, pedestrians and children given that higher speed limits tended to encourage speeding.

Jim Abraham, resident, concurred with the comments of Shideler. He suggested posting signs that warned bicyclists of dangerous roads. Abraham believed recommended speed limits for Moody Road were ridiculous. He did not support the use of speed bumps.

Duffy Price, resident, Los Altos Hills County Fire District Commissioner, recommended that the Fire District be consulted prior to the installation of speed bumps on any of the Town's streets. She opposed the use of electronic signs in Town.

Kathy Evans, resident, commented that she wanted her kids to abide by the law and drive at the posted speeds. She suggested that signage to direct bicyclists off Moody to the path at Foothill College was warranted.

CLOSED PUBLIC COMMENTS

Council discussed the speed limit recommendations. Safety was identified as their primary goal. They did not support the funding of traffic calming measures at this time and there was a concurrence that any proposal be submitted to the Council under a separate report. It was suggested that dangerous areas particularly those used by bicyclists be reviewed and a more comprehensive approach be considered. Safety was identified as the primary interest of Council. Council suggested that dangerous curves be signed and that the speed trailer be located on roads where a speed limit had been changed or reduced to alert drivers to the revised speeds.

Captain Calderone addressed Council. He noted that the Department receives numerous complaints regarding speeding and bicyclists on Moody Road. He supported maintaining the 25 mile speed limit. It was his belief that that it had successfully kept the accident rate down.

City Engineer Chiu reviewed the amendments that had been proffered by Council. They included:

- Altamont Road (Page Mill Road to Taaffe Road) 30 miles per hour
section at the curve lowered to 25 miles per hour
- Arastradero Road (Page Mill Road to Purissima Road) 35 miles per hour
no traffic calming measures or radar enforcement
- El Monte Road (I-280 to Summerhill) 40 miles per hour
no traffic calming measures or radar enforcement
- Fremont Road (Concepcion Road to Edith Road) 25 miles per hour
- Moody Road (El Monte Road to Altamont Road) 25 miles per hour
- Moody Road (Altamont Road to Murietta Lane) 30 miles per hour
- Page Mill Road (Paseo Del Roble (south) to Via Ventana) 30 miles per hour

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Warshawsky and passed unanimously to adopt Resolution No. 77-08 revising the current speed study and establishing posted speed limits on certain streets with the amendments as identified by the City Engineer.

Staff was directed to review visibility issues on Via Ventana and to post the identified dangerous curves.

8. Update on Town Goals:

Emergency Preparedness

No report was given.

Environmental Initiatives

Discussed as Agenda Item #13

Parks and Recreation Assets and Programs

City Engineer Richard Chiu reported that the Little League fields project was progressing and the contractor was currently working on the fencing and site furnishings portion of the contract. The project was expected to be completed in early February.

Sewers and Infrastructure

No report was given.

NEW BUSINESS

9. Resolution Approving a Purchase and Sale Agreement Between the Town of Los Altos Hills and Steve and Karla Jurvetson for the Sale of an Approximately 8,712 Square Foot Parcel identified at APN No. 182-21-003 and Authorizing Related Actions. (Staff: City Attorney)

Mayor Pro Tem Warshawsky and Councilmember Kerr recused themselves from consideration of this item and remained off the dais.

City Attorney Steve Mattas introduced the item to Council. The item before Council was a purposed purchase and sale agreement between the Town of Los Altos Hills and Steve and Karla Jurvetson to acquire the property that had been identified in Agenda Item #5 (public hearing). The purchase price purposed in the contract was \$139,218. Mattas reviewed the contract provisions with Council. In addition to the provisions identified in the staff report, staff recommended that the agreement be amended to add a provision that obligated the buyers contractually to formally merge the two parcels. This would eliminate the small non-conforming parcel and add it to a conforming parcel.

The City Attorney explained that the Town received two appraisals for the property; both as an open space property and a fully developable property. The fair market value of \$139, 218 was identified as a result of the appraisals. Mattas explained that the Town had met its obligations with regards to the sale. If the Council were to choose to go to a bid process, the City Attorney recommended that they not take action on the item before them.

Council discussion ensued.

Councilmember Jones offered that a sophisticated appraisal process had been followed to establish the fair market value for the parcel. The sale was consistent with the Council's obligations and the property was of a unique interest to the adjacent property owner and would not be developable as a separate parcel. Jones spoke to the Town's interest in the merger of the two properties and the elimination of a non-conforming lot given the Town's one acre parcel minimum called for in the General Plan. He stated his support for the sale of the property.

Councilmember O'Malley concurred with Councilmember Jones. He did not want to see the creation of a non-conforming piece of property and noted that the only person that would have an interest in the parcel were the adjacent property owners. O'Malley reiterated that the Town had followed a sophisticated appraisal process and believed the sales price was reasonable for the parcel.

Mayor Mordo concurred with the comments of the Council.

OPENED PUBLIC COMMENTS

Jim Abraham, resident, believed that the appraisal had been flawed and the parcel should have been valued as a residential piece of property. He opposed the sale and was of the opinion that it was inappropriate for the Town to not take the right-of-way dedication at the time of the sale.

CLOSED PUBLIC COMMENTS

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by O'Malley and passed unanimously to adopt Resolution No. 78-08 approving a purchase and sale agreement between the Town of Los Altos Hills and Steve and Karla Jurvetson for the sale of APN 182-21-003. Direction was given to the City Attorney to amend the agreement to add a provision that required the purchaser to merge the two parcels.

10. Consideration of Holiday City Council Meeting Schedule and Cancellation of Regularly Scheduled Meeting(s) (Staff: K. Jost)

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by O'Malley and passed unanimously to cancel the November 27th and December 25th regularly scheduled City Council meeting due to their conflict with holidays.

11. Consideration of Revised Schedule of User Fees at Westwind Community Barn (Staff: N. Pegueros)

Councilmember Breene Kerr recused himself from consideration of the item and stepped down from the dais. Mayor Pro Tem Warshawsky recused himself and did not participate in the discussion.

Finance Director Nick Pegueros introduced the item to Council. Council had before them a resolution to adopt a revised schedule of user fees at Westwind Community Barn for the period beginning January 1, 2009. In July, 2008, the City Council adopted a six month operations budget for the facility using data provided by the prior operator. With four months of revenue and expenditure experience, the Town now had reliable data to forecast the annual budget for the operation of boarding services. Pegueros noted that the most notable increase in costs has been for feed and bedding. Additionally, managing the barn as a public facility had significantly increased barn operation costs. The proposed rate increase would close the gap between barn stall and feeding pasture boarding fees and the true cost of providing services. The proposal included a 17% rate increase for stall rentals and a 7% rate increase for the feeding pasture. Additionally, staff recommended a facilities user fee beginning January 2009. The fee would be used as a

revenue stream for a capital improvements fund. It was noted that the prior operator did impose a membership fee that was not currently being imposed.

Council discussion ensued. Councilmember Jones offered that the approach suggested by staff to monitor the rate increase on occupancy was reasonable. He believed it was appropriate to subsidize the multiple use facility. Councilmember O'Malley stated that he was comfortable with the proposal. Mayor Mordo concurred and noted that he would prefer to see the operations break even but believed the approach recommended by staff would cut the deficit significantly. Mordo added that the Town was still in the process of garnering experience having assumed the management responsibilities just four months earlier.

OPENED PUBLIC COMMENTS

Kathy Evans, resident, commented that going forward the Town could re-establish the Annual Hoedown as a fundraiser for the Barn. She would like to see the facility marketed as a "park for horses". Evans requested that Council consider reviewing the limit of two hooved animals per acre zoning for the Town in the future.

Jim Abraham, resident, did not support any subsidy for the care and feeding for horses at the barn. He did not believe it was appropriate use of Town funds. Abraham noted that the Town had already spent substantial monies on the Barn improvements.

CLOSED PUBLIC COMMENTS

Councilmember Jones reiterated that the goal was to maximize revenue and having the highest rent possible if it leads to lower occupancies would not be a successful approach. He noted that the rentals are intertwined with the use of the barn as a multi-use facility.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by O'Malley and passed by a 3-0-2 vote with Councilmember Kerr and Mayor Pro Tem Warshawsky recusing themselves from consideration of the item. Resolution No. 79-08

12. Introduction of an Ordinance Amending Title 6, Chapter 5 and Sections 5-8.08 and 12-2.207 of the Municipal Code Related to Public Nuisance Abatement Cost Recovery (Staff: City Attorney)

City Attorney Steve Mattas introduced the item to Council. Council had before them an ordinance that would amend the Municipal Code to enhance the Town's ability to recover costs incurred for nuisance abatement. The Town's current nuisance abatement ordinance was last amended in 1995. State law now allowed the Town to recover attorneys' fees and staff time expended for items such as investigation, site inspection and monitoring, and correspondence and meetings with affected parties incurred in the nuisance abatement process. State law also allowed the Town to recover abatement costs by special assessment. The ordinance before Council incorporated this authority and would permit the Town to choose whether to recover nuisance abatement costs by nuisance abatement lien or by special assessment. Mattas noted that the ordinance did provide protection for the recovery of attorney costs to the "prevailing party."

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by O'Malley and passed unanimously to waive reading and introduce Ordinance # 513

PLANNING COMMISSION REPORT

City Manager Carl Cahill reported that the Planning Commission at their November 6, 2008 meeting had voted to recommend denial of AT&T's application for a wireless facility on DuVall Way. The request would be forwarded to Council at their January meeting. The Commission had unanimously approved an addition-remodel for the former Crozier-Hogle property.

REPORTS FROM COMMITTEES, SUB-COMMITTEES, AND COUNCILMEMBERS ON OUTSIDE AGENCIES

13. Presentation by the Environmental Initiatives Committee "Los Altos Hills Green House Gas Emissions Inventory"

Steve Schmidt, Standing Environmental Initiatives Committee member, introduced the item to Council. Schmidt had prepared a PowerPoint Presentation "Los Altos Hills Greenhouse Gas (GHG) Emissions Inventory." The presentation included: an overview of what a GHG inventory was; the reason for conducting the inventory; the process that was followed to gather the data for the Town's inventory; review of the data collected; and the key points in the "next step" process.

Schmidt had partnered with the International Council for Local Environmental Initiatives (ICLEI) and staff to develop the GHG inventory report. The inventory figures were estimates only and expected to change over time. 2005 was used as the base year and the data for the inventory had been provided by the Town staff, PG&E, LAGCo, ICLEI, and government sources. Software provided by ICLEI was used to analyze the data which was divided into "Government Operations" and "Community".

Schmidt reviewed the analysis of the Town's government operations that reflected a downward trend of CO₂e emissions. The Town's new garbage contract that proposed to use more efficient fuel trucks with fewer trips per home was expected to factor into even lower emission rates. The community analysis was more difficult to measure given that some of data was based on estimates and assumptions. Schmidt suggested that natural gas and electricity was probably the best place to focus reduction efforts given that they would be easy to track via PG&E data. The current residential usage for the Town and was above residential norms for other cities.

Schmidt outlined the proposed next steps in the process to reduce emissions which included establishing targets that would match the state's AB-32 targets. His action plan included: the education of residents on the issues; the creation of a voluntary residential energy audit program; and, utilization of PG&E's ClimateSmart program. Additionally, Schmidt suggested that the Town continue to monitor GHG emissions and report out on an annual basis.

Council discussion:

Council thanked Schmidt for his very informative presentations. They concurred that it was important to continue to gather data and educate the residents on the issue. It was suggested that water usage as a resource be included in the audit. Council provided direction to Schmidt and the EIC to return to the City Council with an action plan focusing on voluntary residential energy and water use audits, target goals, and proposed budget.

OPENED PUBLIC COMMENTS

Jay Shideler, EIC Chair, thanked Schmidt for his efforts in preparing the report. He offered that the process for collecting and evaluating residential contributions to Green House Gases was very difficult and lacked a protocol. Shideler noted that the water would be included in the audits.

Jitze Couperus, resident, suggested that the Town post the report on the website and suggested that the site could be used to encourage residents to volunteer for a residential audit.

CLOSED PUBLIC COMMENTS

Council thanked Steve Schmidt and the EIC for their work.

STAFF REPORTS

City Manager
City Attorney
City Clerk

- No reports given.

ADJOURNMENT

There being no further business, the meeting was adjourned by consensus of the City Council at 10:15 p.m.

Respectfully submitted,

Karen Jost
City Clerk

The minutes of the November 13, 2008 regularly scheduled City Council meeting were approved as presented at the December 11, 2008 regularly scheduled City Council meeting.