



**Meeting:**  
*City Council Meeting*

**Date:**

*October 16, 2013*



On October 16 the Council met for their regular September City Council Meeting.

The Council heard public comments from the community on the BACE | Lehigh Lawsuit, Surf Air Operations (also covered in the City Manager's Written Report), and the public notification efforts surrounding the recent incident on Middlefield Road.

Following public comment, the Council reviewed the City Manager's Written Report (**Item 6**). If you haven't had a chance to check out this monthly Report visit the Town's website at [www.ci.atherton.ca.us](http://www.ci.atherton.ca.us) and navigate to Agendas and Minutes. The Report is prepared monthly as part of the City Council's Regular Agenda. It includes departmental updates on the various happenings around Town such as reports from Administration, Community Services, Planning, Police, and Public Works.

In most cases the City Manager's Report is a "receive and file" item but sometimes there is Q&A or comments on some of the items in the Report. Tonight, the City Manager provided oral comments on the upcoming Civic Center Project Neighborhood Meetings. Meetings are scheduled for the following dates and times:

- *Monday, October 28 - Neighborhood Meeting #1 (87 Patricia Drive) - 6 pm to 8 pm*
- *Tuesday, October 29 - Neighborhood Meeting #2 (99 Alejandra Ave) - 6 pm to 8 pm*
- *Wednesday, October 30 - Neighborhood Meeting #3 (96 Mount Vernon Lane) - 6 pm to 8 pm*
- *Sunday, November 3 - Neighborhood Meeting #4 (420 Walsh Road) - 3pm to 5pm*
- *Tuesday, November 5 - Neighborhood Meeting #5 (173 Hawthorne) - 6pm to 8pm*

The public is free to attend a meeting in their neighborhood or any of the other listed meetings. Also included in the Manager's Report were minutes from the most recent Bicycle | Pedestrian Stakeholder's Group Meeting and information related to the various emergency alert sign-ups for notifications. The Council asked a few questions and provided comments on Police Department activity, events at the Park, and Park revenues.

Next up was the Consent Agenda. **Items 13, 15, and 16** were pulled from consent for discussion but will be listed below in numeric order here. The Consent Agenda (**Items 8 through 16**), was approved with comments and/or modifications to **Items 13, 15, & 16**. **Items 8 through 12 and 14** were approved with one motion. Included in this list were minutes of prior meetings, warrants and demands, financial report for September 2013, RFP for Auditing Services, setting of speed limits for certain streets, and a resolution for the Citizen's Option for Public Safety Grant.

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**Item 13** was the Approval of an Agreement with Cal-West Lighting and Signal Maintenance. The Council provided input to staff to clarify issues within the proposed agreement to ensure that the multi-year agreement met the proposed services and promises by the contractor. Following comments on the Agreement, the Council approved the Agreement.

**Item 15** was the South Bay Waste Management Authority (SBWMA) Refuse and Recycling Rate discussion. Here, the Council discussed the status of the Town's 10-year exclusive franchise with Recology for the collection, recycling and disposal of materials within the Town limits. The franchise expires in 2019 at which time the SBWMA and member agencies will re-bid the franchise (actual rebidding will take place prior to the expiration of the contract). The current franchise agreement has indexed cost caps set for the contractor to control cost escalation. The City Council sets local collection rates based on revenue requirements for contractor compensation set by the SBWMA Board of Directors. A member of the City Council sits on the SBWMA Board of Directors and the City Manager sits on the SBWMA Technical Advisory Committee.

The Town's Atherton Solid Waste Committee met over the last couple of months to discuss the refuse rate setting process. The Committee reviewed data provided by the South Bay Waste Management Authority (SBWMA) and discussed:

- Refuse Service Contractor Revenue Requirements
- Rate Stabilization Fund Balance
- Rate Projections
- Franchise Term and Contract Discussions

It was determined that when the Town set rates for 2012, they were set with the expectation that the Rate Stabilization Fund would smooth out the need for any future rate increases over a period of years. After reviewing the contractor revenue requirements for 2014, revenue projections for the remainder of the franchise term, and the fluctuations in the rate stabilization fund, the Committee agreed that a rate adjustment for garage and recycling collection was not needed at this time. However, the Committee does recommend that the Council address the cost-alignment for green cart collections. The Town's rate structure allows a resident to obtain a 3rd and 4th green cart at a monthly rate of \$10 each and for the 5th cart or above the rate is \$15 each per month. Actual collection costs for each cart is approximately \$19. The Committee recommended that the cost model be moved closer to a true-cost recovery model by raising the cost for carts to \$11 and \$17, respectively.

The Committee will monitor the Town's rate structure against the costs of collection and continue to implement a strategy to use the Rate Stabilization Fund to mitigate future rate

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adjustments. It is anticipated, that at some point in the next few years, there will need to be a rate adjustment to keep pace with cost increases as the balance in the Rate Stabilization Fund decreases. The Committee anticipates that there will be a “true-up” of costs at the conclusion of the franchise term (with or without a different contractor) that will require an adjustment of rates. The proposed increase in the green cart rate will require a public process under Proposition 218. Staff will coordinate the necessary public process to adjust the green cart rates in the coming months.

Staff also reported that there are ongoing labor negotiations between Recology and Teamsters Local 350 for Recology's drivers, mechanics and clerical workers. The current labor agreements are set to expire at midnight on October 23, 2013. Similar negotiations are taking place between South Bay Recycling (SBR) and Teamsters Local 350 for SBR's semi-drivers, mechanics and clerical workers, whose contracts also expire at midnight on October 23, 2013. SBR operates the Shoreway Environmental Center in San Carlos under contract with RethinkWaste.

The Town is not a participant in any of the labor negotiations as these workers are Recology and SBR's employees and these negotiations are not expected to have any impacts on garbage rates. The previous labor agreements honored the terms negotiated by Allied Waste, the service provider and facility operator prior to Recology and SBR. The Town will actively monitor collection and facility operations to ensure full compliance with the terms and conditions of the franchise agreements and Shoreway operations agreement, respectively. Staff encouraged residents to report any service disruptions to the Town and/or Recology immediately.

**Item 16** was approval of destruction of certain records retained by the Town. The Council asked a few questions regarding the detail of some of the records and approved their destruction pursuant to the Town's Records Retention Policies.

Following the Consent Agenda, the Council heard **Item 17**, Introduction of an Ordinance to amend Title 15 relating to the California Building Codes and ratification of Menlo Park Fire Protection District Fire Regulations. The Council heard a report from the Town's Building Official and representatives from the Menlo Park Fire District. The Council asked a variety of questions related to the requirement to install fire sprinklers with a remodel constituting 50% of the home's square footage. While the requirement has been a part of the regulations since 2007, the Council expressed concern over its disparate impact on smaller homes in Town. The Council introduced the Ordinance and set the Public Hearing for November 20.

**Item 18** was an Ordinance to address overnight camping or sleeping in motor vehicles or trailers in Town on public or private property. The Council heard public comment asking the Council to carefully consider the impact of the proposed Ordinance on the homeless before adoption. The Council discussed the Ordinance and its implementation. The Council modified the Ordinance's

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language related to private property by adding a clause such that camping is prohibited on private property when the property owner is not present. The Council introduced the Ordinance, as amended, and set the Public Hearing for November 20. The Council also asked that staff return during the budget cycle with recommendations on how the Town can contribute to area homeless issues.

**Item 19** was ratification of the Memorandum of Understanding between the Town and the Atherton Police Officers Association. The City Manager presented the staff report articulating the changes to the MOU and the savings the Town would experience as a result of its adoption.

This successor MOU provides the Town with cost savings that represent a minimum of 7.6% of salaries and future cost savings through the meeting of major policy objectives. There are six (6) major areas of change within the MOU:

- 1) format of the MOU;
- 2) compliance with AB 340;
- 3) cafeteria health plan at Kaiser Rates w/cost-sharing and caps;
- 4) elimination of Town-paid retiree healthcare;
- 5) elimination of employer-paid member contributions; and
- 6) elimination of required 70th percentile matching.

In addition to the above, the City Manager articulated other areas that represent fiscal changes within the MOU. There are no Cost of Living Adjustments contemplated over the life of the 3-Year MOU; the existing uniform allowances were increased to cover the cost of maintaining the required uniforms and equipment; and POST certifications for sworn and civilian employees were adjusted to the meet the industry average.

In addition to the 7.6% of salary direct savings articulated above, with future actuarial analysis and time, the Town will realize significant savings in the following areas:

- Reduced Pension Obligations through the creation of a 2nd Tier Pension System;
- Reduced OPEB Obligations through the elimination of Retiree Healthcare Premium Costs;
- Reduced Active Employee Healthcare Costs through a reduced formulary and cost sharing; and
- Reduced Salary Escalation through controlled salary adjustments.

The Council ratified the Memorandum of Understanding and associated documents.

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The last item on the Agenda was **Item 20**, approval of the Park Events Management Services Request for Bid. Staff presented the Request for Bid and articulated the expectations for response. The Council provided feedback on the Bid document and suggested changes to reflect a shorter revenue guarantee window, the inclusion of performance indicators, adding audit controls, and the clarification of service delivery items. Following discussion, the Bid document was approved, with modifications to be done prior to its release.

And at 9:20 pm, having cleared the entire Agenda that, as they say – was a wrap!

Sincerely,

George Rodericks  
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