



Minutes
Town of Atherton

May 7, 2014

4:00 P.M.

City Council Chambers

94 Ashfield Ave

Atherton, California

City Council Study Session

ROLL CALL

Wiest, DeGolia, Lewis, Widmer

PUBLIC COMMENTS (Limited to items on the agenda)

STUDY SESSION

1. DRAINAGE STUDY MASTER PLAN UPDATE

Report: Community Services Director Mike Kashiwagi

Recommendation: Review, discuss, and provide feedback regarding work performed to date on the Drainage Study Master Plan Update

Staff and the consultant (NV5) led the Council through the work to date on the Drainage Master Plan. The project is approximately 50-6% complete.

Approximately 2/3 of the Town's storm water runoff flows into the Atherton Channel, but the current channel capacity is limited to a 7-year storm event. Accordingly in order to improve drainage issues upstream from the channel, the Town must first address the capacity of the Atherton Channel.

Storm drain improvement projects are prioritized and potential improvement costs range from \$17,000 to \$20 million. Each proposed project will be further evaluated through a cost-benefit analysis as well as feasibility analysis. When the Drainage Master Plan returns in the next 60 to 90 days, the City Council will be asked to review and accept it.

Following the presentation, the Council discussed various issues related to the preliminary study, to include improvements in other communities – particularly those that are contributory to the Town's drainage system, riparian restoration opportunities, the complexity of the data from a layman's understanding, educating the community about the project and its issues, as well as breaking data and projects down into discreet project areas that can assist with benefit assessment district considerations.

2. REVENUE ENHANCEMENT ALTERNATIVES II

Report: City Manager George Rodericks

Recommendation: Review and Discuss

The budget addresses short-term goals as well as long-term goals through a 5-Year Fiscal Forecast and 5-Year Capital Improvement Program. The Town's budget process involves numerous public meetings with staff and the City Council to discuss Council priorities as well as

available resources. As the budget moves through the year, staff allocates resources in support of the identified goals, makes adjustments for unanticipated needs, and hosts a mid-year update with the Council. Staff is always looking for ways to reduce costs while maintaining the high-quality of service Atherton residents have come to expect. Often, to accomplish this goal, staff and the City Council have to identify ways to increase or diversify its revenues.

At a prior meeting, the Council narrowed the list of potential revenue enhancements, so at this meeting, staff provided information on the following potential revenue enhancements:

- Viability of a Utility User's Tax
- Modifications to the Business License Tax
- Validation of Rents and Use Fees
- Implementation of Benefit Assessment Districts
- Viability of the Road Impact Fee

The Council discussed each of the above in depth and staff presented scenarios for their consideration.

With respect to the Utility User's Tax, the Council felt that while it may be a viable revenue source, it was not something the Council wanted to consider immediately. Given that the current parcel tax expires in four years, the Council did not feel there was an immediate need to augment or replace the parcel tax with a utility user's tax.

The Council supported updating the Town's business license tax to identify graduated rates for the different business license categories. The Council suggested that staff continue to look for innovative ways to raise revenues through rent and use fees. Further, the Council was supportive of increasing the gap between resident and non-resident fees. Expanding recreational activities in the Park should be explored, wherever possible and practical.

The Council felt that Benefit Assessment Districts should be explored, when appropriate, for capital projects where they make sense. Lastly, all of the Council recognized that the prior Road Impact Fee could not be re-instituted; however, the Council felt that staff should explore methodology to impose a development impact fee related to the direct impact of truck traffic connected to a specific development project. Engineering studies will have to be completed to determine the exact impact of truck traffic related to specific grading or excavation projects.

ADJOURN

Mayor Wiest adjourned the meeting at 6:00 p.m.

Respectfully Submitted,
Theresa DellaSanta
City Clerk