



# CITY COUNCIL and COMMUNITY DEVELOPMENT AGENCY MINUTES

Tuesday, February 1, 2005  
7:00 p.m.  
701 Laurel Street, Menlo Park, CA 94025  
Menlo Park City Council Chambers

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## **7:00 p.m. REGULAR MEETING** (Menlo Park City Council Chambers)

**ROLL CALL** – Winkler, Jellins, Cohen, Duboc, Fergusson

**STAFF PRESENT** - David Boesch, City Manager; William McClure, City Attorney; Audrey Seymour, Assistant City Manager; Silvia M. Vonderlinden, City Clerk and Carol Augustine as the City's new Finance Director. Various department heads and other City staff were also present.

## **PLEDGE OF ALLEGIANCE**

### **A. COMMISSION VACANCIES AND REPORTS**

1. One vacancy on the Las Pulgas Committee to fill an un-expired term that ends in March 2005 (this vacancy is for a business member seat). The extended deadline for receipt of applications is February 22, 2005 at 5:30 p.m.
2. Commission Reports.

### **B. PRESENTATIONS AND PROCLAMATIONS - None**

### **C. PUBLIC COMMENT #1 (*Limited to 30 minutes*)-**

Roxanne Rorapaugh commented that she believes that safety is a concern at the intersection of University Drive and Menlo Avenue. Ms. Rorapaugh asked why it takes one year for a traffic light to be in place.

Mr. Boesch responded that the signal is shortly going out to bid and the goal is to have the signal installed as soon as possible and this might be as early as next year. Mr. Boesch explained that this is a high priority issue and the Council has taken interim measures to add safety.

Chuck Bernstein stated that he was a member of the residential zoning task force and he is here asking Council to reconsider the decision from last week on the Zoning Ordinance amendment. He posed questions about the wording on the Agenda and the action taken by Council. Mr. Bernstein does not think that two weeks is sufficient to review the unintended consequences of this proposal. He asks Council to reconsider its action from last week.

Mr. Boesch clarified that after considerable discussion Council directed staff to draft an ordinance to be submitted through the formal process. Mr. Boesch stated that there is ample opportunity for the community to voice its opinion and nothing is final at this point.

### **D. CONSENT CALENDAR**

1. Approval of the Minutes for the City Council Meeting of November 30, 2004.

**M/S Jellins/Duboc to approve Consent Calendar item D1. Motion passes 3-0 with two abstentions from Council Members Cohen and Fergusson because they were not on the Council at that time.**

**E. PUBLIC HEARING - None**

**F. REGULAR BUSINESS**

1. Fiscal Year 2005-06 Budget Workshop.

City Manager Boesch presented the staff report enumerating previous strategies used by the City to address budget shortfalls. He mentioned that the City is probably about at the mid-point of a 10-year budget shortfall. This situation stems from declining sales tax revenues and increasing personnel costs. Mr. Boesch stated that short-term solutions have been exhausted and services in virtually every area have been impacted. The City Manager listed all the strategies used to trim the organization. He opined that increased stress on staff, due to less people doing the same amount of work, and in many cases with increased demands, is a concern to the organization.

Mr. Boesch then focused on a deteriorating infrastructure and the need for comprehensive long-term planning. He added that estimates are leading to the conclusion that the expected shortfall in fiscal year 2005-06 will be approximately \$812,000. The City Manager also shared the assumptions supporting the budget projections and it looks like there will be a deficit for the next seven years. This assumes that the State will pay back to the City in 2006-07 around \$567,000. Council asked if cities have recourse should the State forego payment, and Mr. McClure said only if cities sue the State. The capital improvement and infrastructure funds were discussed and Mr. Boesch stated that the latter is under-funded.

Audrey Seymour, Assistant City Manager, outlined three possible methodologies: incremental cuts approach, reserves only approach, and the ground up approach. The advantages and disadvantages of each approach were presented. Mr. Boesch resumed his presentation stating that staff proposes a ground up approach. This would involve rolling over the 2004-05 budget to 2005-06, resulting in use of approximately \$812,000 from the General Fund Reserve and then embark on a "ground up" process for 2006-07. This approach would include the following steps: budget workshop (February) Project Priority Setting (March) Master Fee Schedule (April) Budget Adoption (May). Council Member Fergusson shared concerns that the Willow neighborhood feels unsafe due to a recent armed robbery. Mr. Boesch explained that staff is looking for the Council to nominate two council members to get involved in the 2006-07 budget process. Mr. Boesch stated that staff would also ask for an appropriation of funds to cover outreach to the community.

**Council Discussion**

Council Member Fergusson asked questions of Chief Boyd in regards to the trend of violent crime in Menlo Park. Chief Boyd explained that general crime has been flat but there have been unusual homicides. Chief Boyd said that last year the City had three homicides. He also added that traffic collisions are up. Council Member Fergusson asked particular questions about the crime increase and she stated that public safety is her number one concern. Council Member Fergusson asked Public Works Director Steffens about deterioration of pavement life in our City. Mr. Steffens explained the various pavement conditions and how its deterioration is not a straight-line but a curved line. He believes the system, as a whole, will need additional funds and the five-year plan that was put together included reference to a substantial annual investment to improve and maintain current streets. Council Member Fergusson asked about some of the commitments that are not shown in the budget. Mr. Boesch explained that there were various expenses that will come out of the General Fund. The joint use theater for \$2.6 million between the City and the Sequoia Union District is one of them. There is a loan of \$600,000 for the Burgess Master Plan and \$100,000 for the Business Development Program. Mr. Boesch stated that the Burgess Gymnasium is a question mark because it is an \$8 million dollar investment.

Council Member Cohen inquired about the possibility of balancing the budget in two years. Mr. Cohen would like to have the public involved and he would like an ad hoc committee to be created.

Mr. Boesch explained that the goal of this process is to get the community involved and receive feedback on what is valuable to the community. Mr. Boesch explained that the goal is to change the frame of reference and inform the public about the entire array of services, and involve it in making decisions about what needs to be cut. Council Member Cohen would like a committee of residents with expertise in Finance and Accounting. He suggests a committee with ten members, and people with skills that might overlap with staff and Council Members, but providing a healthy mix of views.

Council Member Duboc thanked staff for its thorough staff report and she asked that City Manager Boesch give more detail about the public process. Mr. Boesch explained that with this process the hope is that the community and staff can have more trust in the process. He added that the process would include having different segments of the community represented. The contract negotiations were discussed as well as special funds that partially cover certain positions. Council asked questions about the time line and Mr. Boesch explained that staff is comfortable with the proposed timeline.

Council Member Jellins requested more information about the action plan for the ground up approach. Mr. Jellins would like the outreach to get recorded and the use of standardized tools in the review of responses. Mr. Boesch explained that the goal is to come back in about one to two months with a more detailed plan and contract with a firm to test a variety of options in the community. Mayor Winkler asked about timelines and how these would match up with going to the ballot with a possible bond measure. Mr. Boesch stated that the goal is to have (by summer time) an idea of what the community is willing to pay and if it would approve some form of a bond measure.

Council Member Fergusson asked about the real value of City assets. Mr. Boesch explained that on February 15, 2005 Council would receive a list of all projects.

### **Public Comment**

Mike Gullard supports the proposed approach and hopes the process goes even further and looks at how the money is spent. He supports having a group of residents who are willing to spend 3-4 hours a week to work on this process.

Chuck Burnstein made the following suggestions: 1) follow Ms. Fergusson's approach on funding infrastructure, 2) Council to enunciate a goal and it should be to eliminate the deficit in one to two years, 3) analyze leaving PERS, 4) and he does not believe staff should be looking into this because it would be a conflict of interest.

Fran Dehn believes the proposed approach should be a mix of approaches. Ms. Dehn believes that Council should go back to the pre-bubble years and use those figures to work with, and look at that model of expenditures to better understand the public's level of expectations. Subsequently, the goal would be to build back the services that people believe are essential to Menlo Park.

### **Council Discussion**

Mayor Pro Tem Winkler outlined the staff recommendation, and Mayor Pro Tem Jellins asked to receive more detailed information in about six weeks. Council Member Cohen would like a compromise that includes having a balanced budget in two years, and ideally he would like another session to give Council more time. Council Member Duboc agrees with this approach because it adds predictability and the residents will have input and will understand the hard decisions. Council Member Fergusson believes that it is going to take teamwork and trust and she fears that this project can be manipulated. She is nervous about putting everything on the table since the current process seems to work.

Council Member Cohen expects that Council will work as a team to select the committee members. Mr. Cohen stated that there are some people who have already been interviewed and they have potential, and capacity to get involved and bring value to the process. Council Member Fergusson would prefer to put off this ground-up process and instead use money from the General Fund

Reserve. She will support the committee but she has reservations about getting the right mix of people. Council Member Cohen said that this is a novel approach but each Council Member will have an opportunity for input, and he could not agree with a postponement of this approach. Mayor Winkler believes this is the correct approach because the public needs to be consulted and this will allow for a much broader approach and input. Council discussed surveys as a tool for polling the residents, and other methods of having the public provide input.

**M/S Winkler/Jellins directing staff to come back promptly with a more in depth plan and perhaps poll various Council Members on the type of committee that is to be formed and the criteria for its members. When the item comes back then Council will possibly approve a roll-over budget for 2005-06.**

Council Member Fergusson would like to see Police Services increased. Ms. Fergusson requests more information on patrol services, City assets and data on City investments on infrastructure over the next 10 years. Mr. Boesch explained that he would meet with staff to better format the information that is being requested. Council Member Cohen believes that this should be put into the City Managers hands to create the committee. Each Council Member will be making recommendations and Mr. Boesch will work from that and create the committee. Mr. Boesch said that he understood Council's direction but he would like to bring this back to Council. He also asked for clarification on the Police Services and if staff is to work on this or not. Mr. Boesch stated that staff could give Council a cost of adding one police position with the May budget adoption item, and then if Council wanted to add one or more positions it could do so. At that time Council could chose to cut another program or spend more from the General Fund Reserve.

Council asked Mr. McClure to restate the motion:

**Motion directing staff to:**

- 1) bring back a budget for the upcoming fiscal year that is a roll-over budget, and develop a budget for the following year that is a ground up approach as stated in the staff report and include some type of residents ad hoc advisory committee;**
- 2) include providing cost information for additional police officers for the 2005-06 fiscal year.**

Council Member Fergusson shared reservations about the first part of the motion so she proposed splitting the action.

**Substitute motion by Council Member Fergusson and second by Mayor Winkler to split the motion in two parts.**

**Vote on whether or not to split the motion.**

**Motion carries unanimously.**

**Vote on whether or not to accept the first part of the motion. Motion carries 4-1 with Council Member Fergusson opposing.**

**Vote on the second part of the motion. Motion carries unanimously.**

2. Consideration of state and federal legislative items including decisions to support or oppose any such legislation and items listed under Written Communication or Information Items.

**G. WRITTEN COMMUNICATION - None**

**H. INFORMATION ITEMS - None**

Mayor Winkler announced that on February 2, 2005 the City of Redwood City is hosting a forum on the "Return to Downtown" and those who want more information can call 650-780-7000.

**I. COUNCIL MEMBER REPORTS**

Council Member Cohen would like to propose approving a resolution addressing the San Mateo County Board of Supervisors in regards to the election of members to the SamTrans board. He would like to

have more balance on the representation. Mayor Winkler and Council Member Fergusson are supportive of placing this item on a future Agenda under the Consent Calendar.

Council Member Cohen attended the Emergency Services Council in Redwood City and he found it interesting. He learned that Menlo Park would be hosting four exercises to provide training on how to handle Weapons of Mass Destruction incidents.

Council Member Fergusson reported sitting in for Council Member Duboc at the San Francisquito Creek JPA, and at this meeting the group took more steps towards the goal of improving flood protection.

Council Member Duboc will attend the Airport Round Table on February 2, 2005.

**J. PUBLIC COMMENT #2 (Limited to 30 minutes)**

**K. ADJOURNMENT – the meeting adjourned at 10:25 p.m.**

Respectfully submitted,

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Silvia M. Vonderlinden, CMC

Approved at the Council Meeting of April 12, 2005.