



**CITY COUNCIL
COMMUNITY DEVELOPMENT AGENCY
MINUTES**

**Tuesday, September 23, 2008 at 6:00 p.m.
701 Laurel Street, Menlo Park, CA 94025
Menlo Park City Council Chambers**

ROLL CALL – Cohen, Robinson, Boyle, Cline, Fergusson

Closed session pursuant to Government Code Section §54956.9 regarding Town of Atherton, Planning and Conservation League, City of Menlo Park et al, Plaintiffs v. California High Speed Rail Authority, Sacramento Superior Court, Case No. 34-2008-80000022 with Kent Steffens, Interim Assistant City Manager; and legal Counsel.

Action: There was no reportable action.

PLEDGE OF ALLEGIANCE

**A. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS -
None**

B. PRESENTATIONS AND PROCLAMATIONS

1. Metropolitan Transportation Commission Downtown Parking Study

David Johnson introduced William Hurrell, Regional Vice President of Wilbur Smith & Associates who represents the consulting firm who was engaged by the Metropolitan Transportation Commission (MTC) to conduct this study. In early 2007, the City applied for and was awarded grant funding in the amount of approximately \$75,000 to study downtown parking issues, and Menlo Park was one of eight cities comprising a larger parking initiative that MTC initiated. Mr. Hurrell provided the top line results of the study.

Mr. Hurrell stated the study was sponsored by the MTC, and was funded by a grant from Caltrans. Menlo Park was chosen out of 30 candidates because of its very vital downtown and the fact that the City has invested a lot already in parking and of course the Caltrain transit access was also a key factor. The City's goals: 1) Wanted to have a look at its parking and collect some data and do an analysis. 2) There is some concern in and some interest in looking at parking pricing and changing time limits and making other changes in the parking. 3) General guidelines in improving parking, particularly shared parking. He said the study area was the core of the downtown area centered on Santa Cruz Avenue and the parking data was collected within this area. Wilbur Smith & Associates talked to a list of stakeholders (business people, community people, city staff) to obtain their opinions about parking. They did parking surveys, reviews of policy, some stakeholder meetings, parking demand model, and a panel of experts looked at all of the information

and developed recommendations.

There were 224 on-street parking spaces and a little over 1100 off-street parking in the eight parking plazas. There were no parking fees except for the permit fees for parking in the parking plazas. The weekday occupancy at 12:00 noon was over 85% and a little lower for off-street parking. Several blocks in that area was 95% to 100 % occupied during all of those periods. The same thing was true on the weekend (85%-100%).

Mr. Hurrell stated another concept that was discussed is unbundling. An office building that has its own parking facility provides parking spaces to tenants as part of their lease. With unbundling, the tenant would have to pay separately for parking spaces or their employees would have to pay. Unbundling has been shown to reduce the amount of total parking required and it creates more shared parking because the building operators realize that they can actually lease out the parking that is not being used to outside uses. One of the recommendations was for the City to consider the idea of lowering parking requirements. There should be some consideration with parking pricing. The idea of parking pricing is not a tax, it is not a fee, it is an incentive because the money collected comes right back to make improvements in the area. In-lieu parking fees is a way to make it simpler for developers and to provide some funds to build some additional parking.

K. Fergusson asked about lowering the parking requirements. She stated, suppose (with the City's high rate of occupancy in parking stalls) the parking requirements are lowered. How would that be with the fact that our parking is pretty full? Mr. Hurrell answered, if a new retail development came in and provided 50 square feet, there would be 300 parking places required, presumably if they wanted to do the project they would have to build that large supply of parking here. That would be much more parking than they need, therefore, financially you would have a hard time finding anyone that would be willing to do that. K. Fergusson asked, is that the difference between public and private? Mr. Hurrell replied yes, these are private requirements.

K. Fergusson asked Mr. Hurrell to talk more about parking pricing. She stated you did a nice job saying why we might want it, but in every city where Council moved to implement this, there has always been push-back from the merchants. How would you handle that and would you be willing to come to the next downtown merchants meeting? Mr. Hurrell answered, the City of Los Gatos tried several times and was not able to impose fees. K. Fergusson stated she thinks every merchant would want to have some parking spots available for potential clients right in front of their store, which is what the 85% rule tends to imply. Mr. Hurrell answered the key thing about pricing is that it is somewhat selective as to who would be willing to pay and who would not pay.

R. Cline asked Mr. Hurrell to characterize some of the communities that he thinks need to be looked at. How is spill-over managed? Mr. Hurrell replied, there are various ways to manage spill-over and Palo Alto has tried very hard. Burlingame used pricing in a reversed way. Some of the parking lots that had been paid lots before were turned into free parking for employees with a permit from the City. Palo Alto does not have the luxury of doing that because they spent a lot of money on parking structures and they have to pay off the bonds. Residential permit parking is one way to manage spill-over. It

is usually recommended as a last resort, because it is an inconvenience for the residents; but it is a fairly good way of controlling spill-over.

R. Cline stated Sunnyvale is another example. They have open lots near all of the buildings, the building owner pays the City for parking and anyone can use it. They have a spill-over issue, but their strategy is to move to structured parking. How could the process be managed to ensure that spaces are not unoccupied for years because of moving too fast in certain areas? Mr. Hurrell answered, part of it relates to the parking zoning requirements and how much is being built. To ensure the right amount is built, monitoring should be done. He stated the trend now is not to build free standing parking structures, not only because of crime and security issues, but also just from general urban design. A parking structure that is integrated with other uses would make a much nicer environment for people, because there would be activity going on, and it would feel more comfortable and safe. It would also tend to be active more hours of the day; particularly if there will be residential development involved.

R. Cline asked about parking structures that recently (in the visioning process) received more positive responses than most people expected. By that strategy, how is the need for access by people met, but who are not necessarily handicapped? Mr. Hurrell responded part of it would be to build the parking structure in a central location so that most activities can be done within a reasonable walking distance and building elevators within the structure to give disabled people accessibility.

R. Cline stated there has been a debate about closing off Santa Cruz Avenue or main avenues to the downtown area to make it a pedestrian village and there have been people who said it would not work, and there has been dozens of cases proving it does work. Mr. Hurrell replied there have been some successes and quite a few failures over the years. Visibility is very important to retail and when it is closed off to the automobile, you lose some visibility.

J. Boyle asked about the presentation slide that displayed the table with the model generated parking rates compared to the code. He asked if you took all of the businesses downtown and applied them strictly to the model or strictly to the code, how many parking spaces would the City need versus what the City actually has? Mr. Hurrell answered the numbers in the total column suggest that 85% of the spaces were being used at the peak time and that is the demand. J. Boyle replied if you took all of the businesses downtown and applied them strictly to the model on your slide, will the total number be 1357? Mr. Hurrell replied, roughly 85% of that number. J. Boyle asked with the data suggesting we are way under parked relative to the code in downtown, is that a result of grandfathering? Mr. Hurrell answered when the parking plazas were developed, the individual businesses probably agreed to assess themselves, typically meaning, since they are paying for parking through the assessment, they would not have to provide their own parking.

J. Boyle stated sometimes the generic statement about pricing sounds well and good. We have a neighbor, Stanford Shopping Center that gives away parking for free. Was that taken into consideration in the recommendation that Menlo Park consider charging for parking? Mr. Hurrell answered there is a penalty when people go to a shopping mall, they

cannot park close and will have to do some walking. In Menlo Park people can park right in front of the store or a block from the store. The idea of charging for parking is to make sure that level of convenience that is unique to the downtown area is provided. Menlo Park cannot really compete with a shopping mall.

J. Boyle asked are the types of businesses taken into consideration when recommending the model and pricing for parking? Is there a model that suggests varying the duration of parking based on the type of retail? Mr. Hurrell replied certain land use types have certain characteristics. In terms of parking, the time limits need to go along with those characteristics. H. Robinson asked when the actual data was taken. Mr. Hurrell answered he believed it was in 2007. H. Robinson asked how the data was collected. Mr. Hurrell replied it was on one week day and one weekend day.

A. Cohen asked what areas were above 85%? Mr. Hurrell answered, the blocks centered on Santa Cruz and close to El Camino Real were the blocks that were the highest. A. Cohen asked Mr. Hurrell to be more specific. Mr. Hurrell showed the areas on the map. A. Cohen asked, if he reviewed any of the El Camino Real Visioning proceedings or discussed them with staff before preparing this report? Mr. Hurrell responded, it was prepared, he believed, before that - more than a year ago. A. Cohen asked if Mr. Hurrell reviewed any history of our City's attempts to create parking assessment districts with anyone in staff. Mr. Hurrell answered, yes they talked about that. He stated Wilbur Smith & Associates did a previous parking study for the City over 15 years ago in the late 1980's. They collected a lot of the same information at that time. A. Cohen asked if he compared the work of 15 years ago with the results of this survey. Did he learn anything meaningful? Bill Hurrell replied the level of use has gone up some, but not a lot and the issues have not changed much.

A. Cohen stated he has heard a lot of complaints from residents about inadequate parking and unfair imposition of penalties. Mr. Hurrell answered there are areas where the occupancies are extremely high and there is inconvenience, he is not trying to downplay that. He stated the programs have been successful because the businesses and people that frequent the downtown area have been involved in the process. He stated there are a lot of things that can be done to address these parking issues. Palo Alto has been very successful with their assessment districts because they were able to get businesses together and they agree to the program and they were actually part of two of the parking structures in Palo Alto and that process.

K. Fergusson thanked Mr. Hurrell for an informative presentation. She confirmed with David Johnson that the City is about to embark on a study and will then have a study session. D. Johnson answered yes, followed by a bigger discussion about all of the parking issues that arise from that and this meeting and probably culminating in an action plan to do something about the time limits downtown.

K. Fergusson stated she would like to know that timing is not the only thing that is going to be studied. D. Johnson replied he does not know if the City is going to come forward with a pricing model at this point. If the City priced their parking so employees of businesses could get a break or free parking in the outer-lining areas, then that would be a way to use pricing as a behavior tool. K. Fergusson stated she was thinking more of the

very congested areas, where there is a beauty salon and customers would need to park for four hours. Would pricing play a role there? David Johnson replied he believes the Transportation Authority will address that in the scope of work. She asked will the City receive a copy of the scope. D. Johnson replied Chip Taylor can address that question. C. Taylor stated at this point and time, the City has not planned to bring the scope to Council. The intent of the scope for the project priorities was to look at time restrictions. It was not looking at pay pricing or meters. He stated the scope will come forward to Council for award of contract. A. Cohen asked if pricing and time could be included in the scope. C. Taylor answered the City can include that as an alternate in the scope of work.

Kent Steffens stated there was one specific element of pricing that was not included which was looking at what it would take to allow longer-term parking. Downtown customers who wanted to stay beyond two hours could have an option to purchase a ticket using a parking ticket machine that would be located in the parking plazas. The City specifically proposed that element, but did not include looking at a pricing scheme for all of downtown. That could be done, but would be at a greater scope and a larger budget for that type of project. The study focused on time limits and was a way to allow customers to easily extend their parking in the downtown area. The City frequently received complaints that two-hour parking was not long enough. K. Fergusson stated she is okay with the scope and she realizes it is limited, but at least the ball is moving forward and the City will take a look at it when it is done.

H. Robinson concurred with that. He stated ideally the Request For Proposal (RFP) would have an option in it to do a full pricing study. One of the dangers of what the City is doing now is they are pre-supposing a solution in the way the RFP is structured. They are not looking at all potential options. The City made this decision back in June and it is probably best to go with it.

J. Boyle stated the study has several recommendations about parking fees, changing parking requirements, and structured parking. He stated he shares the frustration that only one small piece is being focused on, but he thinks that is all the job has been scoped for at this point, so he is a little reluctant to see it expand too much.

A. Cohen asked if a price tag could be placed on one or two other options that were discussed tonight without committing to them. C. Taylor answered an optional item can be added to the scope of work to look at some of the components discussed, such as pay parking and metered parking. Staff can obtain pricing that would be available for Council to see as the main component comes forward for approval.

H. Robinson noted Council agreed to move item F3 regarding High Speed Rail up to the first item of Regular Business on the agenda. A. Cohen confirmed.

2. San Mateo County Measure A Strategic Plan Presentation

Todd McIntyre from the Transportation Authority (TA) presented the San Mateo County Measure A Strategic Plan. The plan was originally created in 1988 by the original Measure A Housing Sales Tax. Mr. McIntyre presented slides with basic facts and a slide

about the strategic plan consisting of the expenditure plan requirement and the policy guide. He started with the program categories. The transit category had six sub-categories: 1) Caltrain, 2) local shuttle program, 3) accessible services, 4) highways and roads, 5) pedestrian and bicycle, and 6) alternative congestion relief.

Mr. McIntyre talked about the status of other programs. The transit category had three sub-categories: (Ferry, Dumbarton and Bart); local streets, transportation and rail grade separations. The last two areas were Evaluation Criteria and Performance Measures. He talked about the outreach schedule and upcoming community meetings in Pacifica, Burlingame, Daly City and Redwood City. The strategic plan schedule consisted of: (September 2008) complete public outreach; (October 2, 2008) board meeting: present strategic plan key findings; (mid-October 2008) release draft strategic plan and post response to comments and (November 6, 2008) board meeting: adopt strategic plan.

H. Robinson told Mr. McIntyre his presentation was excellent. He stated Menlo Park is looking at a Bike Pedestrian Undercrossing project under the Caltrain tracks and assumes that kind of project would be eligible for funding under this measure. Mr. McIntyre answered that is correct. H. Robinson asked could it be considered a grade separation. Mr. McIntyre answered he would have to look into that and get back to him.

H. Robinson asked C. Taylor if the City has made a formal response to the strategic plan. C. Taylor responded he believes earlier this year information was received relating to the strategic plan about the projects that were planned to be carried over and included the next version that starts next year. C. Taylor stated formal comments have not been made on the criteria or the performance measures being presented. H. Robinson stated he would like to see on the Caltrain list: universal transit pass, kiosk (where people could find out the schedule), GPS line, and Bus Rapid Transit.

R. Cline stated the bidding process seems like it is competitive and could be difficult for a small town to win. Mr. McIntyre replied the purpose of the strategic plan is a higher level policy document and out of that, will include things like capital improvement plans and call for projects. He stated the stage will include the policies and procedures, weighting criteria and everything else to determine how projects will be judged.

R. Cline stated the TA has grade separations; did four-quadrant gates ever come up as something to be considered as well? Mr. McIntyre answered four-quadrant gates would typically fall under your regular Caltrain improvements, because those are typically for "at grade crossings", rather than the grade separations. R. Cline asked has a Menlo Park person ever served on the Board of the TA? Mr. McIntyre responded I would have to look at the history.

J. Boyle stated this could have easily been a study session topic tonight as opposed to just a presentation. Council is limited to how much time is provided for feedback or discussion. J. Boyle asked C. Taylor if there is a formal way to provide the kind of feedback that is being asked for on the strategic plan overall and/or on specific projects. How would that be handled? C. Taylor replied ideally, there would have probably been a study session or even potentially a regular business item to provide comments. There were some time constraints related to that based on the number of items that was on the

Council Calendar to get this to move forward. He said it sounded like a plan will be drafted and available for comment. There could be another discussion before that time to formulate some recommendations or comments. J. Boyle stated it would be valuable to have an opportunity to have a discussion to hash out what the City's priorities are in order to provide feedback to the TA.

K. Fergusson stated the City recently received funding from the TA that contributed to the City's Dumbarton Transit Station Study. It was approximately \$75,000 and much appreciated. She stated the City is putting the funds to good use, working towards a Comprehensive Land Use Plan for that area. One criticism of the TA is that there is less representation of the smaller/medium size cities. She stated one of the criteria measures was geographic equity and she appreciated that. One of the areas that have suffered in the past is communication between the TA staff and City staff. The Valley Transportation Authority (VTA) went through some big cuts a year ago and Menlo Park found out about it after the eleventh hour. The City was not informed and it really relies on the inter-county connectivity. The VTA 22 bus service was cut and Palo Alto (who was in the loop) was able to negotiate to receive some concessions, and Menlo Park did not have that opportunity. The other big VTA cut that has affected Menlo Park is the Para-transit. The Rosner House (adult day care facility) had people coming from Santa Clara County to utilize those services and that bus service was cut, which left a huge gap in service for Menlo Park. Mr. McIntyre replied the TA is working harder to do better at communicating with all of their partners, including local cities.

K. Fergusson stated the City had submitted an application to the TA and were not awarded the funds. The City would like to look at the question of equity and would like to know if there is an opportunity to reapply. She stated when the service cuts were made (in August 2005) Menlo Park was disproportionately affected by those service cuts in compared to the ridership numbers. The City asked for some very specific services to be restored to keep its local community vibrant and to keep people out of their cars. She stated she is supportive of at least one or two, two-track grade separations and regarding bike storage, there is shelter, but there are problems with the locks and who has the keys. She said bike storage and shared parking should be part of the strategic plan.

A. Cohen asked staff to put all of these comments and questions into communication to the TA for the Council to review in an upcoming meeting. He asked Mr. McIntyre if he was aware Menlo Park has been in the process of creating a vision for El Camino Real and Santa Cruz Avenue area. Mr. McIntyre replied that he is familiar with the Grand Boulevard Initiative, but not the Santa Cruz Initiative. A. Cohen stated the Grand Boulevard Initiative is quite different from the El Camino Real Vision process. A. Cohen requested staff to include in the communication a very basic description of what Menlo Park has been about for the last two years. He asked about bicycle overpasses and if there could be some creative thinking about such an option for the El Camino and train corridor to connect Burgess Campus with downtown. He asked if High Speed Rail could be an express train when it hits San Jose and travel at 80 miles per hour. Mr. McIntyre answered High Speed Rail is separate from the TA. It is the TA's responsibility and intention to work with High Speed Rail as to what their plans will be. A. Cohen said he would like to talk about the relationship of the TA to schools. He said this is a topic that should be developed.

C. PUBLIC COMMENT #1 - None

D. CONSENT CALENDAR

Action: Moved, seconded (Fergusson/Cline) and carried unanimously to adopt item D2, D5, D6, and D7. Items D1, D3 and D4 were pulled from consent for discussion.

- 1. Authorize the City Manager to execute an agreement with the San Mateo County Transportation Authority for the City of Menlo Park to receive \$59,487 in Transportation Systems Management Funding for Fiscal Year 2008-09 to support the City's Shuttle Program. ([Staff Report #08-130](#))**

J. Boyle asked does the City have ridership data? C. Taylor answered there has been (over the past year) an increase in shuttle ridership, especially the Caltrain shuttles that service the Marsh Road corridor and the Willow corridor. J. Boyle stated he would like to see monthly reports. C. Taylor replied the data is available.

H. Robinson asked how the data is collected. C. Taylor responded the drivers collect the data on all of the shuttles and in March/April personnel goes onto the shuttles to do a survey.

Action: Removed from the Consent Calendar for discussion by Councilmember Boyle. Moved, seconded (Robinson/Fergusson) and carried unanimously to authorize the City Manager to execute the agreement.

- 2. Award of contract to Diaz Corporation for the Streetlight Painting Project 2007-08 in the Amount of \$28,002; and authorization of a Budget of \$47,000 for construction, contingencies, and construction administration. ([Staff Report #08-133](#))**

Action: Awarded contract to Diaz Corporation and authorized budget of \$47,000.

- 3. Authorize the City Manager to extend the contract for water meter reading, billing and customer service provided by the California Water Service Company until February 28, 2010. ([Staff Report #08-132](#))**

J. Boyle asked staff why they are pursuing an RFP. K. Steffens responded staff is interested in getting better access to customer data from Cal Water.

Action: Removed from the Consent Calendar for discussion by Councilmember Boyle. Moved, seconded (Fergusson/Boyle) and carried unanimously to authorize extension of contract.

- 4. Award of contracts to various vendors and Authorization of a budget totaling \$265,631 for the purchase of five vehicles for Police, three trucks for Public Works, one Chipper and the purchase and installation of Police Emergency Equipment. ([Staff Report #08-137](#))**

J. Boyle asked to talk about the number of vehicles versus historical rate of replacement. Is this a surge, is this a normal number, he asked. R. Nino responded, in the last three years staff replaced eleven vehicles twice, then ten another year. Staff did not purchase any vehicles prior to that. J. Boyle asked were other car models examined or did staff consider standard gasoline vehicles as opposed to hybrids? R. Nino answered staff looked at the Ford Taurus at a base price of approximately \$24,000 but miles per gallon based on Environmental Protection Agency (EPA) is around 18 compared to 35 for the Altima hybrid. The Altima and the Taurus are comparable. H. Robinson asked about the age of the vehicles that will be replaced. R. Nino replied, the pick-up trucks that staff would like to replace were built around 1993 or 1994. Staff looked at age as well as mileage.

Action: Removed from the Consent Calendar for discussion by Councilmember Boyle. Moved, seconded (Cline/Fergusson) and carried unanimously to award the contracts and authorize budget totaling \$265,631.

5. **Adoption of a Resolution changing the existing 15-minute parking to 2-hour parking, 9 a.m. – 6 p.m., except Sundays and holidays, on the North side of Oak Grove Avenue, in the vicinity of 558, 562, and 564 Oak Grove Avenue. ([Staff Report #08-138](#))**

Action: Adopted Resolution No. 5824 regarding changing the existing 15-minute parking to 2-hour parking, 9AM – 6PM, except Sundays and holidays, on the north side of Oak Grove Avenue, in the vicinity of 558, 562, and 564 Oak Grove Avenue.

6. **Award a contract to G. Bortolotto and Company in the amount of \$222,222 for the Oak Grove Avenue Resurfacing Project; and authorization of a project budget in the amount of \$278,000 for construction, contingencies, material testing, and construction administration. ([Staff Report #08-139](#))**

Action: Awarded contract to G. Bortolotto and Company and authorized project budget in the amount of \$278,000.

7. **Approval of bonus to City Manager and approval of second amendment to Employment Agreement for City Manager. ([Staff Report #08-142](#))**

Action: Approved bonus to City Manager and amendment to Agreement.

E. PUBLIC HEARINGS - None

F. REGULAR BUSINESS

1. **Appointment of a Council Subcommittee to review applications and make recommendations for the Menlo Park Community Funding Grant Program for Fiscal Year 2008-09. ([Staff Report# 08-134](#))**

Carol Augustine gave a presentation regarding appointment of a Council Subcommittee to review applications and to make recommendations for the Menlo Park Community

Funding Grant Program for fiscal year 2008-09. R. Cline asked do the appointees rotate. C. Augustine answered it is strictly up to the Council. K. Fergusson stated she would be happy to serve on the subcommittee again. J. Boyle said he would be more than happy to step down or continue serving. A. Cohen offered to serve again and suggested that H. Robinson be the second person. H. Robinson suggested that J. Boyle and A. Cohen continue.

Action: Moved, seconded, (Robinson/ Fergusson) and carried unanimously to appoint Councilmember Boyle and Mayor Cohen as the Council Subcommittee.

2. Adoption of a Resolution approving the revised Investment Policy for the City and the Community Development Agency of Menlo Park, to become effective Immediately. ([Staff Report# 08-135](#))

Carol Augustine gave a presentation on the adoption of a resolution approving the revised Investment Policy for the City and the Community Development Agency of Menlo Park, to become effective immediately. The presentation showed current holdings Fannie Mae Capital before and after conservatorship.

R. Cline asked if the City invests in stock. C. Augustine answered the City is not allowed to invest in stock. R. Cline asked, of that money, how has the value performed over the last few months? C. Augustine said the maturities only come do about once per month. She stated the City tries to remain diversified. R. Cline asked how many banks are left that are insured by the FDIC? C. Augustine stated she does not have that information.

J. Boyle stated the senior debt being the most secure and that not all senior debt is exactly equal, the Federal Government will guarantee it for the next three years, after that it goes back to potentially normal senior debt. Is that correct? C. Augustine answered that there is no term on it, and as administrations change, it adds uncertainty.

K. Fergusson asked if it is a fixed return when the City invests. C. Augustine answered it is. K. Fergusson asked if the City's investments are conservative enough to prevent its credit rating from being affected. C. Augustine answered yes. K. Fergusson asked what the outlook is at this time. C. Augustine replied, staff is still putting those numbers together and will have more than the \$700,000 estimated for the General Fund at the time of the budget.

A. Cohen stated he has communications from residents and one person thought the investments should be liquidated and the City should invest in gold. C. Augustine replied that is not possible because it is not allowed in the City's Investment Policy. A. Cohen asked if the policy can be changed. C. Augustine said yes, but staff cannot change it to include the purchase of commodities or precious metals because state law prohibits that.

J. Boyle asked if there has been an analysis done and is there risk to the City from inflation by going long-term? C. Augustine replied that going long-term has its own risks and when the City reinvests, it will be at lower rates. J. Boyle asked, at this point you do not expect a significant impact on our budget. C. Augustine answered no. J. Boyle asked if Council would like the Finance Committee to meet and put items on their agenda more

frequently to review what the strategy is in this volatile time.

H. Robinson asked to get a roadmap on what Council might be looking at. C. Augustine replied she cannot be specific as to what the City might be up against, but should market conditions warrant, the staff and Finance and Audit Committee has no aversions against bringing up the issue and discussing it to perhaps making a change to the Investment Policy. H. Robinson asked to hear some examples within the current policy as to what type of things staff might be able to emphasize or de-emphasize? C. Augustine stated staff is only allowed to invest in the very highest quality of investment grade bonds and notes per the policy. H. Robinson asked, within that policy, what types of things staff might be able to change strategically? C. Augustine replied the committee discussed perhaps giving the staff more flexibility on investing in longer than a five-year term. At this current time, it is not a good market for that.

J. Boyle stated without changing the policy, the City has no limits on how much of Fannie Mae and Freddie Mac it can own in dollar amount or a percent of our portfolio. Per the pie chart the City has about 15.9% in Fannie Mae and Freddie Mac and without coming back to Council, C. Augustine and the outside advisors could bump that up to 30 or 40 or cut it back to five.

H. Robinson requested staff provide a copy of the report on the budget signed by the Governor in two weeks. K. Steffens said he would supply the report.

Action: Moved, seconded, (Cline/Robinson) and carried unanimously approving Resolution No. 5825 adopting attachment A as the revised investment policy for the City and Community Development Agency.

3. Consideration of a Resolution regarding the proposed California High Speed Rail Project and Proposition 1A (Safe, Reliable High-Speed Passenger Train Bond Act) on the November 2008 Ballot. ([Staff Report# 08-141](#))

A. Cohen recused himself on item F3 due to a conflict of interest due to the location of his residence. H. Robinson stated item F3 was moved up on the agenda due to a conflict with the Mayor and City Attorney because of Fair Political Practices Commission rules. The City provided a substitute attorney. C. Taylor gave a brief presentation regarding a resolution for the proposed California High Speed Rail Project and Proposition 1A. K. Steffens stated the City received a written communication via email from Morris Brown and staff reproduced it and provided it to Council. H. Robinson stated he prepared an alternate resolution which is at your desk. J. Boyle stated he had not realized it was an alternate resolution. C. Taylor stated he had just received the resolution created by Vice Mayor Robinson and had not had an opportunity to review it.

Charlie Bourne stated there should be more information on the impact on businesses and residences before the issue is decided.

Morris Brown asked for a copy of the revised resolution. He brought in a graphic showing the area near Crepes Restaurant of what the City would look like if High Speed Rail comes. He printed 40 copies of a summary of a report produced by Wendell Cox.

He stated there have been some negative editorials from the press against High Speed Rail.

H. Robinson stated the reason he put the resolution in written form was he thought there would be interest in going further than what staff had done. He read the revised resolution and stated there were two additional clauses in the preamble and an addition to condition seven.

K. Fergusson stated number two should get elevated to number one and include a crisp statement regarding the letters Council wrote that has not received an adequate response. H. Robinson stated he suggests it be noted that one Council Member has an additional clause that Council would like to add and will work with staff. K. Fergusson stated she does not think the land use impacts of High Speed Rail have been adequately addressed. There are no urban growth boundaries.

J. Boyle asked if there is a preamble paragraph in Vice Mayor Robinson's proposed change that says the City Council has an obligation to ensure certain things. Is that true? He said he would agree that there is an obligation to work towards these things. Bob Lanzone answered that it is just a question of your choice of language. "You could substitute for the word "ensure" any number of other words". J. Boyle asked staff to talk about the difference between a program Environmental Impact Report (EIR) and a project EIR. K. Steffens answered program level is a broader, more general review of potential impacts, typically followed by more detailed studies that would look at impacts on a more precise level, that could occur from a project. It is debatable about what level of information is reasonable to include in a program level EIR versus a project level EIR.

R. Cline asked in your lengthy experience, have you seen a program level EIR that would come in without a backup plan of execution and ask for \$10 billion in funding without addressing the specific questions submitted by the impacted communities or constituents? K. Steffens answered no. R. Cline read the last paragraph from Mayor Duboc's letter (from Aug. 2004) stating Menlo Park cannot support High Speed Rail until potentially critical local impacts are carefully worked out through a design process and evaluated at project level and until a financing plan that compounds the difficulties facing local government is developed, Menlo Park cannot declare itself in support of the project. R. Cline stated there is not enough information for Council to support this and Council would still have these lingering questions. He stated he opposes supporting 1A.

H. Robinson stated Council probably will not get good clarity between what is expected between the program level versus project level. He stated he fully supports better connectivity through transit throughout California.

J. Boyle stated it would be appropriate to send a Resolution to the High Speed Rail Authority reiterating Council's concerns and reiterating the demands that certain things be addressed before final decisions are made and before the High Speed Rail Authority moves forward with the project. He stated it is not realistic to expect the High Speed Rail Authority to answer all of the questions in a program level EIR. He does not think the City should take a position on 1A.

K. Fergusson wanted to move number two up to number one and add to that clause language that specifically says that the Program Environmental Impact Report has not adequately addressed Menlo Park's written comments. She suggested modifying the wording in number five to say, Menlo Park does not concur with the decision to exclude further evaluation of all alternative routes, including 101 and 280 and request the High Speed Rail Authority to revive consideration of these routes at the stage of environmental process. She would support 1A with conditions.

H. Robinson stated he is in support of a Resolution that would be explicit about 1A and that as a whole, Council is in general, in support of High Speed Rail. K. Fergusson stated it is worth noting that the Planning Conservation League has joined Menlo Park on this lawsuit and asked that staff read back what they think the resolution is at this point.

K. Steffens stated the motion would be to approve the alternate Resolution offered by Vice Mayor Robinson following amendments. In the "now therefore be it resolved" section, item two would move to item one, it would change to read, the project sponsor repeatedly has failed to address issues of critical concern and the remainder of that section stays the same. Item number four would mention approximately a \$40 billion dollar project or greater. The end of section four would include the statement "the shortfall conditions have already adversely impacted local government schools and regional transportation. Item five would be deleted. After item number six, a paragraph similar to the last paragraph in former Mayor Duboc's letter would be inserted and item seven would become item eight.

K. Fergusson requested to put "excluding land acquisition" in parentheses after, 40 billion or greater and to add the word "funding" at the end of paragraph four. She stated that would be her motion to pass that Resolution as stated by staff, seconded by R. Cline.

J. Boyle asked, is the intent to mail this to the High Speed Rail Authority and if so, will Council have an opportunity to review the cover letter. K. Fergusson replied this is to clearly communicate to the High Speed Rail Authority and the public as to why Council is taking this position. Should staff do a press release? H. Robinson answered yes. J. Boyle asked are there any impacts on the City if Council passed this as described? Bob Lanzone responded that he does not see any downside, specifically for the City. J. Boyle stated he is going to vote against this.

Action: Moved, seconded (Fergusson /Cline; Ayes – Cline, Ferguson, Robinson; Noes – Boyle; Recused - Cohen) and carried to approve No. 5826 Resolution of the City Council of the City of Menlo Park commenting on the California High Speed Rail System and Proposition 1A (Safe, Reliable, High-Speed Passenger Train Bond Act) on the November 2008 Ballot.

4. Consideration of state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item. - None

G. CITY MANAGER REPORTS

1. Street Resurfacing Project Update

K. Steffens provided a handout on the Street Resurfacing Project update. He stated staff is nearly complete with the project and because of the good bids on the project; staff was able to add five streets that were not in the original bid package.

K. Fergusson stated the streets that have speed humps do not work that well any longer. They have not been raised to the same level as the Bay Street service has. K. Steffens replied when streets are over-layed, it can affect the profile in speed humps. J. Boyle asked who to refer people to for questions about “why didn’t a certain street get done?”. K. Steffens answered, Lisa Ekers, Engineering Services Manager. H. Robinson wanted to comment that the company staff hired was very professional and the project is managed well. He asked if Bay Laurel and Lemon would be finished. K. Steffens replied staff was not able to add those streets with this program because there was not enough funding. A. Cohen asked if it is correct that there had been a time of several years when none of this work was done. K. Steffens replied staff had a smaller program every other year for some time. A. Cohen stated this coming fiscal year will be in a design stage. Is there any estimate you can give of how big the next project will be after the design stage that following year? K. Steffens replied, it would be between three and four million dollars on that two-year cycle.

Action: Update presented regarding the Street Resurfacing Project.

H. WRITTEN COMMUNICATION

1. Inclusion of a select number of the Willows Traffic Task Force members to work directly with staff in the RFP development and consultant selection process for the Area Wide Willows Traffic Study

K. Steffens gave an update on where staff is currently at with the project. K. Fergusson asked about making sure that there are actual items or options that come out of the study addressed in the RFP. K. Steffens replied the RFP defines specifically the work products that are produced by the consultants and that can be addressed in a RFP. K. Fergusson stated she assumes that staff is sensitive to every study Council does. Council would want to be able to use that study to take action. Would the draft RFP be set up in that way? K. Steffens answered yes, but with some limitations.

Action: None

Penelope Huang stated she will speak as a citizen of Menlo Park and not as a Transportation Commissioner. She said there is precedent to include members of the public in the RFP process as what was seen in the El Camino Real Visioning process. She stated that members of the Willows Task Force Group should be included in the process going forward. She stated the RFP should have a dollar amount and an implementation plan.

Ross Wilson stated residents are facing a large problem with crime in the Willows. In the last year there were two shootings, speeding car tires came off from 15 feet, burglaries

and catalytic converters are being sawed off cars. He stated residents would like to make sure the Willows Task Force is included in the RFP process and that we come out of the study with some specific goals.

Omar Kanan stated the Willows Task Force has been a very open and public process so far, and he sees no reason to take the public out of it at this point. He would like to keep the task force members involved in creating the RFP.

K. Fergusson stated she would like to see this come back to Council as a draft RFP to be commented on by the public. R. Cline stated he is willing to see this come back. J. Boyle stated there is some value in agenizing and bringing it back for discussion.

H. Robinson stated the normal process with most RFP's is that Council gives direction to staff on a project, staff prepares the RFP's, send it out, the project comes back and that is when Council sees it again. Council does not review most RFP's when they go out. He stated he has a problem with adding this to the agenda.

A. Cohen stated the reason he submitted this written communication is to be able to keep the public at the earliest possible stage, in the selection of potential consultants. In other words, "to whom does this RFP go?" K. Fergusson stated if Council gets a good amount of comments on the RFP directly, it could just move forward. H. Robinson stated he thinks staff's intent in involving Commissions actually had to do with the review of the submittals and responses. He does not think staff was recommending that Commissioners be involved in the actual creation of the RFP. Is that correct? K. Steffens answered, that is correct. H. Robinson asked has staff created a project page for this project. K. Steffens answered no. H. Robinson suggested that staff create an on-line project page so that people can sign up to be notified by email when the draft RFP is created. He stated in doing so, he would not support agendizing this item at a future date.

I. INFORMATION ITEM - None

J. COUNCIL MEMBER REPORTS - None

K. PUBLIC COMMENT #2 – No Speakers

J. Boyle expressed his gratitude for her service to Interim City Clerk, Sherry Kelly.

H. Robinson wanted to note that Verdell Woods has been filling in for the City Clerk for the last two meetings and thanked her.

L. ADJOURNMENT - Adjourned at 11:30 p.m.

Verdell Woods
Deputy City Clerk

Approved at the Council meeting of January 27, 2009