



**CITY COUNCIL
COMMUNITY DEVELOPMENT AGENCY
SPECIAL MEETING MINUTES**

Tuesday, February 24, 2009 at 5:30 p.m.
701 Laurel Street, Menlo Park, CA 94025
Menlo Park City Council Chambers

CLOSED SESSION

Conference with City Attorney regarding potential negotiations for possible sale of property located on Terminal Avenue (Beechwood School property). Instructions to City Attorney may concern price and terms of potential sale

Upon returning from closed session, City Attorney B. McClure advised that the Council appointed a sub-committee of Cline and Cohen to work with staff and to proceed with negotiations.

Action: Moved and seconded (Fergusson/Cohen) and passed unanimously to add an emergency to the consent calendar. The item is for Community Development Agency giving authorization to the City Manager as the Executive Director of the Agency to send a letter notifying the County Auditor-Controller of how the Agency intends on making the ERAF payment. ([Attachment](#))

STUDY SESSION

Dr. Tom Miller, President of the National Research Center of ICMA will present the 2008 Community Survey results ([Attachment](#))

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

PLEDGE OF ALLEGIANCE

ANNOUNCEMENTS - None

A. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

1. Consider applicants for an appointment to fill one vacancy on the Environmental Quality Commission ([Staff Report #09-024](#))

Fergusson nominated Joanne Price and Boyle nominated Lawrence Byers to fill the vacancy.

Action: With Cohen, Robinson and Fergusson voting for Price, she was appointed to fill the vacancy with a term expiring August 2009.

2. Create and appoint members of Business Development Subcommittee ([Staff Report #09-032](#))

Action: Moved and second (Cline/Robinson) and passed unanimously to appoint Robinson and Boyle to serve as the subcommittee.

3. Presentation by the Environmental Quality Commission ([Attachment](#))

Chairman Mitchel Slomiak gave a presentation on behalf of the Commission regarding the Draft Climate Action Plan

B. PRESENTATIONS AND PROCLAMATIONS - None

C. PUBLIC COMMENT #1 – speakers

- Barbara Franklin – second hand smoke / requesting a change to the Municipal Code Chapter 7.30 ([handout](#))

D. CONSENT CALENDAR

Action: Moved, seconded, (Boyle/Fergusson) and carried unanimously to approve the Consent Calendar with item D4 being continued to the March 17, 2009 meeting.

1. Authorize the City Manager to Execute an agreement with the San Mateo County Transportation Authority for the City of Menlo Park to receive disbursement of San Mateo County Measure A funds for local transportation purposes in accordance with the 2004 Measure A ([Staff Report #09-025](#))
2. Adoption of Resolution No. 5845 authorizing the filing of an application for Federal American Recovery and Reinvestment Act (ARRA) Funding and stating the assurance to complete the project; authorization for the City Manager to award the contract to the lowest responsible bidder for the 2009 Resurfacing of Various Federal Aid Routes project, and authorization of a budget in the amount of \$960,000 for engineering, construction, contingencies, testing, inspection and construction administration ([Staff Report #09-027](#))
3. Consider approving a change in the meeting time for the Bicycle Commission, Park & Recreation Commission and Transportation Commission meetings ([Staff Report #09-030](#))
4. Approval of the City Council minutes for the meetings of January 6, 2009, January 27, 2009, February 3, 2009 and February 10, 2009 ([Attachment](#))

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

Moved and second (Robinson/Cohen) and passed unanimously to request that summary minutes be utilized for Agenda Item F1.

1. Acceptance of the 2008-09 Mid-year Financial Summary and adoption of a Resolution approving the recommended amendments to the 2008-09 Operating Budget ([Staff Report #09-029](#))([PowerPoint presentation](#)) ([Project Priorities](#)) ([Long-Term budget strategies](#))

G. Rojas introduced the item stating that the current budget was created with an anticipated slowdown.

C. Augustine stated that in the mid-year report when looking at the budget as prepared last year and adopted in June, analyze year-to-date operations and the current environment and recommendations to amend the budget to more accurately reflect that environment could be made.

The economy can be summarized quickly; the only good news is that California (the Bay Area in particular) has by comparison arrived late to the global recession, which began in the summer of 2007. So the City did have some forewarning that the economy was in for a slump back when the 2008-09 Budget was being prepared, but it was unknown about the length and depth of this recession.

This time last year was in the beginning of the credit crisis, which was created by a slow down in the housing market in 2006. The crisis was truly underway when investors began finding risky assets in all sectors of the economy, and the credit markets nearly froze up. In July, Fannie Mae and Freddie Mac began to experience larger losses in their mortgage markets; these two agencies were placed into federal conservatorship in September. After this, confidence in financial institutions began to evaporate and

demand for the only safe investment around- treasuries was so high, the one-month T-bill was paying negative interest.

The report discusses adjustments of General Fund revenue and expenditure budgets recommended by Staff. Recommended are certain project deferrals which would significantly lessen the reliance in 2008-09 of a draw on reserves.

Revenue Highlights – Over \$800k decreased revenues.

Staff does not see any of these as one-time items in the sense that they are going to bounce back for next year's budget; decreases are largely due to impacts from the economy:

- Property Taxes will be \$100,000 more than in the adopted budget based on last year's actual (growth in assessed role; increase in ERAF reimbursement)
- Sales Taxes are slowing, actually started slowing in the 4th quarter of last fiscal year.
- TOT (Hotel taxes) will grow with opening of new hotel on April 2nd (conservatively estimated). Existing hotel/motels are steady with last year (no growth).
- Licenses and Permit revenues are down most significantly due to the size and value of projects for which applications are received.
- And Charges for Services will decrease somewhat due *largely* to decreases in development needs (particularly subdivision inspection and plan check), but we also showing decreased revenues in the MCC programs. This is due to the demand for part-time versus full time provisions for child care.
- The Utility Users Tax collections are at this point predicted to be up based on past utility use and increases in utility rates in some cases. This may be tempered by conservation efforts and cut-backs in business operations, but we anticipate revenues to total nearly \$1.2 million from the tax at the current rate.

Expenditure reductions: A large portion came from recognizing savings that would occur in Community Development, as the number and complexity of applications decreased, so would the need for contract planners and plan check services. This was a \$290,000 reduction. In addition, \$55,000 of the reduction is because the chemicals for the Burgess Pools are being purchased directly by the operator. However, remaining adjustments were made by going back to departments for cutbacks that could yield savings by fiscal year end.

Most of the reductions in Administrative Services were in contract services for Community Engagement, as this budget was drawn up before our Community Engagement Manager was hired, and it was unknown as to what extent of contract resources would be needed to support this program. Some savings came from eliminating future executive management incentive pay (\$27,500). Community Development reduced other contract expenses including some training that they felt they could forego; Public Works likewise will limit use of certain contracts, as well as realize some utility cost savings. Temporary vacancies early in the fiscal year provided some (\$50k) of salary savings in Public Works, but in general there has been a very low vacancy rate and we anticipate that it will remain low for the remainder of the fiscal year. The Library and Police Departments could not offer up savings without jeopardizing exceeding their budget appropriations come year end. The \$90,000 increase in Police is strictly a reflection of the requirements of the ISF for General Liability.

After \$822k of revenue reductions and only \$577 of expenditure reductions, we were left with a budgetary deficit of over \$1.2 million projected for 2008-09. Recognizing that increased revenues would not eliminate the deficit due to the economic slump, we looked at General Fund and General Capital Improvement Projects (CIP) fund projects that could be deferred in order to cut expenses in the short term. These are projects that either have not been started or could be reasonably halted and taken up at

some other point in time. All of these projects were obviously priority projects at some point in time, have been long in the making, and have constituent support.

The Housing Element Environmental Impact Report project is in the General Fund budget for the Community Development Department. It would need to be completed by June 30 of this year to meet the state mandated deadline, which cannot be realistically achieved. If deferred, funding would need to be re-appropriated at some later date and fiscal year.

The Library Web Access project has not been started yet and is recommended deferred for short-term savings.

This "Pyramid of Strategies" summarizes the selection of strategies used in the Mid-year Report recommendations. Because the City is responding to reduced revenues due to the economic downturn, shorter-term strategies are favored. For example, we don't want to make cuts that will hinder progress on the City's long term goals the depressed economy is temporary. We don't know how temporary, we still want to do the least harm to our ability to deliver services in the long-term. Provided was a ranking heavily weighted by the immediacy of positive savings. The top three tiers of strategies have been incorporated into staff's recommendations to the current year's operating deficit and minimize the necessary draw on reserves.

A summary of the mid-year adjustments as recommended in the staff report reflected the reductions in expenditures through a combination of operational cost-cutting and project deferrals, totaling over \$1.6 million, still requiring a budgeted draw from reserves of \$163,702 in addition to prior year encumbrances and funding for the Downtown El Camino Real Project. Although passed with a \$1 million deficit, the recommended amendments reduce the General Fund draw to \$163,000.

R. Cline Comments/Questions:

Is the top level a broad view coming down? It is a broad set of challenges and there are ways to address the situation? Talking specifically about the next couple of months is helpful. The characterization on the General Fund adjustments; \$700,000 permits –will this flatten out?

- C. Augustine: Reduced licenses and permits for the next couple of years. In the upcoming months a look at the reduction would be looked into to see if the estimate is correct

There are a lot of different roll-over funds that can be there or change. There are always moving numbers in municipal government.

Any type of anticipation where property tax is headed?

- C. Augustine: It is probably the most rock solid revenue the city has, they are slow to change. The assessed roll is built at the beginning of each fiscal year and this year it has grown 5.6%. The Assessors office is going through appeals for reductions; the county is looking at purchases in the past 3 years to determine if the downward adjustment is applicable. Staff will have a good heads up for next year's property taxes.

Sales tax is volatile; can the City anticipate struggling with this, even with the work being done?

- C. Augustine: It will be the toughest to control and the toughest to predict. We are always a quarter behind with the numbers. Sales tax has been performing well this fiscal year, but in April –June of 2008 it started going down. The Christmas season results are not available.

The idea and recommendations in the report for General Fund savings: If there is going to be a long expected depression how is that countered with temporary delays? If planning and building is going to be down, counteracting that as soon as possible would be

- A. Heineck: It is a combination of a decrease in the value but also a decrease in the size of projects. In looking at quarters 1 – 2 comparing to the same quarters 2007 is a 10% reduction in volume, 56% reduction in value. The amount of work is still there and consuming staff resources, but due to the decrease in the value of the work the revenue is not there. The approach is to staff with permanent staffing. There is the ability to pull back when using contract employees.

K. Fergusson Comments/Questions:

She noticed that management is forgoing any incentive pay this year. The recent cost recovery study was done and a lot of adjustments were made on that. She is hearing that the volumes and values have changed?

- A. Heineck: The recent fees were only the planning fees and those revenues are coming in on target. The building fees were not adopted along with the planning fees, but will be coming to the Council in the next month. They wanted to run side-by-side to understand the impact on the revenue. When it comes before the Council it will be a change from a value based system to a time and materials based systems.

What concerns her with the referrals they just cascade into the next year, then the next year etc. What will the deferral of hiring a consultant for the Housing Element cause?

- Heineck: The money is there for a consultant for the Housing Element. When set as a project priority, it was known that the city would be close to the end of the current fiscal year when the city was ready to hire a consultant. Staff is continuing to work on other work that needs to be done. It may need to be considered for next year to move forward with the project. Staff was not looking to hiring the consultant until the next fiscal year.

She is hesitant to defer the CIP that have been agreed on by accepting the staff recommendation. If staff were told to press ahead, what would they be doing?

- K. Steffens: For the Santa Cruz sidewalk – the work is on-going and there is still funding available in looking at design alternatives. There still needs to be a community outreach for the project. The money being deferred would not start this year anyway. Work would continue. The Woodland Sidewalk is ready to begin design, but the design would be deferred until and if it was selected as a 09-10 priority project. The Onetta Harris is the same – delay of several months.

What is the impact on the projects for next year?

- K. Steffens: That always has to be considered; if these were deferred and then restored for the next year, it would have to be looked at.

Will the training deferrals affect the timeline of the phase in?

- A. Heineck: It would not, it is currently requiring the green building checklist. Staff has made use of training opportunities at little to low cost from other sources. It could be postponed without impacting the sustainability plan.

Is the decreased full time enrollment at Menlo Children Center (MCC) a cause for reduced revenue?

- B. George: There are a number of children going Monday, Wednesday, Friday and some are going part days. Also there have been a number of enrollments come later in the summer and it has been noticed that the months of June and July have a low enrollment.

Is there an increased use of the part-time utilization of the program?

- B. George: The procedure has been that people are taken in the order they are on the waiting list. Some of the participants that were full-time have gone to part-time. An operational change is

being looked at. The waiting list will still be in place and only after all the full time slots are filled will part-time slots be made available. Parents currently using part-time will be given 90 days to decide if they want to go full-time.

J. Boyle Comments/Questions:

Requested clarification on the schedule of unreserved fund balance on the handout placed at the dais.

- C. Augustine: The schedule last year showed \$27.2 million total as reported in the CAFR. What that shows is General Fund balances projected if all of the 08-09 was expended and all revenue came in as projected.

Without an estimate for the number the General Fund would go down \$1.2 million and without the encumbrance it would go down. The full number is something like the General Fund decreasing by approximately \$800,000.

- C. Augustine: That is correct, but it is partly due to the way things are budgeted. Realistically, not all of the funds will be expended during the current year.

What is the comparable number for the end of this year as that in last year's CAFR?

- C. Augustine: It would be very difficult and assumptions would have to be made, timing of projects of how much would be spent this year versus next year.

What is the amount that the City will be taking from the reserves?

- C. Augustine: That is very difficult as it would require an attempt to determine how much will be expended for each project during the fiscal year.

Would it be safe to presume that \$12.6 million is the worst case scenario from the reserves, but most likely less?

- C. Augustine: Yes

There are projects that were not recommended for deferral and he would like to discuss why some are not being recommended.

H. Robinson Comments/Questions:

The Woodland Sidewalk project – can that project be started with money this year and some spent next year?

- K. Steffens: it could be broken into two-phases; roughly \$40,000 for design and \$180,000 for construction. It would take the remaining part of this fiscal year to get through the design phase.

Public Comment:

Dusan Pejakovic – spoke against any decreases in services or supplemental support for MCC. He believes that in Menlo Park the missing piece is filled by MCC. He urged the Council to look at the MCC subsidy as an investment and not expenditure.

Osnat Loewenthal spoke to the long-term benefits of high quality childcare. It should be a public concern and the cost of high quality of childcare is unavailable to many. In the downtown vicinity there are only two facilities for childcare. In other areas of the city the programs have waiting lists and are not affordable. Asked the Council not to privatize the service and not raise fees. She had reports as how investing in childcare is supports the economy of the community. This should be a high priority of the city.

Nathalie Vasseur spoke about the Woodland Sidewalk project and she would like the project to move forward. There is at least 70% support in the neighborhood for the project. There are 40 children living in the project area and many walk to the bus stop. If there are no sidewalks she is unsure that she can continue to allow her children to walk to the bus stop for school.

Edward Moritz spoke to the process of the budget. He read the two articles in the newspapers; one on city payroll and the other on the projects. The compensation brings a very good staff and the generosity needs to be put on the table. The projects being placed on the table is requesting that the citizens make a contribution. Postponed can mean never and the staff has recommended nothing on where they could contribute. Short-term or long-term the staff costs need to be looked at.

Steve Peckler asked how close the relationship is with the County and the City staff? How quickly is the city notified of any valuation being requested? When the foreclosures come up, how quickly is that information given to the city? There are 30-40 foreclosures on the other side of the freeway. What is the percentage from the 1% sales tax of a home?

C. Augustine: Communication between the County and the city are better than ever. The assessor is trying to make it better with their on-line tracker system. There is another module that will come on-line which will show the requests for adjustments in valuations. That will also be valuable information. The City only receives very large requests for reassessment. As far as the foreclosures, the information does not come in as easily; the information comes from real estate tracker and it is evaluated. There is an increase in foreclosure but it is not higher than neighboring areas.

Additional Comments/Questions from the Council

H. Robinson: Childcare has come up and the concern about potential increases in fees and privatizing this. Any thoughts on how to proceed?

- G. Rojas: It is a sensitive issue and he suggested that the information be sent to the Park & Recreation Commission and look at it from a cost recovery point of view and look at the impacts.

A. Cohen: Santa Clara County has systematically taken on the task of valuation of property back to 2000. Has San Mateo County considered it?

- C. Augustine: San Mateo County has considered it and they are acting proactively to determine which values might be too high. They started the process recently and have promised to keep the city informed. The impact would be seen on-line.

A. Cohen: Concerned with the valuations in the area with the foreclosures. Can proactive steps be taken to see in Menlo Park neighborhoods are being included in the Assessor's process?

- C. Augustine: She will get as much information as she can regarding their process. Regarding the foreclosure information it is difficult to get the information but she will attempt to get the information.

A. Cohen: He meant the valuation for the foreclosures. Regarding childcare on the east side of the freeway is subsidized. It is subsidized because the federal government and the state government pay for that.

A. Cohen: In Belle Haven is there criteria for eligibility that is not determined by the city but who is eligible to participate in those services. (Correct). There is no such standard on the west side? Is there a reason that a standard for eligibility for decreased rate and otherwise create greater availability for those on the west side that are in need?

- B. George: It probably could be done. Part of the issue is the criteria used is what is used for low, very low and extremely low income as set for San Mateo County. It makes it easy to determine what people pay. The low income is so low that middle income would not qualify under that set of criteria.

A. Cohen: Would it be feasible to use the criteria on the west side that is used on the east side?

- G. Rojas: Where would the subsidy come from? It is unknown if the federal or state governments would subsidize families on the west side.

A. Cohen: He is hearing conflicting information. He wants the needs on the west side assessed.

H. Robinson: He suggested that A. Cohen meet with B. George one-on-one and that this go to the Parks & Recreation Commission.

K. Fergusson: She is not in favor of deferring the CIP or library projects. They are very important to the community. Due to the extraordinary times, she would propose funding the sidewalk out of the CIP reserves and keep them as active projects. Just because consumers are cutting back on retail purchases, it is not a time for City Hall to stop investing in our assets as a community. With the Library improvements, increase from the reserves. Staff is not ready to move forward with the Housing Element and she accepts staff recommendation to defer. There has been quite a bit of discussion on childcare and she would ask that the staff act aggressively to use the space available in a better method. Can there be 88-90% cost recovery? The absolute crucial nature of childcare as it relates to the local vitality should be looked at. High quality, affordable childcare is important. MCC is important geographically. These are important social values. Accreditation is off the table but other improvements for the quality of care are critical. The tenure of the staff needs to be recognized.

J. Boyle: The key issue in his mind is not the current fiscal year, but the real important year is the next fiscal year and the ten year forecast. The part that has him worried is the \$2 million per year deficit. He would like everything put on the table including what can be done for this year and the years beyond. Discuss mid-term and long-term solutions. He agrees that affordable childcare is – but he does not agree that subsidy is the answer. He is not suggested it be ripped out; this is a very difficult issue. He encouraged staff and Council to put this back on the table for the mid to long-term solution. If staff recommendation is approved the GF reserve could be dipped into approximately \$800,000. Making cuts and deferrals is painful, but he does not recommend deficit spending. There are other things that can be done this year and he is a little disappointed that reaching zero was not done. Last year there was the upgrade to the Council Chambers and if that is still in the budget it should be deferred. He listed a number of projects that can be deferred.

G. Rojas: With regards to the projects J. Boyle listed, staff looked at those and they were either in progress, been completed. Staff looked at projects that have not been started and to come as close to balancing the budget. There is a lot of work ahead at looking at the next two years.

R. Cline: It would have been nice to have the project list prior to yesterday. There are two big issues on the table 2010. There are only a couple of months left in this year. It is difficult to make changes at this time of the year. Everybody is part of the community and everybody has to be done. Fees are increases, tax increases exist and the burden falls upon the residents. As we go into 2010 the big item that needs to be addressed is that there are no sacred cows. Everything has to be evaluated and it has to be worked out. With this short period for the year, what staff has done is to achieve coming close to the \$1 million deficit that was approved when the budget was originally adopted. This is not a for-profit business; we try to break even. This is a high maintenance community and the high expense of staff is in the right place. There needs to be a strategy to address reserves long term. We have been up 10% for many years.

Reserves are in place to be used; the record speaks for itself. He hopes that with 2010 that strategic ways to build revenues is discussed. We are where we are and the next discussion will be much longer and harder.

A. Cohen: He does not disagree with the importance of childcare, on both sides of the freeway. If the state is subsidizing on one side it should be available on the other side. He needs to know how great the need is. The relativity is to those who can afford it or not. Counter to some of the comments by J. Boyle he also agrees with R. Cline. He sees input from staff, such as “uncertainty” and “long-term” and those two terms seem to be married in this staff report. Previously the long-term was two years but now as he reads, he wonders if the long-term has become 10 years and the short-term is five years. He is finding some of J. Boyle’s comments very compelling.

H. Robinson: He agrees with his colleagues, but some of the project that have been worked on so hard to get to. There is a cost of getting to a certain point in a project and then deferring it. He is going to recommend that the Woodland Sidewalk move forward. Looking at next year, there will clearly not be as many projects. There have been some great projects over the past few years. The Woodland Sidewalk is really a project that is in the second phase and the city has the resources to get the project complete. There are some things coming up that will be before the Council next month.

K. Fergusson: Building on R. Cline comments, she looked at many cities and has not come across any that are as strong as Menlo Park. Every city she looks at is dipping significantly into the reserves. The city is on track and working on a policy to replenish the General Fund designated reserves. So if projects were approved – there is a system to replace.

Action: Moved (Fergusson) and failed due to the lack of a second to adopt staff recommendation with the following exceptions;

- Fund Santa Cruz Sidewalk Project and Woodland Sidewalk Project and the library out of the CIP reserves,
- Direct Community Services staff to bring back a report on the changes to address the lack of revenue at MCC.

Action: Moved/seconded (Boyle/Cline) to adopt staff recommendation as written.

Discussion on the motion:

A. Cohen: The reason the council is at impasse is the rush to get it through due to the agenda. Staff has done the best they can, but there were some horse-trading that could have been done. He was expecting more answers from staff and he is not satisfied. Requested a friendly amendment to go ahead with Woodland Avenue Sidewalk and make hard decisions to find other funds to cut. What is short-term and what is long-term? Staff is not saying what it is. He would be willing to give up some of the projects in the absence of explanation as to why it is impossible to cut now.

J. Boyle: Only willing to discuss putting Woodland Avenue Sidewalks back in is to find a way to put that cost back in.

R. Cline: Woodland Sidewalk is the project that sticks out as needing to be done.

H. Robinson: He does not support the amendment to save Woodland and to find something else. In General there is a cost in delaying those projects, but there is also a cost if a project is in progress or ready to go and they are delayed. The long-term needs to be addressed and tough decisions are going to need to be done. The Council needs to clear to the citizens as to what to expect with deferred projects.

J. Boyle: Friendly amendment turned down, but it is something that can be addressed at a future meeting.

J. Boyle: He does not know but he does agree and believe that they are important projects. Next years' budget has to be balanced and if they can be done next year and other cuts be made then they can be reconsidered.

R. Cline: Woodland Avenue Sidewalks has had work done by the community and there is going to be frustration caused by a delay. One of his top priorities would be to have it approved.

K. Fergusson: On the consent calendar we are going after federal funding that the city has been trying to bring to fruition for years. Is that what is bumping other capital projects. There is a cost to the community by giving up the projects. There is no guarantee that these would stay a priority for the community.

A. Cohen: He is looked at the list and found many possibilities and he is getting pessimistic about it being 4-5 years before it gets better.

Action: Moved and seconded (Boyle/Cline) to adopt staff recommendation as written. Motion failed 2-3 (Ayes: Boyle and Cline/Noes: Cohen, Fergusson and Robinson).

Action: Moved and seconded (Robinson/Fergusson) and passed 3-2 (Boyle and Cohen dissenting) to accept staff recommendation with the exception to fund the Woodland Sidewalk Project and allow staff to recommend if the money comes from CIP reserves.

R. Cline: The budget is being adjusted to be in the range but he does not like the idea of creating 5 year panic and it is a narrow way to approach the year's planning. Each year has to be looked into. Deferrals are not cut, they are putting something off that cannot be done right now. There are no cuts being recommended and he does not want to go into the next year with that attitude. He would like to address the current deficit and then make the decision.

H. Robinson: It is important that they support staff recommendations as deferrals. He will be looking to have the Santa Cruz Sidewalks to be included in next year's budget.

K. Fergusson: Requested a friendly amendment to include a report back from Community Services on how to address MCC revenues.

H. Robinson: He would like a long-term strategy to bring those programs to a total cost recovery. He does not feel it can be done in one year but he would like staff to look into that.

K. Fergusson: It needs to be recognized that when childcare was brought back, childcare was in the medium cost recovery and not at a full cost recovery. There is no childcare for the middle class.

H. Robinson: The place to have that discussion is with the Park and Recreation Commission.

- G. Rojas: Staff will follow up on the MCC programs.

J. Boyle: Reducing the reduction by \$220,000 which will increase the deficit. There are a lot of other potential projects that were not even discussed. The Woodland Sidewalks may be the right project to defer. It is not clear that if the money is expended, that the sidewalks will be put in. There are restraints with the Woodland Sidewalks Projects with bicycles and vehicles and the impacts to the area (including sewage lines); he is not saying that it will be unsuccessful.

A. Cohen: It was suggested that the proposed new Burgess Gym has not been discussed. While he agrees that childcare is essential to the city, something has to give. If that means that some of the maintenance has to wait, he would like that discussed. He was not given enough choices.

2. Adoption of a Resolution approving, authorizing and directing the issuance of debt by the South Bayside Waste Management Authority (SBWMA) in the maximum amount of \$65,455,000 ([Staff Report #09-026](#))([PowerPoint Presentation](#))

Action: Moved and second (Cohen/Fergusson) approval of Resolution 5846 authorizing and directing the issuance of debt by SBWMA in the maximum amount of \$64,455,000.

3. Approval of a comment letter on the scope of the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the San Francisco to San Jose segment of the California High Speed Train System ([Staff Report #09-028](#))

Action: There was no action taken on this item; it will come back to the Council for approval at a subsequent meeting.

4. Approval of the Mission Statement for the City Council High Speed Rail Subcommittee ([Staff Report #09-031](#))

Action: There was no action taken on this item; it will come back to the Council for approval at a subsequent meeting.

5. 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 – Discussion on the status of the state budget

- Authorization for the Mayor to send letters to legislators regarding the Grand Boulevard Initiative ([Attachment](#))

Action: By consensus, the Mayor has been authorized to sign the letters.

- Authorization for the Mayor to send letters to legislators regarding the Positive Train Control Project ([Attachment](#))

Action: By consensus, the Mayor has been authorized to sign the letters.

G. **CITY MANAGER REPORT** – None

H. **WRITTEN COMMUNICATION** – None

I. **INFORMATION ITEM** – None

J. **COUNCILMEMBER REPORTS**

Report from City Council Subcommittee on High Speed Rail

K. **PUBLIC COMMENT** - None

L. **ADJOURNMENT** – Adjourned at 12:26 a.m.

Margaret S. Roberts, MMC
City Clerk

The minutes were accepted at the Council meeting of July 21, 2009