



REGULAR MEETING MINUTES

Date: 6/28/2022
Time: 6:00 p.m.
Location: Zoom

Regular Session

A. Call To Order

Mayor Nash called the meeting to order at 6:10 p.m.

B. Roll Call

Present: Combs, Mueller (arrived at 9:32 p.m.), Nash, Taylor, Wolosin
Absent: None
Staff: Interim City Manager Justin I.C. Murphy, City Attorney Nira F. Doherty, City Clerk Judi A. Herren

C. Agenda Review

ACTION: Motion and second (Nash/Combs), to reorder the agenda in order to hear item G1. related to the budget, once the full city council is present, passed 4-0 (Mueller absent).

D. Public Comment

- Vicki Robledo spoke on concerns related to landscaping on Willow Road and U.S. Highway 101.

E. Consent Calendar

- E1. Accept the City Council meeting minutes for June 6, 13, 14, and 17, 2022 (Attachment)
- E2. Adopt a resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings (Staff Report #22-116-CC)
- E3. Amend the agreement with APTIM Environmental and Infrastructure, LLC for the operation, maintenance and reporting of the Bedwell Bayfront Park Landfill leachate and gas collection and control systems (Staff Report #22-117-CC)
- E4. Adopt resolutions authorizing staff to submit applications to the Metropolitan Transportation Commission for the One Bay Area Grant Program (Staff Report #22-118-CC)
- E5. Adopt a resolution of intention to abandon public service easements within the properties at 141 Jefferson Drive, 180 Constitution Drive and 186 Constitution Drive (Menlo Uptown) associated with the proposed redevelopment of the project site (Staff Report #22-119-CC)
- E6. Adopt a resolution approving the fiscal year 2022-23 investment policy for the City and the former Community Development Agency of Menlo Park (Staff Report #22-122-CC)

ACTION: Motion and second (Wolosin/ Taylor), to approve the consent calendar, passed 4-0 (Mueller absent).

F. Public Hearing

- F1. Adopt a resolution overruling protests, ordering the improvements, confirming the diagram/area of assessment and ordering the levy and collection of assessments for Landscaping Assessment District for fiscal year 2022-23 (Staff Report #22-120-CC) (Presentation)

Associate Transportation Engineer Esther Jung made the presentation (Attachment).

Mayor Nash opened the public hearing.

- Pam Jones spoke on concerns related how fees are assessed especially when there are no street trees on certain properties.

Mayor Nash closed the public hearing.

The City Council received clarification on how fees are assessed and administered.

ACTION: Motion and second (Combs/ Wolosin), to adopt a resolution overruling protests, ordering the improvements, confirming the diagram/area of assessment, and ordering the levy and collection of assessments and increasing the tree assessment by three percent, which amounts to an increase of \$2.57 per single family equivalent (SFE) per year and the sidewalk assessment by three percent, which amounts to an increase of \$1.38 per SFE per year for the Landscaping Assessment District (District) for fiscal year 2022-23, passed 4-0 (Mueller absent).

- F2. Certificate of sufficiency of the petition for the proposed initiative measure entitled "A Citizen-Sponsored Initiative Measure to Amend the Land Use Element of the General Plan to Prohibit the City Council of the City of Menlo Park from Re-Designating or Re-Zoning Certain Properties Designated and Zoned for Single Family Detached Homes" (Staff Report #22-121-CC)

City Clerk Judi Herren introduced the item.

Mayor Nash opened the public hearing.

- Vicki Robledo spoke on concerns related to information provided by the canvassers and in support of the Juneteenth celebration.
- Lynne Bramlett spoke in support of updating ConnectMenlo.
- Michal Bortnik spoke in opposition of rezoning the Flood School site.
- Housing Leadership of San Mateo County representative Ken Chan support of the City Council ordering a report.
- Katie Behroozi spoke on concerns related to the ballot measure language.

Mayor Nash closed the public hearing.

- F3. Determination of action, pursuant to Elections Code Section 9215, regarding the proposed initiative measure entitled "A Citizen-Sponsored Initiative Measure to Amend the Land Use Element of the General Plan to Prohibit the City Council of the City of Menlo Park from Re-Designating or Re-

Zoning Certain Properties Designated and Zoned for Single Family Detached Homes” (Staff Report #22-129-CC)

City Attorney Nira Doherty introduced the item.

Mayor Nash opened the public hearing.

- Vicki Robledo spoke in support of the Flood Site utilization for homes and the even distribution of housing through rezoning other areas of Menlo Park (outside of District 1) and on concerns related to the building implications in the Belle Haven neighborhood.
- Lesley Feldman spoke in opposition to the ballot measure and in support of additional housing outside of District 1.
- Pam Jones spoke on concerns related to the information provided by canvassers and in support of ordering the report with expert clarification on the ballot measure.
- MidPen Housing representative Rebecca Barnes spoke in support of ordering the report.
- Housing Leadership of San Mateo County representative Ken Chan spoke in support of ordering the report.

Mayor Nash closed the public hearing.

The City Council received clarification on future City Council implications, history of zoning changes of the proposed Flood School site, analysis in the report option and who creates the report (e.g., staff, consultants, etc.), next steps, estimated costs, and regulations surrounding City Council as a whole or individually holding a position on the ballot measure.

The City Council discussed the three options for city council action and considered adding the following to an unbiased report:

- racial and economic equity
- educational equity
- Menlo Park’s ability to comply with state housing laws
- climate and traffic impacts
- impacts to existing sites included in the draft housing element
- impacts to the Menlo Park Fire Protection District
- vehicle miles travel measurements

Vice Mayor Wolosin spoke in opposition of the proposed ballot measure due to the impact to the Flood School site.

ACTION: Motion and second (Combs/ Nash), to order a report pursuant to Elections Code section 9212 and to include the following in the report:

- racial and economic equity
 - educational equity
 - ability to comply with state housing laws
 - climate and traffic impacts
 - impacts to existing sites included in the draft housing element
- passed 4-0 (Mueller absent)

G. Regular Business

The City Council reordered the agenda.

G2. Direction on the Burgess Pool aquatics operator agreement negotiation (Staff Report #22-124-CC)

Library and Community Services Director Sean Reinhart made a presentation (Attachment).

The City Council took a recess at 7:43 p.m.

The City Council reconvened at 7:54 p.m.

- Warm Water Wellness Inc. Chief Executive Officer Lindsay Raike spoke on concerns related to discriminatory pricing and pool access.
- Thomas Prussing provided information on aspects of a future pool operator.
- Janet Davis spoke in support of restating wellness programs and increased oversight of the provider.
- Eric Culin spoke in support of retaining Tim Sheeper (Sheeper) and restructuring of future agreement.
- Lynne Bramlett spoke in support of reexamining the agreement to serve the residents, requested more information on the provider's expenses, concerns on splitting the contract, and requested clarification on bond measure funding.
- Julie Shanson spoke on concerns related to the current operator and lack of accessible programming and requested bring the operation of pool in house or requiring efforts of future providers for more accessible programming.

The City Council requested clarification on Sheeper's expenses and salaries.

The City Council received clarification on Sheeper's survey on the use of pool, a middle ground between the City and Sheeper, Sheeper's termination letter, and staffing requirement for open swimming at a community pool.

The City Council discussed Sheeper's requests, including and excluding the Burgess and Menlo Park Community Center request for proposal (RFP), tax payers bond measure, the August 31, 2022 current term deadline, a new agreement term length, and renegotiating with Sheeper.

ACTION: Motion and second (Nash/ Taylor), to offer Sheeper a one-year contract, proceed with a RFP for both pools, and to be open to negotiations, 3-1-1 passed (Combs dissenting and Mueller absent).

The City Council took a recess at 9:23 p.m.

The City Council reconvened at 9:32 p.m.

G1. Adopt resolutions for fiscal year 2022-23: budget and capital improvement plan; establish appropriations limit; establish a consecutive 1 percent utility users' tax rate through June 2023; establish the salary schedule effective July 3, 2022; extend rate assistance program through June 2023; establish direction for administration of American Rescue Plan Act funds; and accept award authority and bid requirement through June 2023 (Staff Report #22-123-CC)

Interim Finance Director Marvin Davis, Extra Help Retired Annuitant – Administrative Services Director Mary Morris-Mayorga, and Interim City Manager Justin Murphy made the presentation (Attachment).

- Lynne Bramlett spoke on concerns on the time that the public was able to provide input on the budget and in support of establishing a grant matching fund.

The City Council received clarification on service level enhancements, housing positions funding sources, police sergeant salary added to the salary schedule, and the include of the ballot measure report costs.

The City Council discussed the service level enhancement for a proposed emergency preparedness coordinator, including whether the position should be located in the city manager office and receiving informational reports on settlement claims under \$86,000 going to City Council.

The City Council directed that the fiscal year 2023-24 budget earmark a portion of the American Rescue Plan Act (ARPA) funds specifically for residents of Menlo Park and consider moving the emergency preparedness coordinator to the city manager's office.

ACTION: Motion and second (Combs/ Wolosin), to adopt a resolution determining that the utility users tax, is necessary for the financial health of the city, pursuant to section 3.14 of the Menlo Park municipal code and establishing a temporary tax percentage reduction in the utility users tax pursuant to section 3.14.130 of the Menlo Park municipal code, 4-1 (Taylor dissenting).

ACTION: Motion and second (Wolosin/ Nash), to adopt a resolution adopting fiscal year 2022-23 budget and capital improvement plan with the addition of the \$86,000 for planning contract services for the ballot measure report/study, a resolution establishing the appropriations limit, a resolution amending the salary schedule effective July 3, 2022 with the inclusion and updates to police sergeant, a resolution extending the rate assistance program through June 2023, a resolution establishing direction for administration of American Rescue Plan Act funds, and accept award memo for authority and bid requirement through June 2023, passed unanimously.

H. Informational Items

- H1. City Council agenda topics: July 2022 (Staff Report #22-125-CC)
- H2. Re-Imagining Public Safety Ad Hoc Subcommittee update (Staff Report #22-126-CC)
- H3. Receive and file an update on the solid waste and water rate assistance program (Staff Report #22-127-CC)
- H4. ConnectMenlo Community Amenities Ad Hoc Subcommittee update (Staff Report #22-128-CC)

I. City Manager's Report

Interim City Manager Justin Murphy reported out on a community survey at publicinput.com/communityprograms.

J. City Councilmember Reports

Mayor Nash reported out that Senator Josh Becker is seeking potential State grant funding to support Menlo Park and BlocPower, the annual Association of Bay Area Governments meeting and a Peninsula Clean Energy update.

K. Closed Session

- K1. Closed session pursuant to Government Code 54957.6: Conference with Labor Negotiator Agency
Designated Representative: Mayor, Nira Doherty, Genevieve Ng
Unrepresented Employee: City Manager

L. Report from Closed Session

No reportable actions.

M. Adjournment

Mayor Nash adjourned the meeting at 10:31 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of July 26, 2022.



LANDSCAPE ASSESSMENT DISTRICT

Public Hearing

ANNEXA FAMILY
GYMNASIUM

CDM8



LANDSCAPE ASSESSMENT DISTRICT

- Funds collected are used for maintenance of
 - City street trees
 - sidewalks damaged due to City street trees
 - street sweeping
- District established in 1983 and updated in 1990
- Engineer's Report proposes
 - 3% increase for Tree maintenance (\$2.57 per Single Family Equivalent)
 - 3% increase for Sidewalk maintenance (\$1.38 per Single Family Equivalent)
- Annual action required by City to continue collection of assessments



PROCESS

3 Steps	Date
City Council initiated the LAD proceedings and adopted a resolution describing the improvements and directing preparation of the engineer's report	March 8, 2022
City Council adopted 1) a resolution giving preliminary approval of the engineer's report and 2) a resolution of intent to order the levy and collection of assessments	May 24, 2022
City Council holds a public hearing to consider resolution overruling protests and ordering the levy and collection of assessments	June 28, 2022



THANK YOU



DIRECTION ON THE BURGESS POOL AQUATICS OPERATOR AGREEMENT NEGOTIATION

City Council – June 28, 2022



Update

Since the publication of the agenda packet for the June 28, 2022, City Council meeting:

- Team Sheeper, Inc. (Provider) gave the City written notification that they have withdrawn their request for a management fee.



Provider's requested terms

- A. Exclude Burgess Pool from upcoming aquatics RFP
- B. Minimum five-year agreement at Burgess Pool
- C. Compensate Provider for lost revenue resulting from extended pool closures caused by maintenance and repair delays
- D. Eliminate revenue share from the agreement.





Key considerations and direction

Should the City:

- A. Focus the RFP on MPCC pool only; or keep Burgess Pool in the RFP?
- B. Extend Provider's agreement at Burgess Pool past August 31, 2022?
- C. Elect not to renegotiate and renew Provider's agreement; and begin search for a new operator?
- D. Change the revenue share?



Next steps

Per City Council's direction, staff is preparing an analysis and City Council study session about future aquatics operations tentatively August 9, followed by issuance of an RFP for the new MPCC pool in late September.



FISCAL YEAR 2022-23 BUDGET ADOPTION

June 28, 2022

ARRIENGA FAMILY
GYMNASIUM



AGENDA

- General fund 5-Year forecast changes
- Enabling resolutions and actions
- Final City Council direction and adoption





GENERAL FUND 5-YEAR FORECAST CHANGES



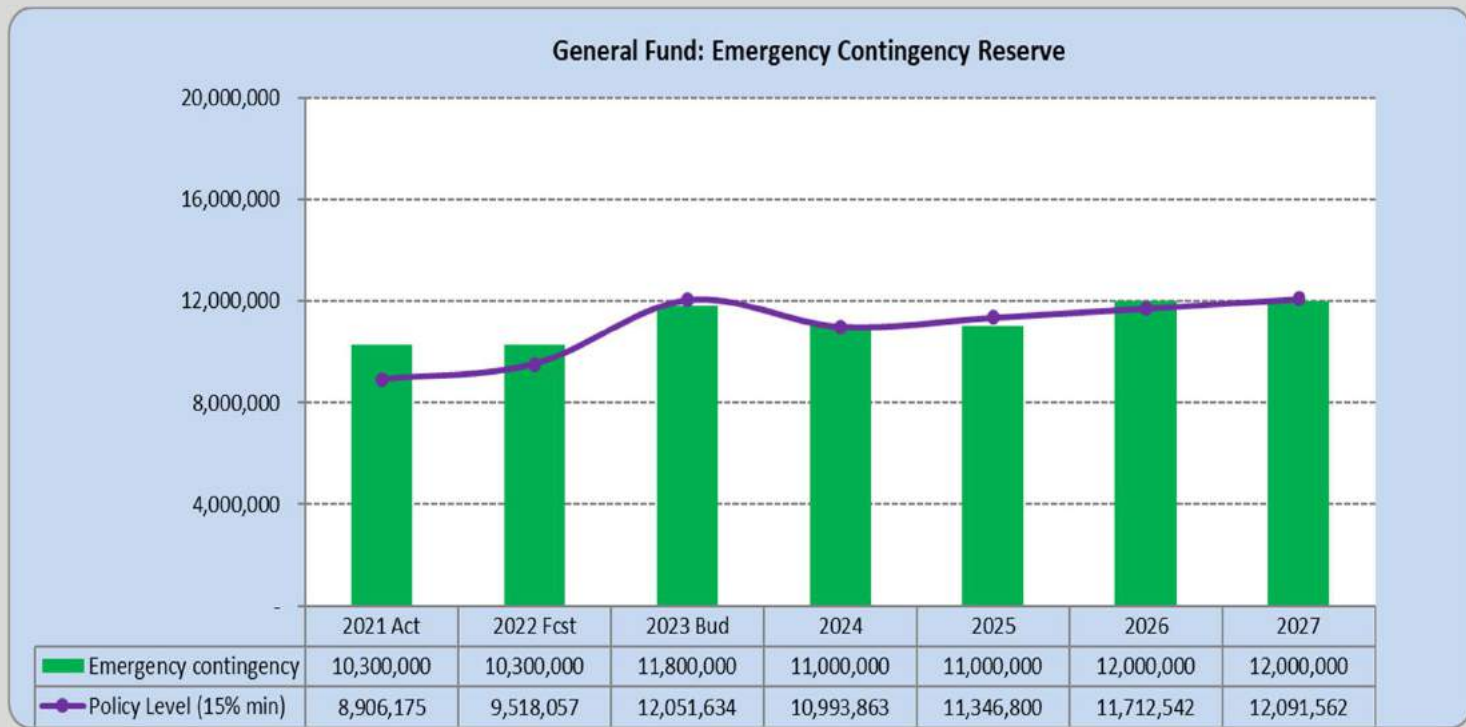
- Revenue assumptions
 - Reclassified current year developer payments to Fund 332 Bayfront Mitigation
 - TOT annual growth rate to 5% after FY 2022-23
 - Excess ERAF is reduced 10% annually, approximately 34.4%

- Expense assumptions
 - Vacancy factor increased to 6.5% for higher current level and anticipated attrition in future years
 - Service expense category was reduced by 15% to reflect non-recurring

- Reserve impacts
 - Total decreased from \$31.9 million to \$26.5 million
 - Emergency contingency reserve is maintained
 - Economic stabilization approximately \$3.6 million below target in last 2 years
 - Unassigned reserve cannot be negative

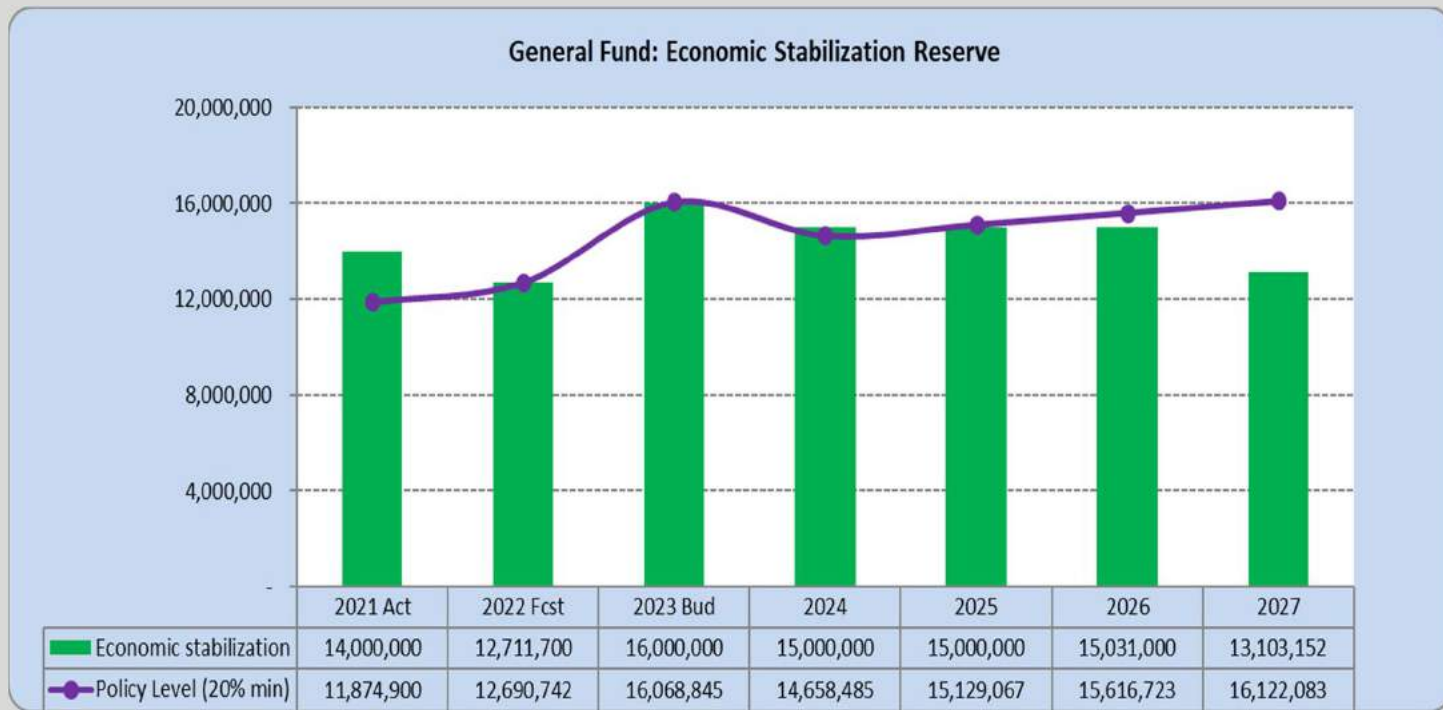


GENERAL FUND 5-YEAR FORECAST CHANGES





GENERAL FUND 5-YEAR FORECAST CHANGES



A photograph of a street scene, likely in Menlo Park, showing a sidewalk with outdoor seating (wicker chairs), a building with a "harvest" sign, and a "TABAC" sign. The scene is partially obscured by a blue textured overlay on the left and a dark grey bar at the bottom.

ENABLING RESOLUTIONS



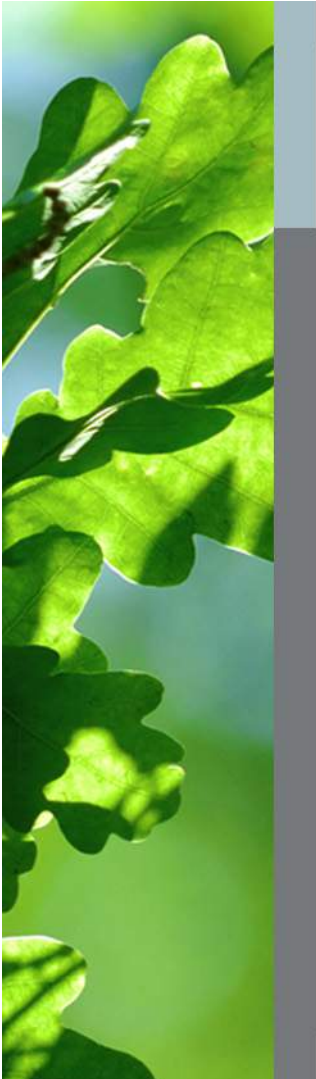
RESOLUTION FOR FY 2022-23 BUDGET

- Adopts the fiscal year 2022-23 budget and capital improvement plan authorizing appropriations
- Authorizes changes directed during adoption and clerical clean-up
- Authorizes payments up to budgeted amounts for:
 - Debt service on currently-issued debt
 - Utilities
 - Employee benefits
 - Inter-governmental agreements
 - City Attorney fees
 - IT ISF hardware and software subscription services



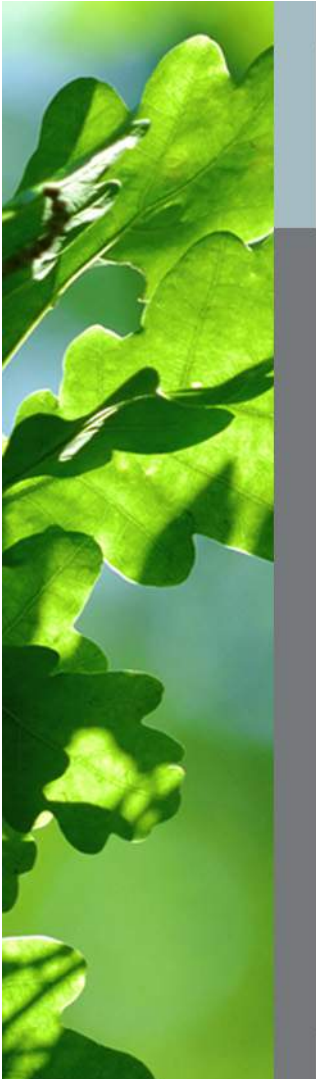
RESOLUTION FOR APPROPRIATIONS LIMIT

- Establishes the appropriations limit at \$75.5 million
- Meets California Government Code requirements
- Appropriations limit calculations
 - Prior year limit, \$71.2 million, plus population and inflation adjustment
 - Proceeds of taxes subject to limit total \$55.1 million
 - Results in appropriations \$20.4 million below limit
- Amounts may be adjusted depending on direction received during adoption



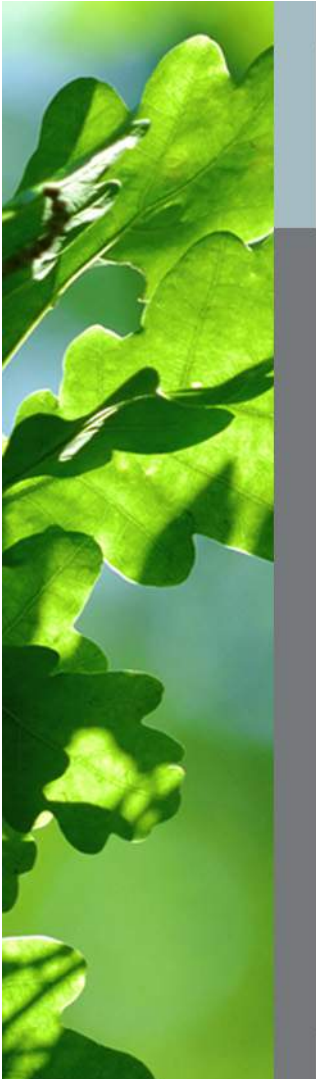
RESOLUTION FOR UUT REDUCTION

- Establishes a consecutive utility users' tax temporary reduction
- 12-month maximum reduction length
- Rate set to 1 percent for all categories, lowered from 2.5-3.5 percent in Menlo Park Municipal Code
- Previous temporary reduction expires on September 31, 2022 if not adopted



RESOLUTION FOR SALARY SCHEDULE

- Sets the schedule for pay for all regular classifications
- Resolution No. – effective date July 3, 2022
 - Implements previously agreed-upon COLA deferred due to effects of pandemic
 - Effective date based on agreements between City and SEIU, AFSCME, and unrepresented confidential employees
- Updated attachment to reflect PSA change



RESOLUTION FOR RATE ASSISTANCE PROGRAM

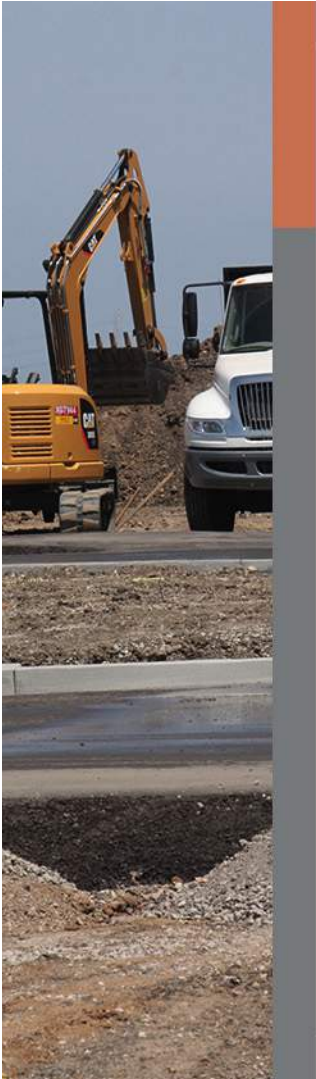


- Resolution No. extend rate assistance program
 - Continue program to June 30, 2023
 - Re-certify eligibility according to PG&E CARE program



RESOLUTION FOR ARPA

- Designating American Rescue Plan Act (ARPA) Final Rule
 - Confirming Fund 397 as controlling fund for administration
 - Confirming current expenditures of \$847,740 for fiscal year 2021-22
 - Designating a standard allowance of \$10 million in revenue loss, not to exceed award of \$8.3 million



NEXT STEPS

- Further direction to staff on fiscal year 2022-23 budget
 - Service level enhancements
 - ERAF reduction of 10% per year beginning FY 2023-24
 - ARPA utilization in General Fund for revenue replacement
 - Utility User's Tax necessity for financial health of the City (2 years, 2/3 vote)
 - Utility User's Tax rate of 1% percent (1 year, majority)
 - Emergency and economic reserves policy level (are maintained in fiscal year 2022-23, but may fall below policy level in the last two years of the five-year forecast)
- Adoption of enabling resolutions and award level before July 1
- Publication of fiscal year 2022-23 budget document in August
- January 2023 goal-setting session
 - City Council priorities and work plan
- February 2023 mid-year budget amendments



RESOLUTIONS AND AWARD LEVEL



- Adopt resolutions, establish award levels & bid rules:
 - Resolution adopting the fiscal year 2022-23 budget and capital plan
 - Resolution to establish the appropriations limit
 - Resolution to establish 1% UUT rates through June 2023
 - Resolution amending the salary schedule effective July 3, 2022
 - Resolution extending rate assistance program through June 2023
 - Resolution to establish direction for administration of ARPA
 - Accept award memo for award level and bid rules



THANK YOU