



SPECIAL AND REGULAR MEETING AGENDA

Date: 6/14/2022
Time: 3:30 p.m.
Location: [Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

Consistent with Government Code section 54953(e), and in light of the declared state of emergency, and maximize public safety while still maintaining transparency and public access, members of the public can listen to the meeting and participate using the following methods.

How to participate in the meeting

- Submit a written comment online up to 1-hour before the meeting start time:
city.council@menlopark.org
Please include the agenda item number you are commenting on.
- Access the meeting real-time online at:
[Zoom.us/join](https://zoom.us/join) – Meeting ID 831 3316 9409
- Access the meeting real-time via telephone at:
(669) 900-6833
Meeting ID 831 3316 9409
Press *9 to raise hand to speak
- Watch meeting:
 - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:
Channel 26

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

According to City Council policy, all meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

3:30 p.m. Closed Session ([Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409)

A. Call To Order

B. Roll Call

C. Agenda Review

D. Closed Session

D1. Closed Session pursuant to Government Code 54957(b)(1): Public Employment Evaluation

Title: City Attorney

D2. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: David Fogel et al. v. City of Menlo Park, Case No. 21-CIV-06674

6:00 p.m. Regular Session ([Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409)

E. Report from Closed Session

F. Presentations and Proclamations

F1. Proclamation: Recognizing Juneteenth Day ([Attachment](#))

F2. Proclamation: Recognizing June 2022 as Pride Month ([Attachment](#))

G. Public Comment

Under “Public Comment,” the public may address the City Council on any subject not listed on the agenda. Each speaker may address the City Council once under public comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under public comment other than to provide general information.

H. Consent Calendar

H1. Accept the City Council meeting minutes for May 17 and 24, 2022 ([Attachment](#))

H2. 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 #22-111-CC](#))

H3. Adopt a resolution modifying the City Council’s regular meeting schedule to replace November 8, 2022 with November 1, 2022 ([Staff Report #22-109-CC](#))

H4. Adopt a resolution calling and giving notice of holding a General Municipal Election for three City Council seats in districts 1, 2 and 4, requesting that the City Council consolidate the election with the

Statewide General Election to be held November 8, 2022, and contracting with the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder for election services ([Staff Report #22-110-CC](#))

H5. Adopt a resolution authorizing the city manager to execute an agreement with Bigbreak, LLC (Chefables) in an amount not to exceed \$100,000 to continue the delivery of food services at the Belle Haven Child Development Center during fiscal year 2022-23 ([Staff Report #22-112-CC](#))

I. Public Hearing

I1. Public hearing on proposed fiscal year 2022-23 budget and capital improvement plan ([Staff Report #22-113-CC](#))

J. Regular Business

J1. Adopt a resolution of support for BlocPower LLC to provide building electrification services for building owners ([Staff Report #22-114-CC](#))

K. Informational Items

K1. City Council agenda topics: June 28, 2022–July 12, 2022 ([Staff Report #22-115-CC](#))

L. City Manager's Report

M. City Councilmember Reports

N. Adjournment

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 06/09/2022)

PROCLAMATION

Juneteenth Day

WHEREAS, Juneteenth is the oldest known celebration commemorating the ending of slavery in the United States; and

WHEREAS, President Abraham Lincoln issued the Emancipation Proclamation on January 1, 1863, declaring that all persons held as slaves "are, and henceforward shall be free," paving the way for the passing of the thirteenth amendment which formally abolished slavery in the United States of America; and

WHEREAS, Juneteenth, or June 19, 1865, is that joyous day when a cavalry of 7,000 federal troops descended on Galveston, Texas, the westernmost state in the country, to liberate enslaved Americans two-and-a-half years after the Emancipation Proclamation had granted them their freedom; and

WHEREAS, June 19 has an empowering meaning in American history, and is called Juneteenth combining the words June and nineteenth, and has been celebrated by the Black Community for over 150 years making it the oldest African American holiday observance in the United States; and

WHEREAS, Juneteenth commemorates African American freedom and emphasizes education and achievement. It is a day, a week, and in some areas, a month marked with celebrations, guest speakers, picnics, and family gatherings. It is a time for reflection and rejoicing. It is a time for assessment, self-improvement, and planning for the future; and

WHEREAS, Juneteenth symbolizes freedom, celebrates the abolishment of slavery, and reminds all Americans of the significant contributions of African Americans to our society; and

WHEREAS, Juneteenth celebrations are a tribute to those African Americans, then and now, who fought so long and worked so hard to make the dream of equality a reality.

NOW THEREFORE, BE IT PROCLAIMED that I, Betsy Nash, Mayor of the City of Menlo Park, do hereby proclaim June 2022 as the month to celebrate Juneteenth Day in Menlo Park, California, and urge all people to become more aware and continually educated on the significance of this celebration in Black History and in the heritage of our nation designate the raising of the Juneteenth flag during this time.

DocuSigned by:

Betsy Nash

415F4321008F480

Betsy Nash, Mayor
June 14, 2022

PROCLAMATION

Pride Month – June 2022

WHEREAS, the City Council of Menlo Park recognizes and proclaims the month of June 2022 as Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) “Pride Month” throughout the City of Menlo Park; and

WHEREAS, Menlo Park joins the County of San Mateo to observe Pride Month with a Pride flag raising ceremony to honor the history of the LGBTQ liberation movement and to support the rights of all residents to experience equality and freedom from discrimination; and

WHEREAS, the rainbow flag is widely recognized as a symbol of pride, inclusion, and support for social movements that advocate for LGBTQ people in society; and

WHEREAS, all human beings are born free and equal in dignity and rights. LGBTQ individuals have had immeasurable impact to the cultural, civic and economic successes of our country; and

WHEREAS, the City of Menlo Park is committed to supporting visibility, dignity and equality for LGBTQ people in our diverse community; and

WHEREAS, while society at large increasingly supports LGBTQ equality, it is essential to acknowledge that the need for education and awareness remains vital to end discrimination and prejudice; and

WHEREAS, this nation was founded on the principle that every individual has infinite dignity and worth, and the City Council calls upon the people of this municipality to embrace this principle and work to eliminate prejudice everywhere it exists; and

WHEREAS, celebrating Pride Month influences awareness and provides support and advocacy for San Mateo County’s LGBTQ community, and is an opportunity to take action and engage in dialogue to strengthen alliances, build acceptance and advance equal rights.

NOW, THEREFORE BE IT RESOLVED, that the rainbow flag, raised on June 1, recognizing all LGBTQ residents whose influential and lasting contributions to our neighborhoods make Menlo Park a vibrant community in which to live, work and visit.

NOW, THEREFORE, BE IT PROCLAIMED that I, Betsy Nash, Mayor of the City of Menlo Park, on behalf of the City Council and City, hereby proclaims the month of June 2022 as Pride Month in support of the LGBTQ community.

DocuSigned by:

Betsy Nash

415F48216DBF480

Betsy Nash, Mayor
June 14, 2022



SPECIAL MEETING MINUTES – DRAFT

Date: 5/17/2022
Time: 4:00 p.m.
Location: Zoom

Closed Session

A. Call To Order

Mayor Nash called the meeting to order at 4:03 p.m.

B. Roll Call

Present: Combs, Mueller (exited the meeting at 6:14 p.m.), Nash (exited the meeting at 6:14 p.m.), Taylor, Wolosin
Absent: None
Staff: Interim City Manager Justin I.C. Murphy, City Attorney Nira F. Doherty, City Clerk Judi A. Herren

C. Closed Session

C1. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 of the Government Code: (one potential case)

C2. Closed session conference with labor negotiators pursuant to Government Code §54957.6 regarding labor negotiations with the American Federation of State, County, and Municipal Employees Local 829 (AFSCME) and Confidential employees; Service Employees International Union Local 521 (SEIU); Menlo Park Police Sergeants Association (PSA); Menlo Park Police Officers’ Association (POA); and unrepresented management

Attendees: Interim City Manager Justin I.C. Murphy, Legal Counsel Charles Sakai, Interim Human Resources Manager Kristen Strubbe

Vice Mayor Wolosin reconvened the meet at 6:15 p.m.

D. Report from Closed Session

No reportable actions.

E. Adjournment

Vice Mayor Wolosin adjourned the meeting at 6:16 p.m.

Judi A. Herren, City Clerk





REGULAR MEETING MINUTES – DRAFT

Date: 5/24/2022
Time: 6:00 p.m.
Location: Zoom

Regular Session

A. Call To Order

Mayor Nash called the meeting to order at 6:08 p.m.

B. Roll Call

Present: Combs, Mueller, Nash, Taylor, Wolosin
Absent: None
Staff: Interim City Manager Justin I.C. Murphy, City Attorney Nira F. Doherty, City Clerk Judi A. Herren

The City Council conducted a moment of silence for the Robb Elementary School shooting in Uvalde, Texas.

C. Agenda Review

Staff pulled item G7. to provide an update.

City Council pulled G7. and G5. for discussion.

D. Presentations and Proclamations

D1. Proclamation: Recognizing Public Works Week (Attachment)

Mayor Nash read the proclamation (Attachment).

Assistant Engineer Edress Rangeen, Public Works Supervisor – Parks Bill Halleck, and Management Analyst II Natalie Bonham accepted the proclamation.

E. Public Comment

None.

F. Study Session

F1. Review and consider applicant’s community amenities proposal for the Willow Village master plan project (Staff Report #22-093-CC)

City Councilmember Combs was recused and exited the meeting.

Acting Planning Manager Kyle Perata made a presentation (Attachment).

Signature Development representative Mike Ghielmetti made a presentation (Attachment).

City Council ConnectMenlo Community Amenities Subcommittee members Mayor Nash and City Councilmember Taylor made a presentation.

- Job Train Chief Executive Officer Barrie Hathaway spoke on the positive impacts to Job Train by Meta and in support of the proposed amenities.
- Sixto requested clarification on the small retail footprint, teacher housing requirements, and the proposed tunnel and spoke in support of the proposed grocery store.
- Michael Achoa spoke in support of the proposed amenities.
- Karen Grove requested clarification on whether or not the below market rate (BMR) housing is an amenity or a BMR guideline requirement.
- Nicholas Pataki spoke in support of the proposed grocery store and open spaces, requested clarification on volunteering, security for open spaces, the owner of the grocery store, and how to apply for BMR.
- Pam Jones spoke in opposition of the inclusion of Menlo Park Community Campus (MPCC) in the executive summary of the applicant’s community amenity proposal and in support of the proposed grocery store and pharmacy.
- Arvind Chari spoke in support of the proposed amenities.
- Colin Bookman spoke in support of the proposed amenities.
- Jeffrey Moore spoke in support of the proposed amenities.
- Housing Leadership Council representative Ken Chanspoke in support of the proposed amenities.
- Humanity Equity Collaborative representative Heather Hopkins spoke in support of expanding the proposed teacher housing to all educators.
- John Contreras requested clarification on any Veteran benefits included in the housing and residential opportunities.
- Lynne Bramlett spoke on concerns of the grocery space and in support of amenities that support the Belle Haven neighborhood and requested clarification on the developer’s agreement mitigation payments.
- Andreas Nilsson spoke in support of the grocery store and on concerns of the proposed amenities distance from the Belle Haven neighborhood.
- Fran Dehn spoke in support of the proposed amenities and provided clarification on “proposed” versus “desired” amenities.
- Bonnie Lam spoke in support of the proposed amenities.

The City Council received clarification on the valuation of the project compared to what is required, costs and funding of maintenance, repairs, and security, future updated BMR guidelines applicable to this project, the development agreement and community amenities timeline, teacher housing requirements, public access to the pedestrian overpass, benefits or housing for Veterans, Dumbarton Rail project impacts, and grocery store rent subsidy terms.

Staff confirmed the target June 1, 2022 Housing Commission study session and the June 8, 2022 Complete Streets Commission regular business item.

The City Council discussed framework of an “amenity”, who the proposed amenities serve, and if the applicant and/or City have adequately valued the proposed community amenities.

The City Council directed staff to work with the applicant and subcommittee to follow-up on feedback from tonight's meeting and potentially return to the City Council with the entitlements review.

The City Council took a recess at 8:40 p.m.

The City Council reconvened at 8:47 p.m.

City Councilmember Combs rejoined the meeting.

G. Consent Calendar

- G1. Accept the City Council meeting minutes for April 19 and May 10, 2022 (Attachment)
- G2. 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 #22-103-CC)
- G3. Adopt a resolution amending City Council Policy CC-22-004 Commissions/Committees Policies and Procedures, Roles and Responsibilities to update the Complete Streets Commission membership (Staff Report #22-094-CC)
- G4. Authorize the city manager to enter into an agreement with EOA, Inc. to perform business inspections per the City's stormwater municipal regional permit (Staff Report #22-096-CC)
- G5. Adopt a resolution of preliminary approval of the engineer's report for the Menlo Park Landscaping Assessment District and adopt a resolution of intention to order the levy and collection of assessments for the Landscaping Assessment District for fiscal year 2022-23 (Staff Report #22-098-CC)

The City Council received clarification on the Landscape Assessment District funding.

- G6. Adopt a resolution approving the list of projects eligible for fiscal year 2022-23 funds from Senate Bill 1: The Road Repair and Accountability Act of 2017 (Staff Report #22-096-CC)
- G7. Adopt a resolution determining that the final map and public improvement agreement for the Menlo Uptown project located at 180-186 Constitution Drive and 141 Jefferson Drive conform to Menlo Park Municipal Code 15.24 and the Subdivision Map Act; approve said final map and public improvement agreement; authorize the city clerk to sign the final map; authorize the city manager to sign the public improvement agreement; and accept dedication of public access easements for site access purposes and an emergency vehicle access easement for fire access purposes (Staff Report #22-100-CC)

The City Council received a correction from the information in the staff report that the intersection, Chrysler Drive and Independence Drive, is not part of the Menlo Uptown project, the impact of removing improvements on Willow Road on the overall project timeline, and the number of improvements that were required as conditions of approval of the Menlo Uptown project.

The City Council discussed the California Environmental Quality Act (CEQA) no longer requiring the City to use level of service (LOS) as a measurement although the City general plan still requires consideration of LOS, safety concerns related to extending crossing lengths for pedestrians,

predicting safety metrics, and the potential removal of the Willow Road improvements.

ACTION: Motion and second (Combs/ Mueller), to adopt a resolution determining that the final map and public improvement agreement for the Menlo Uptown project located at 180-186 Constitution Drive and 141 Jefferson Drive conform to Menlo Park Municipal Code 15.24 and the Subdivision Map Act; approve said final map and public improvement agreement; authorize the city clerk to sign the final map; authorize the city manager to sign the public improvement agreement; and accept dedication of Public access easements for site access purposes and an emergency vehicle access easement for fire access purposes, failed 2-3 (Taylor, Wolosin, and Nash dissenting).

The City Council took a recess at 9:34 p.m.

The City Council reconvened at 9:39 p.m.

ACTION: Motion and second (Wolosin/ Nash), to adopt a resolution determining that the final map and public improvement agreement for the Menlo Uptown project located at 180-186 Constitution Drive and 141 Jefferson Drive conform to Menlo Park Municipal Code 15.24 and the Subdivision Map Act; approve said final map and public improvement agreement; authorize the city clerk to sign the final map; authorize the city manager to sign the public improvement agreement; accept dedication of public access easements for site access purposes and an emergency vehicle access easement for fire access purposes, and to return the public improvement agreement to further discuss the near term improvements on Willow Road and Coleman Avenue and Willow Road and Gilbert Avenue, passed 3-1-1 (Combs dissenting and Mueller abstaining).

G8. Adopt a resolution authorizing staff to submit an application to the San Mateo County Transportation Authority for Measure A Alternative Congestion Relief and Measure W Transportation Demand Management Program Funding (Staff Report #22-102-CC)

ACTION: Motion and second (Wolosin/ Nash), to approve the consent calendar except item G7., passed unanimously.

H. Regular Business

H1. Adopt a resolution to ratify a successor agreement between the City of Menlo Park and Menlo Park Police Sergeants' Association expiring June 30, 2025 (Staff Report #22-092-CC)

Interim Human Resources Manager Kristen Strubbe made the presentation (Attachment).

ACTION: Motion and second (Nash/ Taylor), to adopt a resolution to ratify the successor agreement between the City of Menlo Park and the Menlo Park Police Sergeants' Association expiring June 30, 2025, passed unanimously.

H2. Adopt a resolution approving a Water Conservation Plan pursuant to Menlo Park Municipal Code Chapter 7.35 imposing Stage 2 Drought Measures of the City's 2020 Water Shortage Contingency Plan and the State Water Resources Control Board's proposed emergency regulations regarding turf irrigation (Staff Report #22-097-CC)

Senior Civil Engineer Pam Lowe introduced the item.

- Pam Jones spoke in support of developing a plan without waiting for the State's plan.

The City Council received clarification on the maximum water reduction percentage calculation and implementation of stricter regulations compared to the State.

The City Council discussed holding a study session on water conservation and shared water resources with the Bay Area Water Supply and Conservation Agency (BAWSCA).

ACTION: Motion and second (Taylor/ Nash), approve a Water Conservation Plan resolution, pursuant to Menlo Park Municipal Code Chapter 7.35, imposing drought stage 2 measures of the City's 2020 Water Shortage Contingency Plan and the State Water Resources Control Board's proposed emergency regulations regarding turf irrigation that urban water suppliers must comply with by June 10, 2022, passed unanimously.

H3. Direction on drafting an ordinance preserving park land (Staff Report #22-107-CC)

Interim City Manager Justin Murphy introduced the item.

- Brian Kissel spoke in support of protecting City parks permanently and increasing park land.

The City Council received clarification on the government use exception, future City Council bindings and hurdles, and staff impacts pursuing an ordinance.

The City Council discussed dedicating all City parks and park parking lots in the Municipal Code, creating a procedural requirement in the ordinance that government use exception of park land will require an advisory vote of the public beforehand, defining "parks" as green, open, and recreational spaces or something more broad (e.g., to also include park parking lots), and a ballot initiative.

ACTION: Motion and second (Mueller/ Wolosin), to direct staff to draft an ordinance dedicating all City parks, close any loopholes for rezoning of park use, create a procedural requirement in the ordinance that government use exception of park land will require an advisory vote of the public before a City Council could exercise that use exception, and to define "parks" as green, open, and recreational spaces and to exclude parking lots and the Burgess Park civic center structures in that definition, passed 3-2 (Taylor and Nash dissenting).

I. Informational Items

I1. City Council agenda topics: May 31, 2022 – June 2022 (Staff Report #22-105-CC)

I2. General Obligation Bonds – cost of issuance (Staff Report #22-095-CC)

I3. Menlo Park Community Campus operational planning updates: Subcommittee report; updated operational plan milestones; draft program survey (Staff Report #22-101-CC)

I4. Bayfront area pedestrian circulation plan update (Staff Report #22-104-CC)

- Adina Levin spoke in support of the plan.

I5. Police department quarterly update – Q2 September 2021 – December 2021 and Q3 January 2022 – March 2022 (Staff Report #22-106-CC)

J. City Manager's Report

Interim City Manager Justin Murphy reported out on quiet zone implementation study update, the delivery of Tesla vehicles to the police department, and the Flood School site discussions with community members.

K. City Councilmember Reports

City Councilmember Combs reported out that City is working on the Flood School site outreach, emailed requests to agendize city manager recruitment and legal expenditure reporting, and the Zoom attacks on the SAFER Bay project meeting.

L. Adjournment

Mayor Nash adjourned the meeting at 11:30 p.m.

Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date:

6/14/2022

Staff Report Number:

22-111-CC

Consent Calendar:

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

Recommendation

Staff recommends that the City Council adopt a resolution (Attachment A) 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.

Policy Issues

Assembly Bill 361 (AB 361) was signed into law September 16, 2021 allowing cities to continue holding virtual meetings during any emergency proclaimed by the governor. AB 361 sunsets January 1, 2024. The City Council would need to declare every 30 days that the City's legislative bodies must continue to meet remotely in order to ensure the health and safety of the public.

Background

The California Legislature approved AB 361, which was signed by the governor September 16, 2021 for signature. The bill allows local legislative bodies to continue to meet remotely through January 1, 2024. A local agency will be allowed to continue to meet remotely when:

- The local agency holds a meeting during a declared state of emergency
- State or local health officials have imposed or recommended measures to promote social distancing
- Legislative bodies declare the need to meet remotely due to present imminent risks to the health or safety of attendees

The City meets the requirements to continue holding meetings remotely in order to ensure the health and safety of the public:

- The City is still under a local state of emergency
- County Health recommends that all individuals in public spaces maintain social distancing and wear masks

Analysis

The City is still under a local state of emergency and the emergency findings required under AB 361 are still in effect. It is recommended that the use of facial coverings be exercised when not speaking inside the City Council Chambers. The resolution authorizes the use of hybrid meetings, whereby City Councilmembers and staff may choose to attend either remotely or in person.

Although the City has returned to in-person meetings, due to the prevalence of BA.2 strain of the SARS-CoV-2 virus and the BA.2 overtaking other variants in San Mateo County, the City Council finds that reducing the number of persons present in City Council chambers is necessary to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors.

Impact on City Resources

There is no impact on City resources.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. Resolution

Report prepared by:
Judi A. Herren, City Clerk

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54952(b) AUTHORIZING TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361 (GOVERNMENT CODE SECTION 54953(e)) TO CONTINUE TO ALLOW MEMBERS OF THE PUBLIC TO SAFELY PARTICIPATE IN LOCAL GOVERNMENT MEETINGS**

WHEREAS, the City Council is committed to ensuring public access to observe and participate in local government meetings; and

WHEREAS, all meetings of the City Council and other legislative bodies created pursuant to Government Code Section 54952(b) are open and public, as required by the Ralph M. Brown Act, so that any member of the public may participate in local government meetings; and

WHEREAS, the AB 361, codified at Government Code section 54953(e), makes provisions for remote teleconferencing participation in local government meetings, without compliance with the requirements of 54953(b)(3), during a Governor-proclaimed state of emergency and if the local legislative body determines, by majority vote, that as a result of the emergency, meeting solely in person would present imminent risks to the health or safety of attendees; and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency due to the outbreak of respiratory illness due to a novel coronavirus (now known as COVID 19) and that State of Emergency is still in effect in the State of California; and

WHEREAS, on March 11, 2020 the City Council proclaimed the existence of a local state of emergency within the City, pursuant to Section 8625 of the California Emergency Services Act in response to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to threaten the health and lives of City residents; and

WHEREAS, the SARS-CoV-2 Delta and Omicron Variants are highly transmissible in indoor settings; and

WHEREAS, the Omicron subvariants of the SARS-CoV-2 virus is overtaking other variants in San Mateo County; and

WHEREAS, according to data from the County's Health Administrator and County website, the County is averaging approximately 49 new cases per 100,000 of COVID-19 per day; and

WHEREAS, although the City has returned to in-person meetings, due to the prevalence of BA strains of the SARS-CoV-2 virus overtaking other variants in San Mateo County, the City Council finds that reducing the number of persons present in City Council chambers is necessary to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors; and

WHEREAS, the State of California and the City of Menlo Park continue to follow safety measures in response to COVID-19 as ordered or recommended by the Centers for Disease

Control and Prevention (CDC), California Department of Public Health (DPH), and/or County of San Mateo, as applicable, including facial coverings when required; and based upon that guidance, in-person attendance indoors at public meetings continues to present a health risk for certain segments of the population, necessitating the need to reduce the number of in-person meeting attendees; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as “Legislative Bodies”), finds that the current conditions meet the circumstances set forth in Government Code section 54953(e)(3) to allow Legislative Bodies to continue to use teleconferencing to hold open and public meetings if the Legislative Bodies comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby:

1. Find that current conditions authorize teleconference public meetings of Legislative Bodies. Based on the California Governor’s continued declaration of a State of Emergency and current conditions, the City Council finds that meeting in person, without the option for certain populations and persons to participate remotely, would present imminent risks to the health or safety of attendees. The City Council does therefore find that Legislative Bodies and members of Legislative Bodies of the City may elect to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.
2. Authorize Legislative Bodies to conduct teleconference meetings. The Legislative Bodies are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.
3. Authorize Legislative Bodies to conduct hybrid meetings. The Legislative Bodies are hereby further authorized to conduct meetings in a “hybrid” format, where both members of the Body may elect to be present in person, utilizing appropriate distancing and masking practices, or participate by teleconferencing technology. Such meetings of the Legislative Bodies that occur using teleconferencing technology will provide an opportunity for any and all members of the public who wish to address Legislative Bodies and will otherwise occur in a manner that protects the statutory and constitutional rights of parties and the members of the public attending the meeting via teleconferencing.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the fourteenth day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date: 6/14/2022
Staff Report Number: 22-109-CC

Consent Calendar: Adopt a resolution modifying the City Council's regular meeting schedule to replace November 8, 2022 with November 1, 2022

Recommendation

Staff recommends that the City Council adopt resolution (Attachment A) modifying the City Council's regular meeting schedule to replace November 8, 2022 with November 1, 2022.

Policy Issues

Ordinance No. 1080 (Attachment B) allows the City Council to adopt a different meeting schedule by resolution.

Background

On December 14, 2021, the City Council unanimously voted to adopt Ordinance No. 1080 codifying the City Council's regular meeting schedule as the second and fourth Tuesday of every month, commencing at 6 p.m. At the same meeting, the City Council unanimously approved the 2022 City Council regular meeting schedule (Attachment C.)

Analysis

The adoption of the 2022 regular City Council meeting schedule included regular meetings on the second and fourth Tuesdays of the month and took into account year-end travel schedules and holiday observances. The November 8, 2022 regular City Council meeting coincides with the November 8, 2022 Statewide General Election.

Although staff is recommending that the November 8, 2022 regular City Council meeting be canceled and replaced with a November 1, 2022 regular meeting, the City Council can consider and direct any of the following four options:

1. Retain the current City Council meeting schedule (Attachment C)
2. Cancel and replace November 8, 2022 with November 1, 2022
 - This will result in back-to-back meetings with the October 25, 2022 meeting
3. Cancel and replace November 8, 2022 with November 22, 2022
 - This will result back-to-back meetings with the November 15, 2022 meeting
 - November 24, 2022 is the Thanksgiving holiday

4. Cancel and not reschedule the November 8, 2022
 - This will result with one meeting for the month of November 2022

The proposed resolution will update the City Council meeting schedule to replace November 8, 2022 with November 1, 2022.

Impact on City Resources

There is no impact on City resources.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is a minor change that will not result in any direct or indirect physical change in the environment.

Attachments

- A. Resolution
- B. Ordinance No. 1080
- C. Hyperlink – 2022 City Council regular meeting schedule:
menlopark.org/files/sharedassets/public/agendas-and-minutes/city-council/2022-meetings/city-council-meeting-schedule-2022.pdf

Report prepared by:
Judi A. Herren, City Clerk

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
REPLACING THE NOVEMBER 8, 2022 REGULAR CITY COUNCIL MEETING
WITH A NOVEMBER 1, 2022 REGULAR CITY COUNCIL MEETING**

WHEREAS, the City of Menlo Park ("City") wishes to replace the November 8, 2022 regular City Council meeting with November 1, 2022;

WHEREAS, the City wishes to remove the November 8, 2022 from the City Council schedule of regular meetings;

WHEREAS, the City wishes to add November 1, 2022 to the City Council schedule of regular meetings;

WHEREAS, Ordinance No. 1080 allows the modification of the approved City Council meeting scheduled through the adoption of a resolution; and

WHEREAS, Section 2.04.010 of the Menlo Park Municipal Code reads as follows:

2.04.010. Regular Meetings – Days and time. **

A regular meeting of the City Council shall be held on the second and fourth Tuesday of every month commencing at six p.m., unless the City Council adopts a different schedule by resolution. A regular meeting of the City Council may be canceled (i) by notice at a prior City Council meeting, or (ii) by notice to all of the City Council members of not less than twenty-four (24) hours prior to the meeting and by posting a notice of cancellation at all locations where public notices are regularly posted by the City.

** For state law as to council meetings, see Government Code sections 36805 to 36808, 54950 to 65960.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MENLO PARK HEREBY RESOLVES:

The November 8, 2022 regular meeting will be canceled and the November 1, 2022 shall be added as a regular meeting date to the 2022 Schedule of Regular City Council meetings of the City of Menlo Park.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the fourteenth day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of June, 2022.

Judi A. Herren, City Clerk

ORDINANCE NO. 1080

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
MENLO PARK AMENDING SECTION 2.04.010 OF
CHAPTER 2.04 (CITY COUNCIL) OF TITLE 2
(ADMINISTRATION AND PERSONNEL) OF THE MENLO
PARK MUNICIPAL CODE**

WHEREAS, the City of Menlo Park ("City") wishes to change the time when the City Council holds its regularly scheduled meetings and the methods for canceling a City Council meeting.

THE CITY COUNCIL OF THE CITY OF MENLO PARK DOES ORDAIN AS FOLLOWS:

SECTION 1. AMENDMENT OF CODE. Section 2.04.010 of the Menlo Park Municipal Code is amended to read as follows (addition in underline, deletions in ~~strikethrough~~):

2.04.010. Regular Meetings – Days and time. **

A regular meeting of the City Council shall be held on the second and fourth Tuesday of every month commencing at ~~five (5)~~ six (6) p.m., unless the City Council adopts a different schedule by resolution ~~at the beginning of the year.~~ A regular meeting of the City Council may be canceled (i) by notice at a prior City Council meeting, or (ii) by notice to all of the City Council members of not less than twenty-four (24) hours prior to the meeting and by posting a notice of cancellation at all locations where public notices are regularly posted by the city.

SECTION 2. EFFECTIVE DATE AND PUBLISHING. This ordinance shall take effect 30 days after adoption. The city clerk shall cause publication of the ordinance within 15 days after passage in a newspaper of general circulation published and circulated in the city or, if none, the posted in at least three public places in the city. Within 15 days after the adoption of the ordinance amendment, a summary of the amendment shall be published with the names of the City Councilmembers voting for and against the amendment.

SECTION 3. CEQA. The City Council finds that this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(3) because this activity is not a project as defined by Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

SECTION 4. SEVERABILITY

If any section, subsection, subdivision, sentence, clause, phrase or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, then such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares it would have adopted this Ordinance and each section, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that one or more section, subsection, subdivision, sentence, clause, phrase, or portion thereof be declared invalid or unconstitutional.

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INTRODUCED on the sixteenth day of November, 2021.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said City Council on the fourteenth day of December, 2021 by the following vote:


AYES: Combs, Mueller, Nash, Taylor, Wolosin

NOES: None


ABSENT: None

ABSTAIN: None

APPROVED:

DocuSigned by:

52C1D491348F4A3...
Drew Combs, Mayor

ATTEST:

DocuSigned by:

39280A20D0BE491...
Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date:

6/14/2022

Staff Report Number:

22-110-CC

Consent Calendar:

Adopt a resolution calling and giving notice of holding a General Municipal Election for three City Council seats in districts 1, 2 and 4, requesting that the City Council consolidate the election with the Statewide General Election to be held November 8, 2022, and contracting with the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder for election services

Recommendation

Staff recommends that the City Council adopt a resolution (Attachment A) calling and giving notice of holding a General Municipal Election for three City Council seats in districts 1, 2 and 4, consolidating the election with the Statewide General Election to be held November 8, 2022, and approving contracting with the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder to provide election services.

Policy Issues

These actions are prescribed under the California Elections Code in order for the General Municipal Election of three City Council seats in districts 1, 2 and 4 to take place.

Background

The General Municipal Election to elect members of the Menlo Park City Council is held in November of even numbered years, pursuant to Menlo Park Municipal Code section 2.06.010. The terms of three district City Councilmembers (Combs, Nash and Taylor) will expire this year. This will be the first election with the newly adopted district map. City Councilmembers will be elected from three districts (1, 2 and 4) this cycle. The remaining two districts (3 and 5) are up for reelection in November 2024. City Councilmember terms are for four years.

Historically, the City of Menlo Park consolidates its general municipal election with the county of San Mateo and requests the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder to provide specialized services including the printing and mailing of ballot materials, establishing and operating of polling places and the counting of ballots.

Analysis

The Elections Code requires the governing body to adopt a resolution calling for the November 8, 2022 election. Menlo Park consolidates its general municipal election with the county of San Mateo. In order to contract with the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder to render services, the City Council must adopt a resolution requesting that the board of supervisors approve consolidation and approve a service agreement, which specifies the duties of the City and the County.

The following are important dates for the November 8, 2022 election:

July 4 – July 18, 2022

Between these dates, the city clerk shall publish a Notice of Election for three open City Council seats (Districts 1, 2 and 4.)

July 18 – August 12, 2022

This is the City Council candidate filing period. Nomination papers, declarations of candidacy and other election materials are available during this time from the city clerk by appointment only. Paperwork must be filed by 5 p.m., the close of business, August 12, 2022. Generally, if an incumbent elects not to run this nomination period is extended for five days (e.g., 5 p.m. August 17, 2022.)

Impact on City Resources

According to the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder for election services, the estimated cost of consolidated election services for the three City Council seats is approximately between \$36,300 and \$43,600. Funds are included in the proposed fiscal year 2022-23 budget.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. Resolution

Report prepared by:
Judi A. Herren, City Clerk

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
CALLING AND GIVING NOTICE OF HOLDING A GENERAL MUNICIPAL
ELECTION FOR THREE CITY COUNCIL SEATS IN DISTRICTS 1, 2, AND 4;
REQUESTING ELECTION CONSOLIDATION WITH THE STATEWIDE
GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2022; AND
CONTRACTING WITH THE SAN MATEO COUNTY CHIEF ELECTIONS
OFFICER AND ASSESSOR-COUNTY CLERK-RECORDER FOR ELECTIONS
SERVICES**

WHEREAS, the City Council of Menlo Park is calling a General Municipal Election to be held on Tuesday, November 8, 2022, for the purpose of electing three City Councilmembers for full four-year terms; and

WHEREAS, the General Municipal Election is to be consolidated with the Statewide General Election to be held on the same date and that the City precincts, polling places and election officers of the two elections be the same, and that the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

NOW, THEREFORE BE IT RESOLVED that the City of Menlo Park orders as follows:

1. The City hereby calls a General Municipal Election to elect one person each from City Council Districts 1, 2, and 4 to the City Council of the City of Menlo Park for a term commencing January 1, 2023, and ending December 2026.
2. Pursuant to California Elections Code Section 10403, the City Council of Menlo Park is hereby consenting and agreeing to the consolidation of a General Municipal Election with the Statewide General Election to be held on November 8, 2022.
3. Nomination papers may be procured from the city clerk no earlier than July 18, 2022 and shall be filed with the city clerk no later than 5:00 p.m. on August 12, 2022.
4. That the election precincts, polling places, voting booths and election officials in each of the precincts in which this election shall be held shall be the same as provided for the Statewide General Election on said date, as prescribed by the ordinance, order, resolution or notice of the Board of Supervisors of San Mateo County calling, providing for or giving notice of such other election and which sets forth such precincts, voting booths, polling places and election officials.
5. Pursuant to Elections Code 10002, the City Council further requests that the County Board of Supervisors permit County election official(s) be authorized to render services to the City relating to the conduct of said election. The services shall be of the administrative type normally performed by such County election official(s) in conducting elections including, but not limited to, checking registrations; printing and mailing sample ballots; ballots; candidates' statements; hiring election officers and arranging for polling places; providing and distribution of election supplies; and counting ballots and canvassing returns.
6. That the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder is hereby authorized to canvass the returns of the General Municipal Election, and that the

election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

7. The City of Menlo Park recognizes that the costs incurred by the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder, by reason of this consolidation, will be reimbursed by the City of Menlo Park as specified in the Services Agreement that the City of Menlo Park hereby authorizes the city manager to execute.
8. Pursuant to Elections Code 13307, the City Council hereby determines to levy against each candidate availing himself or herself if the service of including a candidate's statement not to exceed two hundred (200) words in length in the voters' pamphlets, the actual prorated costs of printing, handling, and translating the candidates' statement incurred by the City of Menlo Park. The city clerk shall provide written notice to such effect with each set of nomination papers issued and shall require payment of the estimated prorated share at the time the candidate statement is filed.
9. The city clerk is hereby directed to submit a certified copy of this resolution to the Board of Supervisors of the County of San Mateo, and to the appropriate County election officials of San Mateo. The city clerk is also directed to file a copy of the resolution with the San Mateo County Chief Elections Officer and Assessor-County Clerk-Recorder prior to August 12, 2022.
10. That the city clerk shall certify to the passage and adoption of this resolution.

I, Judi A. Herren, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing City Council resolution was duly and regularly passed and adopted at a meeting of said City Council on the fourteenth day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of June, 2022.

Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date:

6/14/2022

Staff Report Number:

22-112-CC

Consent Calendar:

Adopt a resolution authorizing the city manager to execute an agreement with Bigbreak, LLC (Chefables) in an amount not to exceed \$100,000 to continue the delivery of food services at the Belle Haven Child Development Center during fiscal year 2022-23

Recommendation

Staff recommends the City Council adopt a resolution (Attachment A) authorizing the city manager to execute an agreement with Bigbreak, LLC (Chefables) (Attachment B) in an amount not to exceed \$100,000 to continue the delivery of food services at the Belle Haven Child Development Center for fiscal year 2022-23.

Policy Issues

State and Federal grants that the City receives for operating the Belle Haven Child Development Center (BHCDC) require an annual contract with a food service provider meeting specific standards. Food service provider Bigbreak, LLC (Chefables) conforms to State and Federal requirements for food service delivery and is the City's current food service provider at BHCDC since 2019.

Background

The City of Menlo Park has operated the BHCDC for over 30 years. An important component of the program is the breakfast and lunch served to each child every day. Meal services must comply with the California Child and Adult Care Food Program (CACFP) meal pattern requirements (including quantity of food and food types for each age group) as well as the nutritional standards for breakfast and lunch as established by the United States Department of Agriculture (USDA.) The BHCDC receives meal reimbursements through the USDA based on income levels of families served as well as daily attendance.

Contracts for food services must be renewed annually due to USDA requirements limiting the length of a contract to one year and disallowing automatic renewal provisions. The contract for food services must also be submitted to the California Department of Education (CDE) in order to ensure compliance with all the provisions and standards set forth by the USDA.

The BHCDC is licensed for 96 children and has an average daily meal count of approximately 90 breakfasts and 90 lunches when operating at full capacity. BHCDC is contracted by the State to remain open for 244 days per year, which results in the need for approximately 43,920 meals per year. During the COVID-19 pandemic, BHCDC operated at a reduced capacity to comply with state and local public health restrictions, however the restrictions have changed to allow increased capacity and the center is now projected to return to full capacity by Fall 2022.

Analysis

In 2019, the City received bids for the delivery of breakfast and lunch in accordance to State CACFP regulations from food vendors including: Kidango, School Foodies and Chefables. Chefables was selected and authorized by City Council based on their years of experience, ability to meet strict CACFP regulations, the quality and convenience of their food delivery services, and competitive pricing. Chefables supports building a foundation of healthy children's food habits through providing a nutritious, creative and a fun variety of foods.

The current annual agreement between the City and Chefables expires June 30, 2022. Staff recommends that the City Council adopt the resolution in Attachment A authorizing the city manager to execute an agreement with Chefables effective July 1, 2023, to continue the delivery of food services at the BHCD during fiscal year 2022-23.

Impact on City Resources

The Chefables agreement has no direct impact to the General Fund. The cost of the service will be 100 percent reimbursed by grant funding from the USDA and CDE. The estimated cost of the Chefables agreement is \$100,000 for fiscal year 2022-23. The estimated expenditures and revenues are included in the fiscal year 2022-23 operating budget proposal.

The City receives reimbursement from USDA through the child care food program for a fixed amount for each child's meal. The current reimbursement rate varies based on the child's family income and ranges from a base rate to the free rate of \$0.33 to \$1.97 for breakfast, \$0.35 to \$3.66 for lunch, and \$0.09 to \$1.00 for snacks. Data from the current fiscal year 2021-22 indicates that of the children qualifying for a meal subsidy, approximately 33 percent (16 children) qualified for the base reimbursement rate, 16 percent (8 children) qualified for the reduced-price reimbursement rate and 51 percent (25 children) qualified for full subsidy or free reimbursement rate. In fiscal year 2022-23, it is projected that the BHCD will achieve its maximum allowable enrollment of 96 children during the second quarter of the fiscal year (Autumn 2022), based on the number of applications and inquiries received from qualifying families.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Resolution
- B. Agreement

Report prepared by:
Kira Storms, Library and Community Services Supervisor

Staff Report #: 22-112-CC

Nick Szegda, Assistant Library Services Director

Report reviewed by:
Sean Reinhart, Library and Community Services Director

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AUTHORIZING AN AGREEMENT WITH CHEFABLES (BIGBREAK, LLC) TO
PROVIDE VENDED MEALS FOR THE BELLE HAVEN CHILD DEVELOPMENT
CENTER**

WHEREAS, the City of Menlo Park has operated the Belle Haven Child Development Center for over 30 years; and

WHEREAS, the program offers nutritionally appropriate meals for breakfast, lunch and snack; and

WHEREAS, the program receives partial reimbursement from the Child and Adult Food Program (CACFP) for providing these meals; and

WHEREAS, a resolution must be adopted to continue with the current food vendor, Chefables, in order to renew the contract with the Child and Adult Food Program to continue to be a part of the reimbursable nutrition program.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Menlo Park authorizes the city manager to execute an agreement with Chefables (Bigbreak, LLC) to provide vended meals for the Belle Haven Child Development Center during fiscal year 2022-23 in a total amount not to exceed \$100,000.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council resolution was duly and regularly passed and adopted at a meeting by said City Council on fourteenth day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of June, 2022.

Judi A. Herren, City Clerk

INSTRUCTIONS FOR USE

CHILD CARE STANDARD FOOD SERVICE VENDING AGREEMENT (DELIVERY)

The attached sample *Standard Agreement to Furnish Food Service* can be used when an agency contracts with a food service vendor for meals that will be claimed for reimbursement under the Child and Adult Care Food Program (CACFP).

Agencies should familiarize themselves with procurement procedures and requirements as found in Title 2 *Code of Federal Regulations*, sections 200.318–326 (2 *CFR* 200.318–326) and Title 7 *Code of Federal Regulations*, Section 226.22 (7 *CFR* 226.22).

This agreement may be used **only** if the aggregate value of your contract is below the purchase threshold appropriate to your agency. The current Federal purchase threshold is \$250,000, per 2 *CFR* 200.88. As part of your agency's procurement standards, ensure that when you are purchasing goods over \$10,000 that obtain an adequate number of price quotes and select the lowest cost vendor. Please note that if you intend to purchase anything above the aggregate value of \$250,000 or would like a contract longer than one year, you must follow formal procurement process.

The agreement must be signed by both the agency and the vendor. This agreement contains the requirements outlined in the Code of Federal Regulations. **No deletions of clauses or items will be allowed without the approval of the Nutrition Services Division.** The Schedule B–Meal Pattern appropriate to your agency type is a required part of the agreement. Additional clauses may be added to bring the agreement into conformance with applicable State or local laws governing your agency.

If you are a public agency you may use your customary form of contract **if that form incorporates all of the provisions set forth in 7 *CFR* 226.6(i), 226.21, and 226.22.**

This agreement is **valid for one year only** (Ex: January 5, 2018–January 4, 2019). A new agreement must be executed annually. Submit a photocopy of each agreement to the CACFP for review **prior** to beginning program operations covered under the agreement. Copies of the completed agreement and all amendments must be retained by both the agency and the vendor. If only one original agreement is signed, we recommend that you retain it in your files.

If you have any questions regarding the use of this agreement or need clarification of the regulatory requirements for contracting, please call the Nutrition Services Division at (916) 445-0850 or toll free at (800) 952-5609.

VENDOR #:20780004312-CACFP-
41-GM-CS
AGREEMENT #:

STANDARD AGREEMENT TO FURNISH FOOD SERVICE BETWEEN A CHILD AND ADULT CARE FOOD PROGRAM AGENCY AND A FOOD SERVICE VENDOR

THIS ENTERED INTO ON THIS FIRST DAY OF JULY, 2022 BY
MONTH YEAR
AND BETWEEN CITY OF MENLO PARK – BELLE HAVEN CHILD DEVELOPMENT CENTER, HEREINAFTER REFERRED TO AS THE
NAME OF AGENCY
AGENCY, AND BIGBREAK, LLC DBA) CHEFABLES HEREINAFTER REFERRED TO AS THE
NAME OF VENDOR/FOOD SERVICE MANAGEMENT COMPANY
VENDOR.

WHEREAS, IT IS NOT WITHIN THE CAPABILITY OF THE AGENCY TO PREPARE SPECIFIED MEALS UNDER THE CHILD AND ADULT CARE FOOD PROGRAM (CACFP) FOR ENROLLED PARTICIPANTS; AND

WHEREAS, THE FACILITIES AND CAPABILITIES OF THE VENDOR ARE ADEQUATE TO PREPARE SPECIFIED MEALS FOR THE AGENCY'S FACILITY(IES); AND

WHEREAS, THE VENDOR IS WILLING TO PROVIDE SUCH SERVICES TO THE AGENCY ON A COST REIMBURSEMENT BASIS.

THEREFORE, BOTH PARTIES HERETO AGREE AS FOLLOWS:

THE VENDOR AGREES TO:

1. PREPARE THE MEALS (INCLUSIVE/EXCLUSIVE) OF MILK FOR Bell Haven CDC
NAME OF SITE (ATTACH SHEET IF MULTIPLE)
DELIVERY TO THE AGENCY AT 410 Ivy Drive, Menlo Park, CA BY Noon
ADDRESS TIME
EACH weekday, IN ACCORDANCE WITH THE NUMBER OF MEALS REQUESTED AND
* WEEKDAY OR SPECIFIC DAYS AS APPROPRIATE

AT THE COST(S) PER MEAL LISTED BELOW:

BREAKFAST \$ 1.55 EACH LUNCH \$ 3.55 EACH
SUPPLEMENT/SNACK \$0.79 EACH SUPPER \$ N/A EACH

1) BREAKFAST PRICING ABOVE ASSUMES GRAINS. IF AGENCY WOULD LIKE **MA IN LIEU OF GRAINS** (UP TO 3 TIMES/WEEK) THERE WILL BE A **\$.49 SURCHARGE** PER MEAL. (2) ALLERGIES/MEAL MODS COME SEPARATELY PACKAGED AND WILL HAVE A SURCHARGE AT COST FOR THE PACKAGING. (3) SPECIALTY MILK CAN BE SUBSTITUTED FOR 1%/WHOLE MILK AT COST. (4) PRICING ABOVE ASSUMES FAMILY STYLE DINING PACKAGING. IF CUSTOMER REQUIRES INDIVIDUALIZED/UNITIZED PACKAGING A SURCHARGE FOR THE PACKAGING WILL BE AT COST.

2. ASSURE THE AGENCY THAT NO TITLE III(C) FUNDS HAVE BEEN APPLIED TO THE COST OF OR TITLE III(C) COMMODITIES USED FOR THE PREPARATION OF THESE MEALS.

* Negotiable time frame but should be no longer than 24 hours.

**STANDARD AGREEMENT TO FURNISH FOOD SERVICE
BETWEEN A CHILD AND ADULT CARE FOOD PROGRAM AGENCY
AND A FOOD SERVICE VENDOR**

3. PROVIDE THE AGENCY, FOR APPROVAL, A PROPOSED MENU FOR EACH MONTH AT LEAST * 5 DAYS PRIOR TO THE BEGINNING OF THE MONTH TO WHICH THE MENU APPLIES. ANY CHANGES TO THE MENU MADE AFTER AGENCY APPROVAL, MUST BE AGREED UPON BY THE AGENCY AND DOCUMENTED ON THE MENU RECORDS.
4. ASSURE THAT EACH MEAL PROVIDED TO THE AGENCY UNDER THIS CONTRACT MEETS THE MINIMUM REQUIREMENTS AS TO THE NUTRITIONAL CONTENT AS SPECIFIED BY THE CHILD AND ADULT CARE FOOD PROGRAM'S SCHEDULE B--MEAL PATTERN (ATTACHED) WHICH IS EXCERPTED FROM THE TITLE 7 CODE OF FEDERAL REGULATIONS, SECTION 226.20.
5. MAINTAIN COST RECORDS SUCH AS INVOICES, RECEIPTS, AND/OR OTHER DOCUMENTATION THAT SHOWS THE PURCHASE, OR AVAILABILITY TO THE VENDOR, OF MEAL COMPONENTS, AS ITEMIZED IN THE MEAL PREPARATION RECORDS.
6. MAINTAIN FULL AND ACCURATE RECORDS WHICH DOCUMENT: (1) THE MENUS LISTING ALL MEALS PROVIDED TO THE AGENCY DURING THE TERM OF THIS CONTRACT; (2) A LISTING OF ALL NUTRITIONAL COMPONENTS OF EACH MEAL; AND, (3) AN ITEMIZATION OF THE QUANTITIES OF EACH COMPONENT USED TO PREPARE SAID MEAL. THE VENDOR AGREES TO PROVIDE MEAL PREPARATION DOCUMENTATION BY USING YIELD FACTORS FOR EACH FOOD ITEM AS LISTED IN THE USDA FOOD BUYING GUIDE WHEN CALCULATING AND RECORDING THE QUANTITY OF FOOD PREPARED FOR EACH MEAL.
7. MAINTAIN, ON A DAILY BASIS, AN ACCURATE COUNT OF THE NUMBER OF MEALS, BY MEAL TYPE, PREPARED FOR THE AGENCY. MEAL COUNT DOCUMENTATION MUST INCLUDE THE NUMBER OF MEALS REQUESTED BY THE AGENCY.
8. ALLOW THE AGENCY TO INCREASE OR DECREASE THE NUMBER OF MEAL ORDERS, AS NEEDED, WHEN THE REQUEST IS MADE WITHIN * 48 HOURS OF THE SCHEDULED DELIVERY TIME.
9. PRESENT TO THE AGENCY AN INVOICE, ACCOMPANIED BY REPORTS, NO LATER THAN THE * 15 DAY OF EACH MONTH THAT ITEMIZES THE PREVIOUS MONTH'S DELIVERY. THE VENDOR AGREES TO FORFEIT PAYMENT FOR MEALS WHICH ARE NOT READY WITHIN 1 HOUR OF THE AGREED UPON DELIVERY TIME, ARE SPOILED OR UNWHOLESOME AT THE TIME OF DELIVERY, OR DO NOT OTHERWISE MEET THE MEAL REQUIREMENTS CONTAINED IN THIS AGREEMENT.
10. PROVIDE THE AGENCY WITH A COPY OF CURRENT HEALTH CERTIFICATIONS FOR THE FOOD SERVICE FACILITY IN WHICH IT PREPARES MEALS FOR USE IN THE CACFP. THE VENDOR SHALL ENSURE THAT ALL HEALTH AND SANITATION REQUIREMENTS OF THE CALIFORNIA RETAIL FOOD FACILITIES LAW AND CHAPTER 4 OF THE CALIFORNIA HEALTH AND SAFETY CODE ARE MET AT ALL TIMES.
11. OPERATE IN ACCORDANCE WITH CURRENT CACFP REGULATIONS.
12. RETAIN ALL REQUIRED RECORDS FOR A PERIOD OF THREE (3) YEARS AFTER THE END OF THE FISCAL YEAR TO WHICH THEY PERTAIN (OR LONGER, IF AN AUDIT IS IN PROGRESS) AND, UPON REQUEST, MAKE ALL ACCOUNTS AND RECORDS PERTAINING TO THE AGREEMENT AVAILABLE TO THE AGENCY, REPRESENTATIVES OF THE CALIFORNIA STATE DEPARTMENT OF EDUCATION, THE U. S. DEPARTMENT OF AGRICULTURE, AND THE U.S. GENERAL ACCOUNTING OFFICE FOR AUDIT OR ADMINISTRATIVE REVIEW AT A REASONABLE TIME AND PLACE.
13. NOT SUBCONTRACT FOR THE TOTAL MEAL, WITH OR WITHOUT MILK, OR FOR THE ASSEMBLY OF THE MEAL.

* Negotiable time frame.

**STANDARD AGREEMENT TO FURNISH FOOD SERVICE
BETWEEN A CHILD AND ADULT CARE FOOD PROGRAM AGENCY
AND A FOOD SERVICE VENDOR**

- 7. PAY THE VENDOR BY THE 20th DAY OF EACH MONTH THE FULL AMOUNT AS PRESENTED ON THE MONTHLY ITEMIZED INVOICE. THE AGENCY AGREES TO NOTIFY THE VENDOR WITHIN 48 HOURS OF RECEIPT OF ANY DISCREPANCY IN THE INVOICE.
- 8. THE MEALS SERVED UNDER THE CONTRACT SHALL CONFORM TO THE CYCLE MENUS UPON WHICH THE CONTRACT WAS BASED, AND TO MENU CHANGES AGREED UPON BY THE AGENCY AND VENDOR.

TERMS OF THE AGREEMENT:

THIS AGREEMENT WILL TAKE EFFECT COMMENCING July 1, 2022 AND SHALL BE FOR A PERIOD
DATE
OF ONE CALENDAR YEAR. IT MAY BE TERMINATED BY WRITTEN NOTIFICATION GIVEN BY EITHER PARTY HERETO THE OTHER PARTY AT LEAST 30 DAYS PRIOR TO THE DATE OF TERMINATION.

SCHOOL FOOD AUTHORITY VENDING TO AN AGENCY:

PER TITLE 7, CODE OF FEDERAL REGULATIONS, SECTION 226.20 (o), AGENCIES WHICH VEND FROM A SCHOOL THAT PARTICIPATES IN THE NATIONAL SCHOOL LUNCH AND SCHOOL BREAKFAST PROGRAMS MAY USE THE SCHOOL'S MEAL PATTERN. ENTER THE MEAL PATTERN YOU WILL USE: N/A

If the Agency agrees to the menu planning option, the school will train the Agency by: N/A

AGENCY:

Agrees to allow the school to use the SMI menu planning option noted above (submit menu for NSD's approval):
Yes No

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DATES INDICATED BELOW:

VENDOR OFFICIAL SIGNATURE	AGENCY OFFICIAL SIGNATURE
VENDOR OFFICIAL NAME (PLEASE TYPE)	AGENCY OFFICIAL NAME (PLEASE TYPE)
BIGBREAK, LLC DBA) CHEFABLES	CITY OF MENLO PARK
TITLE	TITLE
Lesley Kohn, Executive Director	SEAN REINHART, LIBRARY COMMUNITY SERVICES
TELEPHONE NUMBER	TELEPHONE NUMBER
888-808-2433 x201	650-330-2249
DATE	DATE

SCHEDULE B—NSD 2050B

**CHILD AND ADULT CARE FOOD PROGRAM
MEAL PATTERN FOR INFANTS**

CNIPS #: VENDOR #:

	BIRTH THROUGH FIVE MONTHS	SIX THROUGH ELEVEN MONTHS
BREAKFAST, LUNCH, AND SUPPER	4 TO 6 FLUID (FL) OUNCE (OZ) BREAST MILK ¹ OR FORMULA ²	6 TO 8 FL OZ BREAST MILK ¹ OR FORMULA ² AND 0 TO 4 TABLESPOON (TBSP) INFANT CEREAL ^{2,3} MEAT, FISH, POULTRY, WHOLE EGG, COOKED DRY BEANS OR COOKED DRY PEAS OR 0 TO 2 OZ CHEESE OR 0 TO 4 OZ YOGURT ⁴ OR (½ CUP) COMBINATION OF THE ABOVE ⁵ AND 0 TO 2 TBSP FRUIT, VEGETABLE, OR COMBINATION OF BOTH ^{5,6}
SNACK	4 TO 6 FL OZ BREAST MILK ¹ OR FORMULA ²	2 TO 4 FL OZ BREAST MILK ¹ OR FORMULA ² AND 0 TO ½ SLICE BREAD ^{3,7} OR 0 TO 2 CRACKERS ^{3,7} OR 0 TO 4 TBSP INFANT CEREAL ^{2,3,7} OR READY-TO-EAT BREAKFAST CEREAL ^{3,5,7,8} AND 0 TO 2 TBSP FRUIT, VEGETABLE, OR COMBINATION OF BOTH ^{5,6}

¹ Breastmilk or formula, or portions of both, must be served; however, it is recommended that breastmilk be served in place of formula from birth through 11 months. For some breastfed infants who regularly consume less than the minimum amount of breastmilk per feeding, a serving of less than the minimum amount of breastmilk may be offered, with additional breastmilk offered at a later time if the infant will consume more.

² Infant formula and dry infant cereal must be iron-fortified.

³ Beginning October 1, 2019, oz equivalents (eq) are used to determine the quantity of creditable grains.

⁴ Yogurt must contain no more than 23 grams (g) of total sugars per 6 oz.

⁵ A serving of this component is required when the infant is developmentally ready to accept it.

⁶ Fruit and vegetable juices must not be served.

⁷ A serving of grains must be whole grain-rich (WGR), enriched meal, or enriched flour.

⁸ Breakfast cereals must contain no more than 6 g of sugar per dry oz (no more than 21 g sucrose and other sugars per 100 g of dry cereal).

CERTIFICATION		
I hereby certify that all meals claimed shall meet the minimum requirements set forth in the meal patterns for infants and older children as prescribed by Title 7, Code of Federal Regulations (7 CFR), Section 226.20.		
PRINTED NAME OF AGENCY'S AUTHORIZED REPRESENTATIVE	SIGNATURE	DATE
AGENCY NAME CITY OF MENLO PARK – BELLE HAVEN CDC		

SCHEDULE B—NSD 2050B

**CHILD AND ADULT CARE FOOD PROGRAM
MEAL PATTERN FOR OLDER CHILDREN**

BREAKFAST (SELECT ALL THREE COMPONENTS)¹	AGES 1–2	AGES 3–5	AGES 6–12	AGES 13–18²
MILK, FL ³	½ CUP (4 OZ)	¾ CUP (6 OZ)	1 CUP (8 OZ)	1 CUP (8 OZ)
VEGETABLE, FRUIT, OR BOTH ⁴	¼ CUP	½ CUP	½ CUP	½ CUP
GRAINS ^{5, 6, 7} WGR OR ENRICHED BREAD OR WGR OR ENRICHED BISCUIT, ROLL, MUFFIN, ETC. OR WGR, ENRICHED, OR FORTIFIED COOKED BREAKFAST CEREAL ⁸ , CEREAL GRAIN, AND/OR PASTA OR WGR, ENRICHED OR FORTIFIED READY-TO-EAT BREAKFAST CEREAL (DRY COLD) ^{8, 9} FLAKES OR ROUNDS PUFFED CEREAL GRANOLA	½ SLICE ½ SERVING ¼ CUP ½ CUP ¾ CUP ⅛ CUP	½ SLICE ½ SERVING ¼ CUP ½ CUP ¾ CUP ⅛ CUP	1 SLICE 1 SERVING ½ CUP 1 CUP 1¼ CUP ¼ CUP	1 SLICE 1 SERVING ½ CUP 1 CUP 1¼ CUP ¼ CUP
LUNCH OR SUPPER (SELECT ALL FIVE COMPONENTS)¹				
MILK, FL ³	½ CUP	¾ CUP	1 CUP	1 CUP
VEGETABLES ⁴	⅛ CUP	¼ CUP	½ CUP	½ CUP
FRUITS ^{4, 10}	⅛ CUP	¼ CUP	¼ CUP	¼ CUP
GRAINS ^{6, 7} WGR OR ENRICHED BREAD OR WGR OR ENRICHED BISCUIT, ROLL, MUFFIN, ETC. WGR, ENRICHED OR FORTIFIED COOKED BREAKFAST CEREAL ⁸ , CEREAL GRAIN, AND/OR PASTA	½ SLICE ½ SERVING ¼ CUP	½ SLICE ½ SERVING ¼ CUP	1 SLICE 1 SERVING ½ CUP	1 SLICE 1 SERVING ½ CUP
MEAT/MEAT ALTERNATES (M/MA) LEAN MEAT, FISH, OR POULTRY OR TOFU, SOY PRODUCT, OR ALTERNATE PROTEIN PRODUCTS ¹¹ OR CHEESE OR EGG (LARGE) OR COOKED DRY BEANS OR DRY PEAS ¹² OR PEANUT BUTTER, SOY NUT BUTTER, OR OTHER NUT OR SEED BUTTERS OR PEANUTS, SOY NUTS, TREE NUTS, OR SEEDS ¹³ OR YOGURT, PLAIN OR FLAVORED, UNSWEETENED OR SWEETENED ¹⁴	1 OZ 1 OZ 1 OZ ½ EGG ¼ CUP 2 TBSP ½ OZ ½ CUP OR 4 OZ	1½ OZ 1½ OZ 1½ OZ ¾ EGG ⅜ CUP 3 TBSP ¾ OZ ¾ CUP OR 6 OZ	2 OZ 2 OZ 2 OZ 1 EGG ½ CUP 4 TBSP 1 OZ 1 CUP OR 8 OZ	2 OZ 2 OZ 2 OZ 1 EGG ½ CUP 4 TBSP 1 OZ 1 CUP OR 8 OZ

SCHEDULE B—NSD 2050B

**CHILD AND ADULT CARE FOOD PROGRAM
MEAL PATTERN FOR OLDER CHILDREN**

SNACKS (SELECT TWO OF THESE FIVE COMPONENTS)¹⁵	AGES 1–2	AGES 3–5	AGES 6–12	AGES 13–18²
MILK, FL ³	½ CUP (4 OZ)	½ CUP (4 OZ)	1 CUP (8 OZ)	1 CUP (8 OZ)
VEGETABLES ⁴	½ CUP	½ CUP	¾ CUP	¾ CUP
FRUITS ⁴	½ CUP	½ CUP	¾ CUP	¾ CUP
GRAINS ^{6, 7} WGR OR ENRICHED BREAD OR WGR OR ENRICHED BISCUIT, ROLL, MUFFIN, ETC. OR WGR, ENRICHED, OR FORTIFIED COOKED BREAKFAST CEREAL ⁸ , CEREAL GRAIN, AND/OR PASTA OR WGR, ENRICHED, OR FORTIFIED READY-TO-EAT BREAKFAST CEREAL (DRY COLD) ^{8, 9} FLAKES OR ROUNDS PUFFED CEREAL GRANOLA	½ SLICE ½ SERVING ¼ CUP ½ CUP ¾ CUP ⅛ CUP	½ SLICE ½ SERVING ¼ CUP ½ CUP ¾ CUP ⅛ CUP	1 SLICE 1 SERVING ½ CUP 1 CUP 1¼ CUP ¼ CUP	1 SLICE 1 SERVING ½ CUP 1 CUP 1¼ CUP ¼ CUP
M/MA LEAN MEAT, FISH, OR POULTRY OR TOFU, SOY PRODUCT, OR ALTERNATE PROTEIN PRODUCTS ¹¹ OR CHEESE OR EGG (LARGE) OR YOGURT, PLAIN OR FLAVORED, UNSWEETENED OR SWEETENED ^{14, 16} OR COOKED DRY BEANS OR DRY PEAS ¹² OR PEANUT BUTTER, SOY NUT BUTTER, OR OTHER NUT OR SEED BUTTERS OR PEANUTS, SOY NUTS, TREE NUTS, OR SEEDS	½ OZ ½ OZ ½ OZ ½ EGG ¼ CUP ⅛ CUP 1 TBSP ½ OZ	½ OZ ½ OZ ½ OZ ½ EGG ¼ CUP ⅛ CUP 1 TBSP ½ OZ	1 OZ 1 OZ 1 OZ ½ EGG ¼ CUP ¼ CUP 2 TBSP 1 OZ	1 OZ 1 OZ 1 OZ ½ EGG ½ CUP ¼ CUP 2 TBSP 1 OZ

- ¹ Offer versus serve is an option for at-risk afterschool participants only.
- ² Age group applies to at-risk programs and emergency shelters. Larger portion sizes than specified may need to be served to children ages 13–18 to meet their nutritional needs.
- ³ Must serve unflavored whole milk to children age one. Must serve unflavored low-fat (1 percent) or unflavored fat-free (skim) milk for children ages 2–5. Must serve unflavored low-fat (1 percent), unflavored fat-free (skim), or flavored fat-free (skim) milk to children six years and older.
- ⁴ Pasteurized full-strength juice may only be used to meet the vegetable or fruit requirement at one meal, including snack, per day.
- ⁵ M/MA may be used to meet the entire grains requirement a maximum of three times a week for breakfast. One oz of M/MA is equal to 1 oz eq of grains.
- ⁶ At least one serving per day, across all eating occasions, must be WGR. Grain-based desserts do not count towards meeting the grains requirement.
- ⁷ Beginning October 1, 2019, oz eq are used to determine the quantity of creditable grains.
- ⁸ Breakfast cereals must contain no more than 6 g of sugar per dry oz (no more than 21.2 g sucrose and other sugars per 100 g of dry cereal).
- ⁹ Beginning October 1, 2019, the minimum serving size specified in this section for ready-to-eat breakfast cereals must be served. Until October 1, 2019, the minimum serving size for any type of ready-to-eat breakfast cereals is ¼ cup for children ages 1–2; ½ cup for children ages 3–5; and ¾ cup for children ages 6–18.
- ¹⁰ A vegetable may be used to meet the entire fruit requirement. When two vegetables are served at lunch or supper, two different types of vegetables must be served.
- ¹¹ Alternate protein products must meet the requirements in Appendix A per 7 CFR, Section 226.20.
- ¹² Cooked dry beans or dry peas may be used as a meat alternate or as a vegetable component; but **cannot** be counted as both components in the same meal.
- ¹³ No more than 50 percent of the requirement shall be met with nuts (peanuts, soy nuts, tree nuts) or seeds. Nuts or seeds shall be combined with another M/MA to fulfill the requirement. To determine combinations, 1 oz of nuts or seeds is equal to 1 oz of cooked lean meat, poultry, or fish.
- ¹⁴ Yogurt must contain no more than 23 g of total sugars per 6 oz.
- ¹⁵ Juice cannot be served when milk is served as the only other component.
- ¹⁶ Commercially added fruit or nuts in flavored yogurt cannot be used to satisfy the second component requirement in snacks.

Breakfast		
Milk¹, Fluid (fl)	Milk¹, fl	1 cup ²
Vegetable/Fruit³	Vegetables/Fruits³ , or portions of both	½ cup
Grains {ounce (oz) equivalent (eq)}^{4, 5, 6}	<ul style="list-style-type: none"> Whole grain-rich (WGR) or enriched bread WGR or enriched bread product, such as rolls, muffins, or biscuits WGR, enriched or fortified cooked breakfast cereal⁷, cereal grain, and/or pasta WGR, enriched or fortified ready-to-eat breakfast cereal (dry, cold)^{7, 8} <ul style="list-style-type: none"> Flakes or rounds Puffed cereal Granola 	2 slices 2 servings
		1 cup 2 cup 2½ cup ½ cup
Lunch or Supper		
Milk¹, fl	Milk¹, fl (lunch only—milk is not required for supper)	1 cup ²
Vegetable³	Vegetables³	½ cup
Fruit^{3, 9}	Fruits^{3, 9}	½ cup
Grains (oz eq)^{4, 6}	<ul style="list-style-type: none"> WGR or enriched bread WGR or enriched bread product, such as rolls, muffins, or biscuits WGR, enriched, or fortified cooked breakfast cereal⁷, cereal grain, and/or pasta 	2 slices 2 servings 1 cup
Meat/Meat Alternates (M/MA)¹⁰ Lean Meat, Fish, Poultry (edible portion) or one of the following:	<ul style="list-style-type: none"> Lean meat, fish, poultry Tofu, soy product, or alternate protein product¹¹ Cheese Yogurt, plain or flavored, sweetened or unsweetened¹² Egg (large) Cooked dry beans or peas Peanut butter, soy nut butter, other nut or seed butters Peanuts, soy nuts, tree nuts, seeds, or whole roasted peas 	2 oz 2 oz 2 oz 1 cup or 8 oz 1 egg ½ cup 4 tablespoon (tbsp) 1 oz = 50%
AM or PM Snack (select two different food components)		
Milk¹, fl	Milk¹, fl	1 cup
Vegetable³	Vegetables³	½ cup
Fruit³	Fruits³	½ cup
Grains (oz eq)^{4, 6}	<ul style="list-style-type: none"> WGR or enriched bread WGR or enriched bread product, such as rolls, muffins, or biscuits WGR, enriched, or fortified cooked breakfast cereal⁷, cereal grain, and/or pasta WGR, enriched, or fortified ready-to-eat breakfast cereal (dry, cold)^{7, 8} <ul style="list-style-type: none"> Flakes or rounds Puffed cereal Granola 	1 slice 1 serving ½ cup 1 cup 1¼ cup ¼ cup
M/MA¹⁰ Lean Meat, Fish, Poultry or one of the following:	<ul style="list-style-type: none"> Lean meat, fish, poultry Tofu, soy product, or alternate protein product¹¹ Cheese Yogurt, plain or flavored, sweetened or unsweetened¹² Egg (large) Cooked dry beans or peas Peanut butter, soy nut butter, other nut, or seed butters Peanuts, soy nuts, tree nuts, seeds, or whole roasted peas 	1 oz 1 oz 1 oz ½ cup or 4 oz ½ egg ¼ cup 2 tbsp 1 oz

Offer versus Serve

Adult day care centers may use the offer versus serve (OVS) option for breakfast, lunch, and supper. The OVS option allows participants to refuse some of the food items required while still allowing those meals to be claimed for reimbursement. Under OVS, each adult care center shall offer its participants all of the required food components as set forth in the requirements for meals (7 CFR, Section 226.20). However, at the discretion of the adult day care center, participants may be permitted to decline the following:

- Breakfast: Participants may decline one serving of the four food items (one serving of milk, one serving of vegetable or fruit, or two servings of bread or bread alternate)
- Lunch: Participants may decline two servings of the six food items (one serving of milk, two servings of vegetable or fruit, two servings of bread or bread alternate, or one serving of M/MA)
- Supper: Participants may decline two servings of the five food items (two servings of vegetables and/or fruit, two servings of bread or bread alternate, or one serving of M/MA)

The price of a reimbursable meal shall not be affected if an adult participant declines a food item.

CERTIFICATION

Are meals provided using the OVS option? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, which meals () Breakfast () Lunch () Supper If yes, what date will you begin the OVS option? _____		
<p>I hereby certify that all meals claimed shall meet the minimum requirements set forth in the meal pattern for adults as prescribed by 7 CFR, Section 226.20.</p>		
PRINTED NAME OF AGENCY’S AUTHORIZED REPRESENTATIVE	SIGNATURE	DATE
AGENCY NAME CITY OF MENLO PARK – BELLE HAVEN CDC		

NONDISCRIMINATION STATEMENT

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the agency (state or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at 800-877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (AD-3027), found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by:

- (1) Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410
- (2) Fax: 202-690-7442
- (3) E-mail: program.intake@usda.gov

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STAFF REPORT

City Council

Meeting Date:

6/14/2022

Staff Report Number:

22-113-CC

Public Hearing:

**Public hearing on proposed fiscal year 2022-23
budget and capital improvement plan**

Recommendation

The recommendation is that City Council:

1. Hold a public hearing on the proposed budget for fiscal year 2022-23 and capital improvement program (Attachment G), and
2. Provide direction on which resource options and/or service level enhancements to incorporate into the fiscal year 2022-23 budget for adoption June 28, 2022.

Policy Issues

The City Council maintains responsibility for all budgetary appropriations. Under section 2.08.080(8) of the Menlo Park Municipal Code (MPMC), the city manager has the responsibility “to prepare and submit to the city council the annual budget.” A public hearing on the city manager’s proposed budget is consistent with the City’s budgeting process.

Background

Preparation of the annual budget takes place primarily during the months of March and April and is informed by City Council direction including amendments to the current fiscal year’s budget, adoption of budget principles, and adoption of City Council priorities. The proposed budget was published June 7, 2022, for consideration by the community and City Council. A budget workshop was held June 7, 2022, to provide additional information about the budget and answer questions from the community. The presentation is available as Attachment A and recording of the workshop available as Attachment B.

Analysis

Staff developed the city manager’s proposed fiscal year 2022-23 budget consistent with the City Council’s budget principles and previously adopted guidance on fund segregation. Fiscal year 2021-22 forecasted fund balances (Attachment P) are assessed to ensure revenues and expenditures are in line with expectations; any variances are reviewed and explained within the budget. Departments provide revenues and expenditures for operating as well as capital budgets. Budgets are reviewed with the city manager, finance, and departments to ensure they will provide for city services and projects within policy, and are sustainable. Projected fund balances for all funds demonstrate that the activities within each fund and across all funds, including first year request of the 5–year capital improvement program (CIP), are fully funded with positive fund balances (Attachment Q.)

The city manager’s proposed budget contains a baseline spending plan for: 271.75 full-time equivalent employees (FTEs); service level enhancements requesting 18.75 additional FTEs; and \$730K in other

services as outlined in Attachment C. Gymnastic service level enhancements will be offset by increased annual revenues of approximately \$450K. The city manager's budget is publically presented through the city's OpenGov portal, which facilitates analysis and discussion. The city manager's budget is developed with many revenue and expense assumptions discussed throughout the documents. The OpenGov platform facilitates scenario development and adjustments requested by City Council and members of the public. The city manager's budget calendar includes a public hearing scheduled June 14 and final budget adoption June 28.

Potential resources

The proposed General Fund budget for fiscal year 2022-23 is operationally balanced with the source of funds equal to the use of funds through accessing \$ 6.3 million in reserves, which includes the use of \$3.7 million of the American Rescue Plan Act (ARPA) funds. This use of reserves is one-time in nature as the city's transient occupancy tax (TOT) returns as illustrated in the 5-year forecast. Also, due to rebalancing of the Internal Service Funds (ISFs), the General Fund is receiving a one-time \$2.3 million transfer in. After review of the General Fund's budget and 5-Year forecast (Attachment O), staff requires direction by City Council to determine which, if any, service level enhancements to incorporate and which funding sources should be used. The most readily available resources are summarized below.

American Rescue Plan (ARP) Act stimulus funds

Under guidance published by the U.S. Treasury Department Final Rule, agencies receiving ARPA funds may use a "revenue backfill" method or select a "standard allowance" with streamlined reporting requirements for revenue loss up to \$10 million, not to exceed the recipient's award amount. The City was allocated \$8.3 million and the City Council authorized use of \$2.91 million in fiscal year 2021-22; revenues were higher than the original budget, so only \$0.85 million was needed. The City has received \$4.1 million and expects to receive the remaining funds this fiscal year which must be used by December 2024; a resolution to comply with the Final Rule has been included as Attachment N.

Utility Users' Tax (UUT)

The MPMC Chapter 3.14 specifies a UUT rate of 2.5 or 3.5 percent depending on utility category, though the rate has been temporarily held at a lower 1 percent rate for all categories for a number of recent years. If directed by the City Council, the 1 percent temporary rate could be allowed to lapse and generate additional revenue using a higher rate which could be used as an additional resource for fiscal year 2022-23. Alternatively, the City Council could direct to temporarily further lower the rate across one or more utility categories, but then other modifications to the proposed budget would be required.

Excess Educational Revenue Augmentation Fund assumption

The City has, over recent years, received excess Education Revenue Augmentation Fund (excess ERAF) as funding requirements for school districts are exceeded by available revenues under the ERAF transfer. The proposed budget includes 100 percent of the anticipated excess ERAF funds indicated by the County similar to fiscal year 2021-22.

General Fund

Staff prepared the General Fund forecast through June 30, 2022 (Attachment P.) This forecast uses April (year to date) YTD actuals compared to the prior forecast which used March YTD actuals. The taxes were forecasted from HdL and Avenu Insight models. Charges for Services are over \$8 million through April. The forecast excludes the term "Use of Fund Balance" to better demonstrate the impact on reserves. In addition, some property tax sources are not forecasted by HdL, and therefore staff is estimating them from other reliable sources.

Salaries and wages are not forecasted per FTE, but uses April year-to-date totals combined with the

approximately 11 percent vacancy rate for May and June. Vacancies adversely impact the organization's ability to deliver the services and maintain infrastructure for Menlo Park's citizens. Staff is addressing this challenge through internal advancements, interim/acting assignments, and recruitment efforts. Fringe benefits include the \$1.4 million payment for Pension Unfunded Accrued Liability (UAL.)

The forecasted net results of \$2.3 million is derived from \$64.9 million in revenues offset by \$62.6 million in expenses with an unassigned fund increasing to \$9.7 million. Staff calculates the actual reserve balances in comparison to City Council policy levels to determine if reserves are consistent with policy. Considering whether fiscal levels are sustainable, staff developed a 5-Year forecast which is being presented. The 5-Year forecast will inform City Council's decision on the UUT since this resolution is adopted for two fiscal years.

Use of fund balance

City Council procedure #14-003-CC, Fund Balance for the General Fund, Attachment F, maintains General Fund balances in several categories which are available for use as one-time money. The General Fund's beginning fiscal year fund is estimated at \$40.5 million July 1, 2022. Under the proposed budget, the ending fund balance is \$34.1 million with one-time use of reserves in the amount of \$6.3 million as Table 1 illustrates. The project related \$3 million reserve for CIPs in the forecast is not separately listed because this is an annual budgeted item. Staff recommends adjusting the emergency and economic reserves to minimum policy levels. We increased the emergency contingency reserve by \$1.5 million up to \$11.8 million and increased the economic stabilization reserve by \$3.3 million up to \$16 million.

Table 1: General Fund balance components	
Item	Estimated balance
Recommended for consideration	
Beginning fund balance July 1, 2022	\$ 40,498,730
Ending fund balance June 30, 2023	\$ 34,114,675
<u>Fund balance reserve components</u>	
Non-spendable prepaids	\$ 458,698
Menlo Park City School District assigned balance	\$1,000,000
Strategic pension funding reserve	\$ 2,250,860
Emergency contingency reserve	\$11,800,000
Economic stabilization reserve	\$16,000,000
Unassigned fund balance	\$2,605,117

Non-departmental budgets

Under City Council direction, staff segregated one-time as well as other developer deposits and activity from the general fund to improve on-going cost estimates. While reviewing the ISFs, staff determined rebalancing was required to ensure these funds are not holding excess amounts, with exception of vehicle replacement funds held for future use. In addition to rebalancing, staff established procedures to ensure these funds, expect vehicle replacement, will not build positive fund balances. These budgets consist of the following:

Revenues:

- One-time - \$1.3 million Meta (formerly Facebook) development agreements
- Bayfront mitigation - \$2.5 million (formerly Facebook City services contribution)
- In-lieu amenities - \$4.8 million Menlo Flats, \$16.1 million 1350 Adams
- Measure T assessments - \$2.4 million
- Water, solid waste - \$0.75 million ISF rebalancing
- ISFs - \$3.5 million

Expenses:

- ARPA - \$3.7 million as these funds must be spent by December 2024
- Measure T GO Bonds - \$2.4 million debt service
- Water - \$0.05 million ISF rebalancing
- ISFs - \$6.2 million rebalancing

Service level enhancement requests

Proposed service level enhancements including 18.75 FTEs and related costs were presented to the City Council April 19 and are summarized by fund on Attachment C. These enhancements are intended to restore and/or improve services provided to the community with a total initial proposed annual cost of \$3.1 million: Across the city labor \$2.8 million (\$2.3 million of that in the general fund); and services/supplies of \$730,000 if all service level enhancements are approved.

Proposed five-year capital improvement program

Fiscal year 2020-21 incorporated significant reductions in expenditures of 20 percent overall and 65 percent in the general capital fund. In fiscal year 2021-22, the adopted CIP incorporated 57 funded and carry-over projects in seven categories, with 35 of those receiving new funds. As shown in Table 2, proposed in fiscal year 2022-23, are 62 funded and carry-over projects, with 26 projects receiving new funds of approximately \$15.1 million. Funding sources used include general capital funds, water capital funds, transportation impact fees, grants, and sales tax measures such as San Mateo County Measures A and W for transportation and street projects. The projects proposed for funding are constrained by both available funds and staff resources to advance new work efforts next year. After the June 7 budget workshop, an additional project funding request was added for the Chrysler Pump Station reconstruction based on anticipated cost escalation and bid award expected in Autumn 2022. The summary of funding requests in Table 2 reflects this change.

Table 2: Capital improvement program, Fiscal year 2022-23 proposed funding requests by category		
Category	Proposed request	Funding sources
City buildings and systems	\$725,000	General capital
Environment	\$500,000	General capital
Parks and recreation	\$4,745,414	Recreation in-lieu, Measure T, general capital
Stormwater	\$3,110,000	General capital
Streets and sidewalks	\$2,125,000	Sidewalk assessment, general capital, construction street impact fee, highway users (gas) tax
Traffic and transportation	\$1,428,000	Transportation impact fees, grants, Measures A and W, transportation
Water system	\$2,469,985	Water capital
Total	\$15,103,399	

Recommended City Council feedback process

After consultation with the Mayor, staff recommends that the City Council consider all resource options and potential service level enhancements sequentially, using a yes/no/maybe rating for each under consideration. If the majority of the City Council determines that a given resource option or service level enhancement should be included or excluded, staff will incorporate this direction into the fiscal year 2022-23 budget for adoption June 28, 2022. Items without a clear majority to include or exclude may be deliberated after the fiscal year and incorporated as amendments to the budget if resources allow.

Draft resolutions

The budget adoption process includes formal resolutions for a number of components, that are described below. Budget adoption is scheduled for June 28 and must occur before July 1.

Adoption of the fiscal year 2021-22 budget and capital improvement plan (Attachment H)

This resolution formally appropriates funds and allows for expenditures during the fiscal year. The total appropriation amounts by fund are omitted pending additional direction by City Council but will be included after incorporating direction received June 14.

Appropriations limit (Attachment I)

California Government Code sets a limit on appropriations based on a number of factors including the prior limit, population change and cost of living changes. This resolution establishes the appropriations limit for fiscal year 2022-23.

Temporary Utility Users' Tax Reduction (Attachment J)

The MPMC sets UUT rates but allows for temporary reductions up to 12 months. If the City Council desires to extend the temporary reduction in UUT rates, this resolution accomplishes that; if the City Council directs the temporary reduction to lapse, this resolution will be excluded. The UUT should be adopted as City Council reviews the General Fund's 5-Year forecast to determine the long-term impact of the tax.

Salary schedule amendments (Attachment K)

The salary schedule which accompanies this resolution is in the process of being updated to reflect a 3 percent increase pursuant to MOU agreements for collective bargaining units: Service Employees International Union Local 521 (SEIU), American Federation of State, County, and Municipal Employees

Local 829 (AFSCME), and Police Officers' Association (POA.) Positions within the unrepresented management group are also being increased by 3 percent. The position of "assistant to the city manager/city clerk" is being added, but there will be no impact to FTE.

Rate assistance program (Attachment L)

The City established a rate assistance pilot program for solid waste and water utilities in June 2020. This resolution extends the rate assistance program through June 30, 2023.

American Rescue Plan Act (Attachment N)

This resolution is recommended for compliance with the American Rescue Plan (ARP) Act Final Rule and to provide clear direction for the use of these funds.

Award authority (Attachment M)

City Council Procedure #21-024-CC establishes award authority and bid requirements and includes an annual adjustment in purchasing limits according to inflation. The inflation from 2021 to 2022 results in an increase in the city manager's signature authority limit of \$6,000, and the award authority memo for fiscal year 2022-23.

Anticipated budget amendments during fiscal year 2022-23 midyear budget review

City Council typically conducts a midyear budget review during the third quarter of each fiscal year, generally in February. Staff anticipates that some City Council priority projects currently in progress may require budget amendments after fiscal year 2022-23 budget adoption, for example during the midyear budget review in February 2023 but possibly at other times during the fiscal year as needed and directed by City Council. What follows is a summary list of projects currently in progress that may require a budget amendment at a later time during fiscal year 2022-23.

- Menlo Park Community Campus staffing and operations. City Council May 24, 2022, received an informational update that outlined the projected milestones and timeline for completing the operational and staffing plan for the new facility. Staff projects that any service level enhancements needed to effectively open and operate the new facility would be brought to City Council for consideration tentatively in Autumn 2022 with budget authorization tentatively in the context of the midyear budget review in February 2023.
- Aquatics program. City Council on February 8, 2022, directed staff to conduct an analysis of the aquatics program in preparation for the opening of a new aquatics center in the Menlo Park Community Campus. Staff projects that any service level enhancements needed to implement City Council's direction at the outcome of that process would be brought to City Council for consideration tentatively in Autumn 2022 with budget authorization at that time or potentially during the midyear budget review in February 2023.
- Chrysler Pump Station reconstruction. The Chrysler Pump Station, located at Chrysler Drive near the intersection with Bayfront Expressway, is a stormwater pump station that facilitates drainage of stormwater runoff from much of the Bayfront area. The pumps are over 60 years old and are past the end of their useful life. The project is anticipated to be out to bid in July 2022, and staff is closely monitoring cost escalation that is anticipated to impact this project. As noted in the April 19, 2022, City Council staff report, currently a shortfall of \$2.5 million is anticipated, but uncertainty remains with the current construction climate and inflation observations on other capital projects. A request for this amount, \$2.5 million, is included in the proposed capital improvement program as summarized above, and if additional funding is needed, staff will develop a funding strategy for this project for the City Council's consideration at the time of bid award, expected in autumn 2022. The city previously obtained a \$5 million Hazard Mitigation Grant from Federal Emergency Management Agency (FEMA) for this

project, which would be paid on a reimbursement basis as construction proceeds.

Next steps

June 28 – Adoption of the fiscal year 2022-23 budget

August – Publication of the fiscal year 2022-23 adopted budget document

Impact on City Resources

There is no impact on City resources at this time.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Hyperlink – June 7 budget workshop slides: beta.menlopark.org/files/sharedassets/public/administrative-services/documents/finance/fy-2022-23-budget-workshop-presentation.pdf
- B. Hyperlink – June 7 budget workshop recording: youtu.be/N2DDI5E-PpQ
- C. Service level enhancements
- D. Hyperlink – City Manager’s proposed budget for fiscal year 2022-23 cover page: stories.opengov.com/menlopark/published/zHpmGGiSG
- E. Hyperlink – Budget transparency portal: stories.opengov.com/menlopark/published/zHpmGGiSG
- F. Hyperlink – General Fund reserve policy: menlopark.org/DocumentCenter/View/5404/D3---General-Fund-Reserve-Update?bidId=
- G. Hyperlink – Fiscal year 2022-23 proposed budget: menlopark.org/budget
- H. Draft resolution adopting the fiscal year 2022-23 budget and capital improvement plan
- I. Draft resolution establishing the appropriations limit
- J. Draft resolution establishing a temporary UUT reduction for fiscal years 2022-23 and 2023-24
- K. Draft resolution amending the salary schedule effective July 1, 2022
- L. Draft resolution extending the rate assistance program
- M. Award authority memo for fiscal year 2022-23
- N. Draft resolution for ARPA
- O. General Fund 5-year forecast
- P. Forecasted Fund balances
- Q. Budgeted Fund balance

Report prepared by:

Marvin Davis, Interim Finance Director

Mary Morris-Mayorga, Administrative Services Director – Extra Help Retired Annuitant

Nikki Nagaya, Public Works Director

Service level enhancement request				
Fund	Department	Service level description	FTE	Labor
100 General Fund	132 City Clerk	Deputy City Clerk. Position would restore the needed backup for the City Clerk, assist with City Council related duties (e.g., agendas, resolutions, ordinances, minutes, etc.), and assist with Information Technology Master Plan items related to agenda, legislative and multimedia management.	1	\$159,892
100 General Fund	133 Public Engagement	Graphic Designer. Would work with all departments to design and produce a variety of print and digital materials, both routine and complex; including publications, notices, social media and digital graphics for web and video.	1	\$158,979
100 General Fund	170 Sustainability	Management Analyst I/II. To support climate adaption and resiliency projects and plans (e.g. local hazard mitigation plan, safety, environmental justice elements) to increase resiliency to negative impacts of climate change. The position would assist in coordinating across all departments, informing the organization and the community on climate adaptation, and providing ongoing long range planning and strategy support.	1	\$214,284
100 General Fund	210 Patrol	Community Service Officers. Request to restore two and add one (total 3.0) full-time Community Service Officers (CSOs) - two assigned to Patrol Division, and one added to the Training and Public Relations Unit.	3	\$363,032
100 General Fund	210 Patrol	Traffic Unit and Staffing Support. Request to restore three full time sworn officer positions to support increased need for traffic support, management, and the return of workforce commuters and special events. The movement of three officer positions to Traffic from our current reduced staffing has made the permanent assignment of a dedicated traffic team unsustainable at current levels.	3	\$588,186
100 General Fund	240 Administration	Emergency Preparedness Coordinator. Request to establish a dedicated and expert resource that is steadfastly committed to the City's interests and capable of connecting and coordinating with all available partner resources. Although the position would reside within the police department, the focus would be on the entire organization. Position equivalent to Management Analyst I or Project Manager.	1	\$169,896
100 General Fund	541 Gymnastics	Gymnastics. Request to add 5.75 FTE (2 Program assistants, 2.75 Instructors, 1 Recreation Coordinator) to reactivate the gymnastics program, consistent with staffing levels for the gymnastics program prior to the pandemic. Personnel costs would be partially offset by program revenues.	5.75	\$646,864
100 General Fund	630 Housing	Housing support. Request to add .5 FTE equivalent to a Management Analyst I/II to support the current and increased demand for administration and implementation of the City's below market rate (BMR) program and other housing programs.	0.5	\$86,535
	Total General Fund		16.25	\$2,387,668
222 Below Market Housing	630 Housing	Housing support. Request to add .5 FTE equivalent to a Management Analyst I/II to support the current and increased demand for administration and implementation of the City's below market rate (BMR) program and other housing programs.	0.5	\$86,535
501 General Capital Improvement	310 Facility/Capital	SAFER Bay staffing support. Request to add a provisional full-time Associate Engineer position to coordinate work on SAFER Bay, sea level rise adaptation plan implementation. Position would be funded by general capital funds partially reimbursed through anticipated FEMA Building Resilient Communities and Infrastructure grant.	1	\$199,918
601 Water Operations	370 Water	Drought coordination and support. Request to add one full time Sustainability Specialist position to support increased drought coordination. Position would be funded by enterprise revenue funds (water operations fund).	1	\$146,274
	Total Citywide		18.75	\$2,820,395

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
ADOPTING THE BUDGET AND CAPITAL IMPROVEMENT PLAN FOR FISCAL
YEAR 2022–23**

WHEREAS, the City of Menlo Park, acting by and through its City Council, having considered the proposed budget document and related written and oral information at the meeting held June 14, 2022, and the City Council having been fully advised in the matter and good cause appearing therefore.

WHEREAS, City Council Procedure #21-024-CC having been replaced by City Council Policy #CC-21-024 requires City Council action to enter into agreements or settle claims with aggregate annual payments in excess of \$86,000 for fiscal year 2022-23; however, expenditures in debt service on currently-issued debt, utilities, employee benefits, inter-governmental agreements, and operating technological end-user hardware and subscription services included in the Information Technology Internal Service Fund exceed the annual aggregate of \$86,000 through contractual obligations or public health and safety necessity; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby:

1. Adopt the budget for the fiscal year 2022–23 as summarized in Exhibit Q and as modified according to majority City Council direction; and
2. Authorize staff to adjust the city manager’s proposed budget to incorporate changes in assumptions for the proposed budget, to incorporate changes directed by the City Council at budget adoption, true-up of estimated carry-over appropriations, and other minor clerical errors; and
3. Authorize the City Manager or designee to make payments for services provided to the City in the categories of debt service on currently-issued debt, utilities, employee benefits, inter-governmental agreements, and operating technological end-user hardware and subscription services included in the Information Technology Internal Service Fund, in excess of \$86,000 and up to the budgeted amount in fiscal year 2022-23.

I, Judi Herren, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-eighth day of June, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
ADOPTING AN APPROPRIATIONS LIMIT FOR THE CITY OF MENLO PARK
FOR THE 2022-23 FISCAL YEAR PURSUANT TO ARTICLE XIII B OF THE
CALIFORNIA CONSTITUTION**

WHEREAS, Article XIII B of the California Constitution (Proposition 4) provides for an annual appropriations limit for state and local governments beginning with the 1980-81 fiscal year, based on the 1978-79 appropriations, as adjusted for the changes in the cost of living or per capita personal income, population, and other specified factors; and

WHEREAS, implementing legislation, which became effective January 1, 1981, provides that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the year pursuant to Article III B at a regularly scheduled meeting or noticed special meeting; and

WHEREAS, Proposition 111 subsequently amended Article XIII B of the California Constitution to provide for certain revisions in the population and inflation factors used in the calculation of the appropriations limit and to provide for a recalculation of the appropriation limit data for the fiscal years 1987-88 through 1990-91; and

WHEREAS, in accordance with applicable law, the appropriation limit for the City of Menlo Park for the 2022-23 fiscal year has been calculated to be \$75,563,220, using such revisions and recalculations; and

WHEREAS, Government Code section 7910 provides that documentation used in the determination of the appropriations limit shall be available to the public at least 15 days before such meeting, and such documentation was made available to the public on the City's website by June 14, 2022;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that that the City Council of Menlo Park hereby:

1. Selects to use the change in the California per capita income as the cost of living adjustment factor, and (b) elects to use the annual population change in the City of Menlo Park's population for calculating the population adjustment factor.
2. That the appropriations limit for fiscal year 2022-23 to be \$75,563,220, as detailed in the calculations set forth in Exhibit H.

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I, Judi Herren, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-eighth day of June, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk

CITY OF MENLO PARK				
APPROPRIATIONS LIMIT				
FISCAL YEAR 2022-23				
			AMOUNT	SOURCE
A.	LAST YEAR'S LIMIT		\$ 71,227,381	Prior Year
B.	ADJUSTMENT FACTORS			
	1. Population - City		0.9864	State Department of Finance
	2. Inflation		1.0755	State Department of Finance
			1.0609	(B1*B2)
	Total Adjustment %		0.0609	(B1*B2-1)
C.	ANNUAL ADJUSTMENT		\$ 4,335,839	(B*A)
D.	THIS YEAR'S LIMIT		\$ 75,563,220	(A+C)
E.	PROCEEDS OF TAXES SUBJECT TO LIMIT			
	Property Tax		34,693,781	2022-23 Proposed Budget
	Sales Tax		6,621,444	2022-23 Proposed Budget
	Other Taxes		10,605,299	2022-23 Proposed Budget
	Special Assessments		2,350,456	2022-23 Proposed Budget
	Interest Allocation		882,185	2022-23 Proposed Budget
			\$ 55,153,165	
F.	AMOUNT UNDER/(OVER) LIMIT		\$ 20,410,055	(D-E)

- A. **Price Factor:** Article XII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent
 Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio: $\frac{7.55 + 100}{100} = 1.0755$

Population converted to a ratio: $\frac{-0.30 + 100}{100} = 0.997$

Calculation of factor for FY 2022-23: $1.0755 \times 0.997 = 1.0723$

Fiscal Year 2022-23

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022 and Total Population, January 1, 2022

County City	Percent Change 2021-2022	--- Population Minus Exclusions ---		Total Population
		1-1-21	1-1-22	1-1-2022
San Mateo				
Atherton	-1.29	6,806	6,718	6,718
Belmont	-1.39	27,587	27,203	27,203
Brisbane	-1.42	4,789	4,721	4,721
Burlingame	-1.36	30,699	30,283	30,283
Colma	-1.51	1,391	1,370	1,370
Daly City	-1.02	103,930	102,875	102,875
East Palo Alto	-1.56	29,423	28,963	28,963
Foster City	-0.81	33,325	33,056	33,056
Half Moon Bay	-1.34	11,462	11,308	11,308
Hillsborough	-0.83	11,110	11,018	11,018
Menlo Park	-1.36	33,377	32,924	33,034
Millbrae	-1.29	22,807	22,512	22,512
Pacifica	-1.46	38,088	37,533	37,533
Portola Valley	-1.52	4,355	4,289	4,289
Redwood City	0.70	81,771	82,344	82,344
San Bruno	-1.19	43,169	42,656	42,656
San Carlos	-1.22	30,207	29,837	29,837
San Mateo	-0.90	104,719	103,779	103,779
South San Francisco	-0.92	65,090	64,492	64,492
Woodside	-1.12	5,271	5,212	5,212
Unincorporated	-1.01	62,088	61,459	61,459
County Total	-0.92	751,464	744,552	744,662

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK 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 CITY OF MENLO PARK MUNICIPAL CODE**

WHEREAS, Ordinance No. 950 of the City Council of the City of Menlo Park, adopting a Utility Users Tax ("UUT"), became effective upon approval by a majority of voters at the General Election of November 7, 2006; and

WHEREAS, Ordinance 950 established Chapter 3.14 of the City of Menlo Park Municipal Code, known as the "Utility Users Tax Ordinance," which imposed a communication users tax at a rate of 2.5 percent, an electricity users tax at a rate of 3.5 percent, a gas tax at the rate of 3.5 percent, and a water users tax at the rate of 3.5 percent; and

WHEREAS, the Utility Users Tax Ordinance, Section 3.14.310 requires that, in order to continue levying the UUT, the City Council shall review the need for the UUT not later than June 30, 2008, and every two (2) years thereafter, and that the Council make findings, by a two thirds (2/3) vote, that the UUT is necessary for the financial health of the City; and

WHEREAS, the Utility Users' Tax Ordinance Section 3.14.130 allows the City Council to enact a Temporary Tax Percentage Reduction for a period of no more than twelve (12) months, provided adequate written notice is given to all affected service suppliers and the City Council makes a finding that the temporary tax reduction will not adversely affect the City's ability to meet its financial obligations as contemplated in its current or its proposed budget; and

WHEREAS, since fiscal year 2008–2009, the City Council has temporarily reduced the tax to 1 percent for all utilities in all previous years because the City Council found that the reduction would not adversely affecting the City's ability to meet its budgeted financial obligations; and

WHEREAS, The City of Menlo Park defines financial health as the following:

- The ability of the City to fund ongoing General Fund expenses with ongoing revenues, and not rely on one-time resources (e.g., reserves, stimulus funds, proceeds from land sales, etc.) to fund ongoing services;
- The ability of the City to maintain appropriate reserves levels consistent with best practices in local government financial management and City Council approved financial policies in order to preserve the long-term financial health of the City;
- The ability of the City to minimally provide adequate service levels that meet community needs and that is both stable and sustainable, even when faced with severe economic downturn.

WHEREAS, on June 8, 2021, City staff recommended to the City Council a balanced budget that included a necessary \$1.7 million in revenue from the UUT at the reduced rate of 1 percent; and

WHEREAS, the UUT revenues the City has and will receive over fiscal years 2022-2023 and 2023-2024 will necessary for the City's financial health, if the City does not receive this revenue,

it will lose approximately \$3.2 million in revenues; and its' unassigned fund balance will drop by this amount. Also, additional service level enhancements requested as outlined in Attachment D might not be approved. Staff's 5-Year forecast outlined in Attachment P demonstrates these balances over these fiscal years.

WHEREAS, the City Council finds that the UUT is necessary for the financial health of the City pursuant to the Utility Users Tax Ordinance, Section 3.14.310; and

WHEREAS, the City Council now finds that reducing the UUT to 1 percent shall not adversely affect the City's ability to meet its financial obligations as contemplated in the budget for the fiscal year 2022-2023, considered and adopted at its regular meeting of June 28, 2022.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Menlo Park finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

BE IT FURTHER RESOLVED that the City Council of the City of Menlo Park hereby resolves as follows:

1. The City Council finds and determines, pursuant to section 3.14.310 of the City's Municipal Code, that the Utility Users Tax (UUT) is necessary for the City's financial health.
2. The City Council establishes a temporary reduction in the UUT rate, maintaining the current reduced rate of one percent (1.0%) for taxes imposed by sections 3.14.040 through 3.14.070 for a period of no more than twelve (12) months, effective October 1, 2022. No other provisions of the Utility Users' Tax Ordinance are affected by this resolution. Nothing herein shall preclude the City Council from modifying the tax rate set herein during said twelve-month period.

I, Judi A. Herren, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on this twenty-eight day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official Seal of said City on this twenty-eight day of June, 2022.

Judi A. Herren, City Clerk

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AMENDING THE SALARY SCHEDULE**

WHEREAS, pursuant to the Personnel System Rules, the City Manager prepared a Compensation Plan; and

NOW, THEREFORE, BE IT RESOLVED that the following compensation provisions shall be established in accordance with the City's Personnel System rules.

BE IT FURTHER RESOLVED that any previous enacted compensation provisions contained in Resolution No. 6620 and subsequent amendments shall be superseded by this Resolution.

BE IT FURTHER RESOLVED that the changes contained herein shall be effective July 1, 2022.

I, Judi Herren, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the twenty-eighth day of June, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK TO
EXTEND THE SOLID WASTE AND WATER RATE ASSISTANCE PROGRAM**

WHEREAS, as of June 16, 2020 the City Council adopted Resolution No. 6563 to support the black lives matter movement, which emphasizes inclusion and equity within the community through City policies and services; and

WHEREAS, to promote equity and support Menlo Park's diverse community, establishing a rate assistance program will help low-income households to cover basic living expenses; and

WHEREAS, some rate assistance programs, such as Pacific Gas & Electricity (PG&E) California Alternative Rate Energy (CARE) program offers monthly minimum discount of 20 percent on gas and electricity; and

WHEREAS, due to the current COVID-19 pandemic and solid waste and water rate increases, some residential customers may be financially impacted; and

WHEREAS, on August 25, 2020 during a study session, the City Council supported city staff to establish a rate assistance program for solid waste rates at 20 percent discount; and

WHEREAS, on September 8, 2020 during a study session, the City Council supported city staff to establish a rate assistance program for Menlo Park Municipal Water customers; and

WHEREAS, on December 8, 2020, the City Council adopted Resolution No. 6603 to increase solid waste rates for 2021, 2022, 2023, 2024 and 2025 and encumber up to \$1.5 million in General Fund revenues to smooth customer service rate increases over the five-year period (\$0.5 million for 2021 and \$1 million for 2022 through 2025); and

WHEREAS, on December 8, 2020, the City Council adopted Resolution No. 6605, which established the rate assistance program, appropriated \$164,000 from the general fund and provided a timeframe for the program of January 1, 2021 through June 30, 2021, and

WHEREAS, on January 1, 2021, new solid waste rates went into effect; and

WHEREAS, on April 27, 2021 the City Council received an update about extending the pilot program for fiscal year 2021-22; and

WHEREAS, on May 11, 2021, the City Council adopted Resolution No. 6625, which approved Menlo Park Municipal Water rate increases for the next five years between July 1, 2021 and June 30, 2026; and

WHEREAS, on July 1, 2021, new Menlo Park Municipal Water rates went into effect; and

WHEREAS, on June 22, 2021, the City Council adopted Resolution No. 6638, which extended the solid waste and water rate assistance program to June 30, 2022; and

WHEREAS, on January 1, 2022, new solid waste rates went into effect; and

WHEREAS, on July 1, 2022, new Menlo Park Municipal Water rates are scheduled to be in effect; and

WHEREAS, the City of Menlo Park's rate assistance program should be extended annually through December 31, 2025 to align with the end of the solid waste and Menlo Park Municipal Water rate schedules; and

NOW, THEREFORE BE IT RESOLVED, the program shall be comprised of the following timeframe, discount, and qualifications unless modified by the City Council by resolution:

1. Timeframe: continue on July 1, 2022 and end on June 30, 2023;
2. Discount: monthly 20 percent discount for solid waste rates and a monthly fixed discount equal to 50 percent of the 5/8-inch meter service charge for water rates; and
3. Qualifications: households must meet the following criteria to receive the discount:
 - Must be enrolled in PG&E CARE program;
 - Submit most recent PG&E bill to verify CARE enrollment. Address on PG&E bill must be the same on solid waste and water bills, but names may be different;
 - Submit most recent Recology and Menlo Park Municipal Water bills to receive applicable discounts; and
 - Re-certify eligibility according to the PG&E CARE program enrollment expiration date. Re-certification will vary, depending on when the household applies to CARE.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-eighth day of June 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of June 2022.

Judi A. Herren, City Clerk

2022-23 AWARD AUTHORITY AND BID REQUIREMENTS

City Council Policy No. CC-21-024

Adopted December 14, 2021

Resolution No. 6695



Purpose			
Pursuant to City Council adopted policy CC-21-024, this memo establishes the award authority and bid requirements for the 2022-23 fiscal year.			
Award Authority and Bid Requirements			
Category	Amount	Approving authority	Bid requirement
Goods, general services, and professional services	Less than \$39,500	City Manager Designee	Written quotations
	\$39,501 to \$86,000/year (up to 3 years)	City Manager	Informal bid
	\$86,001 to \$200,000	City Council	Informal bid
	Greater than \$200,000		Formal bid
Public projects	Less than \$60,000	City Manager Designee	Informal bid/force account
	\$60,001 to \$86,000	City Manager	
	\$86,001 to \$200,000	City Council	Informal bid
	Greater than \$200,000		Formal bid
Claims settlement	Up to \$86,000	City Manager	N/A
	\$86,001 or greater	City Council	

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
DESIGNATING AMERICAN RESCUE PLAN ACT (ARPA) FINAL RULE**

WHEREAS, the City of Menlo Park, acting by and through its City Council, adopted the fiscal year 2021-22 operating and capital budgets on June 28, 2021 through resolution 6633 which established Fund 397 – American Rescue Plan Act to track the revenue received and the projected allowable expenditures; and

WHEREAS, the fiscal year 2021-22 budget projected \$4,150,000 in American Rescue Plan Act (ARPA) revenue and \$2,910,000 for qualified expenditures;

WHEREAS, the City of Menlo Park, acting by and through its City Council, having adopted budget amendments at its public meeting on December 14, 2021 meeting through staff report 21-250-CC to adjust qualified expenditures to \$847,740; and

WHEREAS, in fiscal year 2021-22, the city received the first \$4,150,000 payment of funding and the city is scheduled to receive the second and final \$4,150,000 payment of funding in fiscal year 2022-23; and

WHEREAS, on January 6, 2022 the U.S. Department of the Treasury issued the Final Rule containing the major provisions for use and reporting of Coronavirus State and Local Fiscal Recovery Funds for recipients to select a standard allowance for revenue loss up to \$10 million, not to exceed the recipients award amount, enabling streamlined reporting requirements.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby select the standard allowance and designate the \$8,300,000 of American Rescue Plan Act funding under the Act's Final Rule as Replacement for Lost Public Sector Revenue consistent with the eligible categories revenue replacement contained in the provisions of the Coronavirus State and Local Fiscal Recovery Funds.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-eighth day of June, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk

City of Menlo Park							
General Fund 5 Year Forecast (FY 2022-23 thru 2027): Assumptions							
<p>The objectives of the forecast are to demonstrate reserve levels after covering operating and capital project transfers. The forecast is developed as closely as possible to a cash flow projection rather than a full accrual estimate, thus excluding receivables, payables, depreciation, amortization, and certain unrealized gains & losses. The details in this tool are used by management in forecasting receipts (revenues), disbursements (expenses) and cash reserves. The City maintains its' accounting system in accordance with Generally Accepted Accounting Principles (GAAP) adopted by the Governmental Accounting Standards Board (GASB). The forecast period (2022-23 thru 2027) uses the proposed budget year 2022-23 as its' base.</p>							
	Years	2023	2024	2025	2026	2027	
Revenues:							
Property Taxes	6.0%	HDL 5 Year secured, unsecured, VLF in lieu property tax					
Sales Taxes	4.0%	MuniServices 5 Year projection					
TOT	2.5%						
Utility User Tax	0.0%	The City will probably not increase this tax					
VLF	3.0%	I did not include the \$5.8 outstanding balance from State					
Licenses & Permits	4.0%	Based on pre-pandemic levels					
Fines, Rental, Govt, Other	3.0%	FY 2024 increases by \$1 million heading back to pre-pandemic levels					
Charges for Services	2.0%						
Interest Income	2.0%	Portfolio estimated return based on reserve levels					
Transfers	\$13,771,261	Use of ARPA over 2023 & 2024, ISF recovery 2024, Landscape, tree, park, solid waste support					
Expenditures:							
Salaries and Wages	4.0%	COLA: 3.0%, Average Merits: 1%, Other, Bonus, Vacancy factor: -5%					
Temporary & OT		Budget run rate					
Benefits - Non PERS	3.0%	CPI inflation adjustment					
Benefits - PERS	3.8%	Annual estimated increase: Misc 2.8%, Safety 4.9%. Average 3.8%					
Services, Repairs, etc	3.0%	CPI inflation adjustment					
Operating		Return to normal after 2023 Internal Service Fund rebalancing plus CPI					
Transfers	\$23,168,390	CIP support, landscape maintenance					
Staffing:							
Proposed budget	250	Number FTEs					
Average FTE	\$118,402						
Scenarios FY 2024							
FTE Changes	0%						
FTE level	250						
Benefits - Non PERS	0.0%						
Services	0.0%						
Operating	0.0%						

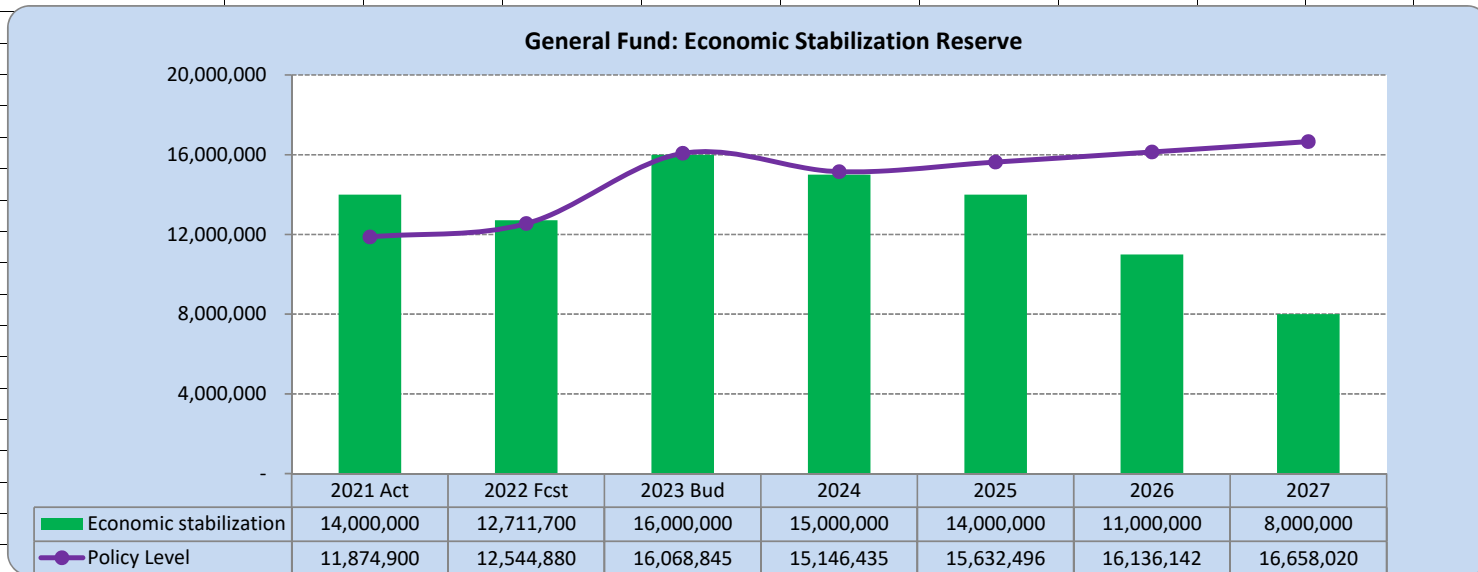
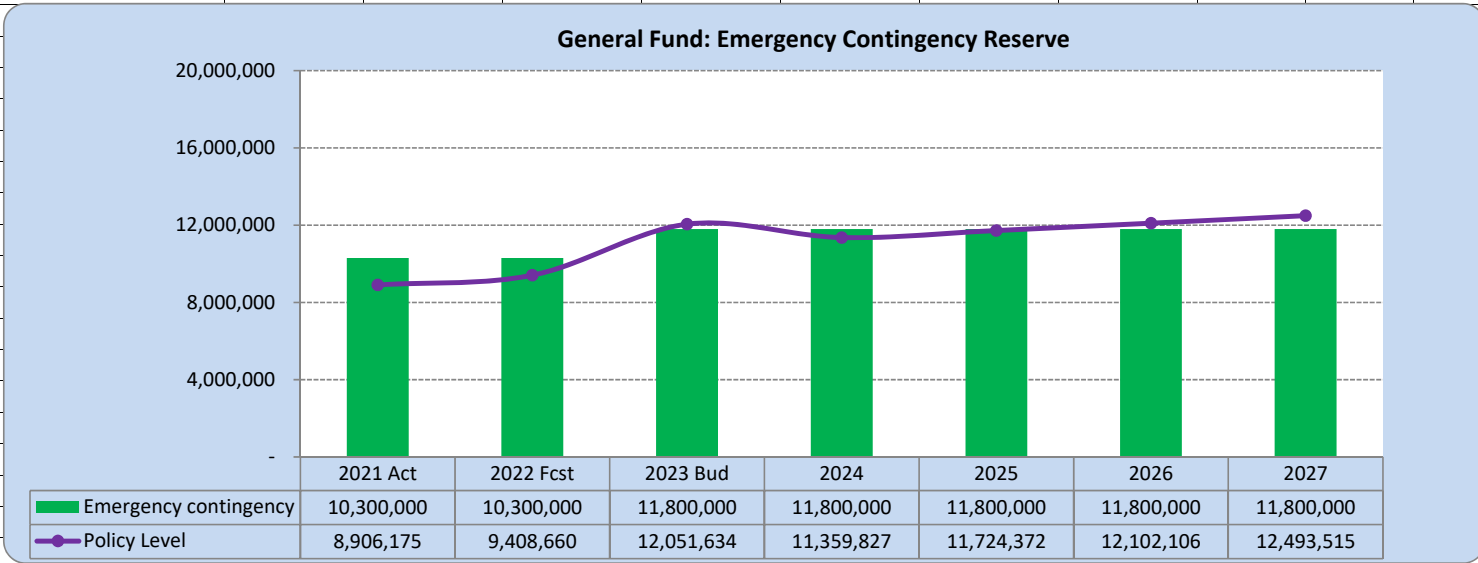
City of Menlo Park

General Fund 5 Year Forecast (FY 2022-23 thru 2027): Revenue & Expense Statement

	2021 Act	2022 Fcst	2023 Bud	2024	2025	2026	2027
Revenue							
PT: Secured, Unsecured, VLF in lieu	\$ 26,569,172	\$ 22,623,959	\$ 25,454,437	\$ 26,981,703	\$ 28,600,605	\$ 30,316,642	\$ 32,135,640
Excess ERAF	-	4,410,741	4,168,229	4,168,229	4,168,229	4,168,229	4,168,229
RPTTF	-	3,232,012	3,354,684	3,354,684	3,354,684	3,354,684	3,354,684
Supplemental	668,445	661,539	661,539	661,539	661,539	661,539	661,539
Property taxes: Other	908,801	917,397	1,054,892	1,054,892	1,054,892	1,054,892	1,054,892
Sales Taxes	6,659,717	6,288,300	6,621,444	6,886,302	7,161,754	7,448,224	7,746,153
TOT	3,762,410	7,000,000	9,000,000	9,225,000	9,455,625	9,692,016	9,934,316
Utility User Tax	1,442,006	1,697,834	1,605,299	1,605,299	1,605,299	1,605,299	1,605,299
Licenses & Permits	4,653,741	5,441,034	5,173,500	5,380,440	5,595,658	5,819,484	6,052,263
Fines, Rental, Govt, Other	4,781,774	3,296,796	3,289,126	4,417,799	4,550,333	4,686,843	4,827,449
Charges for Services	5,858,751	8,038,513	5,008,550	5,108,721	5,210,895	5,315,113	5,421,416
Interest Income	837,696	837,696	844,640	684,206	646,143	535,855	427,065
Transfers	595,008	652,550	7,723,831	4,300,230	582,400	582,400	582,400
Total revenue	56,737,521	65,098,372	73,960,171	73,829,044	72,648,057	75,241,219	77,971,344
Expense							
Salaries and Wages	22,474,321	20,405,497	29,641,962	30,827,641	32,060,746	33,343,176	34,676,903
Salaries Temporary	1,322,636	1,201,043	1,562,500	1,562,500	1,562,500	1,562,500	1,562,500
Salaries Overtime	1,275,765	1,353,580	1,281,500	1,281,500	1,281,500	1,281,500	1,281,500
Benefits - Non PERS	6,227,997	6,068,197	7,457,125	7,680,838	7,911,263	8,148,601	8,393,059
Benefits - PERS	7,047,545	4,451,744	7,231,311	8,690,312	9,037,924	9,399,441	9,775,419
Benefits - Additional UAL	-	1,400,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Vacancy factor	-	-	(2,462,670)	(2,552,140)	(2,642,697)	(2,736,761)	(2,834,469)
Operating Expenses	5,695,653	7,039,334	10,874,411	8,282,522	8,530,998	8,786,928	9,050,535
Services	6,374,953	6,375,631	10,835,678	11,160,748	11,495,571	11,840,438	12,195,651
Repairs & Maintenance	942,763	860,474	1,042,796	1,074,080	1,106,302	1,139,491	1,173,676
Utilities, Rentals	1,732,557	1,451,822	1,862,373	1,918,244	1,975,792	2,035,065	2,096,117
Fixed Assets, Special Project	402,552	158,191	1,186,050	1,221,632	1,258,280	1,296,029	1,334,910
Transfers	5,877,757	11,958,885	8,831,190	3,584,300	3,584,300	3,584,300	3,584,300
Total expense	59,374,498	62,724,398	80,344,225	75,732,177	78,162,480	80,680,709	83,290,102
Surplus/(Deficit)	\$ (2,636,977)	\$ 2,373,974	\$ (6,384,055)	\$ (1,903,133)	\$ (5,514,424)	\$ (5,439,490)	\$ (5,318,758)
	Audited	Forecasted					
Fund Balance	38,220,369	40,594,343	34,210,288	32,307,155	26,792,731	21,353,241	16,034,484
Breakdown:							
Non-spendable prepaids	458,698	458,698	458,698	458,698	458,698	458,698	458,698
Project related, encumb	4,010,180	4,010,180	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Strategic pension funding	4,650,860	3,250,860	2,250,860	1,250,860	-	-	-
Emergency contingency	10,300,000	10,300,000	11,800,000	11,800,000	11,800,000	11,800,000	11,800,000
Economic stabilization	14,000,000	12,711,700	16,000,000	15,000,000	14,000,000	11,000,000	8,000,000
Unassigned	4,800,631	9,862,905	2,700,730	2,797,597	(465,967)	(2,905,457)	(5,224,214)

City of Menlo Park

General Fund 5 Year Forecast (FY 2022-23 thru 2027): Reserve Balances



General Fund	FY 2021-22 Fcst				
	6/30/2021	Rev & TI	Exp & TO	Sur/(Def)	6/30/2022
100 General	\$ 38,220,369	\$ 64,965,887	\$ 62,687,526	\$ 2,278,361	\$ 40,498,730
Non-spendable prepaids	458,698				458,698
Project related, encumb	4,010,180				4,010,180
Strategic pension funding	4,650,860			Actual	3,250,860
Emergency (Policy: 15-20%)	10,300,000			16%	10,300,000
Economic (Policy: 20-25%)	14,000,000			20%	12,711,700
Unassigned	4,800,631				9,767,292
Total Reserve Breakdown	38,220,369				40,498,730
One-time, Developer, In-lieu					
111 One-time	-	1,686,000	-	1,686,000	1,686,000
258 CRRSA	-	30,000	-	30,000	30,000
332 Bayfront Mitigation	4,464,348	4,869,250	-	4,869,250	9,333,598
353 Downtown Public Amenity	2,185,398	318,308	-	318,308	2,503,707
369 Community Amenities	-	9,405,000	-	9,405,000	9,405,000
395 Developer Funded Projects	-	-	-	-	-
397 American Rescue Plan Act	-	8,300,500	847,993	7,452,507	7,452,507
201 EIR Fees	616,356	15,400	620,301	(604,901)	11,455
202 Miscellaneous Trust	249,728	6,320	705	5,615	255,343
Housing Activity					
221 Housing Special Revenue	6,603,191	35,634	3,125	32,509	6,635,700
222 Below Mrkt Rt Housing Spec Rev	31,512,890	139,924	201,428	(61,504)	31,451,386
223 Federal Revenue Sharing	126,684	849	3,125	(2,276)	124,407
224 Community Devlpmt Block Grant	1,381,927	1,287	3,125	(1,838)	1,380,089
364 HUT Repair and Maintenance	12,902	678,137	-	678,137	691,038
Library & Community Service					
203 Donations - Library and CS	-	12,190	32,625	(20,435)	(20,435)
251 Big Lift (Library)	-	190,000	171,481	18,519	18,519
252 Childcare Food (Libray & CS)	-	44,000	44,000	-	-
253 Belle Haven Child Devlpmt Ctr	-	1,286,530	1,304,689	(18,159)	(18,159)
254 Preschool-QRIS	-	14,256	4,922	9,334	9,334
256 Recreation In-Lieu	3,686,336	3,533,450	1,430,665	2,102,785	5,789,121
304 Menlo Park Community Campus	991,270	15,163,819	2,503,781	12,660,038	13,651,308
305 Diverse Literature LSTA	-	20,000	-	20,000	20,000
Police Enforcement					
327 Supp Law Enforcement Services	197,963	146,703	107,491	39,212	237,176
328 Downtown Parking Permits	4,753,606	55,968	156,141	(100,173)	4,653,433
Transportation. Streets, Maint					
211 Heritage Tree (Transporation related)	101,776	24,100	-	24,100	125,876
255 Senior Transportation	-	27,967	71,638	(43,671)	(43,671)
351 Transportation Impact Fees	7,296,521	382,787	591,449	(208,663)	7,087,858
352 Transportation	934,152	8,750	28,633	(19,883)	914,269
354 Storm Drainage Fees	95,354	2,216	-	2,216	97,570
355 Shuttle Program	(53,542)	841,028	874,867	(33,839)	(87,382)
356 County Transp Tax (Measure A)	621,059	1,005,759	695,040	310,719	931,778
357 Highway Users (Gas Tax)	2,399,984	945,007	290,516	654,491	3,054,475
358 Landscape/Tree Assessment	370,703	1,289,757	787,496	502,261	872,964
359 Sidewalk Assessment	51,584	305,838	62,900	242,938	294,522
360 Measure M	93,991	146,000	109,081	36,919	130,909
361 Storm Water Management	360,651	367,862	352,379	15,483	376,133
362 Construction Impact Fee	5,136,012	1,447,418	1,588,652	(141,234)	4,994,777
363 Measure W	665,494	384,451	154,600	229,852	895,346
365 Landfill Post-Closure	7,763,194	963,338	599,750	363,589	8,126,783
366 Vintage Oaks Landscape	(478)	-	(478)	478	-
367 Sharon Hills Park	60	-	-	-	60
368 Bayfront Park Maintenance	874,038	4,798	167,148	(162,350)	711,689
501 General Capital Improvement	26,046,878	7,179,831	6,755,672	424,159	26,471,037
370 Haven Avenue Streetscape Grant	-	600,000	-	600,000	600,000
396 CA Arrearage Program Water Res	-	213,441	160,155	53,286	53,286
Debt Service					
400 Library GO Bond 1990	360,244	2,330	-	2,330	362,574

Attachment Q: FY 2022-23 Forecasted Fund Balances

General Fund	FY 2021-22 Fcst				6/30/2022
	6/30/2021	Rev & TI	Exp & TO	Sur/(Def)	
401 Recreation GO Bond	3,806,813	7,937,162	1,577,707	6,359,455	10,166,268
500 Measure T 2002 GO Bond	325,216	16,665	-	16,665	341,881
510 Library Addition	121,659	787	-	787	122,446
521 SMC Transportation Authority	(4,991)	-	-	-	(4,991)
525 CA Coastal Consv Priority Grt	-	-	(6,765)	6,765	6,765
Water Activity					
600 Water Capital	16,692,291	2,128,273	1,563,687	564,587	17,256,878
601 Water Operations	26,784,868	13,996,448	8,180,830	5,815,618	32,600,486
610 Solid Waste Service	2,834,009	854,790	456,276	398,515	3,232,524
Internal Services					
701 Workers' Compensation	601,564	1,506,909	895,318	611,591	1,213,155
702 General Liability	(550,147)	997,162	1,455,287	(458,125)	(1,008,272)
703 Other Post Employment Benefits	1,298,790	374,010	679,857	(305,847)	992,943
704 IT Internal Service	1,902,352	3,665,578	3,212,482	453,096	2,355,448
705 Vehicle Replacement	3,563,984	1,060,129	1,065,493	(5,364)	3,558,620

General Fund	FY 2021-22 Fcst	FY 2022-23 Budget					
	6/30/2022	Rev & TI	Exp & TO	CIP Rev	CIP Exp	Sur/(Def)	6/30/2023
100 General	\$ 40,498,730	\$ 73,960,171	\$ 80,344,225	\$ -	\$ -	\$ (6,384,055)	\$ 34,114,675
Non-spendable prepaids	458,698						458,698
Project related, encumb	4,010,180						1,000,000
Strategic pension funding	3,250,860					Actual %	2,250,860
Emergency (Policy: 15-20%)	10,300,000					15%	11,800,000
Economic (Policy: 20-25%)	12,711,700					20%	16,000,000
Unassigned	9,767,292						2,605,117
Total Reserve Breakdown	40,498,730						34,114,675
One-time, Developer, In-lieu							
111 One-time	1,686,000	1,350,000	-	-	-	1,350,000	3,036,000
258 CRRSA	30,000	-	-	-	-	-	30,000
332 Bayfront Mitigation	9,333,598	2,561,226	-	-	-	2,561,226	11,894,824
353 Downtown Public Amenity	2,503,707	10,000	-	-	300,000	(290,000)	2,213,707
369 Community Amenities	9,405,000	20,900,000	-	-	-	20,900,000	30,305,000
395 Developer Funded Projects	-	2,250,000	2,250,000	-	-	-	-
397 American Rescue Plan Act	7,452,507	-	3,717,830	-	-	(3,717,830)	3,734,677
201 EIR Fees	11,455	-	-	-	-	-	11,455
202 Miscellaneous Trust	255,343	-	145,000	-	-	(145,000)	110,343
Housing Activity							
221 Housing Special Revenue	6,635,700	1,000	24,000	-	-	(23,000)	6,612,700
222 Below Mrkt Rt Housing Spec Rev	31,451,386	6,800,000	583,432	-	-	6,216,568	37,667,954
223 Federal Revenue Sharing	124,407	500	4,000	-	-	(3,500)	120,907
224 Community Devlpmt Block Grant	1,380,089	1,500	4,000	-	-	(2,500)	1,377,589
364 HUT Repair and Maintenance	691,038	793,824	-	-	950,000	(156,176)	534,862
Library & Community Service							
203 Donations - Library and CS	(20,435)	145,000	-	-	-	145,000	124,565
251 Big Lift (Library)	18,519	295,000	260,108	-	-	34,892	53,411
252 Childcare Food (Libray & CS)	-	85,000	85,000	-	-	-	-
253 Belle Haven Child Devlpmt Ctr	(18,159)	2,003,000	1,432,294	-	-	570,706	552,547
254 Preschool-QRIS	9,334	12,000	-	-	-	12,000	21,334
256 Recreation In-Lieu	5,789,121	88,200	3,000,000	-	2,682,709	(5,594,509)	194,612
304 Menlo Park Community Campus	13,651,308	3,000,000	79,163	-	16,440,716	(13,519,879)	131,429
305 Diverse Literature LSTA	20,000	20,000	20,000	-	-	-	20,000
Police Enforcement							
327 Supp Law Enforcement Services	237,176	-	-	-	-	-	237,176
328 Downtown Parking Permits	4,653,433	100,000	195,600	-	2,400,000	(2,495,600)	2,157,833
Transportation. Streets, Maint							
211 Heritage Tree (Transporation related)	125,876	10,000	-	-	135,000	(125,000)	876
255 Senior Transportation	(43,671)	43,700	-	-	-	43,700	29
351 Transportation Impact Fees	7,087,858	983,000	-	5,000,000	10,434,567	(4,451,567)	2,636,291
352 Transportation	914,269	-	-	-	909,692	(909,692)	4,577
354 Storm Drainage Fees	97,570	1,800	97,000	-	-	(95,200)	2,370
355 Shuttle Program	(87,382)	1,293,151	1,192,227	-	-	100,924	13,542
356 County Transp Tax (Measure A)	931,778	1,000,000	1,473,999	-	404,940	(878,939)	52,839
357 Highway Users (Gas Tax)	3,054,475	1,021,080	19,613	-	4,050,940	(3,049,473)	5,002
358 Landscape/Tree Assessment	872,964	1,287,457	1,503,667	-	-	(216,210)	656,754
359 Sidewalk Assessment	294,522	305,838	27,050	-	302,512	(23,724)	270,798
360 Measure M	130,909	140,000	140,000	-	-	-	130,909
361 Storm Water Management	376,133	375,862	458,137	-	-	(82,275)	293,858
362 Construction Impact Fee	4,994,777	865,000	85,775	-	3,787,020	(3,007,795)	1,986,982
363 Measure W	895,346	425,000	-	-	750,000	(325,000)	570,346
365 Landfill Post-Closure	8,126,783	932,083	521,775	-	3,801,155	(3,390,847)	4,735,936
366 Vintage Oaks Landscape	-	-	-	-	-	-	-
367 Sharon Hills Park	60	-	-	-	-	-	60
368 Bayfront Park Maintenance	711,689	3,000	258,916	-	-	(255,916)	455,772
501 General Capital Improvement	26,471,037	6,450,500	429,476	5,015,300	37,469,788	(26,433,464)	37,573
370 Haven Avenue Streetscape Grant	600,000	-	-	-	600,000	(600,000)	-
396 CA Arrearage Program Water Res	53,286	-	-	-	-	-	53,286
Debt Service							
400 Library GO Bond 1990	362,574	12,545	-	-	-	-	375,119

Attachment R: FY 2022-23 Budgeted Fund Balances

General Fund	FY 2021-22 Fcst	FY 2022-23 Budget					6/30/2023
	6/30/2022	Rev & TI	Exp & TO	CIP Rev	CIP Exp	Sur/(Def)	
401 Recreation GO Bond	10,166,268	2,375,456	2,350,456	-	-	25,000	10,191,268
500 Measure T 2002 GO Bond	341,881	1,500	-	-	-	1,500	343,381
510 Library Addition	122,446	750	-	-	-	750	123,196
521 SMC Transportation Authority	(4,991)	-	-	170,000	-	170,000	165,009
525 CA Coastal Consv Priority Grt	6,765	-	-	-	-	-	6,765
Water Activity							
600 Water Capital	17,256,878	1,919,425	196,894	500,000	17,287,319	(15,064,788)	2,192,090
601 Water Operations	32,600,486	13,914,073	10,933,719	-	-	2,980,354	35,580,840
610 Solid Waste Service	3,232,524	674,038	276,505	-	-	397,533	3,630,057
Internal Services							
701 Workers' Compensation	1,213,155	923,217	1,819,722	-	-	(896,505)	316,650
702 General Liability	(1,008,272)	2,582,824	1,286,150	-	-	1,296,674	288,402
703 Other Post Employment Benefits	992,943	-	934,980	-	-	(934,980)	57,963
704 IT Internal Service	2,355,448	3,625,584	5,751,762	-	-	(2,126,178)	229,270
705 Vehicle Replacement	3,558,620	1,396,380	1,570,000	-	-	(173,620)	3,385,000



STAFF REPORT

City Council

Meeting Date:

6/14/2022

Staff Report Number:

22-114-CC

Regular Business:

Adopt a resolution of support for BlocPower LLC to provide building electrification services for building owners

Recommendation

Staff recommends that the City Council adopt a resolution of support for BlocPower LLC (BlocPower) to provide building electrification services for building owners that want to voluntarily electrify their natural gas equipment to electric (Attachment A.)

Policy Issues

The City Council declared a climate emergency committing to accelerating actions to address climate change at a local level and adopted a 2030 climate action plan (CAP) with the bold goal to be carbon neutral (zero emissions) by 2030. One of the six 2030 CAP strategies aims to electrify 95 percent of existing buildings by 2030, and remains a top priority in the City Council 2021 work plan.

Background

On April 12, 2022, the City Council received a staff report as well as a presentation from BlocPower regarding how their services can support CAP strategy No. 1-electrify 95 percent of existing buildings by 2030 (staff report – Attachment B.) BlocPower presented their ability to provide a turnkey electrification program that includes project management, incentive coordination, contractor and equipment procurement, and financing (if desired) to all building owners in Menlo Park.

Menlo Spark has also committed to secure state funding, grants, and philanthropic funding to support BlocPower and decrease project costs for low to moderate income building owners. They aim to raise \$35 million for this effort. Environmental Quality Commissioner Evans is also actively working to support BlocPower through demonstration projects in the community and working with Menlo Spark. As a result, there is no direct cost for the city and for this reason, staff does not recommend entering into a partnership agreement at this time.

However, as with other communities collaborating with BlocPower, in-kind staff support will be necessary in order to further and support BlocPower's work and goals of communitywide electrification. In-kind staff support would involve marketing BlocPower in the community using existing communication mediums as described in the analysis section of this report.

Since the City Council's review of the proposal in April, staff is also collaborating and supporting Menlo Spark in its application for a \$1 million grant from ICLEI (Local Governments for Sustainability) to advance BlocPower services in the community. Menlo Spark is one of the top finalist selected to submit a final proposal in July. If awarded in August, grant funds would go directly to Menlo Spark to allocate appropriately for the BlocPower program.

While there are no upfront or ongoing payments to BlocPower, adoption of a resolution of support for BlocPower's work will memorialize and acknowledge the in-kind services that the City will provide in order to further and support BlocPower's building electrification services in the community (Attachment A.)

Analysis

BlocPower has the ability to address challenges that existing building owners face when replacing gas equipment with electric versions, such as:

- Lack of a one size fits all approach due to the diversity/age of the existing building stock
- Prioritizing building health, safety, energy efficiency, energy resiliency (solar and battery storage) to support cost effective electrification projects and address past unsafe or unhealthy building conditions
- Readiness/availability of electrification market and contractor knowledge

BlocPower addresses these challenges by setting up a one-stop direct install type of program.

BlocPower can also support building owners on other sustainable projects such as energy efficiency, renewable energy/battery storage, electric vehicle charging, and/or address the health and safety needs of a building. BlocPower's mission also includes developing local workforces that enable people of color or low-income workers to access high paying jobs or establish a business that supports decarbonization.

For reference, BlocPower has provided a Menlo Park implementation plan for the next three years (Attachment C) and Menlo Spark has provided a strategic plan to access various forms of funding to support BlocPower and reduce financing and equipment costs for low to moderate income building owners (Attachment D.)

City staff's role would include supporting Menlo Spark in securing funding by preparing data, information or materials, such as supporting the current \$1 million grant application with ICLEI. In addition, staff would use existing city communication platforms (e.g., weekly City Council digest, Nextdoor, billing inserts, City website, social media, etc.) and relevant CAP or sustainability community meetings to explain the services that BlocPower provides and how it can help achieve Menlo Park's CAP goals. Other providers of similar service can be added to all communications upon their request.

In addition, BlocPower has committed to providing regular progress reports to the sustainability manager and City Council on a quarterly basis.

How does BlocPower work?

BlocPower has developed an independent website for Menlo Park that would act as a registration and information portal for building owners. See Attachment E for the website. The city website would provide a link to this independent website.

Once a building owner enters information into the portal, BlocPower would manage projects from start to finish. This includes providing energy audits, electrification plans, coordinating applicable rebates and permits, and procuring contractors and equipment.

Building owners can also choose to finance their projects through BlocPower if desired through a 15-year leasing program that includes operations and maintenance of the equipment. Building owners are directly billed by BlocPower each month. The lease model aims to use the utility savings to cover the monthly leasing costs. Incorporation of available incentives can also lower monthly costs.

However, savings is not always achievable when incorporating safe, resilient and healthy building aspects into a project, and lease amounts may be higher than projected savings. Menlo Spark is working on raising additional funding to support this aspect for moderate to low income building owners. The building owner also remains the decision maker on which measures to implement in their building. After the leasing period, the equipment is owned by the customer. If the building is sold while the lease is active, there are options to transfer the lease to the new building owner or pay off the lease amount through the sale of the property/building.

BlocPower financing

For building owners that desire financing (a monthly lease) with BlocPower over direct purchase, there is an interest rate incorporated into the lease between 5 and 8 percent. However, Menlo Spark is working on reducing the interest rate through raising additional funds. Building owners can also choose to use other financing programs with lower interest rates and still participate in the BlocPower program.

Meets previous City Council direction for CAP strategy No.1

Partnering with BlocPower provides an opportunity to meet the objective of City Council's previous direction for a turnkey electrification program August 31 2021.

Impact on City Resources

As mentioned above, staff resources from the city manager's office and sustainability division will be used to support informing the community about BlocPower services through existing City communication mediums. In addition, staff resources are necessary to prepare and/or provide information for grants or other funding opportunities. Currently, there is sufficient capacity in the sustainability division to support the BlocPower partnership.

Upon evidence of funding from the State of California, grants, and/or philanthropic sources to be procured by Menlo Spark and/or another proponent of the project, staff may return to City Council if necessary for additional budget and resource requests that may be needed to support BlocPower in larger scale community participation in their services and offerings.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines § § 15378 and 15061(b) (3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Resolution
- B. City Council study session staff report April 12, 2022:
<https://beta.menlopark.org/files/sharedassets/public/agendas-and-minutes/city-council/2022-meetings/agendas/20220412-city-council-amended-agenda-packet.pdf>
- C. BlocPower implementation plan

Staff Report #: 22-114-CC

- D. Strategic BlocPower funding plan by Menlo Spark
- E. Menlo Park BlocPower portal: blocpower.io/electrify-menlo-park

Report prepared by:
Rebecca Lucky, Sustainability Manager
Reviewed by:
Nira Doherty, City Attorney
Justin Murphy, Interim City Manager

RESOLUTION NO. XXXX**RESOLUTION OF SUPPORT BY THE CITY OF MENLO PARK FOR
BLOCPower LLC TO PROVIDE BUILDING ELECTRIFICATION SERVICES IN
MENLO PARK**

WHEREAS, the City Council declared a climate emergency committing to accelerating actions to address climate change at a local level and adopted a 2030 Climate Action Plan (CAP) with the bold goal to be carbon neutral (zero emissions) by 2030, and

WHEREAS, one of the six 2030 CAP strategies aims to electrify 95 percent of existing buildings by 2030, and remains a top priority in the City Council 2021 work plan, and

WHEREAS, in 2019, natural gas consumption in buildings accounted for 41 percent of Menlo Park's greenhouse gas emissions, and vehicle gasoline and diesel fuel usage accounted for 48 percent of emissions, and

WHEREAS, electricity procured for Menlo Park is greenhouse gas (fossil fuel) free through the city's participation/membership in Peninsula Clean Energy and over 98 percent of households and businesses are enrolled in the program, and

WHEREAS, greenhouse gas free electricity provides an opportunity to eliminate the use of natural gas (a fossil fuel contributing to climate change) in buildings and gasoline/diesel used for vehicle transportation, and

WHEREAS, electrifying Menlo Park's buildings and vehicles will be a key factor to reach carbon neutrality in the next eight years (2030), and

WHEREAS, Menlo Park recognizes the need to use a combination of incentives, programs, education, and regulations to transition the existing building stock in Menlo Park to be all-electric and support at-home electric vehicle charging, and

WHEREAS, sequencing these strategies is recommended to address equity issues, costs and challenges to electrification, such as a lack of a one size fits all approach due to the diversity/age of the existing building stock, prioritizing building health, safety, energy efficiency, energy resiliency (solar and battery storage) to support cost effective electrification projects and the ability to address past unsafe or unhealthy building conditions as part of electrification, and readiness/availability of electrification market and contractor knowledge, and

WHEREAS, BlocPower LLC is a privately held startup company with a mission to rapidly green American cities using proprietary software for analysis, leasing, project management, and monitoring of clean energy projects and provides customer savings in the range of 20-40 percent, and

WHEREAS, BlocPower LLC is backed by investors such as Goldman Sachs, Kapor Capital, Microsoft's Climate Innovation Fund, Andressen Horowitz and American Family Insurance Institute for Corporate and Social Impact, and

WHEREAS, BlocPower LLC offered to provide Menlo Park a voluntary direct install electrification program that includes project management, incentive coordination, contractor and equipment procurement, and financing (if desired) to all building owners in Menlo Park, and

WHEREAS, BlocPower LLC wishes to support building owners on other sustainable projects such as energy efficiency, renewable energy/battery storage, electric vehicle charging, and/or address the health and safety needs of a building, and

WHEREAS, BlocPower LLC seeks to reduce the challenges experienced by building owners that want to voluntarily electrify, and

WHEREAS, BlocPower's mission also includes developing local workforces that enable people of color or low-income workers to access high paying jobs or establish a business that supports decarbonization, and

WHEREAS, on April 12, 2022 the City Council received a staff report as well as a presentation from BlocPower LLC regarding how their service can help support Climate Action Plan strategy No. 1 – electrify 95% of existing buildings by 2030., and

WHEREAS, establishing a partnership with BlocPower LLC requires no upfront costs from the City of Menlo Park, but does require some city staff resources to communicate on city communication mediums about BlocPower LLC's services that support Menlo Park's ability to achieve its CAP goals, and

WHEREAS, Menlo Spark, a local nonprofit, has committed to making every effort to raise up to \$35 million in additional capital for BlocPower through the state of California, grants, and/or philanthropic funding to reduce costs for low to moderate income building owners and support scaling up BlocPower LLC operations in Menlo Park, and

WHEREAS, the City of Menlo Park upon receiving confirmation of external funding sources may return to City Council with additional resource and/or budget requests if necessary to support BlocPower LLC as electrification projects scale up and to promote increased participation in BlocPower LLC's program, and

WHEREAS, BlocPower LLC has committed to providing quarterly reports of progress and participation in the community to the City.

NOW, THEREFORE, BE IT RESOLVED, by the Menlo Park City Council:

1. Supports BlocPower LLC to provide building electrification services to reduce and/or eliminate greenhouse gas emissions from gas use in buildings and the transportation sector; and
2. Such building electrification services include project management, incentive coordination, contractor and equipment procurement, and financing (if desired) to all building owners in Menlo Park; and
3. The city manager and/or their designee may use city communication mediums, such as social media platforms, website, community meetings to inform the community of BlocPower LLC building electrification services in order to help Menlo Park's reach its 2030 CAP goal; and

4. Upon evidence of funding from the State of California, grants, and/or philanthropic sources to be procured by Menlo Spark and/or another proponent of the project to support reducing project costs for low to moderate income property owners in Menlo Park to electrify, the city manager and/or their designee may return to City Council if necessary for additional budget and resource requests that may be needed to support BlocPower LLC with wide scale participation in electrification projects to reach Menlo Park's greenhouse gas reduction goals by 2030.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the fourteenth day of June 14, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this __ day of June, 2022.

Judi A. Herren, City Clerk

BlocPower Building Electrification & Workforce Development Implementation Plan:

City of Menlo Park

	<u>Buildings</u>	<u>Community</u>	<u>Resourcing</u>	<u>Funding</u>
Phase 1 (2022)	<ul style="list-style-type: none"> - First 15 buildings - Begin & expand Contractor Ecosystem 	<ul style="list-style-type: none"> - Complete 1-2 installations via Council of Churches in Belle Haven to support community needs - Establish Community Advisory Board (CAB) 	<ul style="list-style-type: none"> - Begin process to secure funding sources to drive: program scaling, workforce training, and project delivery - Market Lead job description developed in coordination with CAB, search kicked off - Kick off search for Operations & Construction Lead (dedicated to buildings) - Assess options for Menlo Park buildings / demographic data, to enable BlocPower to build software to help scale program plan 	<ul style="list-style-type: none"> - <u>Types of Funding necessary:</u> - Program: 100% contribution from BlocPower 1-4 FTE (no explicit commitment from city required) - Project Incentives: of up to (\$TBD) per LMI household (for an equitable transition)
Phase 2 (2023)	<ul style="list-style-type: none"> - 100 buildings (50 Single family / 50 multi family) - Established relationships built with contractors 		<ul style="list-style-type: none"> - Market Lead hired - Hire Operations & Construction Lead hired - BlocPower completes BlocMaps / Instant Building Report 	
Phase 3 (2024-2025)	<ul style="list-style-type: none"> - Next 1000 homes 		<ul style="list-style-type: none"> - Building Sales Lead hired 	
First 3 Phases Total	1,115 buildings			

Menlo Spark's Fundraising Goals & Framework
Climate-Safe & Resilient Homes for Bayside Communities and throughout Menlo Park

Fundraising Goal for Citywide Equitable Electrification: \$35,000,000

Entity to receive funds: Menlo Park Citywide Electrification Holding Company

Project Summary

The City of Menlo Park has a unique opportunity to partner with [BlocPower](#), a “B” corporation, to complete a citywide electrification project to meet its [Climate Action Plan](#) and help all residents transition off methane gas use for safer and healthier homes.

It is currently challenging to replace gas heaters and appliances with electric models because there are not enough trained installers locally, and a limited supply of electric options available locally has elevated costs. Further, many low-income households still lack air conditioning, and would benefit greatly from an electric heat pump replacing a gas furnace, as that would provide both heating and cooling. BlocPower, through a partnership with the City of Menlo Park would provide an ideal solution to advance electrification in Menlo Park through a pilot program that offers an affordable, market-based solution that requires very little city staff and city resources.

BlocPower has a strong track record offering a “concierge service” that eliminates the “hassle factor” involved in electrifying a home (or building). In addition to creating valuable workforce development programs, their service includes:

- Energy audits;
- Building electrification plans;
- Equipment (such as a heat pump) and permits;
- Installation;
- Submitting paperwork for rebates and incentive funds;
- Low-cost financing;
- Maintaining and fixing equipment; and
- Options to improve energy efficiency, remediate mold or asbestos, and other similar upgrades.

As Menlo Park considers this partnership, it is essential that funding be made available to allow low-income households to participate at no cost or significant discount, alongside affluent homeowners participating in the program. This voluntary program would provide a low-cost concierge service to help homeowners and businesses in Menlo Park replace old gas appliances with clean, electric ones, while saving money and improving community resilience (for example, bringing air conditioning through two-way heating and cooling heat pumps to many homes that do not currently have cooling). The fundraising goal to ensure equitable, affordable, and successful citywide electrification is \$35 million from a combination of governmental and philanthropic sources.

Current Status & Project Timeline

BlocPower is currently in discussions with multiple cities around citywide electrification and workforce training programs. The City of Ithaca, New York has recently signed a contract for a citywide electrification program including thousands of homes and buildings. The City of San Jose contemplates a similar program with a call for proposals expected later this year. Other cities, such as San Luis Obispo are partnering on smaller scale projects. In Menlo Park, city staff and several council members including the Mayor are in active discussions with BlocPower that began in December 2021. City Council decided to move forward exploring a formal agreement with BlocPower after a study session on April 12. If an agreement is finalized, it would allow Menlo Park to become the West Coast version of Ithaca.

BlocPower has already raised sufficient capital through its partner, Goldman Sachs, so that the City of Menlo Park would not need to contribute funding for the program. However, additional fundraising from city partners will be needed to ensure that the program is successful and as affordable as possible.

The citywide electrification and job training program in Menlo Park is anticipated to scale over several years with an initial focus in Belle Haven, a disadvantaged community along the bayfront. In 2022, as a contractor training program begins, roughly 10-15 homes and building are anticipated to move forward as the first phase of electrification projects. In 2023 as additional trained contractors become available, the program is anticipated to scale to 100 home and multifamily buildings. The goal of the program is to upgrade roughly 1,000 homes and buildings each year beginning in 2024, reaching a citywide scale and potentially growing to additional cities.

A Critical Role for Government Support & Philanthropy

The stakes are high for a citywide program with bold goals of growing green middle-class jobs, serving the needs of low-income families, and converting an entire city from polluting gas to clean electric heating and home appliances. It is paramount that the program establish early success and customer satisfaction as well as maintaining affordability for everyone. For this reason, government support and philanthropy have played a key role in supporting Ithaca's citywide electrification program. Here in Menlo Park, there are four ways that government and philanthropic support would be key.

1. Support for Low-Income Home Upgrades & Affordability

First, a crucial role of government support is to fund as much of the home upgrade cost as possible for the estimated 1,500 low-income households in Menlo Park and buy down the interest rate to 0% for any remaining costs to those households. Maximizing assistance to those families in need would be a top priority. Buying down the interest rate to an affordable 2% or at a minimum below 5% for other households will be an important additional goal of the program. ***With an estimated cost of \$21,000 per household, this critically needed funding for affordability is \$30 million for the full citywide project.***

2. Support for Workforce Training

A key part of this project is development of good, clean energy jobs for low-income and marginalized workers to do installations and contracting work. This also helps alleviate the shortage of installers who are proficient in electrification and clean energy upgrades. Our team, comprised of BlocPower staff, city representatives, and local nonprofits are currently exploring a partnership with JobTrain to begin establishing a local workforce in Menlo Park. Partnerships with local community colleges may also play a role in BlocPower's Workforce program to train, create, and oversee a workforce dedicated to clean energy and home upgrades. The goal is to create good jobs that are long-term, full-time (not seasonal), and "high-road" well-compensating. JobTrain runs intensive 3 month training programs with cohorts of 15 to 20 people at a time. Providing a living stipend of \$3,000 per month is essential to support each community member going through the training so that they can continue to make rent payments and cover other needs, while dedicating their full attention to the program. **We estimate that a successful workforce development program would require an additional \$2.1 million in support over 3 years**

3. Ensuring Customer Satisfaction

Another important area for philanthropic support is to ensure customer satisfaction through wrap around services that provide swift follow up and any technical assistance needed to fix issues as they come up, including concerns over increased utility bills. For example, for households that have not previously had access to cooling, the addition of a heat pump that can provide both heating and cooling, can cause energy bills to rise on average \$200 per year. Efficiency improvements can counter this, however, some customers may see an increase in utility bills and voice concerns. A full service program will work with households to ensure that bills are explained and additional efforts are made to contain costs and prevent negative reactions to electrification that could lead to a backlash. **We anticipate that a successful customer satisfaction program will require \$2.5 million over the life of the program.**

4. Community Outreach

Support for marketing programs to increase awareness and participation would also be a valuable service. These programs could also help counter negative narratives as they spring up in online forums, which has been occurring locally with increasing frequency and likely a result of Fossil Fuel Industry PR campaigns. In addition, community outreach organizers will be needed to maintain continuous and trustworthy connections with community members. **In order to support such an effort, \$500,000 will be required to staff communications and outreach.**

Framework and Next Steps for Fundraising

As the impacts of climate change are felt locally and around the world with ever increasing severity, the opportunity is now to reduce carbon pollution and avert catastrophic warming. [The recent IPCC report](#) reaffirms the sobering finding that the use of fossil fuels must end to maintain a habitable world. The report also highlights the importance of rapidly reducing methane emissions to avoid near-term climate tipping points, [a priority that has often been overlooked](#). Menlo Park, in partnership with BlocPower, could play a vital role in helping electrification go mainstream and spread throughout the Bay Area, the state, and the nation.

City commissioners in partnership with nonprofits including Menlo Spark are collaborating to support this project, with the following initial fundraising steps and longer-term goals:

- A \$4.2 million project request was made through Senator Becker’s office to help 200 low-income households upgrade to electric including home cooling systems through the statewide budget allocation opportunity for districts. The allocation could be approved this Fall.
- Additional statewide funding opportunities will be explored through the Governor’s Office of Planning and Research (OPR), California Energy Commission EPIC and other grants, and the recently proposed statewide low-income turnkey electrification program.
- We plan to explore additional government funding opportunities through our U.S. Representative to Congress, as well as the Bay Area Air Quality Management District, BayREN, Peninsula Clean Energy, and in partnership with the City of Menlo Park.
- This public-private partnership project has been selected as a finalist for a potential \$1 million grant from Google.org through ICLEI’s Action Fund supporting Local Governments for Sustainability USA.
- We have initiated conversations with several large local philanthropies that will continue once the City takes action to initiate the project. Our aim is to solicit support from five major philanthropic foundations as well as local donors.



STAFF REPORT

City Council

Meeting Date: 6/14/2022
Staff Report Number: 22-115-CC

Informational Item: City Council agenda topics: June 28, 2022 – July 12, 2022

Recommendation

The purpose of this informational item is to provide the City Council and members of the public access to the anticipated agenda items that will be presented to the City Council. The mayor and city manager set the City Council agenda so there is no action required of the City Council as a result of this informational item.

Policy Issues

In accordance with the City Council procedures manual, the mayor and city manager set the agenda for City Council meetings.

Analysis

In an effort to provide greater access to the City Council's future agenda items, staff has compiled a listing of anticipated agenda items, Attachment A, through July 12, 2022. The topics are arranged by department to help identify the work group most impacted by the agenda item.

Specific dates are not provided in the attachment due to a number of factors that influence the City Council agenda preparation process. In their agenda management, the mayor and city manager strive to compile an agenda that is most responsive to the City Council's adopted priorities and work plan while also balancing the business needs of the organization. Certain agenda items, such as appeals or State mandated reporting, must be scheduled by a certain date to ensure compliance. In addition, the meeting agendas are managed to allow the greatest opportunity for public input while also allowing the meeting to conclude around 11 p.m. Every effort is made to avoid scheduling two matters that may be contentious to allow the City Council sufficient time to fully discuss the matter before the City Council.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. City Council agenda topics: June 28, 2022 – July 12, 2022

Report prepared by:
Judi A. Herren, City Clerk

Tentative City Council Agenda

#	Title	Department	Item type	City Council action
1	Adopt resolution for FY 2022-23 investment policy	ASD	Consent	Adopt resolution
2	Budget adoption	ASD	Regular	Adopt resolution
3	Master Fee Schedule	ASD	Public Hearing	Approve
4	Approve funding for 335 Pierce Rd (predevelopment CLT, loan authorization docs)	CDD	Regular	Approve
5	Adopt Resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public	CMO	Consent	Adopt resolution
6	Certification of ballot initiative	CMO	Regular	Adopt resolution
7	Waive first readings and introduce ordinances amending the Parks and Recreation ordinances related to special events and film permitting	CMO	Regular	Decide
8	CDE grant acceptance - BHCDC childcare	LCS	Consent	Approve
9	Re-Imagining Public Safety update	PD	Informational	No action
10	Adopt Reso overruling protests, ordering the improvements, confirming the diagram, and ordering the levy and collection of assessments for Land Assessment District FY22-23	PW	Public Hearing	Adopt resolution
11	Approve Scope of Work for Quiet Zone Implementation Plan	PW	Regular	Approve
12	Automated water meter reading project agreement	PW	Consent	Approve
13	Contract Amendment for Aptim for monitoring the Bedwell Bayfront Park landfill gas and leachate system through the end of 2022	PW	Consent	Approve
14	Resolution of local support for MTC funding application for OBAG-3 grant for Middle Avenue Undercrossing project	PW	Consent	Adopt resolution
15	Adopt Resolution authorizing extension of the solid waste and water rate assistance program to June 30, 2023, to provide financial relief on residents' solid waste and water bills	PW, CMO	Consent	Adopt resolution