

TOWN OF SAN ANSELMO
Minutes of the Town Council Meeting of February 25, 2014

Present: Coleman, Greene, Kelly, McInerney, Wright
Absent: None

7:00 p.m.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

ANNOUNCE ACTION TAKEN, IF ANY, IN CLOSED SESSION

Mayor McInerney advised that no action was taken in closed session.

OPEN TIME FOR PUBLIC EXPRESSION

Steve Emery, San Francisco Boulevard, observed that McInerney is San Anselmo's representative on the Flood Zone 9 Committee Advisory Board as well as Council's liaison providing information to his fellow Councilmembers through the Flood Committee. Additionally, McInerney was a victim of flooding in 2005. Emery feels that this is an unfair situation and that the Town needs an unbiased representative on the Flood Zone 9 Committee reporting to the Town Council.

Ellen Caldwell, Laurel Avenue, opposes the proposed Memorial Park Detention Basin. She has used the park for many years and has attended meetings at which the plan for a series of detention basins was discussed. Caldwell doubts the objectives of the plan can be met and that Memorial Park, as the first component of the larger plan, would be sacrificed unnecessarily.

McInerney welcomed Ross Valley Fire Chief Mark Mills who was most recently with the community of Big Bear.

COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Greene noted recent guest speaker Natasha Singh's presentation entitled "Voices From the Red Light District in India," and thanked Librarian Linda Kenton for the program.

Councilmember Coleman attended a Community Development Block Grant (CDBG) meeting, explaining that CDBG administers HUD funds received from the federal government. CDBG has recently identified some impediments to housing in Marin County and is tackling those issues.

Coleman also serves on the board of the Marin Telecommunications Agency and noted that Comcast and AT&T recently paid quarterly franchise fees to San Anselmo in the amounts of \$57,499 and \$4,845 respectively.

Councilmember Kelly attended a meeting of the Marin County Council of Mayors and Councilmembers (MCCMC) Legislative Committee and spoke about bills coming to Sacramento, including SB 1156, a Carbon Tax on Fuel which addresses the expected shortfall of gas tax revenues resulting from the increasing number of electric vehicles in service. SB 1262 addresses the proximity of medical marijuana distribution facilities to schools. AB 1537 would designate Novato, San Rafael, and unincorporated areas of Marin County as suburban rather than, as currently designated, urban areas. The impact would be a reduction in density from 30 to 20 units per acre. AB 1448 addresses licensing fees for massage therapists.

Kelly also met with members of the San Anselmo Chamber of Commerce who are moving forward with plans for another Dinner Under the Stars as well as the upcoming Art and Wine Festival. There was a request from the Chamber to encourage business owners and their employees to purchase annual parking permits in order to free up more downtown parking for customers.

McInerney congratulated Community Services Director Dave Donery and the Parks and Recreation Commission for a highly successful Bingo Night recently held at Sir Francis Drake High School.

McInerney also recently hiked the soon-to-be new Red Hill Trail with the Open Space Committee's Brian Crawford, who discussed the path's historic switchbacks and spectacular views of San Anselmo from the summit of Red Hill.

McInerney spoke about a recent Fire Board Meeting at which the Fire Chief's new contract was approved. Carla Small of Ross is now the chair of the board and Tom Finn of Sleepy Hollow will be stepping in for long-time member Frank Berto.

Responding to Emery's comments during open time for public expression, McInerney confirmed that his home was flooded, as were many others across a wide swath of the Town. McInerney ran for Town Council because he believed action was needed with regard to flood control. He further noted that the flooding of his home is public knowledge and he does not believe his experience creates any financial conflict with his efforts on behalf of the Town.

1. CONSENT AGENDA

Approve minutes of February 11, 2014.

Public Comment

There was no public comment regarding the minutes of February 11, 2014.

M/s, Kelly/Greene, to approve the minutes. AYES: Coleman, Greene, Kelly, McInerney, Wright. NOES: None

2. **APPOINT MEMBERS TO THE QUALITY OF LIFE COMMISSION (1) AND LIBRARY ADVISORY BOARD (2)**

Town Manager Debra Stutsman presented the staff report.

The Quality of Life Commission has a membership of 9 seats and 1 Youth Commissioner. There are four seats available and one applicant. Michael Burz has applied for the position and was interviewed on February 11, 2014.

The Library Advisory Board has a membership of 7 seats and 1 Youth Commissioner. There is one seat available and one applicant. Kathleen Cutter has applied for the position and was interviewed on February 11, 2014.

Public Comment

There was no public comment.

M/s, Greene/Coleman, to move both appointments. AYES: Coleman, Greene, Kelly, McInerney, Wright. NOES: None

3. **REPORT FROM MARIN SANITARY SERVICE ON CURRENT GREEN WASTE SERVICES AND FUTURE INNOVATIONS IN THE GREEN WASTE AREA**

Marin Sanitary Service (MSS) President Patty Garbarino introduced Joe Garbarino, Steve Rosa, Rich Garbarino, Kim Scheibly, and Ricky Paschal, all of MSS.

Garbarino outlined recent outreach conducted to persuade San Anselmo MSS customers to consider renting additional MSS rolling carts in an effort to reduce green waste driver injuries. The MSS rolling carts can be lifted by an arm on the back of the truck. Customer-purchased, non-rolling cans must be manually lifted by the drivers and raised above and over the arm. Further, many MSS customers continue to put out more than the allowed number of cans. Garbarino asked Rosa to share the results of surveys conducted by MSS at the request of Town Council.

Rosa explained that surveys conducted to determine how many customers were setting out more than the allowed number of cans showed a considerable decrease between July and November of 2013 as the result of outreach efforts. Nevertheless, there are still a substantial number of customers putting out more than the allowed 5 regular, non-rolling carts (as opposed to the MSS rolling carts) of green waste per week.

Scheibly added that between 2004 and the present, there has been an overall 41% increase in green waste. She compared San Anselmo's rates for additional yard waste to those of Novato, Mill Valley, and Concord, noting that San Anselmo's contract is relatively generous by comparison.

Garbarino noted that MSS has experienced considerable increases in worker's compensation insurance premiums as a result of injuries sustained by lifting regular carts over the top of the arms of the semi-automated trucks. She further noted that it is less expensive to rent MSS rolling carts and replace them as needed than it is to replace the regular carts, which typically break within a year.

Kelly asked why the measure of workers compensation injuries decreased in the years 2005, 2006, 2007, and possibly 2008.

Garbarino explained that there was far less green waste at that time.

In response to questions from Greene and Coleman, Garbarino explained that MSS has been changing out their trucks consistently to meet carbon emission standards, and that they have had semi-automatic trucks for quite a while.

Responding to a question from Kelly, Garbarino noted that both MSS and Stutsman have put forth considerable effort to persuade customers to rent the MSS rolling carts, although no specific names of offending customers have been provided to the Town.

Garbarino further stated that MSS has been collecting the excessive yard waste but will need to begin limiting collection to the amounts prescribed by the current contract. She would also ask that Council consider an amendment to the existing contract.

Greene stated that MSS is challenged because the organization did not foresee the impact of collection of the regular carts on its employees at the time the contract was negotiated.

Garbarino responded that smaller cans have been ordered. Further, she pointed to the contract's amendment to Exhibit B, Scope of Services, and its meet-and-confer provision, which allows for appropriate revisions to the contract on an as-needed basis. She added that the amount of green waste has increased substantially and that food waste collection has been added since the contract was initiated.

Joe Garbarino gave a brief history of the evolution of garbage trucks, explaining the ways in which the lifting of the regular carts over the truck's arm is causing back and shoulder injury to the green waste drivers.

Councilmember Wright clarified with Garbarino that the current allowance is for one 64-gallon rolling cart and five 32-gallon regular, customer-owned carts; MSS proposes to replace the five 32-gallon carts with three 64-gallon rolling carts which would be rented from MSS at the cost of \$1.88 each per month.

Public Comment

Steve Lamb, Laurel Avenue, asked if San Anselmo's terrain is conducive to the use of fully-automated trucks.

Garbarino replied that there are two streets in San Anselmo serviced by fully-automated trucks and that these trucks will eventually be used on smaller streets with low canopies as well.

Helene Robertson, Austin Avenue, strongly objects to the idea of renting carts. A solution might be the provision of two free carts with the option of renting a third.

Garbarino asked for direction from Council.

Stutsman asked Council if the matter should be brought back for action or further discussion.

Wright asked to see a few options from MSS.

Garbarino asked that the Town move in the direction of considering becoming a member of the Franchisors Group. In that group, which does not have the experience of these injuries, one cart is provided at no charge. MSS is asking for the rental fee for additional carts. She clarified that MSS is not asking for a rate hike; rather, the request is for a rental fee that covers costs.

Greene supports more outreach, education, and more enforcement of the five-can limit. He is not certain the burden of the worker's compensation claims should fall on the rate payers; further, he does not believe all rate payers should be required to contribute in resolving a problem caused by only 8% of the customers.

Garbarino responded that there has been a change since the contract was negotiated in that volumes have increased significantly. All rate payers in the entire MSS service area are paying for the increased insurance costs as a result of drivers' injuries, not just San Anselmo rate payers. Garbarino referred again to the contract's Scope of Service clause, Exhibit B, Paragraph 3 and requested a meet-and-confer to come before Council to consider a change to protect the green waste drivers and the rest of the rate payers.

McInerney asked for clarification of the terms of the contract's meet-and-confer clause.

Attorney Robert Epstein will review the contract and confer with the Town Manager.

4. **CONDUCT PUBLIC HEARING AND APPROVE RESOLUTION AUTHORIZING THE PROCEDURES FOR THE JUNE 3, 2014 ELECTION SUBMITTING TO THE VOTERS IN THE QUESTION WHETHER TO RENEW THE LIBRARY PARCEL TAX BY LEVYING A TAX IN THE AMOUNT OF \$54.00 PER PARCEL PER YEAR WITH A 3% ANNUAL COST OF LIVING (COLA) INCREASE FOR A PERIOD OF NINE YEARS**

Linda Kenton presented the staff report.

On June 8, 2010, the voters approved by 75.8 % Measure B which established a \$49 parcel tax. The tax was slated to last 5 years. In consultation with colleagues at the Marin County Free Library, it was recommended to Kenton that the voters be approached in June, 2014, to maintain the gains made with the possibility of improvements.

On February 11, Council agreed to a 9-year \$54 parcel tax with a 3% COLA and directed staff to prepare the appropriate resolution and ordinance.

Kenton reminded Council that in 2010, the ballot was brought to voters in the initiative process. The current Special Library Services Tax is being put forward by the Town Council as an ordinance submitted for voter approval.

Kenton read aloud the draft ballot language (Attachment 1), stressing that fiscal accountability is included in the ballot language. She added that state law requires Council to conduct a public hearing on a proposed special tax before it is submitted to the voters. If at the close of the hearing Council adopts the resolution and places the Special Library Services Tax on the ballot, it will only go into effect if approved by two thirds of the voters.

As there were no questions from Council, McInerney opened the public hearing.

As there was no public comment, the public hearing was closed and discussion was returned to Council.

M/s, Greene/Kelly, to move approval of Resolution No. 4059 regarding the June 2014 Library tax election. AYES: Coleman, Greene, Kelly, McInerney, Wright. NOES: None

Epstein read the title of the ordinance.

5. **REPORT FROM ROSS VALLEY SANITARY DISTRICT ON CURRENT OPERATIONS AND THE STATE OF THE DISTRICT (ORAL REPORT)**

Ross Valley Sanitary District (RVSD) Board President Mary Sylla explained that she and General Manager Greg Norby were in attendance in order to share the district's plans for maintaining and repairing sewer lines over the next few years.

Norby shared a PowerPoint presentation, explaining that the Regional Water Quality Control Board (RWQCB) issued a cease and desist order with the basic objective of achieving reduction and prevention of sanitary sewer overflow incidents. Norby noted that the Ross Valley is challenged in meeting the basic objective by an aging infrastructure, severe topography, and significant rainfall.

The target established by the RWQCB is rehabilitation or replacement of 4 miles of sewer line per year; additionally, the condition of pump stations and force mains is to be assessed. Norby predicted that the district is looking at between 6 and 8% rate revenue increases over the next five years to support cost of service changes.

Wright observed that occasionally there have been concerns about coordination of street work between the Town and RVSD.

Norby agreed, adding that weekly meetings are now being held in that regard.

McInerney asked Norby to explain RVSD's rate structure alternatives.

Norby explained that one current proposal is to move away from applying the same rate structure to both single family residences and multi-family residences in order to achieve a more equitable cost of service.

McInerney asked if there is a timeline for when RVSD may consider a rate increase.

Norby explained that the rate study should be completed and brought to the board in March, after which the board will consider initiating the Proposition 218 process, which takes 45-60 days. Rate changes may become effective as soon as July 2014.

McInerney asked if there are estimates for the amount of the rate increases.

Norby said that those numbers are not available yet. He added that the RWQCB's cease and desist order requires that by July of 2014, RVSD is required to present evidence that the financial resources are in place to support the approved program. Norby believes there is a strong case to be made for the rate adjustments separate from the regulatory requirement.

Wright asked if the volumetric alternatives presented in the rate structure alternatives look to water usage as a proxy for what is going into the sewer system. If so, someone who does a lot of irrigating would potentially pay a significantly larger amount for services.

Norby explained that the focus is limited to a very specific set of winter months when irrigation is minimized.

Public Comment

There was no public comment.

6. **APPROVE RESOLUTION AUTHORIZING APPLICATION FOR THE ENERGY EFFICIENCY RETROFIT LOAN PROGRAM, AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SIGN A FINANCING SUPPLEMENT WITH PACIFIC GAS & ELECTRIC COMPANY (PG&E) AND AUTHORIZE STAFF TO ADVERTISE CONSTRUCTION BIDS**

Public Works Director Sean Condry presented staff report.

The program involves replacing most of the Town's street lights with high-efficiency lights. Currently the Town has about 650 street lights, about one-quarter of which were replaced with high-efficiency induction lights. Specifically, the plan is to replace the lights—approximately 400 cobra (high pressure sodium, or HPS) fixtures—with LED lights.

Condry explained that until recently induction lights were considered more reliable than LEDs; however, LED lights have advanced technologically and continue to improve rapidly. In making

this transition, carbon emissions would be reduced by approximately 140,000 pounds, which is roughly equivalent to taking about 12 cars off the road per year.

The program is administered by PG&E and would provide a 0% loan for about 10 years. The loan would result in energy savings to the Town of about \$14,000 per year. That savings, along with a rebate program, would literally pay the loan in full.

Condry advised that if all the lights were replaced, the energy savings would be about 20%—not 50% as stated in the staff report; however, that savings number could grow to 50% by making changes to the current maintenance agreement.

Condry concluded by stating that with Council's approval, he could move forward with signing the agreement and seeking construction bids.

Kelly asked if the \$142,000 estimated cost of replacing the lights includes all expenses related to the project.

Condry responded that it includes the material, installation, and labor, but not the maintenance.

McInerney asked about the aesthetics of the proposed lights.

Condry responded that the color is different but similar to the induction lights. The new lights are being installed by many Marin County jurisdictions. Currently, there are some LED lights on Sir Francis Drake which were placed for purposes of comparison to induction lights; the vote on preference was fairly even.

Greene asked if the hue of the new lights is qualitatively cooler than that of older lights.

Condry advised that there are options to be considered. The LED lights currently under consideration are equivalent to the lumens in the existing lights. In theory, the amount of light they put out could be decreased. Senior Engineer Dan Blomquist has advised that there is a way to change the hue of the lights.

Public Comment

John Reed of the Fairfax Town Council, advised that Fairfax undertook a similar project a few years ago and opted for twice as much light for half as much electricity. He indicated that the LEDs are somewhat cold, but that the technology is changing and a much warmer LED is now available. He encouraged Council to move forward with the project.

Coleman is hopeful that the lighting would be warmer. She is an advocate of high quality lighting first and foremost.

Kelly believes the primary goal is achieving energy savings.

M/s, Greene/Kelly, to approve Resolution No. 4060 regarding the energy efficiency loan program. AYES: Coleman, Greene, Kelly, McInerney, Wright. NOES: None

Condry introduced Dan Blomquist, Senior Engineer, to Council.

7. REVIEW MATERIALS REGARDING CURRENT EFFORTS TO REFORM PROPOSITION 13 WITH RESPECT TO COMMERCIAL PROPERTY AND PROVIDE DIRECTION TO STAFF

Stutsman presented the staff report.

Proposition 13, a 1978 amendment to the California Constitution, decreased property taxes by assessing property values at their 1975 levels and restricting annual increases to the assessed value by an inflation factor not to exceed 2%.

It has become clear that owners of commercial real estate have benefited from Proposition 13 in that if a corporate-owned commercial property such as a shopping mall were sold or merged, the property remains technically deeded to the corporation. In essence, the ownership of the property could have effectively changed without actually triggering Proposition 13's provisions.

Consequently, corporations often avoid reassessment by purchasing commercial property in groups in which no single party owns more than 50% of the property.

Councilmembers have been approached by a community organization known as Evolve with regard to loopholes in Proposition 13. Evolve seeks to close the loopholes, insuring that corporations pay their fair share of property taxes and seeks the support of local governments in the form of the passage of resolutions supporting commercial property tax reform.

It is unclear to Stutsman just exactly what impact such a change would have on San Anselmo commercial property owners. Evolve's website seems to indicate that larger corporations are able to take advantage of the loopholes and that smaller entities are not. The Town does have 166 parcels zoned commercial and a little over 800,000 square feet of commercial building space in comparison to 4,400 residential parcels. Commercial property taxes represent about 10% of the Town's property tax base.

Staff recommends that the Town's community of commercial property owners be advised of this issue if Council chooses to bring it back to consider passing a resolution as requested by Evolve.

As there were no questions for staff, members of the public were invited to speak.

Emil Margolis, Campaign and Membership Coordinator for Evolve, explained that his is a non-profit organization working to increase funding for public education in California. He is urging Council to adopt a resolution to reform Proposition 13 at the next Town Council meeting.

Margolis noted that with the exception of California, commercial property is reassessed on a regular basis throughout the country. The reform Evolve supports would not change Proposition

13 for homeowners, renters, apartment owners, or small business owners. The campaign's focus is insuring that owners of large, non-residential commercial properties pay their fair share.

Greene noted that conceptually, the campaign sounds good. He would like to see the details of the proposal and asked if the ballot proposition language has been formulated yet.

Margolis explained that the language has intentionally not yet been drafted. Currently Evolve's mission is to build the proposition together with local elected officials. He explained that before individual legislators are willing to get involved, they must be shown that there is support for the proposition among the voters.

Wright observed that seeking the support of local agencies without offering the specifics is problematic; it is largely a circular discussion as long as the agencies do not know exactly what is being requested.

Margolis replied that Evolve would encourage Councilmembers to add whatever they wish to the language of the sample resolution.

Coleman asked how often large commercial properties are typically reassessed.

Margolis believes the norm for reassessment is between 1 and 5 years.

Coleman asked how small business owners doing business in space owned by large commercial property owners are protected by the proposition.

Margolis replied that it is unclear. The main thrust is to shift the tax burden on to individual tax payers. There are many details to be worked out. The goals are to seek agreement that large commercial property owners pay fair market rates and to begin to restore tax fairness.

McInerney supports the intent; however he's under the impression that most commercial lease agreements pass taxes through to tenants. He is not sure it is legally possible to preclude the passage of tax increases on to the tenants. McInerney noted that San Anselmo does not have many large businesses.

Margolis would hope that large commercial property owners renting commercial space to small businesses would be disallowed from raising rents above a given rate.

McInerney observed that in theory it is good to increase revenue, but if the effect is to negatively impact small businesses, supporting a measure such as this is difficult. The business owners would be fearful that their rents are effectively being raised.

Wright noted that the resolution would need to be written in such a way that it would not apply to commercial property rented to businesses that do not make more than a certain amount of money. This might protect the smaller merchants at Red Hill Shopping Center, for example, but may not address Safeway. Where to draw the line becomes very complicated.

John Reed, Fairfax, observed that the immediate goal is to try to determine what the ballot measure should look like. He has heard that the proposition could result in 6 billion dollars of increased tax revenue statewide and believes that would be raised from owners of properties much larger than Red Hill Shopping Center. Reed asked Council to give Margolis as much feedback as possible.

As there was no further public comment, discussion returned to Council.

Kelly generally supports changing this aspect of Proposition 13 and closing actual loopholes; however, he cannot endorse the measure without seeing what is in it. He believes it is a great idea to visit Town Councils for input.

Coleman said it would be interesting to know how much of the Town's property tax revenue comes from commercial sources.

Stutsman will need to confer with the County Assessor's office, explaining that the Town is not advised of which specific properties have generated the tax revenues received.

Wright would support the measure as it stands because the idea of getting the ball rolling is a good one. But as a practical matter, if there is not a consensus among the Councilmembers, he would not want to burden staff with taking on a great deal of research.

Greene would need to see the specifics of the measure. If it is an arduous task to get information from the County, he would not want to burden staff. As it stands, he cannot support the measure.

McInerney added that another concern of his is passing a measure without securing input from those who are potentially affected by the results. Again, the problem of circularity remains, as property and business owners would be asking exactly what was being decided or voted on. He would need to see what he was voting on. He remains unsure as to how commercial contracts can be limited so that certain taxes are not passed on to tenants.

8. REVIEW MATERIALS PRESENTED REGARDING RULES OF GOVERNANCE FOR THE TOWN COUNCIL AND PROVIDE DIRECTION TO STAFF

This item was continued to the meeting of Tuesday, March 11, 2014.

9. ADJOURN

McInerney adjourned the meeting at 9:40.

Respectfully submitted,
Nancy Harris