

TOWN OF SAN ANSELMO

Minutes of the Town Council Meeting of January 17, 1990

Mayor Walsh convened the special joint workshop with the Long Term Finance Committee at 7:30 p.m., with Councilmembers Chignell, Colteaux, Sharp and Zaharoff present. Long Term Finance Committee Chairman Jelinek and Committee Members Anderson, Barrows, Broadbent, Canby, Ormond, Ours and Perry present, and Committee Members Beedle, Buckle and Hendrickson not present.

The purpose of the workshop was to discuss capital reconstruction.

Public Works Director Kottage described the types and number of facilities requiring capital maintenance by the Town, including roads, storm drains, street lights, traffic signals, open space, parks, bridges, creeks, equipment and buildings. His presentation included the following comments:

1. Prior to 1978, the Town appropriated approximately 16% of its annual budget on capital projects. After 1978, that percentage declined to its current level of 3.4%. The program focused on repairing facilities at the rate they were falling apart.
2. Age of the town. Much of San Anselmo was developed in a piecemeal way prior to the establishment of public works standards. Consequently, maintenance requirements are higher here than in newer communities.
3. Deferred maintenance is expensive. The longer maintenance is delayed, the more expensive it is because the condition of the facility declines, causing further maintenance work to be done.
4. Emergency repairs are more expensive than scheduled repairs. Hiring a contractor through a bid system and on a scheduled basis is less expensive than hiring a contractor on an emergency basis.
5. Liability costs: Failure to perform capital maintenance increases the Town's liability and liability costs.
6. Lost opportunity: Money can be saved when capital maintenance projects, such as road pavement work, can be coordinated with work being done by a utility company.
7. Inflation: Delayed projects are more expensive later due to inflation.
8. Systematic approach: A systematic approach to a capital maintenance program is needed. The Town should think long term, in terms of the lifetime of facilities, rather than only doing what it can get away with on a year to year basis.
9. Culverts: The Public Works Department is working on a list of culverts that are at or near failure. There are significant needs beyond these existing culverts.
10. Pavement maintenance: A minimal five-year pavement maintenance program could result in only maintaining the status quo, if overall the streets are repaired at the same rate as they deteriorate.

11. Exclusions: Not included on the list he presented was extraordinary work, embellishments to what currently exists, and work on the seismicly unsafe library building.

Canby commented that repaving the streets is likely to increase flooding. Kottage said that a capital maintenance program would focus on replacement of existing facilities, and will not significantly increase impervious surfaces.

Jelinek asked if the Council had comments for the Committee regarding its charge and work program.

Sharp commented that the library was a high priority capital maintenance item, in that its condition was a hazard to human health and safety. He expressed concern about the Town's deferred maintenance approach, the need to maintain the infrastructure, and was interested in alternate sources of revenue to finance a program that Kottage says will cost at least \$1 million a year for at least five years.

Walsh noted that the cost of the work has increased since a prior Finance Committee looked at the issue in 1983.

Kottage noted there was not outside funding available for maintenance. There was no money available for culverts, and the only funding available was for pavement, which Assistant Public Works Director Braun explained was only for improvements for traffic safety purposes.

Broadbent asked what would happen after five years of having a program. Kottage said the program would have to be re-assessed after five years, and that it might taper below \$1 million a year after awhile because of the improvements being made to the infrastructure.

Ours commented that the issue was up to the voters, that the Town is not going to bring in the sales tax revenue to finance a program.

Colteaux said that political realities were such that the program could not be done in five years. He suggested that staff be asked to re-work their recommendation from an engineering standpoint over a longer period of time, such as 20 years.

Canby said that with other issues on the ballot, there has to be a longer and broader perspective, one that shows that the benefit will be spread across the community.

Braun said that extending a five year program over a 20 year period would triple the cost of the program. Kottage estimated that a \$5 million, five-year program would cost \$12 million to \$13 million over 10 years.

Town Administration Camuglia said that the Public Works Department is presenting the best program from an engineering standpoint, and that the first five years of the capital maintenance program would focus on getting the community caught up on the infrastructure maintenance that has not been done. She said she does not see alot of additional revenue in sales and property tax over the long-term that would pay for a capital maintenance program.

Jelinek said he did not think there was big waste in the local government, but expressed concern that members of the community feel there is. He said the Council may need to make a commitment regarding its spending on other services if the public is asked to finance a capital reconstruction program.

Canby said the Town should try to get a greater share of the funds that will be generated if a 1 cent sales tax is passed in the County to fund transportation projects.

Sarah Nome, 77 Alder Avenue, said the voters see the Council as not spending money frugally, there is no sense of community, carpetbaggers hold property just long enough to make their profit, and only the oldtimers are concerned with the Town. She said the upcoming election to finance the acquisition of open space on Bald Hill was going to fund the purchase of property outside San Anselmo.

Chignell said that there are areas and departments other than capital maintenance that are not adequately funded. He said there was a need to increase revenue to pay for Town services, including capital maintenance. He felt there was a sense of community in San Anselmo, and noted that two school bond measures have passed. He did not think there could be a five-year termination, asked how San Anselmo compared with Fairfax, Ross and other towns, and said he hoped the Long Term Finance Committee would work to reach unanimous consensus.

Zaharoff said she felt discussions regarding packaging revenue generating measures and costs were premature. She noted that some funds for infrastructure improvements will be available to the Town if the County sales tax measure passes.

Walsh asked what the Town's liability was without performing the capital maintenance.

Colteaux said that rather than packaging it as a public works problem, it should be packaged as a police and fire measure, adding that police and fire services have been using the money that otherwise would be spent on capital maintenance over the last ten years.

Camuglia said that regarding infrastructure liability, if you know about it, you're responsible for it. Concerning structuring a revenue mechanism, revenue that goes into the General Fund is designed to give the Council and community flexibility. Furthermore, the existing police and fire services are adequate, but are not top flight and salary levels are not high. She said that cities typically spend between 10 and 25% of gross revenue for capital work.

Jelinek said when the Committee began its work, it anticipated returning to the Council with a report in January or February 1990. At this time, the Committee will begin the process of preparing its report for submittal to the Council in the next few months.

#### ADJOURNMENT

The meeting was adjourned at 9:00 p.m.

Beth Pollard