

AGENDA ITEM 2

**TOWN OF SAN ANSELMO
STAFF REPORT
April 19, 2005**

For the meeting of April 26, 2005

TO: Town Council
FROM: Debra Stutsman, Town Administrator
SUBJECT: Quality of Life Report

RECOMMENDATION

Receive report of the Quality of Life Commission on work on the Cities for Climate Protection (CCP).

BACKGROUND

The Quality of Life Commission has been working with a team of graduate students from UC Berkeley's School of Public Policy and a student from Drake High School to formulate a local plan to reduce greenhouse gas emissions. Their initial report is attached and the students will be present at the meeting to present the report.

Respectfully submitted,

Debra Stutsman
Town Administrator

AGENDA ITEM 3 – Oral report

AGENDA ITEM 4

**TOWN OF SAN ANSELMO
STAFF REPORT
April 18, 2005**

For the meeting of April 26, 2005

TO: Town Council

FROM: Debra Stutsman, Town Administrator

SUBJECT: Ballot Measures

RECOMMENDATION

That Council receive the report on alternative ballot measures for the November 2005 general election and provide direction to staff.

BACKGROUND

The Town Council appointed an 11-member Fiscal Advisory Committee in early February, charging them with becoming familiar with the Town's financial difficulties, understanding the dimension of the crisis, and recommending strategies for ensuring the Town's fiscal health going forward. The Committee presented their final report to the Town Council at the meeting of April 12, 2005. The Committee found that a new tax assessment is the only means within the Town's direct control to close the gap between the reduced revenue streams and increased costs of running the Town. The Committee's final report is attached.

CURRENT SITUATION

The Town currently has a Municipal Services tax (also called General Purpose tax) assessed on property owners' tax bills. The Municipal Services tax was enacted in 1983 at \$78 per living unit and per 1,500 square feet of structure of nonresidential use and has not been raised since that date. Currently the Town collects approximately \$470,000 per year from the Municipal Services Tax. The Town also has a Pension Override Tax that is assessed at 5.9 cents per \$100 of assessed valuation, but those funds are specifically designated by law for pension costs only.

The Fiscal Advisory Committee found that the Town needs an **additional \$1.66 million per year** in the next four years in order to restore and maintain personnel, services, and equipment and complete much needed deferred maintenance and capital projects.

ANALYSIS

There are four alternatives available for a ballot measure, as follows:

- Increase the current Municipal Services tax.
- Increase the percentage for sales tax charged in San Anselmo.
- Institute a special tax for a specific purpose, such as public safety, etc.
- Institute a utility users tax on specific utility or utilities.

Municipal Services Tax – The current Municipal Services tax is set at \$78 per living unit and per 1,500 square feet of structure of nonresidential use, and is used for general governmental purposes. If the Town Council were to increase the current tax by a ballot

measure, it would require a 2/3 majority to pass. The following table illustrates a spectrum of increases and the resulting revenue:

Municipal Services Tax amount	Revenue
\$78 (current tax)	\$470,000 (current revenue)
If the tax were raised to:	The revenue to the Town would be:
\$150 (an additional \$72 tax)	\$900,000 (\$430,000 additional revenue)
\$200 (an additional \$122 tax)	\$1,200,000 (\$730,000 additional revenue)
\$250 (an additional \$172 tax)	\$1,500,000 (\$1,030,000 additional revenue)
\$300 (an additional \$222 tax)	\$1,800,000 (\$1,330,000 additional revenue)

Sales Tax – Increasing the sales tax by ¼ of 1%, or ½ of 1%, would require a simple majority to pass if the funds were utilized for general governmental purposes. San Anselmo has a very small business base from which to generate sales tax. The institution of a local sales tax measure would likely be unpopular with our business owners, who are having difficulty making ends meet. It could also make it more difficult for them to compete with neighboring business districts with lower sales tax rates. The following table illustrates the estimated revenue generated by a special sales tax:

Sales Tax increase	Revenue
¼ of 1%	\$228,000
½ of 1 %	\$457,000

Special Tax for Specific Purpose – A special tax would require a 2/3 majority to pass. A special tax could be proposed for any specific purpose. It may be charged on a per parcel basis, or on a per living unit basis with a non-residential component, as with our current Municipal Services tax. San Anselmo has approximately 4,457 parcels and 5,321 living units. If a special Public Safety tax, to use an example, were presented to the voters, the Council could choose to institute it per living unit (under the same or similar terms as the Municipal Services tax) or per parcel. The rationale for doing it per living unit and including commercial units would be that everyone who lives and does business in San Anselmo is receiving the benefit of Police and Fire protection.

-Per Living Unit -

Special Tax assessed per living unit & per 1500 square ft. commercial	Revenue
\$200	\$1,200,000
\$250	\$1,500,000
\$300	\$1,800,000

-Per Parcel –

Special Tax assessed per parcel	Revenue
\$200	\$890,000
\$250	\$1,100,000
\$300	\$1,300,000

Utility Users Tax (UUT) – A UUT may be imposed on the consumption of utility services, including but not limited to electricity, gas, water sewer, telephone, sanitation and cable television. The utilities to be included and the rate of the tax are determined by the local agency. The tax is levied by the local agency, collected by the utility and then remitted to the local agency. If levied for general governmental purposes, a UUT requires a simple majority vote to pass. For comparison purposes, following are two UUT’s already in place.

City and Population	UUT percentage	Assessment	Revenue received
Pacific Grove, 15,556	5%	Gas & Electric	560,000
		Telephone	315,000
		Cable TV	135,000
		Water	<u>131,000</u>
		Total	\$1,141,000
Fairfax, 7,386	4%	Gas & Electric	190,000
		Phone	<u>120,000</u>
		Total	\$310,000

TIMING

The November election will be held on Tuesday, November 8, 2005. Key election dates are as follows:

- August 12 Last day to submit resolution and exact ballot wording to County Elections Office.
- August 22 Last day to submit ballot arguments (followed by 10-day public examination period).
- September 1 Last day to submit rebuttal arguments (followed by 10-day public examination period).
- November 8 Election Day

PUBLIC INFORMATION

A key component to any important Town issue is public information and involvement. Communicating the dimensions of the Town's fiscal crisis to the residents and business owners of San Anselmo is imperative going forward. Methods of communicating with the public may include:

- Speakers at civic organizations such as the Chamber of Commerce, Rotary Club, Red Hill merchants, local school parent clubs, Town boards/commissions/committees.
- Newsletter mailed to all postal patrons (cost of approximately \$1500-2000)
- Meetings with neighborhood groups
- Town Hall meetings
- Press releases to Marin Independent Journal and Ross Valley Reporter

The Town may continue with a public education process regarding the current fiscal crisis until such time as a resolution is passed calling for a ballot measure on the November election. At that time, Town staff, funds and facilities may not be used to conduct any work related to an upcoming ballot measure. Town staff may, on their own time, choose to be involved in the campaign.

DISCUSSION

In the spring of 2004, a public opinion poll was conducted by Evans McDonough to assess voter support for an increase of \$250 or \$500 to the Town's current Municipal Services Tax. The conclusions for the survey were:

- Voters were optimistic about the direction San Anselmo is going.
- Voters were not aware of the Town's budget shortfall and any changes in Town services
- Ratings of the job the Town Council is doing and Town's financial management were good but not strong.
- The measure, as presented in the poll, was confusing to voters, and many were unsure of how to vote on it.
- One third of our voters were inclined to oppose any tax measure.
- Many of the proposed projects were not a high priority for voters.
- \$500 per living unit was a high amount to voters, even after hearing what the money would be used for.
- The positive arguments were effective but only brought the strong yes vote to 51%.

The complete survey is attached.

CONCLUSION

The Council and staff have been struggling with the current fiscal crisis for over two years. As we enter fiscal year 2005-06, the Town faces a shortfall of \$500,000. With eight positions vacant, salary increases deferred, department budgets cut, and equipment purchases and capital projects eliminated, the Town has tremendous pent up need that

must be addressed shortly if we are to maintain the current minimum level of services to the residents of San Anselmo.

Respectfully submitted,

Debra Stutsman
Town Administrator

AGENDA ITEM 5

TOWN OF SAN ANSELMO

TOWN COUNCIL STAFF REPORT

For the meeting of 4-26-05

DATE: 4-19-05

TO: Mayor and Council Members

FROM: Rabi Elias, Public Works Director

SUBJECT: Negative Declaration of Environmental Impact for the proposed Landslide repair at the end of Oak Springs Drive.

RECOMMENDATION

Approve Negative Declaration of Environmental Impact for the proposed Landslide Repair at the end of Oak Springs Drive.

BACKGROUND AND DISCUSSION

The proposed project is to repair the slide located 100 ft of the end of Oak Springs Drive. Repairing the slide was part of the settlement agreement with owners of the properties effected by the slide.

The repair consists of engineered fill which is excavating the soil to good ground and reusing the soil and some imported fill installed in an engineered manner keyed into bedrock with compacted layers reinforced with geo-grid. This project does not qualify for categorical exemption under CEQA. The environmental study was made and no

significant adverse impacts were realized. No written comments on this determination were received.

FISCAL IMPACT

None

AGENDA ITEM 6 – Continued to May 10, 2005

AGENDA ITEM 7 – Continued to May 10, 2005

AGENDA ITEM 8

TOWN OF SAN ANSELMO

STAFF REPORT

April 19, 2005

For the meeting of April 26, 2005

TO: Town Council

FROM: Debra Stutsman, Town Administrator

SUBJECT: General Services Authority

RECOMMENDATION

1. Approve Resolution authorizing the Mayor to sign the Joint Exercise of Powers Agreement establishing the Marin General Services Authority.
2. Approve Resolution abolishing the Marin Streetlight Acquisition Joint Powers Authority and transferring its assets to the Marin General Services Authority.

BACKGROUND

In 1999, the Cities/Towns and the County established the Joint Services Committee to review the operation of the joint powers agencies operating in Marin.

In November of 2000, the Joint Services Committee submitted its report entitled, "Final Report and Recommended Actions to Improve Accountability and Operation of Marin Joint Powers Authority (Attachment 1)." This report was adopted by the Cities/Towns and the County. It recommended that the Streetlight JPA be renamed to the General Services JPA.

One of its other recommendations was for the creation of the Joint Services Authority Oversight Committee to, among other things, implement the Joint Services Committee's recommendations. This Committee began meeting in May 2002 and issued the attached July 1, 2003 report subject: "Report on General Services Joint Powers Agency and Role of Joint Services Authority Oversight Committee." (Attachment 2) They made four recommendations:

1. That no further efforts be made to consolidate current joint powers agencies at this time.
2. That the Board of Directors on the Streetlight Acquisition Joint Powers Authority be requested to restructure itself onto a “general services joint powers authority.”
3. That the Joint Services Authority Oversight Committee continues to meet, as needed, to provide policy oversight.
4. Each City/Town and the County adopt this report.

That report was then adopted by every City/Town and the County of Marin (Attachment 3).

As requested by every City/Town and the County, the Board of Directors of the Marin Streetlight Acquisition Joint Powers Authority developed a draft of the Joint Powers Agreement creating the Marin General Services Authority. This draft has been discussed with member agencies, the Joint Services Authority Oversight Committee and the Marin Managers’ Association. The changes that resulted from these discussions are discussed in Section B of this report.

The resulting agreement that would establish the Marin General Services Authority is before you for approval. (Attachment 4)

A. Provisions of the Proposed General Services Authority Joint Powers Agreement are summarized as follows:

1. Members

All Cities, Towns, County and the Special Districts are eligible for membership. Marinwood and Bel Marin Keys Community Services Districts are current members of the Streetlight JPA for purposes of streetlight matters.

Actual members will be those agencies that adopt the joint powers agreement.

2. Purpose

The purpose of the agreement is to establish a separate public entity to finance, implement and manage various municipal services assigned to it.

3. Board of Directors

There are seven directors (and provisions for alternates):

- a. The Marin County Administrator. (1)
- b. The City Managers of San Rafael and Novato. (2)
- c. Two City or Town Managers appointed by the Marin Managers Association. (2)
- d. Two Public Works Directors appointed by the Marin Public Works Association. (2)

With the possible exception of the appointment of the County of Marin Public Works Director, no member agency shall have more than one representative on the Board at any time.

4. Powers of the Authority

The agreement establishes the powers of the new agency, which includes the power to:

- a. Contract
- b. Adopt budgets
- c. Acquire grants
- d. Hold, lease, and dispose of public property
- e. Sue and be sued
- f. Exercise eminent domain
- g. Issue debt

Some of these powers are restricted. The powers of:

- Eminent domain
- Debt issuance; and
- Constructing a facility without obtaining permit,

can only be exercised by the Authority after a majority of the member agencies constituting a majority of the population of Marin County adopt a resolution authorizing the exercise of this power.

5. Duties of the Agency

The Authority has the ability to take on other duties that its members determine to provide through the new agency. Initially, the General Services Authority will have the following duties:

- a. Own and insure the streetlights of member agencies that have been transferred to the Authority by the member agencies.
- b. Advise the County on the non-point discharge pollution prevention system for Marin known as the Marin County Storm Water Pollution Prevention Program.
- c. Govern and manage the Marin County taxicab regulation program.
- d. Investigate and advise member agencies on energy issues.
- e. Lease access to agency owned streetlights.
- f. Provide regional information management services, including PC support, networks and shared applications.
- g. Manage the MarinMap Geographic Information System.

6. Funding of the Agency

- a. Special Services

The duties authorized in the proceeding section of this report have dedicated funding sources (fees, membership dues, or service charges).

b. General Services

Authority costs not funded by dedicated revenue will be assessed to member agencies on a relative population and assessed value formula.

7. Staffing

The Authority shall have an Executive Officer, who shall be responsible for the administration of the agency. The agreement provides for periodically soliciting competitive proposals for the position of Executive Officer.

8. Amendments

The joint powers agreement may be amended by the two-thirds vote of the Board of Directors.

9. Withdrawal

Members may withdraw from the Authority by giving notice of 90 days before the start of the fiscal year.

10. Assets of the Streetlight JPA

All assets and funds of the Streetlight JPA are transferred to the General Services Authority once it is effective and the Streetlight JPA is abolished.

B. Review Process for General Services Authority

The Streetlight JPA reviewed and edited several draft versions of the general services agency joint powers agreement. As part of this effort, we circulated a draft to all members and considered the comments we received. Meetings with the Joint Services Authority Oversight Committee and the Marin Managers' Association were held.

Comments included:

1. The Joint Services Authority Oversight Committee (JSAOC) wanted all agencies to be represented with an elected official on the GSA's Board of Directors. The Streetlight JPA would act as a technical advisory committee to this board. The JSAOC also appointed a subcommittee to further discuss requested changes. The JPA also appointed a subcommittee to meet with JSAOC representative.

The JSOC also wanted the role of this Committee reflected in the JPA, a requirement for a majority vote to act, approval of this restricted duties to require

majority of members with a majority of the population, include MCCMC legislation committee in JPA legislation and other minor technical changes.

2. The Town of Tiburon's concerns were:
 - a. Every member agency should have a director.
 - b. Fees should be proportionate to benefits.
 - c. GSA must comply with local land use laws.
 - d. The covenant of cooperation should be deleted.
3. Marinwood CSD (a MSLAJPA member):
 - a. CSD's should only be included for streetlights and should not have any liability for other services or costs.
 - b. Scope of powers is too broad.
 - c. Board of Directors should be elected officials.
 - d. Certain actions should be ratified by a majority of all members.
 - e. Metricom funding should be limited to streetlight administration costs.
4. The County Administrator requested that the JPA be amended to provide for one of the two public works director Board members permanently be the County Director of Public Works.

In response to those comments and meetings, the MSLAJPA has made the following changes to the proposed General Services JPA:

1. Added a New Article 7: Power of the Authority Exercised by the Majority of Member Agencies, which provides for a majority vote of member agencies (by resolution adopted by each agency's governing board) to exercise the following powers:
 - a. Eminent domain
 - b. Issue debt
 - c. Proceed to build a facility without first obtaining a building permit from the member jurisdiction.
 - d. Assume new duties.
2. Article 11: Covenant of Cooperation
Eliminated this Article at the request of the Town of Tiburon.
3. Role of Community Service Districts (CSD).
Added language to clarify that the CSD's are members only for purposes of streetlight administration.

4. Provided that no member agency can have two directors (city manager and public works director) except the County.
5. Added provisions clarifying the role of the Joint Services Authority Oversight Committee.
6. Clarified that agencies had the option in which services they choose to participate.
7. Amended transaction of business to require a majority of the Board's approval (was majority of a quorum).
8. Amended the section on action on restricted powers to require approval of a majority of the members to add "constituting a majority of the population of Marin County."
9. Added requirement to advise the MCCMC Legislative Committee on legislation that would affect the operation of the Authority.
10. Added a provision on competitive proposals for the position of Executive Officer.

The Board did **not** agree to:

1. Have every agency appoint a director because this would make the governance of what is to be an administrative, not policy setting, agency too cumbersome to manage.
2. Give the County two permanent directors (County Administrator and County Public Works Director) because a proportionate membership from the County raises a parallel issue with the other members.
3. Have all directors be elected because the plan for the new GSA (recommended by the Joint Services Authority Oversight Committee and ratified by every municipality) called on the Streetlight JPA to become a General Services Agency and did not recommend that the new Board be all elected.
4. Also due to the administrative nature of the work the Street Light JPA Board didn't see any value in having a technical committee and a General Services JPA to duplicate the tasks necessary.

C. Adoption Process

The proposed General Services Authority agreement has been sent to each member for adoption.

Each member agency of the Marin Streetlight Acquisition Joint Powers Authority is requested to pass two resolutions. The first resolution will be a resolution acknowledging the termination of the Marin Streetlight Acquisition Joint Powers Authority. The second resolution will be a resolution agreeing to the terms of the Marin General Services Agreement.

Once seven agencies have adopted the JPA, the Board of Directors of the Marin Streetlight Acquisition Joint Powers Authority will adopt a resolution ending the agency and transferring all of its assets to the Marin General Services Agreement.

D. Determination to not join the General Services Authority

Assuming that the General Services Authority is established (and consequently the Streetlight JPA is abolished), any agency who decides to not join would:

- a. Assume legal responsibility for its streetlights.
- b. Regulate its own taxicab program.

Nonmembers could still participate in MarinMap information service projects but would do so as a contractor without any participation in agency governance, including the establishment of budgets and fees.

Respectfully submitted,

Debra Stutsman
Town Administrator