

**MINUTES
SARATOGA CITY COUNCIL
CIP STUDY SESSION**

JUNE 3, 2008

Mayor Waltonsmith called the CIP Study Session to order at 7:00PM.

PRESENT: Councilmembers:
Jill Hunter, Aileen Kao, Kathleen King, Vice Mayor Chuck Page, Mayor Ann Waltonsmith

ABSENT: None

ALSO PRESENT: Dave Anderson, City Manager
John Cherbone, Public Works Director
Mary Furey, Administrative Services Director
Ann Sullivan, Acting City Clerk
Thomas Scott, Facilities Manager
Shawn Gardner, Park Lead Worker

Director Cherbone began the meeting by highlighting the results of the two previous CIP Study Sessions:

May 7, 2008:

- Preliminarily fund two Operational Efficiency Projects; 1) Community Development Document Imaging Project at \$60,000 and 2) City Website Upgrade Project at \$50,000.
- Gather any additional information available connected to the feasibility of the proposed City Hall Solar Project.
- Develop a list of building efficiency projects to add to the Operational Efficiency Project List.
- Park and Trail Projects for 2008/09 to be prioritized by the Parks and Recreation Commission and the Pedestrian, Equestrian, Bicycle, and Trails Advisory Committee.

May 21, 2008:

- Continue funding both General CIP Projects and Operational Efficiency Projects at \$600,000 apiece for a total of \$1.2 million.
- Submit a list of hillside infrastructure needs.
- Schedule a third Study Session to be held on June 3rd to continue the discussion of the FY 2008/09 CIP.

Total Funding Available for Operational Efficiency Projects:	\$600,000
Projects Preliminarily Funded at the May 7 th Study Session:	<u>(110,000)</u>
Remaining Funds Available:	\$490,000

Total Cost of Remaining Operational Efficiency Projects: \$1,643,326

Director Cherbone went on to explain the results of the Parks and Recreation Commission and Pedestrian, Equestrian, Bicycle, and Trails Advisory Committee's prioritization of the Parks and Trail Projects for 2008/09; which are:

1. Park Restroom Improvement Work
2. Lower Tank Trail (Parker Ranch) Repair Project
3. Village Creek Trail
4. De Anza Trail Phase II
5. Petanque Court at Azul Park
6. Heritage Orchard Monument Sign

There was discussion regarding the inclusion of the first set of prioritized trail projects; which included Hakone Gardens that was voted on two years ago by Council, and to include those projects in this new list.

Council proposal:

- 1) Combine prioritized ranking list of Parks and Trail Projects for 2008/09 as noted on Attachment 5 of the CIP Staff Report; and current approved priority list of Parks & Trails Projects;
- 2) Exclude the Hakone project from this ranking and authorize Parks and Recreation Commission and Pedestrian, Equestrian, Bicycle, and Trails Advisory Committee to complete prioritization of combined list.

Councilmembers Aileen Kao, Kathleen King, Vice Mayor Chuck Page and Mayor Ann Waltonsmith were in agreement with the above proposal. Motion passed 4 – 1 with Councilmember Jill Hunter opposing.

In addition, Council directed staff to ask the Parks and Recreation Commission to create a new "trails only" priority list and rank in order of the highest number to the lowest – with the highest number being the highest on the priority list; and bring the results forward for future discussion.

Council moved on to discuss Operational Efficiency Projects noting there were seven (7) items on this list totaling \$1,643,326; with a total of \$490,000 available for funding.

Director Cherbone stated the list of seven projects is being presented to fulfill the intentions of the operational efficiencies criteria of the CIP, to "increase efficiencies in the operation of the City which can include money savings, power savings, staff time savings, and increased level of service to the public at a lower cost. He also noted some of the facility projects are currently included in the preventative maintenance schedule.

There was discussion regarding the use of solar power to the Community Center and Maintenance Building by constructing a solar array on top of a new equipment shelter structure, which would be located in the Corporation Yard.

Shawn Gardner presented solar project development information: 1) Purchase and install the smaller system at the Recreation/Center and Corporation Yard and consider it a long-term investment. 2) If the City wishes to install the entire 227 kW system for the entire City Hall buildings, then consider a Power Purchasing Agreements (PPA) where the City could contract with a company to do all the work; but the

City doesn't own any of the equipment. He noted if the City decides to implement the solar energy project for the Community Center and Maintenance Building, it would cost \$444,326; it would not have to be paid in full up front; a PPA could be written and payments would be made based on the agreement.

Councilmember King raised the question as to what was discussed at the February 2008 Retreat regarding \$600,000 for Operational Efficiencies and \$600,000 for Capital Improvement Projects.

City Manager Dave Anderson explained that at the February 2008 Retreat, Council provided direction to staff regarding the 2008/09 budget. He noted that after considerable discussion, Council directed \$1.2 million dollars from unallocated end of year savings to be equally allocated to two types of reserve accounts, namely 1) Operational Efficiencies, and 2) General Capital Improvements. He noted this decision has been reflected in the recent CIP meetings and budget discussions.

Councilmember King stated she wasn't in favor of using \$600,000 for Capital improvements funding and \$600,000 for efficiency funding – why not put everything together and prioritize in that manner. Councilmembers Page, Kao, Hunter and Mayor Waltonsmith were in favor of keeping the 1.2 million dollars as separate categories – the CIP prioritization and Operational Efficiencies prioritization.

Discussion then continued regarding operational efficiency options and what the City could do to become more “green”. Councilmember King brought up a previous suggestion from Chuck Page to turn the *Saratoga* green through email distribution, rather than paper distribution.

Mayor Waltonsmith suggested that they continue discussion regarding the seven items on the Operational Efficiency (OE) list and asked Director Cherbone if they allocated some funds for the Operational Efficiency list, could he begin the implementation process on some of the items. Director Cherbone stated Council could specify which item/s on the list they would prefer to start with and that it would be implemented throughout City Hall, not just in specific areas. He noted Council could prioritize the items on the OE list and they could specify the amount of money to be funded – the total amount to do the project or only a portion of the project.

Mayor Waltonsmith asked the Council to voice their opinions regarding the seven items on the Operational Efficiency list and if the Solar Project was something they wanted to consider along with the remaining six items; or separate it from the rest of the items on the list.

The Mayor also noted the City has strict rules in place for building requirements and we urge citizens to think “green” when they do remodeling and feels the City of Saratoga should be a leader in “green” building. She also feels the State will soon be setting higher energy efficient requirements.

Discussion took place regarding the City Hall Solar Project and Councilmembers noted their opinions regarding solar energy.

Members of the audience stated the City should do more research regarding the pay back in savings with solar energy and that it is premature to install solar at this time. More changes are coming regarding solar energy.

Councilmember King – objects to solar; could focus on financing North Campus improvements, Prospect Avenue median improvements, Hakone Gardens; and feels this isn't a good use of \$490,000. She noted she would not support funding for any of the seven items on the OE list at this time. She prefers to move forward with the CIP projects and hear everything – CIP and OE projects – at one time.

Councilmember Hunter – agrees with members of the audience that new changes are coming all the time with regard to solar energy and feels the City should wait and doesn't support the solar issue.

Councilmember Kao – supports some of the items on the OE list – such as motion-control lighting and double pane windows.

Vice Mayor Page – agrees that solar technology is changing all the time and is concerned about the rate of payback; but feels that if we “spot fix” buildings now, we will continue to do that all the time. We need to lower our carbon footprint for the League of California Cities and we need to make some kind of commitment to solar energy. He feels that if we take the lead in solar energy, other people will follow our lead.

Mayor Waltonsmith – prefers to move forward with solar energy and realizes that it is expensive; supports PPA to do the work. She feels it is time to kick-start projects that were introduced five years ago and is comfortable with allocating \$150,000 to \$200,000 to go forward with the process. She feels Operational Efficiencies are an important sub-group of the CIP.

Facilities Supervisor Thomas Scott noted that some of the items on the list will be done regardless, due to annual maintenance. He cited the roof issue – when it needs repair or replacement, staff will think energy efficiency and go with the “cool roof”.

Councilmember King noted one option for funding some of the OE items would be to set aside \$100,000 from TEA allocations and set aside another \$100,000 – making it a total of \$200,000 for this year, with staff prioritizing the projects on the OE list.

City Manager Dave Anderson noted Council already had set aside \$100,000 from TEA.

Councilmember Hunter noted deferred maintenance has to be done anyway; is a big part of the budget, and supports the allocation of an additional \$200,000 to the \$100,000 TEA monies to begin projects on the OE list.

Mayor Waltonsmith then asked Director John Cherbone to move forward to the CIP projects. Director Cherbone went on to explain the various items regarding the 1) General CIP Projects; 2) the Existing Unfunded CIP Projects; and 3) Park Development Projects. He also noted item 23 – Hakone Gardens Well and Koi Pond Repairs (on the Facility Improvement Project category) -was just added due to the newly discovered well problem with the Koi Pond. He noted the need for immediate repair work in order to save the Koi fish.

He also noted the following on Attachment 3 – the Unfunded CIP Projects:

Items 2 and 3 – Herriman Avenue Sidewalk Improvements: Premature to fund these items at this time.

Item 5 – Glen Brae Avenue Median Choker: Is a Traffic Calming issue.

Item 6 – Komina Walking Path: Just had second meeting on this issue; premature to fund at this time.

Item 7 – Saratoga Elementary School Driveway & Sidewalk Modifications: Premature to fund at this time.

Item 8 – El Camino Grande/Monte Vista Storm Drain Improvements: Beneficial to City. Consider funding at this time.

Item 9 – Chester Avenue Storm Drain Improvements: Beneficial to City; consider funding at this time.

Items 1, 4, 5, and 10 – are items Council should consider funding.

Lon Saavedra, Executive Director for Hakone Gardens, was present and thanked Director Cherbone for summarizing the Koi Pond situation and went on to explain in more detail the problems with the Koi pond and the need to re-drill the well. He also addressed the Council regarding the need for funding support to help create a bigger gift shop and a Visitors Center where people can sit down and have tea and rice cakes. He feels this expanded service could dramatically increase the annual profits for Hakone Gardens.

Mayor Waltonsmith invited public comment.

The following people spoke in support of a multi-purpose room at Redwood Middle School and asked for Council funding:

Pat Vogel
Kathy Clark
Carolyn Doles
Doug Robertson
Dawn Glajchen
Dan Douglass
Sarah Rothenberg
Francesca Contini-Ruff
Mark Linsky
Marc Hoffman
Emily Lo
Kelly Berman
Tom Alexander
Kelly Berryhill
Katherine Tseng

(Marc Hoffman also requested to speak off-line regarding the solar energy issue.)

City Manager Dave Anderson responded to a suggestion that use of City facility credits at West Valley College might help with obtaining playing time for MJB basketball. He also asked for Marc Hoffman's contact information to follow up.

Mayor Waltonsmith thanked all the speakers and closed the public comments. She then asked Council for their comments.

Councilmember Hunter noted she would support the demolition of the Community Recreation Center and rebuild with a multi-purpose room in it. She also noted schools are very successful in getting bonds passed for projects such as a multi-purpose room.

Mayor Waltonsmith expressed her thanks to Doug Robertson for his diligent support of the Utility User Tax effort when it was presented to the community.

Vice Mayor Page thanked everyone for their comments and hoped the community did not view this Council as being anti-children. He emphasized the many projects Council has approved with the children of the community in mind, such as the many park improvements. He also noted the City only receives 5.45% of the property tax dollars, the schools receive 54% of the property tax dollars and the Saratoga Fire District receives 10% of the tax dollars. He noted it is his objective to start with a base of \$50,000 to begin building something for the community.

Councilmember King noted that out of 30,000 residents only 18 people came to this meeting to share with the Council what they feel is important to the community. She thanked them for coming and encouraged them to speak to more community members regarding this issue.

Mayor Waltonsmith stated she is more concerned about finding the funds to repair and/or replace the items that need funding and has a difficult time considering funding for new buildings.

Councilmember Kao thanked the speakers for sharing their thoughts and noted the Council has listened to public input by keeping the North Campus. She noted funding for improvements to the North Campus has been included in the CIP projects and that Council has committed to setting aside money each year to create something for the entire community to use and enjoy – such as a multi-purpose room.

Mayor Waltonsmith noted the lateness of the hour and asked Council to provide direction to staff regarding the CIP discussion.

It was the consensus of Councilmembers Kao, Hunter, Vice Mayor Page and Mayor Waltonsmith to keep the Operational Efficiency Projects and the General CIP Projects separate and prioritize them separately. Councilmember King does not support this method and prefers to combine the two lists and then prioritize the items.

Councilmember Hunter asked about the Hakone Koi Pond issue and what should be done to solve that problem. Council agreed to add the item to the June 4th Council Meeting Agenda as an Urgency Item allocating \$50,000 from Unallocated Funds.

Council also directed staff to schedule another CIP meeting.

Meeting adjourned at 10:00PM.

Respectfully submitted,

Ann Sullivan
Acting City Clerk

