

**CITY OF MILL VALLEY
CITY COUNCIL**

MINUTES

**COUNCIL CHAMBERS, CITY HALL
26 CORTE MADERA AVENUE, MILL VALLEY
June 20, 2011
7:30 PM**

Mayor Kenneth R. Wachtel--Present
Vice Mayor Garry Lion--Present
Councilmember Andrew Berman--Absent
Councilmember Shawn Marshall--Present
Councilmember Stephanie Moulton-Peters--Present

City Staff Present: City Manager McCann, Director of Planning and Building Moore, Finance Director Erickson, Interim Director of Public Works Barnes, Police Chief Bernal, Police Lieutenant Dunkel, Fire Chief Moore, Parks and Recreation Director Sansom, City Librarian Brenner, Planning Aide Uhl, and City Attorney Stepanicich.

CALL TO ORDER

Mayor Wachtel called the Regular Session to order at 7:42 p.m.

PUBLIC OPEN TIME:

Mayor Wachtel opened to public comments.

Clayton Smith commented on the application of SB 375 to the Miller Avenue Precise Plan and Regional Housing Needs Allocation (RHNA) numbers. He stated that the Housing Element of the General Plan should be completed before the adoption of the Miller Avenue streetscape plan, especially with consideration to the "Main Street" area of Miller Avenue.

APPROVAL OF THE AGENDA ORDER

It was **MOVED** by **Councilmember Marshall** and **SECONDED** by **Councilmember Moulton-Peters**, to approve the Council meeting agenda. The Motion was carried unanimously with a vote 4-0-1, with **Councilmember Berman** absent.

COUNCIL AND STAFF ANNOUNCEMENTS

1. [Proclamation recognizing the contributions of David Fromer to the Mill Valley community. Proclamation - David Fromer.pdf](#)

David Fromer thanked the Council for their proclamation.

CONSENT CALENDAR:

It was **MOVED** by **Vice Mayor Lion** and **SECONDED** by **Councilmember Marshall** to approve Item No. 1 through Item No. 7 on the Consent Calendar with minor corrections previously communicated to **City Manager McCann**. The Motion was carried unanimously with a vote 4-0-1, with **Councilmember Berman** absent.

2. Warrants--\$509,788.33.
Recommended Action: Approve paying expenses authorized by the adopted City Budget.
[Warrants.pdf](#)
3. Consideration of the Minutes of the June 6, 2011 City Council meetings.
Recommended Action: Approve Minutes.
[Draft Meeting Minutes June 6, 2011.pdf](#)
4. Adoption of an Ordinance to amend by reference Title 17, Chapter 17.04 of the Mill Valley Municipal Code regarding Sewer Service Fee.
Recommended Action: Adopted Ordinance No. **1250**.
[Sewer Service Fees Ordinance - Staff Report and Ordinance.pdf](#)
5. Adoption of an Ordinance to amend City's Zoning Map to add a Planned Development Overlay to the properties at 33, 41 and 41G Lovell Avenue from RM-1.5 to RM-1.5PD.
Recommended Action: Adopt Ordinance No. **1251**.
[Amend City's Zoning Map - Staff Report and Ordinance.pdf](#)
6. Consideration of Resolution authorizing the execution of the Annual Maintenance Agreement with Marin County Water Conservation & Flood Control District.
Recommended Action: Adopt Resolution No. **11-29**.
[Marin County Annual Maintenance Agreement - Staff Report & Attachments 1 & 2.pdf](#)
7. Acceptance of a donation of \$11,800 from the Mill Valley Library Foundation to support Library programs and materials.
Recommended Action: Accept donation.
[Mill Valley Library Foundation Donation - Staff Report.pdf](#)
8. Consideration to authorize appropriation of \$53,000 from the Library Donations Reserve to support Library program and materials.
Recommended Action: Authorize appropriation.
[Appropriation of Funds - Staff Report.pdf](#)

PUBLIC HEARING

9. [Consideration of a Resolution levying an annual sewer service fee for Fiscal Year 2011/2012 pursuant to Chapter 17.04 of the Mill Valley Municipal Code and ordering the Annual Sewer Service Fee to be collected on the County of Marin Tax Roll.](#)

Recommended Action: Adopt Resolution No. **11-30**.

[Authorization to Collect Sewer Service Fee - Staff Report.pdf](#)

[Attachment 1 - Resolution.pdf](#)

[Attachment 2 - Preliminary Estimates.pdf](#)

Mayor Wachtel made some procedural remarks and opened to public comment. Seeing none, he closed the public comment and opened to Council discussion.

Councilmember Marshall inquired as to when property owners will pay the increased sewer service fee.

Interim Public Works Director Barnes indicated that payment would be due at the time property taxes are due; December of 2011 and April of 2012.

It was **MOVED** by **Councilmember Moulton-Peters** and **SECONDED** by **Vice Mayor Lion** to adopt Resolution No. **11-30**. The Motion was carried unanimously with a vote 4-0-1, with **Councilmember Berman** absent.

10. [Consideration of a Resolution authorizing an increase in the Garbage Collection and Debris Box Rates charged by Mill Valley Refuse Service.](#)

Recommended Action: Adopt Resolution No. **11-31**.

[Mill Valley Refuse Service Collection Rate Increase Application - Staff Report.pdf](#)

[Attachment 1 - Draft Resolution.pdf](#)

[Attachment 2 - Proposed MVRs 2011 Rate Sheets & Misc Terms & Conditions.pdf](#)

[Attachment 3 \(Exhibit A\) - MCRS 2011 Collection Rate Application.pdf](#)

[Attachment 4 - Solid Waste Collection Rate Comparison.pdf](#)

[Attachment 5 - City of Mill Valley MVR Solid Waste Management Agreement.pdf](#)

[Attachment 6 - Public Comments Received.pdf](#)

Finance Director Erickson presented the staff report for Council discussion. He noted that the rate increase is similar to the one presented in May, 2011.

Vice Mayor Lion inquired about the possible cost reduction opportunity in reducing the recycling can pick up to every other week.

Councilmember Marshall inquired about the ten-year term in the franchise agreement. She commented that a ten-year term was generous and suggested a shorter five-year contract to provide the ability for a more regular evaluation of terms.

Mayor Wachtel opened to public comment.

Jim Iavarone, Mill Valley Refuse Service (MVRS), stated that the majority of customers fill their recycling cans every week. He stated that if the food waste were separated out of the trash cans, then perhaps the trash cans could be picked up every other week.

Mayor Wachtel asked **Jim Iavarone** about the allocation of charges to the City of Mill Valley and why they varied. He inquired about wage expenses and their impact on the rate request.

Councilmember Marshall inquired about the Council's option to approve a lesser amount.

City Attorney Stepanicich stated that the review authority of the Council is limited by the agreement in terms of having a fair and equitable return on the operations of the service provider. The parameters on the rate of return may be set by the Council, and the practice has traditionally been to set the rate at 10 percent.

Jim Iavarone stated that every three years the City hires an independent auditor to verify the information and rates being presented by the operator.

Beverly Rogers spoke in support of MVRS collecting trash every other week.

Richard Tait, Marsh Drive, referenced a letter that he provided to the City and spoke in support of MVRS collecting recycling every other week. He discussed the City's fair and equitable return rate in comparison to neighboring jurisdictions. He requested the Council require an audited statement for any detailed rate review, and that the Council hire consultants to conduct rate reviews between the three-year rate reviews. He suggested to Council that they revise the solid waste management agreement, citing that it is inadequate, and requested that Council not automatically approve the "fine print" in the terms and conditions for residential rates.

Jim Iavarone stated that the rate analysis does not require an audited statement, but that MVRS is in the process of an audit and will have it completed soon.

Mayor Wachtel closed the public hearing and opened to Council discussion.

Councilmember Moulton-Peters requested greater clarity in the Mill Valley contracts to reflect how the garbage business and the regulatory environments have changed. She cited the August 28th, 2008 report from RM3 Consultants and asked that City staff review the recommendations made in the report for possible inclusion in future agreement amendments. She recommended a consumption-based rate study and

requested a presentation on the “Zero-Waste Toolkit” from the Marin Hazardous and Solid Waste JPA.

Councilmember Marshall cited concerns with the trend in double-digit rate hikes and their impacts on consumers. She suggested restructuring the agreement with current economic conditions in mind, looking at assumptions in the contract, such as the fair rate of return and the franchise fee, and examining the fine print in the contract.

Vice Mayor Lion suggested rethinking the metrics of the rate structure and providing more incentives to offset cost increases.

Councilmember Moulton-Peters requested that **City Manager McCann** look into the Zero Waste Grants that are available to offset costs in developing a more current agreement with MVRs.

Councilmembers discussed their interest in the options for updating the contract, citing concerns about the fair and equitable rate of return and the evergreen clause, and discussing in general the renegotiation process.

It was **MOVED** by **Vice Mayor Lion** and **SECONDED** by **Councilmember Moulton-Peters** to adopt Resolution No. **11-31**. The Motion was carried unanimously with a vote 4-0-1, with Councilmember Berman absent.

NEW BUSINESS

11. Presentations regarding the City’s Fiscal Year 2010-2012 General Fund Budgets:
 - a. [April 30, 2011 General Fund Financial Statement Fiscal Year 2010-2011 Forecast; and](#)
 - b. [Proposed Mid-Term Fiscal Year 2011-2012 Budget Revisions.](#)
- Recommended Action:** Receive presentation, discuss and approve 2011/2012 Mid-Term Budget revisions.

[Statements of General Fund Rev & Exp and FY10-11 Forecast.pdf](#)
[FY 11-12 Budget Revision.pdf](#)

Finance Director Erickson presented the staff report on the April 30, 2011 General Fund Financial Statement for FY 2010/2011 Forecast for Council discussion. He noted that revenues are projected to be slightly better than the conservatively budgeted amount, that the budgeted amount reserved for Fire Department strike teams were not utilized, and that Golf Course revenues were down. He noted savings in the City Attorney budget, as well as in the Department of Public Works due to staffing vacancies. He noted that the 15 percent contingency reserve will be maintained.

Mayor Wachtel opened to Council comments.

Councilmember Moulton-Peters inquired about the overages in the City Manager Department, the surplus and City reserves, and benefit expenses.

City Manager McCann noted the overage stemmed from the unbudgeted overlap of his tenure as the new City Manager and **Wayne Bush** serving as Assistant City Manager.

Finance Director Erickson addressed the questions about the surplus, City reserves and benefit expenses.

Councilmember Marshall inquired about reduced revenues stemming from fines and penalties, and the low revenues brought in at the Golf Course.

Parks and Recreation Director Sansom noted the national trend in lower than expected income at golf courses, and, specific to Mill Valley, the recent poor weather as the causes of the low revenue at the Golf Course. She reported that the new concessionaire is making efforts to bring in more customers, but has been challenged by the poor weather.

Councilmember Moulton-Peters noted that she will follow up with **City Manager McCann** on community interest in offering pro bono services in promoting the Golf Course.

Vice Mayor Lion discussed the reduction in revenue stemming from the parking fines and penalties. He requested further study on the issue.

Mayor Wachtel opened public comment, none received. He then introduced the next item, the Proposed Mid-Term Fiscal Year 2011-2012 Budget Revisions.

City Manager McCann made introductory remarks and noted that there is not any significant change in this year's Budget Revisions, but that he anticipates making some changes in next year's budget process. He stated that he plans to introduce a long-term revenues and expenditures forecast that goes beyond the two-year budget cycle. He stated his appreciation to Finance Director Erickson and the Department Heads for their efforts in putting together the Budget Revisions.

Councilmember Moulton-Peters inquired about the Volunteer Firefighter program.

Chief Moore discussed the Volunteer Firefighter program and its impact on the budget, stating that he did not anticipate a cost reduction to Fire Department operations resulting from the new program.

Councilmember Moulton-Peters inquired about the proposed funding for economic vitality.

City Manager McCann reviewed the past and upcoming use of these funds.

Mayor Wachtel opened to public comments.

Todd Gates made a request for the Council to consider the needs of the residents in the Alto neighborhood in relation to the expansion to Edna Maguire Elementary School. He requested that Council work with the School District and consider Capital Improvement Projects which would address improving pedestrian access, increasing parking and mitigating traffic in the neighborhood.

Councilmember Moulton-Peters and **Mayor Wachtel** agreed that the school expansion project will have a large impact on the neighborhood and directed staff to work with the School District to address neighborhood concerns.

Councilmember Marshall, Vice Mayor Lion, and Finance Director Erickson discussed the overall health of the budget.

It was **MOVED** by **Vice Mayor Lion** and **SECONDED** by **Councilmember Marshall** to approve the 2011/2012 Mid-Term Budget revisions. The Motion was carried unanimously with a 4-0-1 vote with **Councilmember Berman** absent.

OLD BUSINESS

12. [Presentation of a status report and recommendations regarding changes made to parking meter regulations in 2010.](#)

Recommended Action: Receive presentation, discuss and provide direction as appropriate.

[Parking Program Update - Staff Report.pdf](#)

City Manager McCann introduced the status report and recommendations for Council discussion. He stated that City parking revenue is projected to fall short of its annual target, with the majority of the shortfall caused by lower-than-expected meter revenue.

Council and staff discussed the two-hour parking limit on weekends and during special events, eliminating the December free parking, eliminating parking meter enforcement on Sundays, expanding the availability of RSVP permits to individuals outside of Mill Valley, offering a change machine in the Depot Plaza, private parking lot rates, introducing meters which accept credit cards, and the downtown employee parking stickers and parking practices. It was agreed that analysis of options to address these issues and questions should be conducted by staff for further discussion and direction.

Council determined to raise the fee from \$30 per year to \$40 for the sticker permits and determined that they would consider a resolution which will outline the changes to the RSVP program at their July 5, 2011 meeting.

COUNCIL LIAISON REPORTS

a. [Transportation Authority of Marin - Councilmember Moulton-Peters](#)

Councilmember Moulton-Peters gave an update on the Transportation Authority of Marin (TAM), offered some remarks from Farhad Monsourian, the SMART Interim General Manager, and asked for Council feedback on the issue of TAM using State Congestion Management funds and not Measure A funds for SMART. The Council indicated that it was not opposed to allowing Measure A funds to be utilized to address the SMART shortfall so long as the necessary funding for the Miller Avenue project would not be jeopardized.

b. [Marin Energy Authority - Councilmember Marshall](#)

Councilmember Marshall gave an update on the Marin Energy Authority (MEA) which included information about some organizational changes, committee assignments, and the consideration of expanding the program to municipalities outside of Marin County. She discussed a four-month amnesty program for potential customers who have not yet joined the program and gave an update on related State legislation. She reported that the MEA Board will no longer contract for human resources services and will soon conduct an employee salary review.

CITY MANAGER'S REPORTS

City Manager McCann gave updates on the following:

- a. Council Meeting Schedule Change--Add July 6th (Special Meeting), Cancel July 18th, Hold August 15th.
- b. Update on letter of support for Senate Bill 790 and letter in opposition to Assembly Bill 976

COUNCIL REQUESTS AND IDEAS FOR DISCUSSION – None given.

ADJOURNMENT

The meeting was adjourned at 11:20 p.m. to the next meeting to be held on Tuesday, July 5, 2011.

ATTEST:

Kenneth R. Wachtel, Mayor

Kimberly Wilson, Deputy City Clerk, CMC