

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, May12, 2003

Mayor Regan called the regular meeting to order at 6:00 p.m. at the Hillsborough Town Hall, 1600 Floribunda Avenue, Hillsborough California.

ROLL CALL: Present: Mullooly, Fannon, Adams, Kasten, Regan

MINUTES: The minutes of the April 14, 2003 City Council meeting were approved subject to one change on item 13 by Councilmember Mullooly.

PRESENTATION:

- Certificate of Commendation – Citizen's Recognition Award
Aaron Schermer, Adam Schermer, Shane Thatcher

CONSENT CALENDAR:

On motion of Councilmember Mullooly and seconded by Councilmember Fannon, unanimous on voice vote, Consent Calendar items 1 - 15 were approved.

1. MONTHLY CLAIMS

The monthly claims for April 2003 were approved.

2. RESOLUTION SETTING THE AMOUNT OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION FOR FISCAL YEAR 2003 – 2004

The resolution setting the amount of the special tax for police protection and fire protection and prevention for fiscal year 2003-2004 was adopted.

3. ORDINANCE AMENDING SECTIONS 13.32.105 AND 13.34.030 OF THE HILLSBOROUGH MUNICIPAL CODE TO MODIFY SEWER CONNECTION FEES AND SERVICE CHARGES EFFECTIVE JULY 1, 2003, Introduction

The ordinance amending Sections 13.32.105 and 13.34.030 of the Hillsborough Municipal Code to modify sewer connection fees and service charges effective July 1, 2003 was introduced, and set for public hearing at the June 9, 2003 City Council meeting.

4. ORDINANCE AMENDING SECTION 13.20.030 AND 13.20.040 OF THE HILLSBOROUGH MUNICIPAL CODE TO INCREASE WATER CONNECTION CHARGES AND SERVICE RATES EFFECTIVE JULY 1, 2003, Introduction

The ordinance amending Sections 13.20.030 and 13.20.040 of the Hillsborough Municipal Code to increase water connection charges and service rates effective July 1, 2003 was introduced, and set for public hearing at the June 9, 2003 City Council meeting.

5. RESOLUTION AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)

The resolution authorizing investment of monies in the Local Agency Investment Fund (LAIF) was adopted.

6. RESOLUTION APPROVING EMERGENCY SANITARY SEWER LINE REPAIRS AT 751 ENFIELD WAY WITHOUT PUBLIC BID

The resolution approving emergency sanitary sewer line repairs at 751 Enfield Way without public bid was adopted.

7. RESOLUTION FINDING THAT AN EMERGENCY EXISTED AND RATIFYING EMERGENCY STORM LINE REPAIRS AT WEST AVONDALE ROAD AND SHADY LANE WITHOUT PUBLIC BID

The resolution ratifying the award of the emergency storm drain line repair project at West Avondale Road and Shady Lane to Interstate Grading and Paving, Inc., and appropriating \$33,021.57 from the Sewer Fund was adopted.

8. RESOLUTION APPROVING STORM DRAIN IMPROVEMENTS AT 805 BLACK MOUNTAIN ROAD

The resolution approving the storm drain improvements at 805 Black Mountain Road, and appropriating \$22,624 from the Sewer Fund was adopted.

9. RESOLUTION APPROVING STORM DRAIN IMPROVEMENTS AT CLYDESDALE DRIVE

The resolution approving the storm drain improvements at Clydesdale Drive, and appropriating \$6,028 from the Sewer Fund was adopted.

10. RESOLUTION APPROVING AN EMERGENCY STORM DRAIN IMPROVEMENT NEAR EL CERRITO AVENUE AND CRYSTAL SPRINGS ROAD

The resolution approving an emergency storm drain improvement near El Cerrito Avenue and Crystal Springs Road, and appropriating \$2,000 from the Sewer Fund was adopted.

11. RESOLUTION APPROVING STORM DRAIN IMPROVEMENTS AT 1115 MARLBOROUGH ROAD

The resolution approving the storm drain improvements at 1115 Marlborough Road, and appropriating \$4,800 from the Sewer Fund was adopted.

12. RESOLUTION AWARDING A CONTRACT TO O'GRADY PAVING, INC. FOR THE SKYLINE BLVD. AND CRYSTAL SPRINGS ROAD RESURFACING AND BIKE LANES PROJECT, ST-404

The resolution awarding a contract to O'Grady Paving, Inc. for the Skyline Blvd. and Crystal Springs Road resurfacing and bike lanes project, ST-404 in the amount of \$198,690, with a 20% contingency in the amount of \$39,738, for a total construction budget of \$238,428 was adopted.

13. RESOLUTION AWARDING PROFESSIONAL SERVICES CONTRACT TO CAROLLO ENGINEERS FOR FINAL DESIGN OF THE EL CERRITO / CRYSTAL SPRINGS PHASE 2 SEWER IMPROVEMENTS, AND APPROPRIATE \$296,630 FROM THE SEWER FUND

The resolution awarding professional services contract to Carollo Engineers for final design of the El Cerrito / Crystal Springs Phase 2 sewer improvements, and appropriate \$296,630 from the Sewer Fund was adopted.

14. RESOLUTION APPROVING GRANT-FUNDED REPLACEMENT OF SERVICE PISTOLS

The resolution approving grant-funded replacement of service pistols and accessories from Davidson's Firearms for an amount not to exceed \$25,000 and the grant-funded purchase of holsters and magazine pouches for these pistols from LC Action Police Supply for an amount not to exceed \$4,000 was adopted.

15. RESOLUTION AUTHORIZING COMPENSATION ADJUSTMENTS FOR THE POLICE UNIT

The resolution authorizing compensation adjustments for the police unit was adopted.

PUBLIC HEARINGS:

16. CROCKER WOODS TENTATIVE PARCEL MAP, 2700 RALSTON AVENUE, AND MITIGATED NEGATIVE DECLARATION; MR. KEVIN WHITE, WHITE LAND COMPANY, APPLICANT

City Planner Maureen Morton explained to the City Council the proposal of the Draft Negative Declaration and Tentative Parcel Map. The document attached to Council's packet identified the twelve mitigation measures which, when incorporated into the project, will result in the project not having a significant effect on the environment. There has been no comment received from the public regarding this project. Ms. Morton indicated to the City Council that this item must be approved in two separate motions.

City Engineer Cyrus Kianpour prepared a power point presentation for the City Council that included the following information:

- Tentative Map Process – California Environmental Quality Act, Town of Hillsborough Municipal Code, Subdivision Map Act
- Conceptual Review – Location of driveways, Sight distance

Councilmember Mullooly was in favor of the location of the driveway and not having any easements for the driveways.

Councilmember Fannon believes this project would enhance the area and infrastructure.

Mayor Regan asked if the eucalyptus and acacia trees would be removed. Mr. Kianpour said yes that there is a bond that ensures the trees will be removed.

Mayor Regan opened the public hearing.

Kevin White of White Land Company explained to the City Council that he believes the project is consistent with the housing element, and Town's code and design guidelines. The soil conditions are stable. Mr. White believes that this development will upgrade the Town's infrastructure, and the parking improvement and underground electrical will benefit the Town.

David Bennett, 2755 Ralston Avenue asked about the power poles on his property. Mr. Bennett also indicated that there was a traffic problem on Ralston Avenue since there is no stop sign and a school on the corner.

Mayor Regan asked the Police Department to look into this area.

Mr. Kianpour indicated that there would be no charges against the neighboring properties regarding electrical.

Mayor Regan closed the public hearing.

Councilmember Adams indicated that there was a 5' parking strip along Ralston, but what about Chateau.

Mr. Kianpour explained that there was no parking allowed on Chateau.

Council Mullooly also pointed out that trucks were not allowed before and after school hours.

On motion of Councilmember Fannon, seconded by Councilmember Mullooly, unanimous on voice vote, the Negative Declaration was adopted.

On motion of Vice Mayor Regan, seconded by Councilmember Adams, unanimous on vice vote, the Tentative Map, subject to the conditions contained in the City Council's agenda packet was approved.

17. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2003-2004

Finance Director Edna Masbad explained to the City Council that the schedule presented, represents the Town's master schedule that includes all the fees and charges such as the sewer and water connection and service charges and the public safety special tax. The changes to the water and sewer rates requiring ordinance changes, and the public safety special tax are presented to the Council as individual agenda items requiring separate actions.

Mayor Regan opened the public hearing. There being no comment, the public hearing was closed.

On motion of Councilmember Adams, seconded by Vice Mayor Kasten, the resolution setting and confirming the fees and charges for fiscal year 2003-2004 was adopted.

18. RESOLUTION ADOPTING BUDGET FOR FISCAL YEAR 2003-2004

Finance Director Edna Masbad explained that the proposed Financial Plan for FY 2003-2004, the 3rd year of the Town's three-year operating budget, presented to the City Council in the spring of 2001, represents the Town's financial plan for all programs and services. The financial plan, if approved with the options presented for consideration, reflects a balanced budget and adequate reserve levels in all funds.

Mrs. Masbad explained that the plan was presented to the Financial Advisory Committee and reviewed and discussed by the Committee, in two separate meetings. The Financial Advisory Committee approved the following:

- The 2% franchise fee be charged to both water and sewer operations; and
- Fees and charges be reviewed and adjusted by all departments, to fully reimburse Town costs; and
- Adoption of a formal policy on Fund Balance Designations and Reserves.

The Committee also reviewed the Town's projected financial forecast and considered the following:

- Set up a subcommittee to study library services and related funding mechanism;
- Further review major expenditures such as the paramedic services, CALPERS retirement costs, salaries and benefits packages, etc.;
- Further review options on additional revenue sources; and
- Recommend not using the reserves to balance the budget.

The Financial Plan will also be reviewed and discussed by the Council, during a study session to be held in the afternoon before the May 12, 2003 meeting.

On motion of Vice Mayor Kasten, seconded by Councilmember Fannon, unanimous on voice vote, the resolution adopting Budget for fiscal year 2003-2004 was adopted.

19. ORDINANCE AMENDING SECTION 2.12.070 AND 17.56.050 (LANDSCAPING) OF THE HILLSBOROUGH MUNICIPAL CODE

City Planner Maureen Morton explained that a recommendation was made from the ADRB that the valuation threshold for the requirement for design review approval and Building Permit is increased from \$5,000 to \$12,000. Ms. Morton indicated that last year two members of the Hillsborough Beautification Committee appointed a subcommittee to study the landscape policy and propose a number of changes to the ADRB on this ordinance. Ms. Morton indicated that the goal was to determine a landscape valuation that would provide homeowners an opportunity to rejuvenate and improve their yards without undue processes and delays, yet still provide for review, by neighbors and the ADRB, for significant landscaping projects.

Mayor Regan opened the public hearing. There being no comment, the public hearing was closed.

Councilmember Mullooly, indicated that it makes sense to do this, and would like to see this addressed more often.

On motion of Councilmember Mullooly, seconded by Councilmember Fannon, unanimous on voice vote, the ordinance amending Section 2.12.070 and 17.56.050 (Landscaping) of the Hillsborough Municipal Code was adopted.

20. ORDINANCE AUTHORIZING AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION, CALIFORNIA EMPLOYEES' RETIREMENT SYSTEM (PERS) AND THE CITY COUNCIL, TOWN OF HILLSBOROUGH

Assistant to the City Manager Katharine Leroux explained that this ordinance was introduced at the April 14, 2003 City Council meeting. In order to implement a 2.7% @ 55 retirement plan for miscellaneous employees, PERS requires that the Town adopt an ordinance authorizing the mayor to execute the contract amendment.

Mayor Regan opened the public hearing. There being no comment, the public hearing was closed.

On motion of Councilmember Mullooly, and seconded by Councilmember Fannon, unanimous on voice vote, the ordinance authorizing an amendment to contract between the Board of Administration, California Employees' Retirement System (PERS) and the Town of Hillsborough was adopted.

NEW BUSINESS:

21. ORDINANCE AMENDING TITLE 17 (ZONING) AND RELATED OTHER CHANGES TO THE HILLSBOROUGH MUNICIPAL CODE TO IMPLEMENT THE POLICIES AND PROGRAMS IN THE HOUSING ELEMENT OF THE GENERAL PLAN

City Planner Maureen Morton explained that this ordinance was the subject of discussion at the April 14, 2003 City Council meeting. The City Council packet included a summary which related sections of the ordinance to programs in the June, 2002, Housing Element and various sections of the state law. The ordinance carries out the goals of the Housing Element while maintaining the Town's character, and provides standards and procedures for second units.

On motion of Councilmember Adams, seconded by Councilmember Mullooly, unanimous on voice vote, the ordinance amending Title 17 (Zoning) and related other changes to the Hillsborough Municipal Code to implement the policies and programs in the Housing Element of the General plan was introduced, and set for public hearing at the June 9, 2003 City Council meeting

22. RESOLUTION APPROVING CONTRACT FOR EMERGENCY REPAIRS NEXT TO MACADAMIA DRIVE WITHOUT PUBLIC BID TO AVERT IMMINENT DAMAGE TO SEWER LINE

City Engineer Cyrus Kianpour explained that this project was an emergency repair due to the sudden failure of the slope adjacent to Macadamia Drive on March 3, 2003. Town staff was notified of muddy water downstream and our maintenance staff discovered this slope failure while investigating this issue. Mr. Kianpour indicated that Interstate Grading and Paving, Inc. was contacted to start work to stabilize the slope area. The contractor stabilized the hillside and repaired of the storm drain. Included in Council's packet was a list of tasks that need to be completed to finish the project.

Councilmember Mullooly asked if the pipe would be enlarged. Mr. Kianpour indicated that the pipe would not be enlarged and the failure of the pipe was due to trash build up and corrugated metal that corroded over time.

On motion of Councilmember Fannon, seconded by Vice Mayor Kasten, unanimous on voice vote, the resolution ratifying the award of the Macadamia Slope Repair Project to Interstate Grading and Paving, Inc. in an amount not to exceed \$140,000, and appropriate \$140,000 from the Sewer Fund was adopted.

23. ORDINANCE ENABLING THE CITY COUNCIL TO CREATE INDIVIDUAL UNDERGROUND UTILITIES DISTRICTS, Introduction

Public Works Director Martha DeBry explained to the City Council that the Town needs to adopt an ordinance to access the Rule 20A funds. The purpose of this general enabling ordinance is to give the City Council the authority to: call public hearings, designate individual underground utilities districts, make it unlawful for any utility company to maintain overhead wires, and require property owners in an underground utilities district to perform the work on their premises necessary to receive underground service. Mrs. DeBry indicated that once the ordinance was passed, the City Council could then define each individual district within the clearly delineated boundaries. A resolution would be passed naming the specific district or districts to be undergrounded. This resolution would be passed on to the participating utility companies to budget, engineer and schedule the work to complete the project.

Councilmember Fannon asked if Council approves this ordinance would it mean that the Hillsborough Beautification Project could continue. Mrs. DeBry said yes, this would allow the Town to spend the Rule 20A funds.

Councilmember Mullooly asked what if PG&E doesn't perform the work. Mrs. DeBry said that the Town must adopt the ordinance to get these funds, but Council has total control over the funds spent.

Councilmember Adams had a concern on how broad the ordinance was. Mrs. DeBry asked Council to suggest language for the ordinance.

Vice Mayor Kasten asked if the Rule 20A funds take care of PG&E lines, does that mean property owners are responsible for their lines.

Mayor Regan said the ordinance is limited to Rule 20A funds.

Discussion followed in which the City Council expressed concern that underground districts could be formed requiring property owners to spend money undergrounding utility lines.

City Attorney Norm Book indicated that there could be a requirement that no property owner would be forced to spend any money on an undergrounding project without that owners consent.

The sense of the City Council was that the ordinance was so be amended.

Vice Mayor Kasten questioned whether 30 days was a long enough period to permit property owners to complete any required work.

The sense of the Council was that this time period should be extended to 150 days.

On motion of Councilmember Adams, seconded by Councilmember Fannon, unanimous on voice vote, the ordinance enabling the City Council to create individual underground utilities districts was introduced, as amended. The ordinance was set for public hearing at the June 9, 2003 City Council meeting.

24. INTERIM STAFFING OF ENGINE COMPANIES – HILLSBOROUGH AND BURLINGAME FIRE DEPARTMENTS

Fire Chief Dave Milanese explained to the City Council that the Hillsborough Fire Department has four vacant Firefighter/Paramedic positions. These positions have remained vacant during the merger phase. Chief Milanese indicated that the finance department provided an up-to-date summary on the overtime cost being paid. The dollar amount was \$260,000 to \$290,000 over the original budget. In an effort to reduce overtime costs, an interim staffing of engine companies is being proposed. This would eliminate one engine from a three-engine company shift (Engine 31 on Floribunda Avenue) and redeployment of staffing to Engines 32/33. Burlingame Station 34 located on California Drive would provide service to Hillsborough two days out of every six days in Station 31's district. In return, Hillsborough would provide the same service to Burlingame. Chief Milanese explained that this is a temporary proposal and would occur every four days out of six until the combined services study is completed.

Mayor Regan indicated that both Councils have been working on combined services and cost shared between Hillsborough and Burlingame. Mayor Regan stated that it is a question as to whether our costs are going to be less than our current situation, and Council cannot move forward without having a strong basis to believe the Towns costs will be saved. The City Manager and Fire Chief's are anxious to move forward.

Mayor Regan asked the Fire Department if they had anything they would like to comment on. The Hillsborough Fire Department did not have any comments.

On motion of Councilmember Mullooly, seconded by Councilmember Adams, unanimous on voice vote, the implementation of the interim-staffing program at Station 31 effective as soon as coordination with the Burlingame Fire Department can be determined.

DISCUSSION:

25. DISCUSSION OF ORDINANCE TO CHANGE BIDDING PROCESS FOR PUBLIC PROJECTS

Public Works Director Martha DeBry indicated that State law requires local agencies to enter into a formal bidding process for any project in excess of \$5,000. The formal bidding process requires the publishing of notices, a 14 day waiting period, and City Council approval for every contract. Since most public projects exceed \$5,000, the Town must frequently approve emergency projects to ensure the timely completion of work. The Public Contracts Code permits local agencies to adopt ordinances that streamline the process for contracting for public projects.

PUBLIC COMMENT:

There were no comments.

CITY COUNCIL ITEMS:

Mayor Regan, Vice Mayor Kasten, Councilmember Mullooly and Councilmember Kasten will be attending the Council of Cities Dinner Friday, May 16th at Notre Dame de Namur University.

Councilmember Mullooly will be attending the Samceda conference on Thursday, May 22, 2003.

ADJOURN:

Mayor Regan adjourned the meeting at 7:45 p.m.