

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, August 11, 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 July 14, 2003 City Council meeting were approved.

PROCLAMATION:

- National Society Daughters of the American Revolution, Constitution Week, September 17 – 23, 2003

CONSENT CALENDAR:

On motion of Councilmember Fannon and seconded by Councilmember Mullooly, unanimous on voice vote, Consent Calendar items 1 – 5 were approved.

1. MONTHLY CLAIMS JULY 1 THROUGH JULY 31, 2003

The monthly claims for July 2003 were approved.

2. REJECTION OF CLAIM: KEN AND CHRISTINE HANSEN, 3445 RALSTON AVE

The claim filed from Ken and Christine Hansen at 3445 Ralston Ave was rejected.

3. RESOLUTION APPROVING CHANGE ORDERS 1 AND 2 TO WATER PROJECT, W-143

The resolution approving Change Orders 1 and 2 Project W-143, in an amount not to exceed \$14,400 in addition to appropriating an additional \$9,600 from the Water Fund was adopted.

4. RESOLUTION AUTHORIZING REPLACEMENT AND UPGRADE OF MAIN ELECTRICAL PANEL AT CORPORATION YARD

The resolution authorizing funds for the replacement and upgrade of the main electrical panel at the Corporation Yard was adopted.

5. RESOLUTION AUTHORIZING DIRECTOR OF PUBLIC WORKS TO AUTHORIZE ADDITIONAL WORK FOR REPAIR OF CRYSTAL SPRINGS TERRACE SEWER MAIN

The resolution authorizing the Director of Public Works to spend up to \$100,000 to repair and replace the Crystal Springs Terrace sewer main from the Sewer Fund was adopted.

NEW BUSINESS:

6. REQUEST FOR REFUND OF FILING FEE, APPEAL OF ARCHITECTURE AND DESIGN REVIEW (ADRB) ACTION

City Planner Maureen Morton explained that Mr. Zwingle filed a request for a refund of the filing fee of \$800 for the appeal, considered by the City Council on September 9, 2002. The City Council remanded the item back to the Architecture and Design Review Board for a decision to approve the teardown and new house at 570 Pullman Road.

Councilmember Fannon asked what has been done in the past. Ms. Morton said this hasn't been done before.

Councilmember Mullooly said that some staff time has been taken on this matter.

City Attorney Norm Book indicated that at the present there is nothing in the Hillsborough code authorizing a refund in this situation.

On motion of Councilmember Fannon, seconded by Councilmember Adams, unanimous on voice vote, the City Council denied Mr. Zwingle's request for the \$800 refund.

7. RESOLUTION JOINING THE HOUSING ENDOWMENT AND TRUST – SAN MATEO COUNTY JOINT POWERS AGREEMENT

City Planner Maureen Morton indicated that Supervisor Richard Gordon spoke at the July 14, 2003 City Council meeting about the San Mateo County Housing Endowment Trust that is being formed by a Joint Powers Agreement (JPA) the County and various cities in the County.

Ms. Morton added that included in the resolution is a recital indicating that the Town must limit its annual contribution to \$3,500. The Town would intend to withdraw from the JPA. Also, if a "no boundary" solution to the state's "fair share" housing allocation for the various jurisdictions within the county has not been approved within two years, the Town would also intend to withdraw from the JPA.

Vice Mayor Kasten said the Town should support the JPA, as it could have an enormous benefit to the Town. He also suggested that the JPA Board contact the Housing Community Development about the possibility of becoming a pilot program for meeting the area's regional housing needs allocations.

City Attorney Norm Book had a concern with the language in paragraph two, which he believed could be handled with a cover letter.

Councilmember Adams expressed concern about the wording on one of the provision of the agreement. Mr. Book agreed to discuss this matter with County Counsel.

On motion of Vice Mayor Kasten, seconded by Councilmember Fannon, unanimous on voice, the resolution authorizing the Mayor to sign the Joint Exercise of Powers Agreement for the Housing Endowment and Trust – San Mateo County and allocate up to \$3,500 from the General Fund for administrative costs for the first year, to be reviewed annually, was adopted. A cover letter would be prepared by City Attorney Norm Book including investigating a possible pilot program, the Town's maximum contribution, and any necessary wording changes.

8. RESOLUTION AUTHORIZING THE INSTALLMENT PURCHASE FINANCING OF WATER AND SEWER SYSTEM IMPROVEMENTS AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS

Finance Director Edna Masbad presented to the City Council, the bond documents and resolution authorizing the issuance of \$15M bonds for the Town's water and sewer capital program. She indicated that the same documents and motion would be presented to the Hillsborough Public Improvement Corporation's Board of Directors when the Council would take a recess from the City Council regular meeting to convene a meeting of the Corporation. The Hillsborough Public Improvement Corporation was organized to enable and assist the Town in the financing of the enterprise's capital improvement program.

Ms. Masbad explained that the \$15M bond issuance is an essential part of the budget the City Council approved for the Town's water and sewer operations last May. Although financing options for the bond issue have been thoroughly discussed by both Financial Advisory Committee and the City Council, and direction to staff was subsequently issued, market conditions have greatly changed since then that warrant another presentation of the financing options under the current market. Staff is requesting from the City Council a confirmation of the financing option to use for the issue.

Staff is also seeking direction with respect to interest rate options for the disposition of the outstanding \$9.7M 2000 Series B variable Certificates of Participation.

Ms. Masbad presented the different options and further discussion ensued between the Council and several parties to the bond issue including staff, City Attorney, Bond Counsel, Underwriter, FAC Chair and the Financial Consultant.

On motion of Councilmember Adams, seconded by Councilmember Fannon, unanimous on voice vote, the City Council directed staff on Financing Option 2 - Synthetic fixed with 7% knockout for both 2003 Series A and 2000 Series B and approved the resolution authorizing the installment purchase financing of water and the sewer system improvements and the execution and delivery of certain documents and other actions in connection therewith.

The Hillsborough City Council recessed the regular meeting and convened a meeting of the Hillsborough Public Improvement Corporation (HPIC)

PUBLIC HEARINGS:

9. ORDINANCE AMENDING SECTION 15.04.070 OF THE HILLSBOROUGH MUNICIPAL CODE (Building Fee Schedule)

Chief Building Official John Milke explained that this ordinance was introduced at the July 14, 2003 City Council meeting. The current fee schedule states that working without the required building permits will result in a fine of ten times the building permit fee. Mr. Milke explained that a fine of ten times the permit fee is not justified in all cases. The amended language, "a fine up to ten times" will provide the Building Department flexibility in assessing fines for starting work prior to obtaining the proper permits.

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

On motion of Councilmember Kasten, seconded by Councilmember Mullooly, unanimous on voice vote, the ordinance amending Section 15.04.070 of the Hillsborough Municipal Code was adopted.

10. RESOLUTION AMENDING THE FEE SCHEDULE TO ADD A FEE FOR REVOCABLE ENCROACHMENT PERMIT AGREEMENTS

Director of Public Works Mike Meloni explained that the fee schedule should be amended to issue permits for work performed in the public right-of-way. A Revocable Encroachment Permit Agreements (REPA) is issued whenever a privately owned and maintained structure is placed into the public right-of-way. Mr. Meloni explained that applications are becoming more common as residents seek to rebuild existing structures that were installed prior to the issuance of REPA's and as code enforcement staff becomes aware of an unauthorized structure.

Mayor Regan asked if there should be some flexibility with this permit. Mr. Meloni said no, the same amount of staff time is spent to process these applications as for any other project.

Councilmember Adams asked if this is just for new structures. Mr. Meloni indicated that it is for new and existing structures.

Mayor Regan asked if this is the process one would go through if a property owner wanted to replace an existing fence. Mr. Meloni said yes, but the Town would first ask the property owner to move the fence back behind the property line, and if that is not possible, begin the process for a REPA.

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

On motion of Councilmember Fannon, seconded by Vice Mayor Kasten, unanimous on voice vote, the resolution amending the fee schedule to add a fee of \$1,200 for revocable encroachment permits was adopted.

OLD BUSINESS:

11. RESOLUTION AWARDING A CONTRACT TO ANDY'S ROOFING COMPANY FOR REPLACEMENT OF THE ROOF AT FIRE STATION 32, 330 ASCOT ROAD

Director of Public Works Mike Meloni explained that this project would replace the existing tile roofing material at Fire Station 32 with a material, which is on the pre-approved list of roofing materials. Mr. Meloni explained that the Monier Lifetile material is heavy and has a tendency to break. The Composition Shingle is easier to maintain and less likely to be damaged. The Composition Shingle is a material any property owner in Town may use with out going through the Architecture and Design Review process.

On motion of Councilmember Mullooly, seconded by Councilmember Fannon, unanimous on voice vote, the resolution awarding the contract for the installation of a composition shingle roof at Fire Station 32 to Andy's Roofing Co. Inc., in the amount of \$30,380, with a contingency in the amount of \$20,000, for a total construction budget of \$50,380, was adopted. The proceeding bid from Andy's Roofing Inc. on the July 8, 2003 for the installation of the S-tile roofing material was rejected.

PUBLIC COMMENT:

There were no comments.

CITY COUNCIL ITEMS:

Councilmember Mullooly asked Police Chief Matt O'Connor if there was anything the Town could do regarding the constant accidents occurring at the Floribunda Avenue / El Camino Real intersection.

Chief Matt O'Connor said he and the Public Works Department would contact CalTrans regarding the possibility of staggering the streetlights or adding a no turn lane.

ADJOURN:

Mayor Regan adjourned the meeting at 7:30 p.m.