

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, MAY 10, 2004

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, Adams, Kasten, Regan
 Absent: Fannon

MINUTES: The minutes of the April 12, 2004 and April 20, 2004 City Council meetings were approved as submitted.

PRESENTATION:

Recycle Works Earth Day Poster Contest Winners 2004
Vincent Tony – Megan Lagapa – Sabrina Imbler

CONSENT CALENDAR:

On motion of Councilmember Adams and seconded by Councilmember Mullooly, unanimous on voice vote, Consent Calendar items 1 through 6 were approved.

1. **MONTHLY CLAIMS APRIL 1 THROUGH APRIL 30, 2004**

The monthly claims for the month of April 2004 in the amount of \$1,925,054.90 were approved.

2. **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, 2004, 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, 2004 was introduced, and set for public hearing at the June 14, 2004 City Council meeting.

3. **RESOLUTION SETTING THE AMOUNT OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION FOR FISCAL YEAR 2004-2005**

The resolution setting the amount of the public safety tax for Fiscal Year 2004-2005 was adopted.

4. **RESOLUTION ACCEPTING AS COMPLETE CONSTRUCTION OF CRYSTAL SPRINGS PHASE 1 SEWER IMPROVEMENT PROJECT, NO SS-214**

The resolution accepting as complete, construction of the Crystal Springs Phase 1 Sewer Improvement Project, No. SS-214 was adopted.

5. **RESOLUTION ACCEPTING AS COMPLETE THE 2003 SANITARY SEWER CLEANING AND INSPECTION PHASE 1 PROJECT**

The resolution accepting as complete the 2003 Sanitary Sewer Cleaning and Inspection Phase 1 Project, and authorizing staff to file a notice of completion for the project was adopted.

6. **RESOLUTION APPROVING THE DRAFT TRANSPORTATION EXPENDITURE PLAN FOR THE EXTENSION OF MEASURE A**

The resolution approving the Draft Transportation Expenditure Plan for extension of Measure A was adopted.

NEW BUSINESS:

7. UPDATE ON PG&E RELIABILITY UPGRADES

Public Works Director Martha DeBry gave a brief update regarding PG&E reliability upgrades in Town. Jeff Joy of PG&E explained to the City Council in December of 2003 that this project would need to begin before long to improve reliability to homeowners in the Tartan Trail area between Crystal Springs and Braemar. The installation of undergrounding the wires will have a slight impact on traffic. Jim Pierce from PG&E was available for any questions.

8. RESOLUTION APPROVING AMENDMENT TO THE AGREEMENT BETWEEN THE TOWN OF HILLSBOROUGH AND CSG FOR CITY ENGINEER SERVICES

Public Works Director Martha DeBry indicated that CSG has asked for an annual fee increase of approximately \$39,000 effective July 1, 2004. Mrs. DeBry said CSG has greatly improved the Engineering Departments customer service level to residents, and is active in negotiation of contracts to keep cost low. Also CSG has collected more than \$300,000 in reimbursements from the State of California for Crossroads Park, Skyline reconstruction, and started negotiations with neighboring agencies to recover sewer capital improvement costs. Mrs. DeBry explained that the proposed fee prepared by CSG is specifically to cover their costs.

Mayor Regan likes that CSG has been able to allocate more expenditure of time and money to the State and to obtain reimbursement from the State.

Councilmember Adams said it was gratifying to read in the staff report that the customer service level was so high.

On motion of Councilmember Mullooly, seconded by Councilmember Adams, unanimous on voice vote, the resolution approving an amendment to the agreement between the Town of Hillsborough and CSG increasing annual fees to CSG for Civil Engineering services by \$39,000 effective July 1, 2004 was adopted.

9. RESOLUTION SUPPORTING THE ENABLING LEGISLATION FOR A COUNTY WIDE SPECIAL PARK DISTRICT

Public Works Director Martha DeBry explained that County Supervisors Jerry Hill and Mike Nevin are leading an effort to create a countywide park district to fund County and municipal parks. In order to create this district at this conceptual point, the County needs support from the cities. The City Council's support would demonstrate to the State legislature that there is an interest in the creation of the special district.

On motion of Vice Mayor Kasten, seconded by Councilmember Adams, unanimous on voice vote, the resolution supporting the enabling legislation for a countywide special park district was adopted.

10. APPOINTMENT OF TWO REPRESENTATIVES TO THE BOARD OF DIRECTORS OF THE CENTRAL COUNTY FIRE DEPARTMENT

City Manager Anthony Constantouros explained that according to the Joint Powers Agreement forming the Central County Fire Department, the Mayor or Council of the Member Agency they represent shall appoint the representatives from his or her agency to serve as Board members. The City of Burlingame appointed Vice Mayor Galligan and Councilmember Coffey at their May City Council meeting.

It was indicated that Mayor Regan and Fire Commissioner Mullooly served on the Hillsborough / Burlingame Fire Shared Services sub-committee.

On motion of Councilmember Adams, seconded by Vice Mayor Kasten, Mayor Regan and Councilmember Mullooly were appointed to serve as board members governing the newly formed Central County Fire Department.

11. RESOLUTION AWARDING A CONTRACT TO INSITUFORM TECHNOLOGIES INC. FOR THE 2004 SANITARY SEWER MAINS LINING PROJECT, PHASE 1

City Engineer Cyrus Kianpour explained that this project would rehabilitate damaged sanitary sewer pipes that were identified during the last cleaning and inspection project in September 2003. Mr. Kianpour indicated that a mandatory pre-bid meeting was held on April 28, 2004 to familiarize the contractors with the difficult location of this work.

Mr. Kianpour indicated that Insituform Technologies Inc. was the low bidder for this project. Staff conducted an analysis of the proposal and verified that the contractor's qualifications and experience level was satisfactory.

Councilmember Adams asked about the wide spread of the bid prices. Mr. Kianpour indicated that staff suspects the high bidder anticipated they would be the only bidder on the project, or they had too much work and did not want the job.

The resolution awarding the contract for the 2004 Sanitary Sewer Mains Lining Project Phase 1 to Insituform Technologies Inc. in the amount of \$337,507, with a contingency in the amount of 20% for a total construction budget of \$405,008 was adopted.

12. WATER CONNECTION AND SERVICE CHARGES – FISCAL YEAR 2004-2005

Finance Director Edna Masbad indicated that there was no rate increase requested for water connection and service charges for fiscal year 2004-2005. The projected revenues are sufficient to cover the current usage rates.

On motion of Councilmember Mullooly, seconded by Vice Mayor Kasten, unanimous on voice vote, the City Council approved a 0% increase in water connections and service charges.

13. ORDINANCE ADDING A CHAPTER TO THE TOWN OF HILLSBOROUGH MUNICIPAL CODE PERTAINING TO 911 EMERGENCY COMMUNICATION SYSTEM RESPONSE FEE

Finance Director Edna Masbad indicated that the ordinance approving the "911" fee would bring the 2004-2005 budget into balance. However the City Attorney's office is currently reviewing the related materials for legal compliance.

Assistant City Attorney Penelope Greenberg explained that the "911" fee is a topic being discussed amongst City Attorneys and General Law Cities. Mrs. Greenberg indicated that a group would be meeting in the next month with regards to this topic. The City Attorney's office cannot recommend setting this item for a public hearing date.

Mayor Regan asked how many other General Law Cities are considering this fee. Mrs. Greenberg said about thirty have mentioned their interest.

Mayor Regan asked Mrs. Greenberg to continue collecting information regarding this ordinance and postpone the adoption of this ordinance.

Councilmember Mullooly pointed out that this would affect our budget.

City Manager Anthony Constantouros said that the City Council normally approves the budget before the start of the fiscal year, but there are many cities that approve their budget into the fiscal year.

The City Council continued the ordinance adding a Chapter to the Town of Hillsborough Municipal Code pertaining to 911 Emergency Communication System Response Fee to the June 14, 2004 City Council meeting.

14. RESOLUTION ADOPTING THE UPDATED BUDGET AND FISCAL POLICIES

Finance Director Edna Masbad indicated that staff recommended updating Fiscal Policy 409. The Financial Advisory Committee (FAC) was concerned that the General Fund minimum reserve proposed at 30% of the operating expenditures could potentially bind the City Council in the future. The FAC recommends to make the reserve level a goal instead of a requirement, or to include a mechanism to allow the Town out of the requirement in situations where reserves need to be utilized. Mrs. Masbad added that the committee voted to recommend the proposed budget and fiscal policies except the government finance reserve level, which it is deferring to the City Council for final decision.

On motion of Vice Mayor Kasten, seconded by Councilmember Adams, unanimous of voice vote, the Town's previous Fiscal Policy (Policy No. 409) was rescinded, and the resolution updating the Budget and Fiscal Policies incorporating City Council changes, if any, and assigning Policy No. 409 to the updated policies was adopted.

PUBLIC HEARINGS:

15. RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2004-2005

A discussion regarding the budget for fiscal year 2004-2005 was held during the study session scheduled immediately prior to the City Council meeting.

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

The resolution adopting the budget for fiscal year 2004-2005 was continued to the June 14, 2004 City Council meeting.

16. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2004-2005

Finance Director Edna Masbad indicated that the City Council is required to adopt by resolution the fees and charges for the following fiscal year. 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. However, as a matter of administrative policy, changes to the water and sewer rates requiring ordinance changes, and the public safety special tax are presented to the City Council as individual agenda items requiring separate actions.

Mrs. Masbad indicated that changes to the existing fees as well as new fees being proposed this year, are outlined in the Master Schedule of Fees and Charges included in the proposed budget book.

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

On motion of Vice Mayor Kasten, seconded by Councilmember Adams, unanimous on voice vote, the resolution setting and confirming the fees and charges for Fiscal Year 2004-2005 was adopted with exception of the "911" fee.

17. CONSIDERATION OF THE ENVIRONMENTAL ASSESSMENT, THE FINAL DESIGN REVIEW OF PLANS FOR A NEW HOUSE OVER 8,000 SQ. FT, AND A GRADING PERMIT APPLICATION; 925 SEABURY ROAD, Mr. and Mrs. Avtar Johal

City Planner Maureen Morton explained that this agenda item included three related matters: (1) the environmental assessment, a Mitigated Negative Declaration; (2) the final design review for a new house, including teardown and landscape plan, which required final design approval by the City Council because the total square footage of the house exceeds 8,000 sq. ft.; and (3) a grading permit application for which City Council approval is required because the total amount of off-haul exceeds 1,500 cubic yards. The draft Mitigated Negative Declaration, which was prepared by the Town's environmental consultants, MHA Environmental Consulting, Inc., is included in the agenda packet. The mitigated measures, which are summarized on pages 20-22 of the document, relate to air quality, cultural resources, geology, noise and traffic.

Ms. Morton indicated that there was no inconsistency with the design guidelines or appeals submitted. The City Engineer handled the grading portion of the project, and the 14,000 sq. ft. house included a basement area that did not add to the bulk of the house.

City Engineer Cyrus Kianpour explained that the applicants desired to construct a basement that will require excavation in excess of 2,250 cubic yards. The applicants also desired to replace the existing swimming pool with a larger one that would require the excavation of an additional 240 cubic yards. The excess material generated from these site improvements would require the contractor to off-haul approximately 2,580 cubic yards of material from the site. This off-haul of grading material would generate approximately 129 round trips. The draft Mitigated Negative Declaration established several mitigation measures that are to be implemented during grading and construction of the project to minimize the impacts of the surrounding neighborhood.

Councilmember Mullooly asked who would be sure the truckloads of dirt are not overloaded and properly covered while driving through Town. Mr. Kianpour said the Public Works Inspector would document existing conditions and ensure the area is kept to Town standards. Mr. Kianpour added that a video camera would be brought out to the site from start to finish.

Councilmember Adams asked if the new ordinance regarding basements is having a positive effect on new homes. City Planner Maureen Morton answered yes.

Mayor Regan opened the public hearing regarding the Mitigated Negative Declaration. There being no comment, the public hearing was closed.

Mayor Regan opened the public hearing regarding the ADRB's recommendation to approve the project.

John Stewart Architect for the project indicated that the extensive grading and off haul is from the basement. Mr. Stewart was available for any questions the City Council or audience may have concerning the project.

Mayor Regan asked if he knew where the dirt was going to be hauled. Mr. Stewart said the dirt would be hauled off site unless there was some use for the dirt in town.

Mayor Regan asked how long the entire project would take to complete. Mr. Stewart said the project should take about eighteen months.

Mayor Regan closed the public hearing regarding the ADRB's recommendation to approve the project.

Mayor Regan opened the public hearing approving the grading permit application.

Roger Guido neighbor of 925 Seabury Road asked that the drainage plans are carefully reviewed and installed properly during the construction process. Mr. Kianpour offered his business card to the property owner and advised him that he would be documenting the conditions of any drainage concerns.

On motion of Councilmember Mullooly, seconded by Vice Mayor Kasten, unanimous on voice vote, the Mitigated Negative Declaration based on the findings listed on page 4 of the document was adopted.

On motion of Vice Mayor Kasten, seconded by Councilmember Adams, unanimous on voice vote the ADRB's recommendation for approval subject to compliance with the Standard Conditions was accepted.

On motion of Councilmember Adams, seconded by Councilmember Mullooly, unanimous on voice vote, the grading permit application, subject to incorporating the mitigation measures as listed on pages 20-22 of the Mitigated Negative Declaration and authorizing staff to issue a grading permit upon completion of the plans was approved.

DISCUSSION:

18. ORDINANCE AMENDING VARIOUS SECTIONS AND CHAPTERS OF TITLES 1, 2, 5, 8, 9, 10, 13, 14, 15, AND 17 OF THE HILLSBOROUGH MUNICIPAL CODE

Assistant City Attorney Penelope Greenberg indicated that the clean-up ordinance is almost the end of the Code Update Project, which has been in progress for several years. Left to do after the clean-up ordinance will be only the tree removal provisions and the parking strip provisions, both of which are awaiting information and cannot be done until that is obtained.

Vice Mayor Kasten has concerns about eliminating the review by the City Council of houses 8,000 sq. ft. or larger.

Councilmember Mullooly added that she wants residents to see the City Council is involved in the community.

Mayor Regan stated that it should be at the digression of the Architecture and Design Review Board whether the project should go forward to the City Council.

Mrs. Greenberg said she would work on the 8,000 sq. ft. section of the ordinance.

The ordinance amending various Sections and Chapters of Titles 1, 2, 5, 8, 9, 10, 13, 14, 15, and 17 of the Hillsborough Municipal Code was set for introduction at the June 14, 2004 City Council meeting.

19. PAVEMENT MANAGEMENT REPORT

Public Works Director Martha DeBry made a presentation to the City Council on the Pavement Management Report that was prepared by CSG.

PUBLIC COMMENT:

None

CITY COUNCIL ITEMS:

Councilmember Mullooly announced that she attended Super Sports Day, Special Olympics Kiwanis Clubs of the Peninsula, sponsored by the Sheriff's Department. Councilmember Mullooly said Officer Rob Chinca from the Hillsborough Police Department distributed ribbons to the contestants.

Councilmember Mullooly asked if anyone would be attending the Council of Cities Dinner in Atherton. Vice Mayor Kasten and Councilmember Mullooly will be attending.

Mayor Regan announced that the Financial Advisory Committee (FAC) has taken interest in the Corporation Yard Project.

Mayor Regan indicated that he has appointed nine citizens to the General Plan Update Steering Committee. A letter will be sent out confirming their appointments.

Vice Mayor Kasten reported that he and San Mateo County Supervisor Rich Gordon, with Mary McMillan, Deputy County Manager of San Mateo County, and others met with Assembly Member Gene Mullin and representatives from the Western Center on Law and Poverty and the California Housing Law Project in Sacramento to discuss issues and concerns regarding Assembly Bill 269 sponsored by Gene Mullin, specifically the issues of cross-county use of redevelopment funds and the authority for cities without RDA's to participate. Vice Mayor Kasten was asked to attend this meeting to explain the advantages of a regional approach to housing and to answer questions and concerns expressed by the various parties. It was a very good meeting.

ADJOURN:

Mayor Regan adjourned the meeting at 8:05 p.m. In Memory of – Henry W. Howard, Hillsborough Mayor from 1980-1982.