AGENDA – REPORTS

HILLSBOROUGH CITY COUNCIL
Monday, January 10, 2005
6:00 p.m.
Hillsborough Town Hall
1600 Floribunda Avenue, Hillsborough

CONSENT CALENDAR:

1. MONTHLY CLAIMS: DECEMBER 1 THROUGH DECEMBER 31, 2004 (Finance Director)

Summary: The monthly claims for the month of December 2004 in the amount of $2,852,771.64 are submitted for approval.

Recommendation: Approve the monthly claims for December 2004 as submitted.

2. QUARTERLY TREASURER'S REPORT (Finance Director)

Summary: The Government Code 53646(b) requires that the Quarterly Investment Report be rendered to the City Council during public session within 30 days of the quarter's end.

Recommendation: Approve the Quarterly Treasurer's Report ending December 31, 2004.

3. RESOLUTION ACCEPTING AS COMPLETE THE 2004 SANITARY SEWER MAINS LINING PROJECT PHASE I (City Engineer)

Summary: This project rehabilitated damaged sanitary sewer pipes that were identified during the first phase of the cleaning and inspection project. All projects, totaling 6,188 linear feet of 6 and 8-inch sanitary sewer mains, have been rehabilitated as part of this project. Additionally, 909 linear feet of 12, 15, 24, and 30-inch storm drains have also been rehabilitated as part of this project. These areas were identified as top priorities for rehabilitation by the Town's maintenance staff. This project utilized trenchless methods to rehabilitate the sewer mains. Trenchless methods are estimated to be one half to one third less than traditional trenching methods.

This project was awarded to Insituform Technologies. Inc. in an amount of $405,008 including contingencies and authorized change orders, and the work has been completed under budget for a final amount of $351,874.

Recommendation: Adopt the resolution accepting as complete the 2004 Sanitary Sewer Mains Lining Project Phase I, and authorize staff to file a notice of completion for the project.

4. RESOLUTION AUTHORIZING THE SUBMITTAL OF APPLICATION TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD OF FY 2004/2005 WASTE TIRE PLAYGROUND COVER GRANT (Public Works Director)

Summary: Public Works prepared a grant application for $25,000 in matching funds for a playground surface made of recycled waste tires. Grant funding is awarded on a competitive basis. The grant proposes to install durable rubber play surface beneath the tot and youth play structures at Vista Park, when it is renovated. The resolution must be adopted and submitted to the California Integrated Waste Management Board by February 1, 2005, in order to complete the grant application.

The specification for Vista Park will include options for both the rubber material and wood fiber chips. The rubber surface costs about ten times as much as the alternative of wood fiber chips and likely cannot be afforded without a grant. The advantage of a rubber surface is that looks cleaner, and requires less maintenance over time. Wood fiber chips are inexpensive to install, but must be raked regularly to ensure even coverage, and the materials must be replenished. The grant requires a 50% match, for which a source is yet to be determined.

Recommendation: Adopt the resolution authorizing the submittal of application to the California Integrated Waste Management Board for FY 2004/2005 Waste Tire Playground Cover Grant.

5. RESOLUTION TO APPROVE SERVICE ORDER FOR ENGINEERING DESIGN – CHERRY CREEK SEWER MAIN (Public Works Director)

Summary: CSG has submitted a proposal for the engineering design of the rehabilitation of 7,000 feet of existing 6” and 12” sewer main. The Cherry Creek sewer main is in a steep topographical area with few access points. The project is needed as soon as practical to address infiltration problems on the collapsed main. Estimated cost for the construction project is $800,000 which will be funded with 2003 Bond Proceeds.

Recommendation: Adopt the resolution to approve CSG service order in the amount of $59,820 for engineering design of Cherry Creek Sewer Main.

6. RESOLUTION AUTHORIZING PRE-TAX PAYROLL DEDUCTION PLAN FOR SERVICE CREDIT PURCHASE(S) (Assistant to the City Manager)

Summary: The California Public Employees Retirement System (PERS) offers employees, at their cost, the option to purchase up to five years of service credit. This program is strictly voluntary on the part of employees and there is no cost to the Town. The individual purchase amount is calculated by PERS and is deducted through the Town’s payroll system. When employees retire from a PERS agency the pension is based on the amount of years served and age at retirement. PERS is now allowing these contributions to be made on a pre-tax basis. This resolution allows participation in the Pre-Tax Payroll Deduction Plan for employees who elect to purchase service credit.

Recommendation: Adopt the resolution authorizing a pre-tax payroll deduction plan service credit purchase.

7. ACCEPTANCE OF COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) TOGETHER WITH THE INDEPENDENT PUBLIC ACCOUNTANT'S MANAGEMENT LETTER AND STAFF'S RESPONSES FOR THE FISCAL YEAR ENDED JUNE 30, 2004 (Finance Director)

Summary: Local ordinances and state statutes require that the Town publish a complete set of financial statements at the close of each fiscal year presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, the Town's CAFR, audited by Vavrinek, Trine, Day & Co., LLP, Pleasanton, CA, is hereby submitted. The report was prepared under the new governmental financial reporting model pursuant to the provisions of the Governmental Accounting Standards Board (GASB) 34.

The Town received an unqualified opinion on the Financial Statements and there were no suggestions for improvement of internal control procedures. A copy of the report is included in the City Council's agenda packet.

Recommendation: Accept and file the Comprehensive Annual Financial Report, together with the management report, for the fiscal year ended June 30, 2004.

PUBLIC HEARING:

8. ORDINANCE AMENDING SECTION 2.12.010 AND THREE SECTIONS OF THE TITLE 17 (Zoning) OF THE HILLSBOROUGH MUNICIPAL CODE (City Planner)

Summary: This ordinance was discussed at the November 9, 2004 City Council meeting and introduced at the December 6, 2004 meeting. It includes the most recent of the "clean-up" changes to the Zoning Ordinance and a minor change to the Architecture and Design Review Board ordinance.

The first proposed change is to eliminate the 2-year maximum term limit for the Chairman of the Architecture and Design Review Board.

The second proposed change is to include both attached and detached garages in the exception for allowing the expansion of nonconforming structures.

The third proposed change is to clarify the point from which building heights are measured. This change clarifies that building heights are measured from existing grade and it defines existing grade in a manner that can be easily administered.

The fourth proposed change is to reduce from seven feet to six feet the maximum ceiling height for basement areas (except for mechanical rooms) that are not counted in FAR calculations. This new height reflects the basement height limits in a forthcoming revision to the Building Code and it will help prevent the unauthorized conversion of seven-foot high basement areas into living spaces.

Recommendation:

1. Open the public hearing and receive comments;
2. Close the public hearing; and,
3. Adopt the ordinance amending Section 2.12.010 and three sections of Title 17 (Zoning) of the Hillsborough Municipal Code.

NEW BUSINESS:

9. INTRODUCE ORDINANCE LIMITING TIME FOR CONSTRUCTION PROJECTS, REQUIRING A QUALIFIED SUPERINTENDENT, AND REQUIRING PRE-CONSTRUCTION MEETINGS (Chief Building Official)

Summary: This ordinance was drafted to address impacts related to construction projects, especially those which are long and/or poorly managed. This ordinance was discussed at the November 8, and the December 13, 2004 City Council meetings. An additional section was added to the ordinance in order to provide a Stop Work Reactivation Fee.

This draft ordinance consists of four parts, time limitations (with monetary penalties) for construction projects, requirement for pre-construction meetings, qualified job superintendents, and a reactivation fee for stop work orders.

Time limits: The most significant part of this ordinance is the enactment of time limits for construction projects, based on job value, with monetary penalties for noncompliance. The ordinance includes, in Section 15.30.050, requirements for the completion of construction projects. The table allows from 9 months to up to 36 months for completion of projects ranging in value from less than $50,000 to over $6,000,000. A second table (Section 15.30.060) identifies penalties for not completing the projects within the time allowed. Penalties range from $200 per day to $1,000 per day.

Property owners are required to submit a deposit prior to permit issuance. If time limits expire, penalties would be charged against the deposit. When the job is complete, the unused deposit will be refunded. Should the penalties exceed the deposit, the ordinance contains provisions for collection and liens.

A hearing panel would consider appeals of the penalties and would have the authority to modify or cancel them if there were appropriate grounds, based on provisions of the ordinance.

Construction Management: This ordinance also contains new requirements for pre-construction meetings and on-site qualified job superintendents. Section 15.26.010 codifies the Building Official's recent practice of requiring pre-construction meetings for major projects. These meetings, which include Engineering staff, provide a format to discuss with the contractor and property owner key management issues, such as the parking management plan, erosion control, recycling, work hours, keeping a clean and neat site, and responding to neighbor's issues. This meeting puts all those involved "on notice" as to what is going to be expected during the construction process.

Superintendent:
Section 15.26.020 includes a requirement for an on-site qualified job superintendent. This person would act as the first contact for concerned neighbors and staff. As projects become more complex, and as many homeowners attempt to manage their own projects, there has been a need to have a qualified point person who is responsible and knowledgeable about the job that can answer questions, meet with staff on pre-construction meetings, and be available to neighbors who may have concerns about the project.

Reactivation Fee:
Section 15.04.070 is being amended to allow for a stop work reactivation fee. This fee is designed to recover costs for the staff time involved in sorting out the problems that resulted in a stop work order. Public works has a similar reactivation fee designed to recover staff costs for grading stop work orders on jobs that have already been permitted.

Recommendation:
1. Introduce and waive reading of the ordinance; and,
2. Set February 14, 2005, as the public hearing date to consider adoption of the ordinance amending Chapter 15.04 of the Hillsborough Municipal Code and adding Chapters 15.26 and 15.30.

DISCUSSION:

10. DISCUSSION OF STREET IMPACT FEE (Public Works Director)

Summary: Hilton, Farnkopf and Hobson (HFH) has prepared a study of the impact of refuse and recycling vehicles on the streets in Hillsborough. HFH suggest that 19% of the wear on streets is directly attributable to BFI vehicles.

A number of cities in California have adopted street impact fees. The fee is a part of the refuse rate structure, and is funding dedicated to repairing and reconstructing streets. Several San Mateo County cities, including San Mateo and Belmont, have also recently received the HFH study for their jurisdictions, and are contemplating a similar fee.

Staff has reviewed the study and will discuss options for creating a street impact fee.

Recommendation: No action required; for information only.

11. NEW CAPITAL IMPROVEMENT PROJECT TO IMPROVE READING OF WATER METERS (Public Works Director)

Summary: A presentation has been prepared to provide Council with an overview of a new capital improvement project to read water meters using radio technology. Staff would like to request Council's feedback regarding adding this $450,000 project to the capital improvement program for the Fiscal Year 2005/2006.

Currently, about half of the Town's 4,200 water meters are read manually which requires about 80 hours per month. Installing a radio read system would reduce the amount of time to read meters to less than 8 hours for the entire Town. In addition to providing labor savings, radio readings would afford the Town the opportunity to improve customer service by alerting consumers more promptly about high readings. For many residents, the first notice they have of a water leak is their water bill. Because the time lag between the problem starting and receiving a bill can be as much as 10 weeks, residents are sometimes surprised with exceptionally high water bills.

Staff has evaluated projects to be completed over the next 2 years, and believes this project should be included with other bond-funded activities in 2005/2006. Since the project does not require significant design work, a specification and bid award could be completed within a couple months.

Recommendation: No action required; for information only.

12. GENERAL DISCUSSION OF PROPERTIES WITH POTENTIAL FOR SUBDIVISION (City Planner)

Summary: In preparation for the upcoming hearing on the General Plan Update, large properties, within and adjacent to Town limits, with the potential to be subdivided, will be reviewed in general terms. The Housing Element, the current General Plan and the proposed General Plan Update all contain policies about the possible future subdivision of large lots. Staff would like to review with the City Council these existing and proposed polices and have a general discussion about issues such as possible densities, development regulations (such as private vs. public streets), exactions (such as park dedication), etc. which may be associated with subsequent subdivision proposals.

Background material is included in the City Council's agenda packets.

Recommendation: No action required; for information only.