

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, FEBRUARY 14, 2005

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

ROLL CALL: Present: Krolik, Regan, Fannon, Kasten
 Absent: Mullooly

MINUTES: The minutes of the January 10, 2005 City Council meeting were approved as submitted.

ANNOUNCEMENT:

Wallace Baldwin was appointed as an alternate to the Code Enforcement Hearing Panel

PRESENTATIONS:

Human Resources Director Bob Bell of the City of Burlingame was awarded the League of California Cities Excellence in Human Resources Award – Jointly nominated by the Town of Hillsborough and the City of Burlingame

Awards Ceremony for the “Third Annual Red Ribbon Poster Contest” winners

CONSENT CALENDAR:

On motion of Councilmember Fannon and seconded by Councilmember Krolik, unanimous on voice vote, Consent Calendar items 1 through 7 were approved.

1. MONTHLY CLAIMS: JANUARY 1 THROUGH JANUARY 31, 2005

The monthly claims for the month of January 2005, in the amount of \$2,229,794.97 were approved as submitted.

2. APPROVAL OF SERVICE ORDER FOR ENGINEERING DESIGN 2005 STREET PROJECT

The CSG service order for the engineering design of the 2005 Street Project was approved in the amount of \$23,950.

3. RESOLUTION AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO EXECUTE A CONTRACT WITH CYBERNET CONSULTING INC.

The resolution authorizing the Director of Public Works to execute an agreement with Cybernet Consulting Inc. in the amount of \$20,500 to be funded from the 2003 bond proceeds was adopted.

4. RESOLUTION APPROVING SCADA – RELATED ELECTRICAL IMPROVEMENTS

The resolution approving SCADA, related electrical improvements in the amount of \$14,564 was adopted.

5. RESOLUTION AUTHORIZING ADDITIONAL FUNDS FOR THE SANITARY SEWER CLEANING AND VIDEO INSPECTION PROJECT, PHASE II

The resolution authorizing additional funds for the Sanitary Sewer Cleaning Video Inspection Project, Phase II in the amount of \$30,000 from the 2003 bond proceeds was adopted.

6. RESOLUTION AWARDING A CONTRACT TO D'ARCY & HARTY CONSTRUCTION, INC. FOR PIPE BURSTING ON HAYNE ROAD

The resolution awarding the contract to D'Arcy & Harty Construction, Inc. for replacement of a sanitary sewer main on Hayne Road in the amount of \$24,825, with a 15% contingency in the amount of \$3,724, for a total construction budget of \$28,549 was adopted.

7. RESOLUTION REJECTING SINGLE BID FOR THE REPLACEMENT OF ELECTRICAL PANELS AT THE TOWN OF HILLSBOROUGH CORPORATION YARD

The resolution rejecting the single bid from RPE Construction for the replacement of electrical panels at the Hillsborough Corporation Yard and authorization to re-advertise the bid was adopted.

PUBLIC HEARINGS:

8. FUNDRAISING EVENT PERMIT APPLICATION NO. 05-01, CRYSTAL SPRINGS UPLANDS SCHOOL – 400 Uplands Drive

Deputy City Clerk Rachelle Ungaretti stated that the Crystal Springs Uplands School submitted an application to conduct a fundraising event including a dinner and auction at 400 Uplands Drive. The event was proposed to take place on Saturday, April 30, 2005 from 5:30 p.m. to 10:00 p.m. Ms. Ungaretti indicated that Public Notices had been mailed to residents within 500 feet of the property and there have been no response.

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

On motion of Councilmember Krolik, seconded by Councilmember Regan, unanimous on voice vote, the City Council approved the Fundraising Event Permit Application No. 05-01 for the Crystal Springs Uplands School dinner and auction event on April 30, 2005, subject to the conditions recommended by staff.

9. FUNDRAISING EVENT PERMIT APPLICATION NO. 05-02, DECORATOR SHOWCASE – 136 Roblar Avenue

Deputy City Clerk Rachelle Ungaretti stated that Ms. Mitchem has submitted an application on behalf of the Children's Institute and Hillsborough Schools Foundation to conduct a fundraising event for a Decorator Showcase at 136 Roblar Avenue. The event was proposed to take place March 18, 2005 – April 2, 2005, Thursday – Sunday from 10:00 a.m. to 4:00 p.m. and on Saturday, April 2, 2005 from 7:00 p.m. – 11:00 p.m. Ms. Ungaretti indicated that Public Notices had been mailed to residents within 500 feet of the property and there have been no response.

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

Councilmember Regan asked about shuttles. Ms. Ungaretti indicated that a parking plan regarding the use of shuttles was included in the packet, and reviewed by the police department.

Councilmember Regan commented that this is probably on a smaller scale since it is a first time event.

Mayor Kasten said since it is a first time event, the number of attendees could be off. He asked what if the event exceeds expectations. Ms. Ungaretti said the police department does check on the event and ensures parking is enforced and fire has given them a maximum occupancy that will be enforced.

On motion of Council member Regan, seconded by Councilmember Fannon, unanimous on voice vote, the City Council approved the Fundraising Event Permit Application No. 05-02 for the Decorator Showcase benefiting the Children's Institute and Hillsborough Schools Foundation from March 18, 2005 – April 2, 2005, subject to the conditions recommended by staff.

10. APPEAL OF THE ARCHITECTURE AND DESIGN REVIEW BOARD'S DENIAL OF THE DESIGN OF A NEW HOUSE AND LANDSCAPE PLAN AT 2778 RALSTON AVENUE

City Planner Maureen Morton stated that at its meeting on December 6, 2004, the ADRB voted 3-1 (Chairman Reisman dissented and Boardmember Jewett abstained) to deny the design of the new house and landscape plan at 2778 Ralston Avenue. The proposed two-story, five bedroom house with a 4,662 sq. ft. footprint and an 11.7% FAR on the 1.36 acre lot provide eight on-site parking spaces in addition to a three-car garage. Ms. Morton stated that the driveway design complies with Town standards, and the house complies with height, setback and FAR requirements. Ms. Morton explained that a public Study Session convened to allow for questions regarding the development of the 3 lots in the subdivision. A City Council Subcommittee later met with staff to review some of the issues which had been raised about the subdivision process. Ms. Morton said the landscape plan showed removal of two oak trees and a replacement ratio of 3 to 1. Ms. Morton added that the ADRB denied the project based on the findings adopted at the January 3, 2005 ADRB meeting.

Councilmember Regan asked for clarification of the term to uphold "without prejudice". Ms. Morton explained that if the applicant came back with a new application, it would be treated as a new application viewed with fresh eyes.

Councilmember Regan asked about the possibility of a shared driveway. City Engineer Cyrus Kianpour said he has had on going discussions with the two property owners in the area, but there isn't anything to report at this time.

Mr. Kevin White, property owner and applicant stated that he believed the root of this appeal at 2778 Ralston Avenue is more than the design. Mr. White said the issue with regards to the process related to subdivision approval seems to be the grounds for much of this controversy. Mr. White stated that he has followed the Town guidelines to design this project, met the requirements with regards to CEQA, the Subdivision Map Act, and worked closely with the City Engineer and City Planner. Public notices were sent to neighbors, and several meetings were conducted to answer questions and concerns. Mr. White indicated that the water lines and sewer lines were upgraded, and that his design met all the requirements. Mr. White believes much of the disagreements began after some trees were removed from the property, and three applications for new homes in the area came forward at the same time. Mr. White said the neighbors have stated that they have concern with the bulk, mass and compatibility of the house. Mr. White said there are three homes in the neighborhood that are similar to his. Mr. White added that the Town's guidelines allow 25% FAR and his house is 11% FAR. Mr. White felt the ADRB members were inundated with emotional testimony against the subdivision of which they were not apart of. Mr. White requested that the City Council evaluate the project not on emotion, but consider the project evenly and fairly.

Councilmember Fannon asked about the removal of the eucalyptus trees. Mr. White said when neighbors found out the property was going to be developed the first request was to remove the eucalyptus trees. Mr. White said the trees were removed, and a comprehensive planting plan was prepared.

Mayor Kasten opened the public hearing.

Mrs. Nancy Kaiser said the home was too large for the site and the ADRB denied the project for many good reasons. Mrs. Kaiser stated that the home results in an unpleasant impact on the Town, and many residents do not support the project.

Mr. David Kaiser said he supports the ADRB's findings and believes the project violates the Town guidelines and is under the 2 acre lot size minimum for the area. Mr. Kaiser said the homes in the area are nowhere near the mass of the proposed home and the hillside slope is over the allowed 25%.

Mrs. Bailey Meyer indicated that eight years ago she helped create the Hillsborough Beautification Foundation, and became its first president. Mrs. Meyer said her goal was to give back to the community and preserve its ambiance and beauty. Mrs. Meyer said 200 residents signed a petition against the Crocker Woods subdivision. Her main concern is the maintaining the quality of the Town. Mrs. Meyer expressed that she feels the project violates many of the Town Guidelines. Mrs. Meyer asked that the City Council support the ADRB's decision and deny the project.

Mrs. Maryellie Johnson said she wanted to reinforce everything Mrs. Kaiser and Mrs. Meyer said and hopes the City Council will uphold the denial. Mrs. Johnson added that after the trees were removed, it showed how small the three lots were on top of each other.

Mrs. Patricia Hsiu Stein said she agreed with Mrs. Kaiser, Meyer and Johnson. Mrs. Stein indicated that the purpose of the ADRB is to judge on design, size and compatibility with the neighborhood. Mrs. Stein said if this house is built it would shade a large portion of her property. Mrs. Stein believes the Town Guidelines are very subjective and added that the Crocker School would be affected by this development.

Mr. Scott Langmack said his main concern was how the three developers work together, and any one house is easier to review than a cluster of new houses. Mr. Langmack asked that the City Council uphold the ADRB's decision.

Mr. Seth Gersch urged the City Council to support the decision of the ADRB. Mr. Gersch said the ride up Ralston Avenue is dangerous, and if construction occurred, it would be worse. Mr. Gersch said the property is highly visible to anyone in the area and the removal of the two oak trees was not a good solution, even with the new planting ratio.

Mr. William Stein indicated that he supports the neighbors concerns, and the ADRB's denial of the project. Mr. Stein said the neighborhood reaction began with the massive story pole outline. Mr. Stein said due to the placement of the driveway with regards to traffic and other dangerous conditions, that he requests the Council to reject the appeal.

Mr. White indicated that several of the issues raised tonight have been raised in the past month. Mr. White believes he has worked closely with the City Engineer and worked out a reasonable compromise.

Mayor Kasten closed the public hearing.

City Attorney Norm Book said it is up to the Town to resolve the question on how slope should be calculated and that a joint meeting with the ADRB might be productive.

Councilmember Regan said the illustration in the Guidelines shows the slope of the property where a house is proposed.

Councilmember Fannon indicated that he reviewed all the correspondence and attended the ADRB meetings. Councilmember Fannon said if you take the emotion out of this project and stick to the facts, it is difficult not to approve. Councilmember Fannon felt that this project meets the set-backs and FAR. Councilmember Fannon does not believe that mass is an issue with this project and the Town's Landscape consultant approved the plan with no contingencies. Councilmember Fannon added that the project management ordinance would need to be highly enforced, and agrees with a shared driveway for safety reasons.

Councilmember Regan asked that the calculation of the slope be taken into consideration for all the proposed properties in Crocker Woods. Councilmember Regan asked what the Town would do if the injunction situation was enforced. Mr. Book expressed the opinion that the title documents which have been brought to his attention do not support application of the two acre minimum restriction to this subdivision and that any objection based on this contention was not timely.

Mr. Book said that substantial sums have been spent in reliance on the subdivision application, two of the three lots have been sold, and he would be surprised if a court would attempt to undo this subdivision.

Councilmember Regan said the property seems to be compatible with the Chateau side of the property, but not the south side of the property. Councilmember Regan said he would like to understand the ADRB's thinking in regards to structure and compatibility.

Councilmember Fannon said he would like the City Council to understand the ADRB's thought process with regards to ethic and design of these projects.

Councilmember Fannon suggested a possible joint meeting with the City Council and ADRB. Councilmember Regan agreed, and would suggest and to include the Chief Building Official with regards to parking and traffic.

Councilmember Krolik said it seems that many homes being presented to ADRB average close to the 25% FAR maximum and it is difficult to compare that to an 11% FAR home.

Mayor Kasten said the proposed house does fit with the Town guidelines, however, the slope calculations of the property is very critical. Mayor Kasten said that the location of the house seems to be nestled in the trees, but when the eucalyptus trees came down, it exacerbated the look of the lot. Mayor Kasten referred to the landscape plan, and indicated that it includes large specimens and vegetation to be planted, and that might eliminate some concern. Mayor Kasten added that it would be necessary to protect the safety of the schools and pedestrians in terms of construction management. Mayor Kasten asked that the City Engineer, Chief Building Official and Police Chief look into traffic safety. Mayor Kasten indicated that he would like to remand this back to the ADRB in a joint session and also find out more about the injunction. City Attorney Norm Book said the Town should proceed in an orderly manner to deal with the individual homes in the project until and unless a court directs otherwise.

On motion of Councilmember Fannon, seconded by Councilmember Regan, unanimous on voice vote, the new house and landscape plan at 2778 Ralston Avenue was remanded to a joint session with the Architecture and Design Review Board and the City Council.

11. NEGATIVE DECLARATION AND THE REVISED GENERAL PLAN

City Planner Maureen Morton explained that one year ago the Town embraced a city wide project to update the General Plan to reflect on some current issues in Town. Ms. Morton indicated that a special General Plan Update website was created to provide the public with background on the General Plan and current information on the update process. The website also provided for public comments by email. Ms. Morton indicated that Mayor Regan appointed 11 citizens to a Steering Committee to work with staff and the consultants on the development of the draft General Plan. The committee met over a period of 6 months, held three public meetings at which they reviewed and commented on the background report and the goals and policies in the current General Plan, considered alternatives, and completed a draft revised General Plan. Ms. Morton indicated that since that date, the draft General Plan has been available on the website, in the libraries, and at Town Hall. It was routed to the school districts, the state clearing house and other agencies, the adjacent cities and San Mateo County, as required by law, for review and comment.

Ms. Morton added that on January 1, 2005 a new law became effective to submit the safety element to the State Department of Fire and Fire Protection. Hillsborough was the first city to go through this review.

The Town completed the environmental check list for CEQA to determine whether or not to determine if there was a significant effect on the environment and the initial study showed there was not.

Ms. Morton indicated that a community meeting was held January 26, 2005 to present the draft General Plan and receive comments. The meeting was successful, and about 50 people were present. Ms. Morton said there were comments and notes from citizens included in Council's packet. Ms. Morton read some of the proposed changes.

Mr. David Early from the firm Design Community and Environment introduced his staff that has helped prepare the draft General Plan, General Plan and memo. Mr. Early thanked the committee and community for their dedication to this project. Mr. Early believes the new General Plan will make Hillsborough an even better place to live.

Councilmember Regan asked if Comcast was providing the Town with the highest level of internet ability. Assistant to the City Manager Kathy Leroux indicated that Comcast is currently doing new upgrades throughout Town. Mr. Early indicated that the speed of internet ability is comparable to other cities.

Councilmember Regan complimented the firm for their patience and leadership with this project.

Mayor Kasten opened the public hearing.

Mrs. Maryellie Johnson asked that the General Plan include changes to requirements for large houses and set back requirements, since new houses and remodels are being pushed to the limit. Mrs. Johnson said that staff should review the Town of Woodside requirements. The updated General Plan should be re-evaluated to help increase property values. Mrs. Johnson said the Town should review other City's guidelines and she would be willing to raise funds to have an outside consultant evaluate them.

Mrs. Bailey Meyer commended the group who put the General Plan together and the brilliant work of the Chief Building Official to lesson the high impact related to construction projects in Town. Mrs. Meyer said her frustration is that there is no one entity that oversees the building of a project in Town. Individual decision making is affecting the entire Town, and there should be one contact person to address all issues.

Mr. Michael Pietro of the Uplands Home Owners Association said he would like a change to the section regarding non-residential land uses on page 9. Mr. Pietro would like the wording to be clearer.

Ms. Morton asked Mr. Early to respond to Mr. Pietro's wording request. Mr. Early said yes, the wording did need to be revised, and recommended adding a slightly different language.

Mayor Kasten closed the public hearing.

Councilmember Krolik commended Ms. Morton for including the new wording and believed it is very helpful for residents who don't understand. Councilmember Krolik said it might be a good idea to assign a single staff person to help guide residents through their concerns with regards to new construction in Town.

On motion of Councilmember Regan, seconded by Councilmember Fannon, unanimous on voice vote, the Negative Declaration for the General Plan Update was adopted subject to findings:

- a. The Initial Study and Negative Declaration were prepared and circulated in accordance with provisions of the California Environmental Quality Act.
- b. The Negative Declaration reflects the agency's independent judgment.
- c. There is no substantial evidence that the project will have a significant effect on the environment, including individual or cumulative effects on wildlife.
- d. The Office of the City Clerk is the location and custodian of the record of documents or other materials which constitute the record of proceedings upon which the decision to adopt the Negative Declaration is based.

On motion of Councilmember Regan, seconded by Councilmember Fannon, unanimous on voice vote, the City Council directed staff to prepare an addendum to the General Plan and schedule March 14, 2005 for adoption of the General Plan.

12. **ORDINANCE AMENDING CHAPTER 15.04 AND ADDING CHAPTERS 15.26 AND 15.30 TO THE HILLSBOROUGH MUNICIPAL CODE**

Chief Building Official John Milke explained that this ordinance was drafted to address impacts related to construction projects, especially those which are long and/or poorly managed. Mr. Milke indicated that the ordinance was discussed at the November 8, 2004 and December 23, 2004 City Council meetings and introduced at the January 10, 2005 meeting. Mr. Milke explained that the 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.

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

On motion of Councilmember Fannon, seconded by Councilmember Krolik unanimous on voice vote, the ordinance amending Chapter 15.04 of the Hillsborough Municipal Code and adding Chapters 15.26 and 15.30 was adopted.

NEW BUSINESS:

13. **RESOLUTION ADOPTING BUDGET ADJUSTMENTS FOR FISCAL YEAR 2004 – 2005**

Finance Director Edna Masbad explained that based on favorable revenue receipts through December 2004, the Town is now in a position to fund the current year's operation budget, thereby eliminating the need to transfer \$325,000 to the Asset Replacement Fund from the General Fund reserve as originally approved. Ms. Masbad indicated that there is enough projected revenues to shift some of the proposed transfers to the Asset Replacement Fund from the next fiscal year (2005-2006) to this fiscal year. In addition to shifting the rest of the proposed transfers to fiscal year 2006-2007, it would allow the Town to also have a projected balanced budget in fiscal year 2005-2006.

Ms. Masbad included in the agenda packet a spreadsheet that details the projected Town revenues for this fiscal year and the next 2 years. The report shows how the revenues compare with the budgeted and projected appropriations for the 3 fiscal years. Based on information the Town currently has, staff is projecting balanced budgets for the fiscal years 2004/2005, 2005/2006 and 2006/2007.

On motion of Councilmember Fannon, seconded by Councilmember Krolik, unanimous on voice vote, the resolution adopting budget adjustments for fiscal year 2004 – 2005 was adopted.

PUBLIC COMMENT:

None

CITY COUNCIL ITEMS:

Councilmember Krolik mentioned the Weapons of Mass Destruction County-Wide Training will be held at Foster City – City Hall. She indicated that Chief Bill Reilly, Central County Fire Department, will serve as the fire liaison, and Chief Matt O'Connor, Hillsborough Police Department will serve as law liaison on the oversight committee.

Mayor Kasten indicated that there will be the Concours Dinner / Dance Saturday, March 12, 2005.

Councilmember Krolik indicated that Captain Mark O'Connor talked to the parents of new teenage drivers and distributed handouts regarding the process and courses available.

Councilmember Fannon asked if anything new is happening at the Floribunda Avenue intersection. Chief O'Connor said he and the City Engineer are currently working with CalTrans. Mr. Kianpour said he is looking into the availability of funds to upgrade the intersection; in the mean time, the timing has been changed on the lights, so they are waiting to see how effective this change is on the traffic.

Mayor Kasten informed staff that Hillsborough SWAT, along with the teams from Burlingame, San Mateo, Foster City, San Bruno, South San Francisco and Brisbane, have merged into one large regional team. Sergeant Doug Davis has emerged as the primary Team Leader for this group due to his outstanding leadership abilities and the respect he has earned from his peers.

Public Works Director Martha DeBry indicated that the damaged sanitary sewer line in the Shady Creek area has been shored up for the winter, and will be coming to Council next month, and costing approximately \$300,000 to repair.

ADJOURN:

Mayor Kasten adjourned the meeting at 8:50 p.m. In Memory of former Architecture and Design Review Board Member Lee Ham.