TOWN OF HILLSBOROUGH

San Mateo County

Thomas M. Kasten, Mayor
Catherine U. Mullooly, Vice Mayor
D. Paul Regan
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Christine M. Krolik

1600 Floribunda Avenue
Hillsborough, CA 94010

A G E N D A

MONDAY, June 13, 2005
5:30 p.m. CLOSED SESSION
6:00 p.m. CITY COUNCIL MEETING
Hillsborough Town Hall

CLOSED SESSION (5:30 p.m.)

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Subdivision (a) of Section 54956.9)

Name of case: Day, Frances v. City of Burlingame, Town of Hillsborough
Claim Number: GL054952

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. MINUTES: May 9, 2005

IV. RECOGNITION:

- The Town of Hillsborough Finance Department has been awarded the: Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada for the comprehensive annual financial report

- Certificate's of Appreciation – General Plan Steering Committee: John Carver, Martin Harband, Larry May, Corinne McDonald, Beverly Lee Stern, Arthur Stromberg, Roger Trinkner, Bob Walker, Charlene Hsu-Winges, Mayor Thomas Kasten, and Councilmember D. Paul Regan

- The Town of Hillsborough and Design, Community & Environment has been awarded an Award of Merit for "Outstanding Planning-Focused Issue Planning" by the Northern Section, California Chapter of the American Planning Association for the Residential Design Guidelines

V. CONSENT CALENDAR:

The Consent Calendar includes routine items, which do not require discussion. A Councilmember may remove an item for discussion, and any member of the audience may request a Councilmember to remove an item for discussion. The items are approved in one motion.

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

2. RESOLUTION ADJUSTING APPROPRIATIONS LIMIT FOR FISCAL YEAR 98/99 AND INTERVENING YEARS, AND ESTABLISHING THE TOWN OF HILLSBOROUGH'S APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2005/2006

3. RESOLUTION PROVIDING FOR INTERIM MODIFICATIONS TO BUSINESS LICENSE TAX

4. RESOLUTION AMENDING THE JOINT POWERS AGREEMENT ESTABLISHING THE SAN MATEO PRE-HOSPITAL EMERGENCY SERVICES PROVIDERS GROUP

5. RESOLUTION AWARDING A CONTRACT TO GELCO SERVICES (DIVISION OF MICHELS CORPORATION) FOR THE 2005 SANITARY SEWER MAINS LINING PROJECT, PHASE II

6. RESOLUTION AUTHORIZING ADDITIONAL FUNDS FOR THE 2004 WATER MAIN REPLACEMENT PROJECT, PHASE III

7. RESOLUTION AWARDING A CONTRACT TO J F PACIFIC LINERS, INC., FOR THE 2005 SANITARY SEWER MAINS, CLEANING AND VIDEO INSPECTION, PHASE IV

8. RESOLUTION ACCEPTING AS COMPLETE, THE CONTRACT WITH D'ARCY & HARTY CONSTRUCTION, INC. FOR PIPE BURSTING ON HAYNE ROAD

9. RESOLUTION APPROVING THE SERVICE ORDER FOR ENGINEERING DESIGN OF 2005 CRYSTAL SPRINGS ROAD IMPROVEMENTS AND SHADY CREEK SLOPE REPAIR AND DRAINAGE IMPROVEMENT, AND CONSTRUCTION MANAGEMENT OF SANITARY SEWER MAIN CLEANING AND VIDEO INSPECTION, PHASE IV AND SANITARY SEWER MAIN LINING, PHASE II

VI. PUBLIC HEARINGS:

10. CONCEPTUAL PLAN FOR SUBDIVISION, MEADOWOOD ESTATES, LOCATED ON THE NORTHWESTERLY SIDE OF CRYSTAL SPRINGS ROAD, IMMEDIATELY NORTH OF TARTAN TRAIL ROAD; Mr. and Mrs. Thomas Callan, Jr., applicants

11. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2005/2006

12. 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, 2005

13. RESOLUTION ADOPTING VACATION OF PUBLIC STREET RIGHT-OF-WAY IN THE CUL-DE-SAC LOCATED NEXT TO 2335 OAKDALE ROAD

VII. PUBLIC COMMENT:

Under Government Code 54954.3, members of the public have the right to address the City Council on any matter within the Council's jurisdiction. However, the Council may not take action on any non-agenda item (except in emergency circumstances). Before addressing the Council, speakers are requested to complete a yellow speaker's card and submit it to the City Clerk. Please come to the podium, state your name and address, limit remarks to 3 minutes, and do not repeat comments by other speakers.

VII. CITY COUNCIL ITEMS:

This section of the agenda provides the City Council an opportunity to ask questions on any project of interest. No action can be taken on any item not on the agenda.

IX. ADJOURN

SPECIAL ACCOMMODATIONS:

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in the City Council meeting, or if you need an agenda in an alternate form, please contact the City Clerk's Office at 375-7412 at least 24 hours before the scheduled City Council meeting.

AGENDA – REPORTS

HILLSBOROUGH CITY COUNCIL
Monday, June 13, 2005
6:00 p.m.
Hillsborough Town Hall
1600 Floribunda Avenue, Hillsborough

CONSENT CALENDAR:

1. MONTHLY CLAIMS: MAY 1 THROUGH MAY 31, 2005 (Finance Director)

Summary: The monthly claims for the month of May 2005 in the amount of $1,866,512.07 are submitted for approval.

Recommendation: Approve the monthly claims for May 2005 as submitted.

2. RESOLUTION ADJUSTING APPROPRIATIONS LIMIT FOR FISCAL YEAR 98/99 AND INTERVENING YEARS, AND ESTABLISHING THE TOWN OF HILLSBOROUGH'S APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2005/2006 (Finance Director)

Summary: The Town is required to annually adopt an appropriations limit pursuant to Article XIIIB of the California Constitution based on its adopted budget. Proposition 111, which changed the method for calculating the appropriations limit, provides options to determine growth but requires an annual election and a recorded vote for the growth factors to be used in the calculation. The Town has made several changes to the calculation methodology that is detailed in a memorandum in the City Council's agenda packet.

The packet also contains the supporting document for the adjustments to the 98/99 appropriations limit and the intervening years, and the calculation for the appropriations limit for FY 05/06 based on the percentage increases in per capita personal income and the County's population growth.

The appropriations limit for FY 05/06 is $10,381,671; the portion of the general fund budget subject to limitation is $9,022,167; and the estimated remaining excess appropriations limit is $1,359,504.

Recommendation: Adopt, with a roll call vote, the resolution adjusting the appropriations limit for FY 98/99 and intervening years and establishing the appropriations limit for FY 05/06.

3. RESOLUTION PROVIDING FOR INTERIM MODIFICATIONS TO BUSINESS LICENSE TAX (Finance Director)

Summary: The Hillsborough Business License Tax was originally established in 1985. At that time, the City Council approved certain continuing modifications that have been approved annually. Specifically, while the original ordinance authorized a ¾% business tax, the City Council has been adopting an annual resolution providing reduction of the ¾% tax to ½%.

Recommendation: Adopt the resolution providing for interim modifications to the business license tax.

4. RESOLUTION AMENDING THE JOINT POWERS AGREEMENT ESTABLISHING THE SAN MATEO PRE-HOSPITAL EMERGENCY SERVICES PROVIDERS GROUP (Fire Chief)

Summary: The original Joint Powers Authority establishing the San Mateo Pre-Hospital Emergency Services Providers Group (JPA) was approved by the governing bodies of all 17 member agencies in 1996-97. The purpose of the JPA was to provide advanced life support services throughout San Mateo County, utilizing our fire departments for paramedic first response. This has been a highly successful, award winning program that has greatly benefited the citizens of our cities and County.

The Executive Committee and Board of Directors for the JPA have recognized that there are potential economic and service benefits for our JPA member agencies if the JPA's mission was broadened to provide for the administration and legal umbrella for other fire-related activities being undertaken by our member agencies. This would include consolidating the Public Safety Communications contract for non-ALS emergency calls for service and purchasing regional equipment such as breathing support units.

At its meeting of December 8, 2004, the JPA Board approved amendments to two sections of the original Agreement which, if approved, would permit the JPA to assist our member agencies manage certain non-medical fire activities. The Board further directed that these amendments be submitted to the governing bodies of our 17 member agencies for their consideration and approval.

Recommendation: Adopt the resolution amending two sections of the original JPA Agreement.

5. RESOLUTION AWARDING A CONTRACT TO GELCO SERVICES (DIVISION OF MICHELS CORPORATION) FOR THE 2005 SANITARY SEWER MAINS LINING PROJECT, PHASE II
(City Engineer)

Summary: This project will rehabilitate damaged sanitary sewer pipes that were identified during the last cleaning and inspection project. Approximately 14,700 linear feet of 6, 8, 10, and 15-inch sanitary sewer mains will be rehabilitated as part of this project. These areas were identified as top priorities for rehabilitation by the Town's maintenance staff.

The repair process includes coating the pipe's interior with heat reactive epoxy lining. The repair results in a stronger and smoother pipe system without trenching. The improved interior pipe smoothness enhances the flow and increases the capacity of the existing piping. The repair process is fast with the entire project completed within four months after work begins and without the normal disruption to the residents caused by trenching. The epoxy method of sewer line repair is about ½ the cost of the traditional sewer line replacement. This will save the Town about $500,000.

The Town held a mandatory pre-bid meeting on May 17, 2005 to familiarize the contractors with the difficult locations of this work. The project bid opening was on May 24, 2005 and the following bids were received:

#	Contractor	Bid Price
1	GELCO SERVICES	$543,404
2	PACIFIC LINERS INC.	$818,330
EE	ENGINEER'S ESTIMATE	$827,000
3	INSITUFORM TECHNOLOGIES, INC.	$984,115

The low bidder for this project is Gelco Services. Staff conducted an analysis of the proposals and verified that the contractor's qualifications and experience levels are satisfactory.

A higher than usual contingency of 25% is recommended for the project due to the difficult nature and location of the work. This project is budgeted, and funding will be appropriated from the 2003 Bond Issue.

This project is exempt from the California Environmental Quality Act per section 15301 (d), of the State Public Resources Code.

Recommendation: Adopt the resolution awarding the contract for the 2005 Sanitary Sewer Mains Lining Project Phase II to Gelco Services (Division of Michels Corporation) in the amount of $543,404 with a contingency in the amount of $135,851 for a total construction budget of $679,255.

6. RESOLUTION AUTHORIZING ADDITIONAL FUNDS FOR THE 2004 WATER MAIN REPLACEMENT PROJECT, PHASE III (City Engineer)

Summary: Staff is requesting approval of a second change order, which will add to the scope of work included in the 2004 Water Project. Upon evaluating the actual field conditions, an 80-year-old 2-inch water main was found on Hillsborough Blvd. Staff is recommending the replacement of the two-inch main with larger pipes to enhance fire suppression. The replacement will occur between Parkside Road and Ralston Avenue.

The estimated cost of the change order to install 890 linear feet of new 8" water main, 200 linear feet of new 6" water main, 3 fire hydrants and reconnection of 8 private services is $138,495.

The water main replacement project was awarded to Shaw Pipeline in the amount of $1,900,596 with a contingency of $190,060. The City Council authorized the first change order in March 2005 in the amount of $181,050. The project is funded from the 2003 Water and Sanitary Sewer Bond Issue.

Recommendation: Adopt the resolution authorizing additional funds for the 2004 Water Main Replacement Project, Phase III in the amount of $138,495 from 2003 bond proceeds.

7. RESOLUTION AWARDING A CONTRACT TO J F PACIFIC LINERS, INC., FOR THE 2005 SANITARY SEWER MAINS, CLEANING AND VIDEO INSPECTION, PHASE IV (City Engineer)

Summary: This project will videotape (for inspection), clean, repair, and remove roots for approximately 6,747 feet of sanitary sewer mains identified as top priorities for rehabilitation by the Town's maintenance staff. Sewer mains included in this project are located within the Cherry Creek Easement from the Hayne Pit Lift Station to Hillsborough Blvd. Cleaning, repairs, root removal, and inspection of the sanitary sewer mains are necessary initial steps in the rehabilitation and/or replacement of the mains.

The Town held a mandatory pre-bid meeting on May 25, 2005 to familiarize all potential contractors with the exceptionally difficult nature of this work. Pacific Liners Inc. was the only contractor to attend this pre-bid meeting. The project bid opening was held on June 1, 2005 and the following bid was received:

#	Contractor	Bid Price
1	J F PACIFIC LINERS INC.	$354,551
EE	ENGINEER'S ESTIMATE	$299,000

The sole bidder for this project is J F Pacific Liners, Inc. Because of the complexity of the project, the unit prices for the sole bid were higher than expected; however, the bid appears balanced. Staff conducted an analysis of the proposals and verified that the contractor's qualifications and experience levels are satisfactory. The Town has contracted previously with J F Pacific Liners for similar work and has been pleased with quality and timely completion of the projects.

A contingency of 25% is recommended for this project based on recent previous experience for similar work due to the nature of the numerous unforeseen problems that may be encountered. This project is budgeted, and funding will be appropriated from the 2003 Bond Issue.

This project is exempt from the California Environmental Quality Act (CEQA) per section 15301 (d), of the State Public Resources Code.

Recommendation: Adopt the resolution awarding the contract for the 2005 Sanitary Sewer Mains Cleaning and Inspection, Phase IV, to Pacific Liners, Inc. in the amount of $354,551, with a contingency in the amount of $88,600, for a total construction budget of $443,151.

8. RESOLUTION ACCEPTING AS COMPLETE, THE CONTRACT WITH D'ARCY & HARTY CONSTRUCTION, INC. FOR PIPE BURSTING ON HAYNE ROAD (City Engineer)

Summary: This project installed approximately 325 linear feet of new 8-inch sanitary sewer main by pipe bursting. The contractor also installed one new manhole and completed two point repairs as part of the project.

The City Council awarded this contract to D'arcy & Harty Construction in February 2005 with a budget of $28,549, and the contractor has completed the work for $28,545.

Recommendation: Adopt the resolution accepting as complete the contract with D'arcy & Harty Construction, Inc. for replacement of a sanitary sewer main on Hayne Road in the amount of $28,545.

9. RESOLUTION APPROVING THE SERVICE ORDER FOR ENGINEERING DESIGN OF 2005 CRYSTAL SPRINGS ROAD IMPROVEMENTS AND SHADY CREEK SLOPE REPAIR AND DRAINAGE IMPROVEMENT, AND CONSTRUCTION MANAGEMENT OF SANITARY SEWER MAIN CLEANING AND VIDEO INSPECTION, PHASE IV AND SANITARY SEWER MAIN LINING, PHASE II (Public Works Director)

Summary: CSG has submitted proposals for the engineering design of 2005 Crystal Springs Road Improvements and Shady Creek Slope Repair and Drainage improvements, and construction management of Sanitary Sewer Main Cleaning and Video Inspection, Phase IV and Sanitary Sewer Main Lining, Phase II.

Crystal Springs Road – Crystal Springs Road is the only street eligible for Caltrans grant funding. CSG has obtained a $120,000 grant for road repair and guardrail maintenance. The project will be funded with grant funds, and engineering costs are estimated at $16,800.

Shady Creek – As discussed at previous Council meetings, retaining wall structures must be repaired to protect a sanitary sewer main. Total cost for the repair is estimated at $300,000 which can be funded with sewer fund or 2003 Bond revenues, and the engineering costs are estimated at $24,700.

Sanitary Sewer Cleaning and Video Phase IV (Cherry Creek Easement) – Project management will require CSG to monitor the progress of the contractor who will be cleaning and then video recording the interior of the sewer mains. This will include field inspection of point repairs and review of the videos. CSG will assist with construction inspection on this project. Total cost for the cleaning project is estimated at $443,000 which will be funded with 2003 Bond proceeds, and project management costs are estimated at $25,700.

Sanitary Sewer Cleaning Mains Lining – Project management will require CSG to monitor the progress of the contractor who will lining the interior of 14,700 ft of mains. CSG will assist with the management and construction inspection on this project. Total cost for the lining project is estimated at $543,400 which will be funded with 2003 Bond proceeds, and project management costs are estimated at $49,500.

Recommendation: Adopt the resolution approving the CSG service orders in the total amount of $126,700.

PUBLIC HEARINGS:

10. CONCEPTUAL PLAN FOR SUBDIVISION, MEADOWOOD ESTATES, LOCATED ON THE NORTHWESTERLY SIDE OF CRYSTAL SPRINGS ROAD, IMMEDIATELY NORTH OF TARTAN TRAIL ROAD; Mr. and Mrs. Thomas Callan, Jr., applicants
(City Planner/City Engineer)

Summary: The applicants are proposing to subdivide the vacant 20.8-acre property on the northwesterly side of Crystal Springs Road, immediately north of Tartan Trail Road, into eight individual lots for the future development of homes. This is a new application for a subdivision which was approved at this location in 1997. The previous approval has expired and the applicants have been working with Town staff over the past several months to redesign the project to comply with current Town standards and ordinances. The project includes a request for several exceptions to the Subdivision Ordinance, including cul-de-sacs over 500 feet long, some areas where there would not be parking strips, and one “flag” lot.

The Hillsborough Municipal Code states that the Conceptual Plan is a preliminary review of proposed subdivisions to facilitate optimum subdivision design, reduce unproductive effort by all concerned and bring about a better result for applicants, the Town residents and the City Council. The public hearing is intended to provide a forum for citizens and the City Council to provide preliminary feedback to the applicant and staff on issues relating to the subdivision’s design and environmental issues.

Subdivision – The proposal includes subdividing the property into eight (8) lots, ranging in size from 1.13 acres to 3.54 acres, for the future construction of individual homes. The project includes the construction of two cul-de-sac streets, for which vegetation removal, grading and retaining walls will be required, and the installation of utilities and public improvements. The site is steeply sloping, currently covered with a mix of dense natural shrubs, trees and natural grasslands, and it is adjacent to San Francisco Water District property and San Mateo Creek. A more detailed description of the project will be presented at the City Council meeting.

Environmental Assessment – An EIR on an 11-lot subdivision at this location was prepared in 1989 and approved by the City Council in 1990. At the suggestion of the City Attorney, staff has contracted with an environmental firm, MHA Environmental Consulting, Inc., to prepare an independent, third party review of the previous EIR to help the City Council determine if it is adequate for the current application. In light of the fact that the data in the EIR is 15 years old and that the EIR identified significant environmental impacts, staff believes that it was important that it should be technically evaluated before a determination is made as to its applicability.

ADRB – The ADRB has expressed an interest in reviewing subdivisions and Section 16.16.050C of the Code provides that the City Council may continue the public hearing and direct that the conceptual plan be referred by the City Planner to the ADRB for review and comment. If the City Council wishes, this hearing may be continued to July 11, 2005 to allow for the ADRB to review and comment on the plan at its meeting of June 20, 2005.

Staff Direction – Besides giving direction to the applicant on issues relating to the subdivision's design, as specified in the Code, staff also requests direction on the public notice area (the standard 500'-radius was used for this hearing), the level of detail of the review (at the Tentative Map stage) for items such as driveway design, frontage improvements, house sizes and locations, etc., and opinions, if any, on the concept of private versus public streets for this subdivision.

Recommendation:

1. Open the public hearing and allow the applicant to present the project and receive public comments;
2. Close the public hearing and discuss the project; and,
3. Continue the public hearing to July 11, 2005 to allow the ADRB to review the project and provide comments, and to allow for completion of the third party review of the EIR.

11. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2005/2006 (Finance Director)

Summary: Annually, the City Council is required to adopt, by resolution, the fees and charges for the following fiscal year. The schedule presented to you 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.

Changes to existing fees, as well as new fees, being proposed this year, are outlined in the master Schedule of Fees and Charges included in the Council's agenda packet. The fees reflect the Town's goal towards total cost recovery in user fees where revenues do not exceed the cost of providing the service.

A separate schedule serving as the master fee schedule for the Central County Fire Department to allow both cities to work with the same fees is added and is made part of the Town's master fee schedule.

Also included in the agenda packet is the 2005/2006 Cost Allocation Plan reflecting the hourly rates used in the development of the fees. The new fees are to take effect 30 or 60 days after approval depending upon the type of fees.

Recommendation:
1. Open the public hearing and receive comments;
2. Close the public hearing; and,
3. Adopt the resolution setting and confirming the fees and charges for fiscal year 2005/2006.

12. 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, 2005 (Finance Director)

Summary: Changes to the sewer rates require a modification of the Hillsborough Municipal Code. The ordinance to modify the sewer rates was introduced at the May 9, 2005 City Council meeting. The 2005-2006 budget includes a 4% rate increase in sewer connection fees and services charges. This increase helps provide for operating expenses and debt service for the outstanding Town bonds, which fund the sewer capital improvement program.

Recommendation:
1. Open the public hearing and receive comments;
2. Close the public hearing; and,
3. Adopt 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, 2005.

13. RESOLUTION ADOPTING VACATION OF PUBLIC STREET RIGHT-OF-WAY IN THE CUL-DE-SAC LOCATED NEXT TO 2335 OAKDALE ROAD (Public Works Director)

Summary: In September 2004, the Town entered into an agreement with Mr. Bo Thorenfeld, which required:

- Mr. Thorenfeld would replace approximately 600 ft of sanitary sewer line, which has been completed
- The Town vacate its right-of-way
- Mr. Thorenfeld would provide a 15-ft maintenance easement over the sanitary sewer main

The vacation of the right-of-way is a two-step process:

1) A Resolution of Intention to vacate the public street right-of-way located in the cul-de-sac located next to 2335 Oakdale Road was approved at the April 11, 2005 meeting.
2) A Resolution of Vacation can be approved after a noticed public hearing.

Once the Town has adopted the Resolution of Vacation, the new owners of 2335 Oakdale Road will record an easement as explained in the September 2004 agreement. The new owners have provided the Town with a letter that states they are aware of the agreement and their assigned role.

The Resolution of Vacation also makes specific findings in conformance with State law and the general plan.

Recommendation:

1. Open the public hearing, and receive comments;
2. Close the public hearing; and,
3. Adopt the resolution of vacation of public street right of way in the cul-de-sac located next to 2335 Oakdale Road.