

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, JULY 11, 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, Mullooly, Kasten

MINUTES: The minutes of the June 13, 2005 City Council meeting were approved as submitted; subject to a grammatical change by Vice Mayor Mullooly on Item 10, and additional wording to the recognition item regarding the Award of Merit by Mayor Kasten.

CONSENT CALENDAR:

On motion of Councilmember Fannon and seconded by Councilmember Krolik, unanimous on voice vote, Consent Calendar Items 1 - 5 and 7, 8, 9 were approved. Item 6 was removed for discussion.

1. MONTHLY CLAIMS: JUNE 1 THROUGH JUNE 30, 2005

The monthly claims for the month of June 2005 in the amount of \$2,751,446.55 were approved as submitted.

2. QUARTERLY TREASURER'S REPORT

The Quarterly Treasurer's Report ending June 30, 2005 was approved.

3. RESOLUTION CONFIRMING REPORT OF WEED ABATEMENT CHARGES AND ORDERING COLLECTION

The resolution confirming the report of weed abatement charges and ordering collection was adopted.

4. 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

The public hearing regarding the conceptual plan for the subdivision at Meadowood Estates, was continued to the September 12, 2005 City Council meeting.

5. RESOLUTION ESTABLISHING RULES FOR DESTRUCTION OF RECORDS AND APPROVING DESTRUCTION IN COMPLIANCE WITH SUCH RULES

The resolution establishing Rules for Destruction of Records and approving destruction in compliance with such rules was adopted.

6. APPROVE THE MEMORANDUM OF UNDERSTANDING (MOU) PROVIDING FOR THE CONTINUING OPERATION OF THE SAN FRANCISCO INTERNATIONAL AIRPORT/COMMUNITY ROUNDTABLE

Councilmember Mullooly asked for clarification with regards to the MOU, Article II, No. 3, that signatory agencies to this MOU agree to provide the necessary means (i.e., funding, staff support, supplies, etc.) to enable the Roundtable to achieve a reduction and mitigation of aircraft noise impacts, as addressed in this agreement.

Mayor Kasten indicated that Dave Carbone of the Airport/Community Roundtable sent an email to clarify that specific section of Article II. Mayor Kasten read that the statement does not intend nor imply automatic approval of unlimited financial support of the Roundtable by any member agency. It indicates the Roundtable member agencies, as a group, will provide sufficient funds to enable the Roundtable to continue to operate. The amount and distribution of those funds are identified in the annual Roundtable budget.

Councilmember Mullooly said the Roundtable meets as a group to adopt the annual budget, and should this issue arise, it would be reviewed at that time by all member agencies.

On motion of Vice Mayor Mullooly, seconded by Councilmember Krolik, unanimous on voice vote, the April 6, 2005, Memorandum of Understanding providing for the continuing operation of the San Francisco International Airport/Community Roundtable was approved subject to the interpretation of Article II, No. 3 as not intending nor implying automatic approval of unlimited financial support of the Roundtable by any member agency. It indicates the Roundtable member agencies, as a group, will provide sufficient funds to enable the Roundtable to continue to operate. The amount and distribution of those funds are identified in the annual Roundtable budget.

7. RESOLUTION APPROVING SERVICE ORDERS FOR ENGINEERING DESIGN OF THE 2005 WATER MAIN REPLACEMENT PHASE IV ADDITIONAL WORK, 2005 STORM DRAIN REPAIRS, AND WINDSOR-WILLOW STORM DRAIN IMPROVEMENTS, AND CONSTRUCTION MANAGEMENT OF THE 2004 STORM DRAIN REPAIRS, STREET MAINTENANCE & REPAIR PHASE II (FY 2005-2006), AND 2005 SANITARY SEWER INFILTRATION AND INFLOW (I & I – SMOKE TESTING) PROJECT

The resolution approving the CSG service orders in the total amount of \$171,600, and allocating \$145,200 in funds from the 2003 Bond, and \$26,400 in Measure A revenues was adopted.

8. RESOLUTION REQUESTING SAN MATEO COUNTY BOARD OF SUPERVISORS TO IMPOSE CHARGES TO FUND THE COUNTYWIDE GENERAL NPDES STORMWATER PROGRAM THROUGH THE COUNTY FLOOD CONTROL DISTRICT

The resolution requesting the San Mateo County Board of Supervisors impose charges to support the FY 2005/2006 Countywide Storm Water General Program Budget through the Flood Control District was adopted.

9. RESOLUTION ACCEPTING AS COMPLETE THE 2004 SANITARY SEWER CLEANING AND INSPECTION PROJECT

The resolution accepting as complete the 2004 Sanitary Sewer Cleaning and Inspection Project was adopted.

PUBLIC HEARINGS:

10. MODIFICATION TO THE NUEVA SCHOOL MASTER PLAN AND AMEND THE PERMIT TO OPERATE FOR MODIFICATION TO PHASE I IMPROVEMENTS; NUEVA SCHOOL, 6565 SKYLINE BLVD., applicant

Assistant Planner Gina Tynan explained that the application is for a modification to the Nueva School Master Plan and an amendment to the school's existing Permit to Operate in Town. Ms. Tynan said in 1996 the City Council approved the Nueva School Master Plan and Mitigated Negative Declaration which provided conceptual plans and analysis of the school's anticipated growth over approximately 5 or more years, depending on the school's available funding. The school's growth was anticipated to occur through phased development and included projects such as a new gymnasium, improvements to the school's entrance, upgrades to sports play fields, and other projects to address traffic and noise at and around the school as well as the school's maintenance of the Crocker Mansion and the development of new facilities to accommodate their students and staff.

Ms. Tynan added that the revised project is to develop a new classroom building, student center, dining hall, and library/media center. These facilities include new parking areas and a central plaza located near the center of the site. Ms. Tynan explained that the sizes of the buildings have been reduced and the plans do not include a freestanding theater building.

The school intends to incorporate sustainable building concepts into the design. The revisions would result in a smaller project with uses that are less intensive than originally proposed with the Master Plan. Ms. Tynan said that approval of this application would allow the school to move forward with the design of these new facilities, as revised, which will be subject to review by the Architecture and Design Review Board at a future public hearing.

Shirley Doxtad, Director of Finance and Operations for the Nueva School, stated that approval of the new application would allow enrollment to increase in 2007 by 16 students per year until 2010. Ms. Doxtad said the school has sent an extended invitation to over 100 neighbors to review the preliminary plans of the classrooms, library and expansion of enrollment. Ms. Doxtad said it is important that the school remain good neighbors and include residents in any school events when possible. Ms. Doxtad said the neighbors seem very positive towards the new modifications.

Bill Leddy, project architect, gave a presentation showing project goals, its intent to weave nature and community together, an improved drop-off area for students, and that the new site location having minimum impact to neighbors.

Marsha Maytum, project architect, stated that the primary goals for the addition are to add to the environmental body, and integrate different sustainable building strategies in the community. Such as: sawed roofing materials, natural insulation, photovoltaic solar cells installed on the roof, rain water harvesting, recycled tiles and bamboo flooring. This would help teach children to use what nature provides. Ms. Maytum said there would be cut-a-ways in the building walls to show children how the building was constructed. Mr. Leddy added that the library will receive natural light and would not require an air conditioning unit to be installed.

Mayor Kasten opened the public hearing.

Fran Hejazi a neighbor of Nueva School stated that she was unable to attend the June 7th meeting at Nueva, and had some questions regarding the proposed project. Ms. Hejazi questions were: what is the purpose of the new library and student center, will it be used for large gatherings on the weekend, would this increase traffic in the area, how many students are from Hillsborough families, is the school a non profit or profit organization, and could she have a copy of the annual financial statement.

Shirley Doxtad, Director of Finance and Operations said the new student center would allow for approximately 160 children to eat in the dining hall instead of in their classroom or outside. The theater would be used for school activities only, and not for public or weekend events. There are approximately 30 Hillsborough families with children at Nueva School, and Nueva is a non profit organization. Mrs. Doxtad said they would be able to provide their annual financial report.

Marsha Maytum added that the new centralized front door will accomplish easier student drop off, and could help with traffic concerns. Mayor Kasten stated that the police and fire department help administer traffic and safety on Skyline Blvd.

Assistant City Attorney Penny Greenberg stated that anyone could visit the website guidestar.org to get more information about non profit organizations.

Councilmember Krolik commented on the fact that children would be having their lunch in the center of the courtyard vs. eating on the lawn near the residential area of Rowan Tree Lane.

Mayor Kasten closed the Public Hearing.

Councilmember Krolik stated that this project has been well thought out, and she would like to get some building samples to keep at Town Hall.

Councilmember Regan said this project is responsible and he appreciates everyone's efforts.

Vice Mayor Mullooly stated that the new centralized front door may address current traffic issues and asks that the school continue to work with the neighbors on this and future projects. Vice Mayor Mullooly added that this project is smaller and has less of an impact than the original Master Plan.

Councilmember Fannon asked if the theater has been delayed. Ms. Doxtad said yes.

On motion of Councilmember Fannon, seconded by Vice Mayor Mullooly, unanimous on voice vote, the modification to the Nueva School Master Plan and Amendment to the Permit to Operate, subject to Architecture and Design Review Board approval of the building designs was approved.

11. RESOLUTION AUTHORIZING PLACEMENT OF SEWER SERVICE AND STORM DRAINAGE CHARGES AND OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION ON THE 2005-2006 COUNTY TAX ROLL AND AUTHORIZING THE COUNTY TAX COLLECTOR TO COLLECT SUCH CHARGES

Finance Director Edna Masbad stated that the Town's sewer service charges, storm drainage charges and public safety special tax are collected by the County Tax Collector in the same manner in which the County collects the property taxes pursuant to the Hillsborough Municipal Code. The following charges were noticed as per the public hearing requirements. Ms. Masbad said there were 3,863 households in Town, six schools, the Burlingame Country Club, and the Hillsborough Racquet Club that are being charged with that property tax roll, and a few San Mateo and Burlingame residents.

Councilmember Regan asked if this is the 1st year the public safety tax is at its maximum and cannot be increased. Ms. Masbad said yes, the Town has reached the maximum allowed by law.

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 resolution authorizing placement of sewer service and storm drainage charges and of the special tax for police protection and fire protection and prevention on the 2005-2006 county tax roll and authorizing the County Tax Collector to collect such charges was adopted.

NEW BUSINESS:

12. RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN AND ENTER INTO A RIGHT-OF-WAY AGREEMENT WITH NEXTG NETWORKS, INC.

Assistant to the City Manager Kathy Leroux stated that NEXTG Networks, Inc. has applied for a Right-of-Way Agreement to install voice and data communications equipment on certain utility poles throughout the Town in the public right-of-way. NEXTG has been approved by the Federal Communications Commission (FCC) as a 7901 telecommunications carrier under the 1996 TELCOM ACT. Ms. Leroux said the Town cannot deny NEXTG the ability to operate as a telecommunications carrier in the Town, but can control the manner in which NEXTG utilizes the Town's public rights of way. NEXTG must also provide compensation to the Town for any equipment they install within the Town. Ms. Leroux added that all installations are subject to approval by the Director of Public Works, and plans are subject to pre-approval to ensure each installation is safe, avoid unnecessary or redundant utility boxes, avoid obstruction of sight lines of traffic, including pedestrian traffic, and unreasonable obstruction of view from residential property. Ms. Leroux stated that encroachment permits will be required for all initial work within the public right-of-way. The Town will receive all normal permit fees and business license taxes. The Town will also receive Franchise fees on a monthly basis which will amount annually to 5% of NEXTG's gross revenues in Hillsborough.

NEXTG expects to install equipment on about 5 utility poles in the Town which could generate approximately \$2,500 per year.

Councilmember Regan asked what the 5% fee is based on. Mr. Warren Dumanski, Director of Sales for NEXTG, said he estimated a total of 5 utility boxes being installed throughout Town which would generate approximately \$50,000 per year. The Town of Hillsborough would receive 5% of those fees averaging \$2,500 per year.

Mayor Kasten asked what the benefit to residences is after having these utility boxes installed. Mr. Dumanski said that currently residents have limited reception when using their cell phones in Town. The new equipment may be mounted on the utility poles would improve the cell phone coverage.

Councilmember Fannon asked if it would improve cell phone availability no matter what service carrier you have. Mr. Dumanski said yes. Mayor Kasten said is that only if one's service carrier company contracts with this specific service? Mr. Dumanski said yes, and many carriers have expressed interest.

Mayor Kasten asked about areas with poor coverage, and that have underground utility poles. Mr. Dumanski said sometimes the company would install a utility pole, or use ground furniture. Mayor Kasten asked if it could be placed with a free standing base. Mr. Dumanski said yes, but they try to avoid doing that.

Councilmember Krolik asked about radio emission and if the Town would know where and when utility boxes would be installed. Mr. Dumanski said yes, through the permitting process and approval of the Public Works Director. Mr. Dumanski said the radio emission is lower than what the FCC mandates, and it is a fraction of what is allowable.

Mr. Dumanski added that the radio emission is lower than what the FCC mandates, and it is a fraction of what is allowable.

Mayor Kasten asked what would happen if the equipment was installed on a pole, and that pole was moved to underground. Mr. Dumanski said the company would reroute the fiber to another area.

Councilmember Krolik asked if the company will try to minimize the impact of installation near residence. Mr. Dumanski said yes, they try to choose poles furthest away from a home.

Councilmember Krolik asked if any contracts have been signed with Cingular, Sprint, AT&T etc. Mr. Dumanski said not at this time. Companies do not sign contracts before NEXTG has an agreement with the Town.

Mayor Kasten asked if the equipment could be painted any color. Mr. Dumanski said yes.

Councilmember Krolik asked if the reason there is limited mobile service in some homes is by the types of building materials used. Mr. Dumanski said no, the poor cellular coverage in a residence is usually the result of proximity from existing cellsites.

Mr. Dumanski also indicated that NEXTG would be offering no cost Wi-Fi services to the Town as a result of this proposed system installation. Mr. David Weekly (a Town resident who was in attendance at the Council Meeting) further explained to Council that if the Town saw fit to use the free Wi-Fi service offered by NEXTG, it meant free use of the cabling infrastructure laid in by NEXTG as well as the pole mounted antenna nodes. The Town would have to purchase its own field/mobile receiver equipment and/or other computer server hardware in order for the wireless access to be complete.

Vice Mayor Mullooly asked why SAMCAT got involved. Ms. Leroux said a sub-committee from SAMCAT took the lead in developing a uniform countywide Right-of-Way Agreement because NEXTG desired to implement agreements with many cities in San Mateo County.

Mayor Kasten asked legal counsel if the Town had the ability to negotiate a better rate. Assistant City Attorney Penny Greenberg said theoretically yes.

On motion of Councilmember Fannon, seconded by Councilmember Regan, the resolution authorizing the City Manager to sign and enter into a Right-of-Way Agreement with NEXTG Networks, Inc. was adopted by a vote of 4-1 with Councilmember Krolik voting no, because she thought the compensation to the Town was too low.

13. RESOLUTION AWARDDING A CONTRACT TO GELCO SERVICES FOR THE 2005 SANITARY SEWER SMOKE TESTING (INFILTRATION AND INFLOW STUDY) PROJECT

City Engineer Cyrus Kianpour said that staff is requesting to award a contract to Gelco Services for the 2005 sanitary sewer smoke testing project. This project would identify illegal connections, broken pipe, broken sewer laterals, and other areas that need repair. Mr. Kianpour added that notices will be sent to residents notifying them of the project. Also residents will be notified through the Town newsletter. Mr. Kianpour said the project will cover more than one-half of the Town's sanitary sewer collection system.

On motion of Vice Mayor Mullooly, seconded by Councilmember Fannon, unanimous on voice vote, the resolution awarding Gleco Services the contract for the 2005 Sanitary Sewer Smoke Testing Project, in the amount of \$107,640 with a 15% contingency in the amount of \$16,146 for a total construction budget of \$123,786 was adopted.

14. RESOLUTION AWARDDING A CONTRACT TO GRAHAM CONTRACTORS, INC. FOR THE 2005 PAVEMENT MAINTENANCE AND REHABILITATION PROJECT, ST-407

City Engineer Cyrus Kianpour stated that the annual pavement resurfacing project for 2005 will include 15 miles of street and comprise three different methods to resurface. Mr. Kianpour gave a presentation on methodology for resurfacing. Mr. Kianpour said this style of resurfacing has been approved by CalTrans and is relatively a more cost effective process. Mr. Kianpour added that the contractor bid was higher than the engineers estimate due to the high demand for oil.

Vice Mayor Mullooly said she was looking over the list of streets, and asked why certain streets in good condition are being repaved. Mr. Kianpour said the project is rejuvenating streets and saving the streets in good shape.

Councilmember Krolik asked if the streets on the list have completed the Town's sewer and water repairs. Mr. Kianpour said yes. Councilmember Krolik asked if the material used for the resurfacing is made up of recycled material. Mr. Kianpour said it is not.

Mayor Kasten asked if this project included the most damaged streets in Town. Public Works Director Martha DeBry said that two of the most damaged street are included on the list, but not all. Staff focused on streets that are contiguous to each other, including streets that were included in the water project.

Councilmember Fannon asked if the entire Town would eventually be done. Ms. DeBry said staff will include more miles of repair each year with the goal of covering the entire Town.

Councilmember Krolik asked if some streets were not being done due to the amount of underground work pending. Ms. DeBry said yes.

On motion of Vice Mayor Mullooly, seconded by Councilmember Regan, unanimous on voice vote, the resolution awarding Graham Contractors, Inc., the contract for the 2005 Pavement Maintenance and Rehabilitation Project, ST-407, in the amount of \$786,044 with a 10% contingency in the amount of \$76,000 for a total construction budget of \$843,267, and allocating Measure A, Gas Tax, and Water Funds for same was adopted.

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

Public Works Director Martha DeBry said an amendment to the agreement for CSG City Engineer services has been negotiated. The rates for the City Engineer and Associate Engineer remain unchanged, and the rates for Assistant Engineer and Capital Improvement Project Manager (CIP) have increased.

Ms. DeBry added that since the Public Works Department does not currently have the superintendent position filled, a Management Analyst would be added to assist with analytical work on a part time basis.

Councilmember Krolik asked why staff does not have someone in the superintendent position. Ms. DeBry said the former superintendent retired, and there isn't anyone prepared or willing to move into that position currently. Ms. DeBry said the Public Works Department is the busiest it's been with capital projects, and an analyst is needed to review daily tasks.

On motion of Councilmember Regan, seconded by Councilmember Fannon, unanimous on voice vote, the resolution approving an amendment to the agreement between the Town of Hillsborough and CSG for City Engineer services was adopted.

DISCUSSION:

16. UPDATE ON STATUS OF TOWN PROPERTIES

Public Works Director Martha DeBry made a presentation to the City Council regarding Town properties and the status of those properties. Ms. DeBry indicated that the Town owns a total of 278 acres of which 259 acres is undeveloped open space area. A discussion was held regarding the disposition of surplus properties in Town.

PUBLIC COMMENT:

None

CITY COUNCIL ITEMS:

Vice Mayor Mullooly stated that in the monthly report, the Fire Department raised over \$3,700 for the Alisa Ann Rush Burn Foundation.

Vice Mayor Mullooly asked the Fire Department about their response time report. Fire Chief Bill Reilly said EMS rescue calls are tracked separately to ensure contract response time with the ALS contract with the County.

Councilmember Regan indicated that there would be a History Makers 2005 dinner, benefiting the San Mateo County Historical Association Thursday, September 22nd Honoring Ann Johnson of Hillsborough.

Councilmember Regan stated that the Financial Advisory Committee (FAC) met on July 7, 2005. Public Works Director Martha DeBry discussed the sewer and water projects in Town, and Sergeant Serrato of the Hillsborough Police Department gave a presentation on alarms in Town, and how to increase revenue.

Mayor Kasten indicated that there will be a Council of Cities Dinner, July 22, 2005 in Millbrae.

Mayor Kasten announced that he received a letter from a resident acknowledging the exceptional service of the Building Department.

Mayor Kasten asked if the Town will be affected by the Easton Creek Sewer Improvement Project. Public Works Director Martha DeBry said yes, a portion of the work is in Hillsborough and residents have been notified.

Mayor Kasten asked about a notice he received in his water bill regarding back water protection and back flow devices requiring to be installed by January 2007. Mayor Kasten suggested an adjustment to the wording for notices going out to residents in the future so there would be more clarity regarding the difference between back water protection and back flow devices, and what residences are required to have such devices and which homes are not required to install such devices.

ADJOURN: Mayor Kasten adjourned the meeting at 8:10 p.m.