

TOWN OF HILLSBOROUGH

San Mateo County

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

1600 Floribunda Avenue
Hillsborough, CA 94010



A G E N D A

MONDAY, JULY 10, 2006

6:00 p.m. CITY COUNCIL MEETING
Hillsborough Town Hall

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. MINUTES: June 12, 2006

IV. PRESENTATION:

- Division Chief Mark Ladas of Central County Fire Department and a representative from the San Mateo County Health Department will present an update on the San Mateo County Operational Area Plan to deal with a potential pandemic.

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: JUNE 1 THROUGH JUNE 30, 2006
2. QUARTERLY TREASURER'S REPORT
3. QUARTERLY INTEREST RATE PRODUCTS (SWAP) REPORT
4. RESOLUTION LISTING PROJECTS FUNDED BY THE 2003 WATER AND SEWER BOND REIMBURSEMENT
5. RESOLUTION AWARDED THE BID TO SUNNYVALE FORD FOR THE PURCHASE OF FIVE NEW VEHICLES FOR THE PUBLIC WORKS DEPARTMENT
6. RESOLUTION AWARDED THE BID TO SCELZI ENTERPRISES, INC. FOR THE PURCHASE OF TRUCK BODIES AND EQUIPMENT FOR THE FIVE PUBLIC WORKS VEHICLES

7. RESOLUTION AWARDDING THE BID TO PETERSON TRACTOR CO. FOR THE PURCHASE OF A 2006 CATERPILLAR 420E TRACTOR (BACKHOE/LOADER) FOR THE PUBLIC WORKS DEPARTMENT
8. RESOLUTION APPROVING THE PURCHASE OF A PUSH CAMERA AND LINE LOCATOR FOR THE PUBLIC WORKS DEPARTMENT (SEWER)
9. RESOLUTION AWARDDING THE BID TO PETERSON POWER SYSTEMS, INC. FOR THE PURCHASE OF A NEW SULLAIR 185 CFM/100 PSI PORTABLE AIR COMPRESSOR FOR THE PUBLIC WORKS DEPARTMENT
10. RESOLUTION APPROVING THE CSG CONSULTANTS, INC. WORK ORDER FOR DESIGN SERVICES AND GEOTECHNICAL INVESTIGATION OF THE CROCKER LAKE EASEMENT ROAD LANDSLIDE REPAIR
11. RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$40,000 FOR EQUIPMENT AND FABRICATION SERVICES TO IMPROVE WATER QUALITY AT THE DARRELL TANK SITE
12. RESOLUTION MEMORIALIZING THE DECISION TO HOLD IN RESERVE THE PARCEL AT 115 RESERVOIR ROAD AS AN ASSET OF THE TOWN
13. RESOLUTION CALLING THE GENERAL MUNICIPAL ELECTION OF THE TOWN OF HILLSBOROUGH AND DIRECTING THE CITY CLERK TO PERFORM ALL ACTIONS REQUIRED OF THE CITY ELECTIONS OFFICIAL OTHER THAN THOSE TO BE PERFORMED BY THE COUNTY
14. RESOLUTION REQUESTING THE CONSOLIDATION OF THE CITY ELECTION WITH THE STATEWIDE GENERAL ELECTION
15. RESOLUTION REQUESTING THE COUNTY TO CANVASS THE RETURNS OF THE TOWN OF HILLSBOROUGH GENERAL MUNICIPAL ELECTION AND AUTHORIZING THE EXECUTION OF THE NECESSARY SERVICE AGREEMENT WITH THE COUNTY

VI. NEW BUSINESS:

16. RESOLUTION IN SUPPORT OF PARKS FOR THE FUTURE BALLOT INITIATIVE
17. RESOLUTION AUTHORIZING JOINING A COUNTYWIDE SUBREGION FOR THE PURPOSE OF ADMINISTRATION OF THE HOUSING ELEMENT REGIONAL HOUSING NEEDS ALLOCATION (RHNA)
18. PRESENTATION OF THE ZONING STUDY COMMITTEE'S REPORT ON ZONING STANDARDS AND RESIDENTIAL DESIGN GUIDELINES FOR NEW HOMES
19. RESOLUTION ADOPTING THE GENERAL PLAN IMPLEMENTATION STRATEGY

20. DISCUSSION OF RESULTS OF THE SURVEY OF RESIDENT ATTITUDES TOWARDS REFUSE AND RECYCLING SERVICES
21. RESOLUTION SETTING RATES FOR THE CITY ENGINEER SERVICES (CSG ENGINEERING)

VII. PUBLIC HEARING:

22. GRADING PERMIT APPLICATION AND NEGATIVE DECLARATION; 4, 8, AND 10 FARM LANE; Mr. Kevin Whitman, Applicant
23. RESOLUTION AUTHORIZING THE PLACEMENT OF SEWER SERVICE AND STORM DRAINAGE CHARGES AND OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION ON THE 2006-2007 COUNTY TAX ROLL AND AUTHORIZING THE COUNTY TAX COLLECTOR TO COLLECT SUCH CHARGES
24. ORDINANCE AMENDING SECTION 2.12.070 OF THE HILLSBOROUGH MUNICIPAL CODE REGARDING SOLAR ENERGY SYSTEMS
25. ORDINANCE AMENDING CHAPTER 15.08 (ELECTRICAL CODE) OF THE HILLSBOROUGH MUNICIPAL CODE
26. ORDINANCE AMENDING CHAPTER 15.16 (PLUMBING CODE) OF THE HILLSBOROUGH MUNICIPAL CODE
27. FUNDRAISING EVENT PERMIT APPLICATION 06-06 FOR THE DICKENS HOUSE DESIGNER SHOWCASE AND HOLIDAY BOUTIQUE

VIII. 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.

IX. 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.

X. 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.

MINUTES:

A copy of the unapproved minutes will be made available the Friday before the next regularly scheduled City Council meeting. Once minutes are approved by the City Council they will be made available the following day. City Council Agendas and approved minutes are available at the Town's website, www.hillsborough.net.



AGENDA – REPORTS

HILLSBOROUGH CITY COUNCIL

Monday, July 10, 2006
6:00 p.m.
Hillsborough Town Hall
1600 Floribunda Avenue, Hillsborough

CONSENT CALENDAR:

1. MONTHLY CLAIMS: JUNE 1 THROUGH JUNE 30, 2006 (Finance Director)

Summary: The monthly claims for the month of June 2006 in the amount of \$3,280,024.18 are submitted for approval.

Recommendation: Approve the monthly claims for June 2006 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 Quarter ending June 30, 2006 Treasurer's Report.

3. QUARTERLY INTEREST RATE PRODUCTS (SWAP) REPORT (Finance Director)

Summary: Pursuant to Government Code Section 5922(a) and the Town's Interest Rate Mitigation Policy, a quarterly report providing the status of all interest rate products will be provided to the City Council on a quarterly basis.

Recommendation: Accept the Interest Rate Products Report for the quarter ending June 30, 2006.

4. RESOLUTION LISTING PROJECTS FUNDED BY THE 2003 WATER AND SEWER BOND REIMBURSEMENT (Public Works Director)

Summary: The Town of Hillsborough issued a bond in August 2003 to fund a variety of water and sewer capital projects. To date, the Town has expended \$13,120,000 of the \$15,000,000 bond, or 87% of the bond revenues, which meets the expenditure requirements to preserve the tax exempt status of the bonds. There are a number of contracts that have been awarded that will consume the remaining funds in the coming months. Currently, the Town has three bond projects in process: El Arroyo Tank Replacement, Sewer Lining Phase 3, and Water Main Replacement Phase 4. The purpose of the resolution is to create a complete list of projects that were funded by bond revenue, which can be used for future reference. This list is not a requirement of the bond.

Recommendation: Adopt the resolution listing all projects funded by the 2003 Water and Sewer Bond reimbursement.

5. RESOLUTION AWARDING THE BID TO SUNNYVALE FORD FOR THE PURCHASE OF FIVE NEW VEHICLES FOR THE PUBLIC WORKS DEPARTMENT (Public Works Director)

Summary: The scheduled replacement of five trucks was approved as part of the vehicle replacement program in fiscal years 2005/2006 and 2006/2007. Bids were solicited from six vendors with three responding. Attached are copies of the bid results. By bidding all the trucks together, the Town is receiving a "Fleet" discount from Ford (having bid five trucks at one time). Three of the vehicles are chassis only, and the bodies have been bid separately. (See next agenda item.) Overall, the Town is under budget by more than \$24,000 by bidding the vehicles in this manner.

Three Water Department trucks ranging in age from 9 – 16 years will be replaced. One vehicle is a stock F150 XL ½ ton pick up truck, and the other two are F350 XL and F450 XL replacements that were bid as chassis only.

The two Street Department trucks will replace vehicles that are 11 and 14 years old with high mileage. One vehicle is a stock F150, and the other one will be a F550 XL chassis. Replacement of the vehicles was delayed several years to minimize General Fund expenses.

Staff has checked the bids for completeness and accuracy to specifications. Funding will be from the General Fund and Water Fund vehicle reserves.

Recommendation: Adopt the resolution awarding the bid for the purchase of five new vehicles in the Public Works Department to Sunnyvale Ford in the amount of \$112,866.68.

6. RESOLUTION AWARDING THE BID TO SCELZI ENTERPRISES, INC. FOR THE PURCHASE OF TRUCK BODIES AND EQUIPMENT FOR THE FIVE PUBLIC WORKS VEHICLES (Public Works Director)

Summary: The proposal presented for City Council's consideration is for three truck bodies (a dump, a flat bed, and service body with cabinets) and for other accessories including lumber racks, lift gates, and tool boxes for the five new vehicles being purchased for the Public Works Department as part of the approved vehicle replacement program for fiscal years 2005/2006 and 2006/2007.

Bids were solicited from five vendors with two responding. The responses were as follows:

Bidders	Total
Scelzi Enterprises, Inc.	\$45,908.83
Carter Industries	\$51,558.40

Attached are copies of the detailed bid results. Staff has checked the bids for completeness and accuracy to specifications. Funding will be allocated from the General Fund and Water Fund vehicle reserves.

Recommendation: Adopt the resolution awarding the bid to Scelzi Enterprises, Inc. for the purchase of three truck bodies and accessory equipment for five Public Works vehicles in the amount of \$45,908.83.

7. RESOLUTION AWARDING THE BID TO PETERSON TRACTOR CO. FOR THE PURCHASE OF A 2006 CATERPILLAR 420E TRACTOR (BACKHOE/LOADER) FOR THE PUBLIC WORKS DEPARTMENT (Public Works Director)

Summary: The purchase of a new 2006 Caterpillar 420E Backhoe/Loader with standard is funded as part of the vehicle replacement program in 2006/2007. Public Works crews use backhoes on a daily basis to excavate and replace soil and rock, to move water pipes and heavy equipment, and to load materials such as rock and green waste into trucks or disposal bins. A new tractor was requested to minimize the need for tractors to be moved from site to site during the day and to reduce traffic on La Honda Road.

Bids were solicited from three vendors with all responding. Attached are the copies of the bid specification and the bid results.

Bidders	2006 CAT Backhoe/Loader
Peterson Tractor Co.	\$89,804.20
Quinn Company	\$92,972.68
Holt of California Co.	\$93,845.17

Staff has checked the bids for completeness and accuracy to specifications. Funding will be from the Water Fund.

Recommendation: Adopt the resolution awarding the bid for the purchase of one new Caterpillar 420E Backhoe/Loader to Peterson Tractor Co. in the amount of \$89,804.20.

8. RESOLUTION APPROVING THE PURCHASE OF A PUSH CAMERA AND LINE LOCATOR FOR THE PUBLIC WORKS DEPARTMENT (SEWER) (Public Works Director)

Summary: The Public Works sewer crews often rely on video technology to identify problems within a main. A camera mounted on wheels is pushed into the pipe to view the interior which may have cracks, offset joints, roots or debris. The existing monochromatic push camera is approximately 10 years old.

The approved 2006/2007 budget includes \$15,000 in capital outlay for the purchase of a new video system. An Insight Vision 1200 Series Push Camera was selected by the Sewer Department Supervisor as the camera that most closely matches the crews' needs for a lightweight portable system with color, voice, distance and digital recording capability. Color is very useful when evaluating the interior of a pipe because conditions like rust are more readily discernable. Voice recording while the pipe is being inspected allows crews to convey their observations directly to Engineering. Like other newer cameras, images are saved digitally which expedites reviewing the video. The new camera also includes a foot counter which enables the crews to identify the distance from the camera's point of entry to the obstruction or damaged section of pipe. Together with a line locator called a SeekTech SR20 receiver and

transmitter, which are also included in the estimate; crews can determine the exact physical location of an issue, which avoids unnecessary digging.

Recommendation: Adopt the resolution authorizing the purchase of the Insight Vision 1200 Series Push camera and SeekTech SR20 receiver and transmitter for \$14,847.

9. RESOLUTION AWARDING THE BID TO PETERSON POWER SYSTEMS, INC. FOR THE PURCHASE OF A ONE NEW SULLAIR 185 CFM/100 PSI PORTABLE AIR COMPRESSOR FOR THE PUBLIC WORKS DEPARTMENT (Public Works Director)

Summary: The Hillsborough Public Works Department is requesting to purchase a new Sullair 185 cfm/100 psi portable air compressor with two ¾" x 50' air hoses. The purchase has been scheduled in the vehicle replacement program for 2006/2007. A trailer mounted compressor is used on a daily basis by Public Works crews to provide power to jackhammers, chippers and other air tools in the field.

Bids were solicited from three vendors with all responding with the following results:

Bidders	Sullair 185 CFM Portable Air Compressor with Two ¾" x 50' Air Hoses
Peterson Power Systems, Inc.	\$12,212.51
Johnson Power Systems	\$12,795.05
Stewart & Stevenson Power, Inc.	\$14,264.26

Staff has checked the bids for completeness and accuracy to specifications. Funding will be from the Water Fund.

Recommendation: Adopt the resolution awarding the bid for the purchase of one Sullair 185 cfm/100 psi portable air compressor with two ¾" x 50' air hoses to Peterson Power Systems, Inc. in the amount of \$12,212.51.

10. RESOLUTION APPROVING THE CSG CONSULTANTS, INC. WORK ORDER FOR DESIGN SERVICES AND GEOTECHNICAL INVESTIGATION OF THE CROCKER LAKE EASEMENT ROAD LANDSLIDE REPAIR (Public Works Director)

Summary: CSG Consultants, Inc. has submitted proposals for design services for the Crocker Lake Easement Road Landslide Repair. A recent landslide on the road to the south and west of the dam is endangering a sanitary sewer main, as no soil is supporting the sewer main. The landslide and subsequent erosion needs to be addressed to secure the sewer main.

CSG will provide design services for the project after a geotechnical investigation of the slide is completed by Lowney and Associates, who will be paid \$10,177 from this work order. Staff anticipates the repair cost will be approximately \$100,000, which will be funded with 2006 Bond revenues. The project will be presented to the City Council in August 2006 for approval.

Recommendation: Adopt the resolution approving the CSG service order in the total amount of \$22,431, which includes \$10,177 for Lowney and Associates and allocating \$22,431 in funds from the 2003 and 2006 Bonds.

11. RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$40,000 FOR EQUIPMENT AND FABRICATION SERVICES TO IMPROVE WATER QUALITY AT THE DARRELL TANK SITE (Public Works Director)

Summary: Recent water quality sampling has exposed an issue in the #2 tank at the Darrell Tank Site. The water within the tank is not circulating in a manner that keeps the water cool and disinfectant stable. A similar problem was detected last year. In order to enhance water quality and prevent a nitrification event, the tank requires equipment that will circulate the water more effectively during warmer months. Because the problem needs to be addressed in the coming weeks, a request is being made to appropriate funds for the purchase of tank circulation equipment and steel fabrication services in an amount not to exceed \$40,000 from the Water Fund. In the meantime, the tank will be drawn down to minimize the water stored.

Water quality sampling at the other 16 storage tanks did not suggest any problems exist elsewhere. Public Works performs both regulatory and non-regulatory testing on a frequent basis to ensure optimum water quality. Similarly, the water flushing cycle for 2006 is in progress and should be complete in August 2006.

Recommendation: Adopt the resolution appropriating an amount not to exceed \$40,000 for equipment and fabrication services to improve water quality at the Darrell Tank Site.

12. RESOLUTION MEMORIALIZING THE DECISION TO HOLD IN RESERVE THE PARCEL AT 115 RESERVOIR ROAD AS AN ASSET OF THE TOWN (Public Works Director)

Summary: This resolution for the City Council's consideration memorializes the decision made at the June 2006 meeting, not to offer for sale the parcel at 115 Reservoir Road and to provide guidance as to how the decision was made. The parcel had been previously declared as surplus, and a recent appraisal estimated the value of the property to be \$2,100,000. The City Council determined that the parcel should be conserved as a General Fund asset, which can be sold in the future if a need is identified. The City Council further determined that the parcel should not be converted to a municipal use such as a park, and that the use should be limited to single family residential housing as the property is currently zoned.

Recommendation: Adopt the resolution memorializing the decision to hold in reserve the parcel at 115 Reservoir Road as an asset of the Town.

13. RESOLUTION CALLING THE GENERAL MUNICIPAL ELECTION OF THE TOWN OF HILLSBOROUGH AND DIRECTING THE CITY CLERK TO PERFORM ALL ACTIONS REQUIRED OF THE CITY ELECTIONS OFFICIAL OTHER THAN THOSE TO BE PERFORMED BY THE COUNTY (City Clerk)

Summary: This resolution officially calls the general municipal election on Tuesday, November 7, 2006 for the election of two members of the City Council of the Town of Hillsborough.

Recommendation: Adopt the resolution calling the general municipal election of the Town of Hillsborough and directing the City Clerk to perform all actions required of the City Elections Official other than those to be performed by the County.

14. RESOLUTION REQUESTING THE CONSOLIDATION OF THE CITY ELECTION WITH THE STATEWIDE GENERAL ELECTION (City Clerk)

Summary: This resolution requests the consolidation of the Town's City Council election with the statewide election to be held on November 7, 2006. Two seats on the City Council are to be filled. Consolidating the Town's election with the statewide general election will reduce the cost to the Town of conducting a separate election. Upon adoption, a certified copy of this resolution will be filed with the San Mateo County Board of Supervisors.

Recommendation: Adopt the resolution requesting the consolidation of the City election with the statewide election.

15. RESOLUTION REQUESTING THE COUNTY TO CANVASS THE RETURNS OF THE TOWN OF HILLSBOROUGH GENERAL MUNICIPAL ELECTION AND AUTHORIZING THE EXECUTION OF THE NECESSARY SERVICE AGREEMENT WITH THE COUNTY (City Clerk)

Summary: This resolution requests the Board of Supervisors of San Mateo County to permit the county elections official to render election services to the Town of Hillsborough.

Recommendation: Adopt the resolution requesting the County to canvass the returns of the Town of Hillsborough general municipal election and authorizing the execution of the necessary service agreement with the County.

NEW BUSINESS:

16. RESOLUTION IN SUPPORT OF PARKS FOR THE FUTURE BALLOT INITIATIVE (Public Works Director)

Summary: *Parks for the Future* is an effort to secure dedicated tax-based revenues to support the parks and recreation related activities of San Mateo County, the cities located within the County, the Ladera and Highlands recreation districts and Mid Peninsula Regional Open Space District. This would be accomplished through voter approval of a measure to increase the sales tax by 1/8th of a cent for a period of 25 years. The San Mateo County Board of Supervisors is expected to take final action on August 1, 2006 to place this on the November 2006 ballot.

The revenue, projected to raise approximately \$16 million per year (at 2002 figures), would be allocated to jurisdictions per a formula. Hillsborough is estimated to receive \$205,000 annually. The revenue must be used for park and recreation related functions, but each jurisdiction will have the authority to spend the funds according to their need. Funds could be spent on maintenance, operations, activities and programs, capital improvements or acquisition, and jurisdictions could vary how the money is spent over the life of the tax. Under

the measure, cities and the County will be required to maintain their general fund contributions to the parks and recreation budgets. The City/County Association of Governments of San Mateo County (C/CAG) would serve as the administrative board for distribution of funds, auditing and reporting functions.

Parks of the Future is requesting that governing boards in San Mateo County provide support for the ballot measure. The City Council has supported other ballot measures in the past such as the renewal of Measure A.

Recommendation: Adopt the resolution in support Parks for the Future ballot initiative.

17. RESOLUTION AUTHORIZING JOINING A COUNTYWIDE SUBREGION FOR THE
PURPOSE OF ADMINISTRATION OF THE HOUSING ELEMENT REGIONAL HOUSING
NEEDS ALLOCATION (RHNA) (City Planner)

Summary: Housing Elements are required, by law, to show that the agency's share of the regional housing need can be met. The Regional Housing Needs Allocation (RHNA) for each agency is determined by the Association of Bay Area Governments (ABAG) after the state provides the allocation for the entire region.

A change in state law allows cities within a county to join together to form a "subregion", or a consortium that would administer the state-mandated RHNA. There has been interest expressed in forming a subregion in the County. If a subregion is formed within San Mateo County, the subregion would enter into a "delegation agreement" with ABAG and develop a methodology to determine the RHNA for the 2009 Housing Element update.

The subregion would not only determine the RHNA for each city and the County, but it would also have the flexibility to distribute the housing numbers in a manner that makes the most sense from a countywide perspective. Member jurisdictions would have the ability to negotiate with other members for adjustments to their allocations. For example, jurisdictions that have less ability to provide units may offer incentives to other jurisdictions that might accept additional units. Incentives might include cash payments to subsidize the cost of providing development services or providing roadway improvements. Payments might be made to the Housing Endowment and Regional Trust of San Mateo County. This concept of swapping and credits among jurisdictions is not possible under the traditional RHNA method, but it could be with a subregional approach.

All agencies participating in the subregion would need to provide staff to develop the subregion's methodology. The City/County Association of Governments of San Mateo County (C/CAG) has indicated it would offer staff support. There is the possibility that C/CAG would contract for some of the basic housing data and analysis commonly required in all Housing Elements which could save costs when the Housing Element is written. Should the subregion not be successful (i.e., if the methodology is not accepted, if a critical deadline is missed, if an agreement among the jurisdictions cannot be made, etc.), the Town would receive its RHNA from ABAG in the traditional manner and would be required to address the need in the next Housing Element.

Presentations have been made to C/CAG, the City Manager's Association, and the Planning Director's group. A positive point is that the state law does not yet include many specifics about how this concept would be carried out. There is an opportunity for creative solutions to the countywide housing issue and for more local control of the housing determinations/solutions. Hillsborough's Housing Element has policies supporting a regional approach to the housing issue, so joining the subregion is consistent with established policy.

All jurisdictions wishing to participate in a subregion must adopt a resolution and forward it to ABAG by August 31, 2006. It is not currently clear as to how many cities in the County will decide to form a subregion.

Recommendation: Adopt the resolution authorizing joining a countywide subregion for the purpose of administration of the Housing Element Regional Housing Needs Allocation.

18. PRESENTATION OF THE ZONING STUDY COMMITTEE'S REPORT ON ZONING
STANDARDS AND RESIDENTIAL DESIGN GUIDELINES FOR NEW HOMES
(Associate Planner)

Summary: At its meeting on December 12, 2005, the City Council was presented with a report regarding residential zoning standards prepared by Dyett and Bhatia Urban Regional Planners for the Hillsborough Citizens Trust (HCT). The City Council directed staff to provide a copy of the report to the ADRB, form a citywide impartial resident committee to meet and discuss the report, and return to the City Council with recommendations as needed.

Mayor Tom Kasten appointed 20 Hillsborough residents, a group representing the diverse population of the Town and with a variety of relevant experience, to serve as the Hillsborough Zoning Study Committee (Committee). The Committee was given the charge of identifying if a citywide concern for the development of large houses on small lots exists. Further, if a problem was identified, the Committee was directed to identify the problem(s) and develop recommendations to be presented to the City Council. Mr. Jay Benton was appointed as the Committee's Chair. Associate Planner Gina Tynan and consultants David Early and Dahlia Chazan of Design Community and Environment were assigned as staff to help facilitate the Committee's meetings.

The Committee met four times and discussed a broad range of topics. The Committee ultimately passed four motions as summarized below:

- Retain the current FAR standards – Vote: 14 in favor, 2 opposed;
- Consider increasing front and side setbacks for large houses – Vote: 16 in favor, 0 opposed;
- Clarify "should" and "shall" on page 8 of the Design Guidelines and develop a checklist for applicants to indicate compliance with the Guidelines – Vote: 15 in favor, 0 opposed, 1 abstained; and
- Retain the current Preliminary Review process – Vote: 14 in favor, 0 opposed, 2 abstained.

Chair Jay Benton will briefly present the Committee's complete recommendations to the City Council.

Recommendation: Accept the recommendations of the Zoning Study Committee and provide direction to staff.

19. RESOLUTION ADOPTING THE GENERAL PLAN IMPLEMENTATION STRATEGY

(City Planner)

Summary: On March 14, 2005, the City Council adopted the revised General Plan, including the Land Use, Circulation, Open Space and Conservation, Public Safety, and Noise Elements. The General Plan was the result of input from the General Plan Steering Committee and the Town departments.

The General Plan includes goals, policies and actions related to each of the General Plan Elements. A draft strategy has been developed to effectively implement the General Plan. The General Plan Implementation Strategy lists all of the actions contained in the General Plan (grouped by Element), identifies the responsible party and provides a timeframe for implementing the action. By adopting the Implementation Strategy, the City Council will reflect its policies and priorities and guide the staff in developing appropriate work programs and budgets. In addition, Government Code Section 65400(b)(1) mandates that all cities and counties submit an annual report on the status of the General Plan and the progress in its implementation. Adoption of the Implementation Strategy is covered, for the purposes of CEQA, by the Mitigated Negative Declaration which was adopted for the General Plan.

The draft Strategy, in which all Town departments have had input, includes some suggested responsibilities and timeframes for the implementation of all the General Plan actions. Many of the actions reflect ongoing responsibilities and require no new City Council direction or change in current policy or procedures. Several actions, such as the adoption of the Construction Management Ordinance, have already been completed.

The draft Strategy has two sections. The first section is a list, by General Plan element, of all the actions and the associated responsibilities and timeframes. There is also an annotated list which was prepared by Central County Fire of the actions associated with that department. The second section is a matrix for easy reference for the responsibilities and timeframes for each action.

Recommendation: After review and making any necessary changes, by motion, adopt the resolution adopting the General Plan Implementation Strategy.

20. DISCUSSION OF RESULTS OF THE SURVEY OF RESIDENT ATTITUDES TOWARDS
REFUSE AND RECYCLING SERVICES

(Public Works Director)

Summary: The South Bayside Waste Management Authority (SBWMA) recently sent a survey to most of the collection service area in order to gather public input early in the contractor selection process to determine appropriate service levels. Both Hillsborough and Atherton customized the survey to reflect service levels in those agencies. Q & A Research developed the surveys which were distributed by mail in May 2006.

Residents responded to questions about current service levels and proposed service levels. Approximately 3,200 surveys were mailed and 670 surveys were returned (21% response). The sample size provides a confidence level of 95%. That is to say that 95% of the time the results of this sample survey are likely to reflect the attitudes of the entire Town's population.

Some results of the survey suggest:

- 58% of residents currently set their trash at the curb.
- Residents are evenly split about their preferences as to where recyclables and green waste should be collected in the future (at the curb or in the side/rear yard).
- Most residents are not willing to pay an additional amount to have recyclables collected in the side/rear yard.
- Most residents are willing to bring refuse to the curb if there is a cost savings.
- 83% of residents stated they would be likely to use a household hazardous waste collection event.

A brief presentation of the results will be presented to the City Council.

As the contractor selection process continues, the results of the Hillsborough and SBWMA surveys will be considered as recommendations are made to the SBWMA board and member agency governing boards.

Recommendation: No action required; for information only.

21. RESOLUTION SETTING RATES FOR THE CITY ENGINEER SERVICES (CSG ENGINEERING) (Public Works Director)

Summary: The Town of Hillsborough entered into a five-year contract with CSG Engineering to provide all City Engineer services in April 2003. The scope of services included all day-to-day engineering tasks such as reviewing maps, answering technical questions and assisting with developing the capital improvement program. Additionally, the contract provides that CSG designs and manages all capital projects. Costs capitates at 9% for design and 9% for management.

Hillsborough is unique in that it acquires almost all of its engineering services through CSG. Consolidation of services has been effective for the Town, because the City Engineer is solely accountable for the quality and production of services. CSG is a firm with 80 employees, who have expertise in most civil engineering fields including water, sewer, storm drain, and street design. Additionally CSG has professional architects, plan checkers, construction inspectors, draftsmen and information system technicians who have provided assistance to the Town. The arrangement has flexibly provided the Town with additional staffing during busy periods.

Prior to 2003, the Town had a City Engineer on staff, and utilized several open-ended contracts with engineering firms like CSG, Carollo and Cavanaugh to accomplish the design of projects. These contracts did not provide the Town with rate discounts or capitate fees, nor did they define the relationships for construction management. These open-ended contracts were terminated in 2003.

In July 2004, Public Works implemented a work order approval process which results in all engineering contracts over \$10,000 being presented to the City Council for approval. To date no contract awards have been contested by any party.

A presentation will be made regarding recent review of engineering costs paid for capital projects in recent years. CSG has consistently delivered design and construction management services under the approved work order budgets. Since CSG has worked with the Town, they have assisted with the execution of \$17,000,000 in projects, most of which have been delivered on time and under budget. In aggregate, design has been billed at 6% of construction expenses and management for less than 2%. In only one case has design and management exceeded 18%, and that is the Shady Creek Retaining Wall Repair, which has required significant documentation in preparation of potential litigation. On average, water main and tank projects have been designed at 7-9%. Sewer line cleaning and video projects are typically being charged at less than 5.5% and 4% for construction management. Street design has consistently been at 6-6.5%. Because of CSG's history with the Town, and familiarity with infrastructure needs, expenses for design and specification development is consistently decreasing from year to year. Town staff has also assumed a larger role in construction management, thus significantly reducing the Town's costs for engineering services. Since work orders were introduced in 2003 the actual billed costs for design and management are roughly \$1,300,000.

CSG has proposed new rates for the coming contract year to reflect their increasing personnel costs. The contract provides for an annual review of rates. The last rate increase was approved in July 2005. The proposed rates are as follows:

Classification	FY 2006	FY 2007
Principal Engineer (Kianpour)	\$140	\$150
Associate Engineer (Bishop)	\$ 95	\$100
Assistant Engineer (Chen)	\$ 71	\$ 79

The estimated impact of the rate increases is \$27,000 annually.

Recommendation: Adopt the resolution setting the rates for City Engineer services (CSG Engineering).

PUBLIC HEARING:

22. GRADING PERMIT APPLICATION AND NEGATIVE DECLARATION; 4, 8, AND 10 FARM LANE; Mr. Kevin Whitman, Applicant (City Engineer and City Planner)

Summary: This agenda item includes two related matters: the environmental assessment, which is a Mitigated Negative Declaration, and a Grading Permit Application for which City Council approval is required. City Council action on the Mitigated Negative Declaration is required before action is taken on the Grading Permit application. If the City Council adopts the Mitigated Negative Declaration, action may then be taken on the Grading Application. If the Negative Declaration is not adopted, the application may not be considered.

Negative Declaration – An Initial Study and a draft Mitigated Negative Declaration were prepared, according to the provisions of the California Environmental Quality Act (CEQA). Although an Environmental Impact Report was certified in 1985 for the subdivision, a subsequent environmental assessment is required because CEQA law has changed and since the grading permit is discretionary and is a “project” according to CEQA. Both the Grading Permit Application and the Mitigated Negative Declaration were given a full 21-day public notice period.

The Negative Declaration concludes that, with the specified mitigation measures incorporated into the project, there would not be a significant effect on the environment as a result of this project. The mitigation measures, which are summarized on pages 3 - 5, relate to aesthetics, air quality, cultural resources, geology and soils, hydrology and water quality, and noise. The Negative Declaration also includes a Mitigation Monitoring Plan (pages 27 -30) which specifies the responsibility for each mitigation measure.

The Town’s environmental consultants, MHA Environmental Consulting, Inc., will attend the City Council meeting to answer any questions the City Council may have.

Grading Permit Application – The Code requires City Council approval of a grading permit application when more than 1,500 cubic yards are to be hauled to or from the lots.

This application is to grade three adjoining lots on Farm Lane. The most significant transfer of materials is 4,640 cubic yards imported to 10 Farm Lane. Most of the material (4,340 cubic yards) will be exported from 4 Farm Lane, and the remaining 300 cubic yards will be exported from 8 Farm Lane. To transfer materials to 10 Farm Lane, approximately 464 round trip will be made by a 10-yard dump truck. Since the lots are contiguous most of the transferred material will not be conveyed on a public street.

The Municipal Code specifies that building height is measured from “existing grade”. When a site is graded, the Code indicates that the “existing grade” for the purposes of determining building height is the grade that existed five years prior to the date the building permit is submitted. If permits for new houses on these lots are submitted within the next five years, the building heights will be measured from the grade before this grading application is implemented. In addition, although the grading for the eventual driveways is included in the environmental assessment, it is not expected that the driveways will be graded and installed until the plans for the new houses are approved.

Before the permits are issued, staff will verify that the mitigation measures, as specified in the Negative Declaration, are included.

The Grading Permit application, Draft Mitigated Negative Declaration, and related items are included in the City Council’s agenda packet.

Recommendation:

1. Open the two public hearings and receive comments;
2. Close the public hearings; and
3. In two separate motions:

- A. Adopt the Mitigated Negative Declaration, based on the findings as listed on page 5 of the document; and
- B. Approve the Grading Permit Application, subject to incorporating the mitigation measures as listed on pages 3 - 5 of the Mitigated Negative Declaration and authorize staff to issue a grading permit upon completion of the plans.

23. RESOLUTION AUTHORIZING THE PLACEMENT OF SEWER SERVICE AND STORM DRAINAGE CHARGES AND OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION ON THE 2006-2007 COUNTY TAX ROLL AND AUTHORIZING THE COUNTY TAX COLLECTOR TO COLLECT SUCH CHARGES
(Finance Director)

Summary: The Town's sewer service charges, storm drainage charges and the 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 Code requires the Town to annually adopt a resolution authorizing the County Tax Collector to collect above charges. The procedure to place the charges on the tax rolls and the publication of notices and hearings shall be that prescribed in California Health and Safety Code 5473 through 5473.8.

Recommendation:

- 1. Open the public hearing and receive comments;
- 2. Close the public hearing; and
- 3. Adopt the resolution authorizing the placement of sewer service and storm drainage charges and of the special tax for police protection and fire protection and prevention on the 2006-2007 county tax roll and authorizing the County Tax Collector to collect such charges.

24. ORDINANCE AMENDING SECTION 2.12.070 OF THE HILLSBOROUGH MUNICIPAL CODE REGARDING SOLAR ENERGY SYSTEMS
(City Planner)

Summary: This item was discussed at the May 8, 2006 City Council meeting and introduced at the June 12, 2006 meeting. Currently the installation of solar panels is subject to the design review process. A new state law, AB 2473, specifies that cities may no longer conduct design review on solar systems; systems must be approved only through an administrative building permit process. The law, which is State Government Code Section 65850.5, limits a city's review to potential adverse impacts upon the public health and safety. If a system is denied, the law requires specific written findings related to the safety impacts.

The proposed ordinance complies with state law by eliminating the requirement for the formal design review of solar installations. However, in response to comments from the City Council and the City Attorney, a provision has been added to the ordinance that before an applicant submits an application to the Building Department, a meeting must take place with a planner to review the applicable design guidelines. The City Council adopted an amendment to the Design Guidelines on June 12, 2006. The intent is that a review of the Guidelines, with the goal of reducing any potential visual impact, will help the applicant understand the balance between preserving the Town's character and maximizing solar exposure.

Recommendation:

1. Waive reading and open the public hearing; and
2. Close the public hearing and adopt the ordinance amending Chapter 2.12 of the Hillsborough Municipal Code regarding solar panels.

25. ORDINANCE AMENDING CHAPTER 15.08 (ELECTRICAL CODE) OF THE HILLSBOROUGH MUNICIPAL CODE (Building Inspector)

Summary: The ordinance amending Chapter 15.08 of the Municipal Code was discussed at the May 8, 2006 City Council meeting and was introduced at the June 12, 2006 City Council meeting. This amendment will update and make the Town's electrical requirements more consistent with the codes of other communities. The proposed changes will allow the use of more modern materials and technologies currently not permitted in the Town of Hillsborough, while still maintaining a high level of safeguards to health, life safety and property. The proposed changes would delete sections that are no longer in use and remove sections that have limitations and restrictions on other materials and installation practices. Romex is less expensive and easier to install, while still maintaining a quality that is equal to pipe and flex.

In addition, staff surveys have shown that by adopting this proposed model Electrical Code (without amending sections relating to wiring like those in our current code) that costs could ultimately be cut for electrical installation by approximately 25%.

This item is consistent with past practices and is categorically exempt from CEQA review.

Recommendation:

1. Open the public hearing and accept comments;
2. Close the public hearing; and
3. Adopt the ordinance amending Section 15.08, as amended, to the Hillsborough Municipal Code.

26. ORDINANCE AMENDING CHAPTER 15.16 (PLUMBING CODE) OF THE HILLSBOROUGH MUNICIPAL CODE (Building Inspector)

Summary: The ordinance amending Chapter 15.16 of the Municipal Code was discussed at the May 8, 2006 City Council meeting and was introduced at the June 12, 2006 City Council meeting. This amendment will update and make the Town's plumbing requirements more consistent with the codes of other communities. The proposed changes will allow the use of more modern materials and technologies currently not permitted in the Town of Hillsborough, while still maintaining a high level of safeguards to health, life safety and property.

Staff's research indicates that the Town of Hillsborough is the only community (of over 30 Bay Area communities surveyed) that excludes the use of plastic and polyethylene pipes (i.e. ABS, PVC, SDR, and PE). These materials are less expensive and easier to install while still maintaining a quality that is equal to cast iron, copper and galvanized steel (currently the only permitted materials).

The use of more modern materials and techniques, such as pipe bursting, directional boring, and the air mole system, allow for less destructive methods of installation. These techniques, with the use of polyethylene pipe allow contractors to do repairs and/or new work without trenching or similar destructive methods of installation. In addition, the more modern materials and the proposed plastic pipes, if permitted to be installed, are less likely to be subject to failure (i.e. tree root intrusion and/or corrosion).

Staff's survey indicates by bringing Hillsborough's codes up to current standards, the potential savings to the individual homeowner is approximately 25% on plumbing construction projects. In addition, we anticipate the modern piping materials will provide a greater life expectancy overall.

This item is consistent with past practices and is categorically exempt from CEQA review.

Recommendation:

1. Open the public hearing and accept comments;
2. Close the public hearing; and
3. Adopt the ordinance amending Section 15.16, as amended, to the Hillsborough Municipal Code.

27. FUNDRAISING EVENT PERMIT APPLICATION 06-06 FOR THE DICKENS HOUSE
DESIGNER SHOWCASE AND HOLIDAY BOUTIQUE (City Clerk)

Summary: The St. Matthews Episcopal Day School submitted an application to conduct its Dickens House Designer Showcase and Holiday Boutique at 91 Crystal Springs Road in Hillsborough. This event is proposed to take place on October 20th through November 5th, 2006.

Hillsborough Municipal Code Section 5.16.080 requires a public hearing for a fundraising event permit where more than 200 people will be in attendance during any one day at any one property. Public Notices have been sent to owners of properties located within a 500-foot radius of the property listed above.

The Police, Fire and Building Departments have reviewed the application and submitted comments and recommendations, which are included in the City Council's packet.

Recommendation:

1. Open the public hearing and receive comments;
2. Close the public hearing; and
3. Approve the Fundraising Event Permit Application 06-06 for the Dickens House Designer Showcase and Holiday Boutique on October 20th through November 5th, 2006, subject to the conditions recommended by staff.