

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, JUNE 12, 2006

Mayor Kasten called the regular meeting to order at 6:05 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 May 8, 2006 City Council meeting were approved with one change.

PRESENTATIONS:

- Ms. Christine Maley-Grubl of the Peninsula Traffic Congestion and Relief Alliance presented the results of the 2005 Employee Transportation Survey.
- Mr. Larry Raffo, Assistant Superintendent of the Hillsborough City School District (HCSD), presented an update on HCSD's activities this summer related to proposed capital improvements.

CONSENT CALENDAR:

On motion of Councilmember Fannon, seconded by Vice Mayor Mullooly, and unanimous on voice vote, Consent Calendar Items 1 through 9 were approved.

1. MONTHLY CLAIMS: MAY 1 THROUGH MAY 31, 2006

The monthly claims for May 2006 in the amount of \$2,272,179.94 were approved.

2. RESOLUTION ESTABLISHING THE TOWN OF HILLSBOROUGH'S APPROPRIATIONS LIMIT FOR FISCAL YEAR 2006/2007

The resolution establishing the Town of Hillsborough's appropriations limit for fiscal year 2006/2007 was adopted with a roll call vote.

3. RESOLUTION PROVIDING FOR INTERIM MODIFICATIONS TO THE BUSINESS LICENSE TAX

The resolution providing for interim modifications to the business license tax was adopted.

4. ORDINANCE AMENDING CHAPTER 15.08 (ELECTRICAL CODE) OF THE HILLSBOROUGH MUNICIPAL CODE

The ordinance amending Chapter 15.08 (Electrical Code) of the Hillsborough Municipal Code was introduced. July 10, 2006 was set as the public hearing date.

5. ORDINANCE AMENDING CHAPTER 15.16 (PLUMBING CODE) OF THE HILLSBOROUGH MUNICIPAL CODE

The ordinance amending Chapter 15.16 (Plumbing Code) of the Hillsborough Municipal Code was introduced. July 10, 2006 was set as the public hearing date.

6. ORDINANCE AMENDING CHAPTER 2.12.070 OF THE HILLSBOROUGH MUNICIPAL CODE REGARDING SOLAR ENERGY SYSTEMS

The ordinance amending Chapter 2.12.070 of the Hillsborough Municipal Code regarding solar energy systems was introduced. July 10, 2006 was set as the public hearing date.

7. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH SEWER RAT FOR THE SANITARY SEWER REPAIR AT 60 LOOKOUT ROAD

The resolution accepting as complete the contract with Sewer Rat for the Sanitary Sewer Repair Project at 60 Lookout Road in the amount of \$11,000 was adopted.

8. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH PACIFIC TRENCHLESS, INC. FOR THE STORM DRAIN REPAIR AT 710 BOWHILL ROAD

The resolution accepting as complete the contract with Pacific Trenchless, Inc. for the Storm Drain Repair at 710 Bowhill Road in the amount of \$22,549 was adopted.

9. RESOLUTION APPROVING WORK ORDERS FROM CSG CONSULTANTS, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE 2006 STREET MAINTENANCE AND REHABILITATION PROJECT, THE SANITARY SEWER MAINS LINING PROJECT PHASE III, AND THE GIS/MAPPING UPGRADE OF WATER, SEWER AND STORM DRAIN SYSTEMS

The resolution approving the work orders for CSG Consultants, Inc. in the total amount of \$101,600, and allocating \$18,480 in Measure A and General Fund revenues and \$83,120 in funds from the 2003 and 2006 Water and Sewer Bonds, was adopted.

NEW BUSINESS:

10. RESOLUTION AMENDING THE DESIGN GUIDELINES FOR SOLAR ENERGY SYSTEMS AND MINOR WORDING CLARIFICATION

City Planner Maureen Morton stated that this item was discussed at the May 8, 2006 City Council meeting. As a result of changes in state law, it is no longer possible to conduct a design review process for the proposed installation of solar energy systems. A Municipal Code amendment to eliminate the requirement for design review is included on this same City Council agenda. It is recommended that the Design Guidelines related to solar installations be retained, with a clarification that they are advisory and supportive of alternative energy systems. Staff can review the guidelines with applicants so that mitigation measures might be incorporated to reduce potential visual impacts. Staff will work with homeowners to balance their need for solar energy and still maintain the character of the Town. Staff will recommend that homeowners not place solar panels on roof surfaces that face the street, minimize tree trimming and removal, and comply with setbacks and height limits.

Ms. Morton stated that in addition to this change related to solar systems, the resolution includes a minor wording clarification to page 76 of the Design Guidelines regarding neighbors providing comments to applicants during the preliminary design review process. The Architecture and Design Review Board concurred with these changes.

Mayor Kasten thanked Ms. Morton.

Councilmember Regan asked how the Planning Department would notify homeowners of the changes. Ms. Morton replied that the changes will be updated on the website, included in the Town newsletter, and will be inserted in the Design Guidelines.

Councilmember Krolik asked if the changes affect only solar panels. Ms. Morton replied that the preliminary review changes will apply to new houses also, and that applicants are advised to contact neighbors to address any questions.

Mayor Kasten asked Ms. Morton if the Town could only review solar energy systems if there were health or safety issues. Ms. Morton replied that the new state

law 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.

Councilmember Regan asked Ms. Morton if she has seen an increase in the number of permits for solar energy systems. Ms. Morton replied that there has been an increase in the number of permits for solar energy systems because rebates are now available to the homeowners. Since the solar energy system rebates became available, she has seen approximately two permit applications per month compared to the three to four permits per year that she previously received.

On motion of Councilmember Fannon, seconded by Councilmember Regan, and unanimous on voice vote, the resolution amending the Residential Design Guidelines for solar energy systems with a minor wording clarification on pages 67 and 76 was adopted.

11. RESOLUTION AUTHORIZING REIMBURSEMENT OF COSTS TO THE CITY OF BURLINGAME FOR THE EASTON DRIVE/EASTON CREEK SEWER REHABILITATION PROJECT AND BURLINGAME PARK PROJECT

Public Works Director Martha DeBry stated that the Town of Hillsborough contracts with the City of Burlingame for the treatment of sewage. The original agreement with the City of Burlingame was executed on December 8, 1975 and amended in 1986 and 2004. The agreement establishes that the Town is responsible for 50% of the costs associated with the replacement of Dual-Use lines. Dual use lines are defined as a portion of the sanitary sewer system used to carry both Burlingame and Hillsborough sewage.

Ms. DeBry explained that the Burlingame Park Project was a project to rehabilitate the 80-year old sewer mains on Bellevue Avenue, Barroilhet Avenue, and Occidental Drive near El Camino Real. The Burlingame Park Project includes sewer lines used by both the Town and Burlingame exclusively. Staff is proposing reimbursement of approximately \$83,388 in expenses. The City of Burlingame's total cost for this project was \$2,228,000.

Ms. DeBry stated that the City of Burlingame recently redesigned a significant portion of its sewer system near Easton Creek. Traditionally, sewage collected from homes in Hillsborough, Burlingame and a portion of unincorporated San Mateo County were conveyed through a sewer main located in the bed of Easton Creek. The Easton Creek main was prone to storm water infiltration and was regularly causing sanitary sewer overflows. The City of Burlingame evaluated the condition of the sewer main and determined that the existing main should be rehabilitated and lined, and that a bypass line should be constructed to reroute sewage into a new sewer main in Easton Drive. The Easton Creek main and Easton Drive bypass merge just west of Vancouver Avenue. The Easton Drive main downstream from that point was upgraded from 18" to 24" to accommodate more capacity.

Ms. DeBry explained that the City of Burlingame originally requested reimbursement for half of the cost of the entire Easton Drive/Easton Creek Rehabilitation Project. Staff evaluated the benefit to Hillsborough that was offered by the bypass and the upgrade of the Easton Drive main. After months of negotiation, staff is proposing that the Town pay for the majority of the cost of rehabilitating the Easton Creek line, which almost exclusively serves Hillsborough residents, but should not participate in the cost of the bypass. The Town should share in the cost of the Easton Drive main downstream from Vancouver Avenue, but not the incremental cost to upgrade the size of the main. The City of Burlingame's total cost of this project is approximately \$2,000,000. The Town of Hillsborough's share of this project including design, construction and management is \$466,739.

Ms. DeBry recommended that the Town reimburse Burlingame \$550,127 for both the Easton Drive/Easton Creek and Burlingame Park Projects. The source of funding for this reimbursement will be the 2003 Water and Sewer Bonds.

Mayor Kasten thanked Ms. DeBry.

Councilmember Regan asked Ms. DeBry if the \$550,127 was within the Town's budget. Ms. DeBry responded that only \$500,000 was set aside for this project.

On motion of Councilmember Krolik, seconded by Vice Mayor Mullooly, unanimous on voice vote, the resolution authorizing reimbursement of \$550,127 to the City of Burlingame for the costs of the Easton Drive/Easton Creek Rehabilitation Project and Burlingame Park Project was adopted.

12. SELECTION OF WALNUT AVENUE PARKING LOT DESIGN AND AUTHORIZATION FOR BID

Vice Mayor Mullooly, who lives within 500 feet of the project site, recused herself from the Council Chambers.

Public Works Director Martha DeBry stated that the Walnut Avenue Parking Lot Project would provide better drainage management, delineate parking spaces, and add landscaping. She added that the lot is part of the Town Hall parcel and was created with the realignment of Walnut Avenue. Currently, the lot has acacia trees and a few oak trees, and there is no irrigation or landscaping.

Ms. DeBry stated that Mr. Mike Kobel of Buds Landscaping has included in the Walnut Avenue Parking Lot design a variety of plants to bloom throughout the seasons, mounding along the street and swale to minimize the appearance of cars, and a minimal maintenance requirement of the plants. The lighting will include hard-wired electric lighting that is both low and shielded.

Ms. DeBry explained that the project costs are estimated to be \$86,000, which will be funded from the Capital Improvement Program. The lighting and other contingencies are estimated at \$15,000. The Hillsborough Beautification Foundation has allocated funds to assist with the landscaping costs.

Ms. DeBry stated that she recently met with neighbors of the Walnut Avenue parking lot to discuss the Town's proposal to install an asphalt surface and landscaping. Residents offered a variety of comments on the project, including whether there is a real need to improve the lot, the use of landscaping to screen the lot and vehicles, the request for mature landscaping, and the request to modify the asphalt to increase the landscaped area. Residents requested that parking be restricted overnight and on weekends, no parking be permitted on the parking strips on Walnut Avenue, and employees be instructed to park in the lot.

Ms. DeBry stated that the two designs presented to the City Council include the original 29 parking space design and an alternate design with an increased landscape area with 26 parking spaces. Ms. DeBry recommended the original design to maximize the amount of parking available. The landscape design, which includes berms to elevate the plantings, should provide adequate screening without having to reduce the number of parking spaces.

Ms. DeBry stated that if a design is approved, the project will be bid, with a bid award scheduled for the July 10, 2006 City Council meeting.

Councilmember Regan asked if the acacia trees would be staying. Ms. DeBry replied that the acacia trees will be removed.

Councilmember Fannon stated that the Walnut Avenue parking lot would free up parking at the Town Hall parking lot if employees parked in the new lot. Ms. DeBry added that it would open up parking for the ADRB meetings. Generally, employees do not park in the Walnut Avenue parking lot due to the dust and mud, and it is not practical to walk in.

Councilmember Krolik asked if the lot is a contiguous space, could the Town dead-end or redirect Walnut Avenue. Police Chief Matt O'Connor stated that there is a water main that runs below the street. City Manager Anthony Constantouros added that there was a concern about building over the SFPUC water main.

Mayor Kasten thanked Ms. DeBry and asked if there were any comments from the public.

Mr. David Weekly, a resident of 2735 Skyfarm Drive in Hillsborough, asked about the maintenance of the new lot. Ms. DeBry stated that currently the Town maintains the lot, but the increased landscape maintenance could be discussed with the Hillsborough Beautification Foundation.

Councilmember Regan stated that the Town Hall parking lot does get crowded, and that in the long run it would be a wise decision to pave the Walnut Avenue parking lot.

Mayor Kasten added that the Walnut Avenue parking lot would reduce the number of cars parked on the street.

City Manager Tony Constantouros asked Ms. DeBry if the width of the parking spaces would be standard or compact. Ms. DeBry replied that most will be 9 feet wide, and some will be 8-1/2 feet wide.

Mayor Kasten closed the public comment.

On motion of Councilmember Fannon, seconded by Councilmember Regan, and unanimous on voice vote (4-0, Councilmember Mullooly not participating or voting), the City Council selected the original design for the Walnut Avenue Parking Lot, and authorized staff to take the project out to bid.

OLD BUSINESS:

13. **RECOMMENDED USE OF AVAILABLE FIRE DEPARTMENT ADMINISTRATIVE OFFICE SPACE FOR THE TOWN OF HILLSBOROUGH FINANCE DEPARTMENT/FACILITY REMODEL AND STAFF PLACEMENT WITH FURNITURE AND FIXTURE UPGRADES**

Police Captain Mark O'Connor stated that the Finance Department staff plans to move from Town Hall to the available Fire Department Administrative office area of approximately 948 square feet, which has been vacated as part of a personnel consolidation effort by the Central County Fire Department. The move of the Fire Department personnel included the removal of much of the existing furniture components and file cabinets. In order to accommodate the Finance Department staff, the interior offices will be cleaned, painted, and fitted with pre-owned and new furniture components and fixtures. The installation of an alarm system, heat detectors, transaction countertops, storage cabinets and a television will be included in the project. The locks will be changed and the heating and cooling system will be balanced to provide greater efficiency.

Captain O'Connor described the layout of the new Finance Department office. He added that there would be signs directing residents to the new office. Painting, drywall, and the installation of a transaction counter and storage cabinets will be performed by members of the Hillsborough Public Works Department.

Captain O'Connor stated that he has been working with several office furniture outlets that are capable of supplying high quality pre-owned and new furniture components, although stock and availability of components remains highly fluid, and changes frequently based on market demand. For this reason, the furniture components may be purchased from various vendors.

Mayor Kasten thanked Captain O'Connor.

On motion of Councilmember Regan, seconded by Vice Mayor Mullooly, and unanimous on voice vote, the City Council authorized the purchase of pre-owned and new furniture components from furniture liquidation centers in the greater Bay Area with an emphasis on the greatest value for the best condition or new component merchandise not to exceed \$14,750.00 in order to furnish the five-room office areas of the new Finance Department office. In addition to the furniture, the carpet cleaning, security system installation, signage, as well as the purchase of paint, drywall, storage cabinets, air conditioning and heating system maintenance, and other related items representing additional costs of \$4,940.00 associated with this project were approved. The recommendation of a 10% contingency fund was approved for issues or furniture component services that arise as part of this improvement project.

PUBLIC HEARING:

14. **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, 2006**

Finance Director Edna Masbad stated that changes to the sewer rates require a modification of the Hillsborough Municipal Code. The ordinance to modify the sewer rates was introduced at the April 10, 2006 City Council meeting. The budget providing a 12% rate increase in sewer connection fees and service charges was approved to provide for increases in operating expenses and the required debt service coverage for the bonds, proceeds of which fund the capital improvement program of the sewer operations. The residential sewer rates will increase from \$1,315 to \$1,473 per year.

Mayor Kasten thanked Ms. Masbad and opened the public hearing. There were no comments. The public hearing was closed. On motion of Vice Mayor Mullooly, seconded by Councilmember Fannon, and unanimous on voice vote, the 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, 2006, was adopted.

15. **ORDINANCE ADDING SECTION 15.10 TO THE HILLSBOROUGH MUNICIPAL CODE ADOPTING THE 2005 CALIFORNIA ENERGY CODE AS AMENDED**

Chief Building Official John Milke stated that the Town of Hillsborough is committed to implementing green building practices and methods as outlined in the General Plan. In November 2005, a discussion item was brought before the City Council to explore increasing the energy efficiency of newly constructed residential buildings or additions to existing residential buildings in the Town by increasing the insulation values in walls and windows. The ordinance adding Section 15.10 to the Hillsborough Municipal Code adopting the 2005 California Energy Code, as amended, was introduced at the May 8, 2006 City Council meeting.

Mr. Milke stated that a home that is insulated to a higher standard than the minimum required by code will effectively reduce energy costs for many years to come. The proposed changes are to increase the insulation values from R-13 to R-21 in walls, from R-19 to R-30 in ceilings, and from U-0.67 to U-0.50 in windows. These changes will be effective for all new construction, including additions.

Mr. Milke asked the City Council if there were any questions. Vice Mayor Mullooly asked what the "R" meant. Mr. Milke replied that it stands for thermal resistance.

Mayor Kasten asked what the cost to increase the insulation values in the walls and windows would be. Mr. Milke replied that the changes would add some cost, but that the homeowners would save money when it comes to their air conditioning costs.

Mayor Kasten thanked Mr. Milke and opened the public hearing. There were no comments. The public hearing was closed. On motion of Councilmember Krolik, seconded by Vice Mayor Mullooly, and unanimous on voice vote, the ordinance adding Section 15.10 to the Hillsborough Municipal Code adopting the 2005 California Energy Code as amended was adopted.

PUBLIC COMMENT:

There were no comments.

CITY COUNCIL ITEMS:

Councilmember Krolik thanked City Manager Tony Constantouros and Public Works Director Martha DeBry for the last minute change to the paving project schedule to accommodate the recent school function related to Crocker Middle School. The paving project was transferred to another part of Town.

Vice Mayor Mullooly reported that she attended the 25th anniversary of the Airport Roundtable with Councilmember Krolik.

Mayor Kasten, Vice Mayor Mullooly, and Councilmember Krolik announced that they would be attending the Council of Cities Dinner/Meeting on Friday, June 23, 2006 in Belmont.

Mayor Kasten reported that he attended the C/CAG meeting last week.

Mayor Kasten recognized Police Officer Pete Scatena, Sergeant Caroline Serrato, Corporal Pat Barrett, Police Officer Martin Fritzsching, Police Captain Nick Gottuso, Building Department Service Clerk Nancy Aknin, Building Department Secretary Sally Rumsey, and Recycling Specialist Jeannette Lucero.

Mayor Kasten introduced the Town's new Assistant City Attorney Seagrurn Gilbert.

Councilmember Fannon asked Police Chief Matt O'Connor about the status of installing a camera at the intersection of Floribunda and El Camino. Chief O'Connor replied that private companies will only install the cameras if they are profitable, and that the intersection of Floribunda and El Camino has not shown to be profitable. During a one-week period, a sample camera was installed and there were no red light violations. The cost would be too expensive for the Town to install its own red light camera, as it requires maintenance and staffing.

ADJOURN:

Mayor Kasten adjourned the meeting at 7:57 p.m.