

TOWN OF HILLSBOROUGH

San Mateo County

Catherine U. Mullooly, Mayor
Christine M. Krolik, Vice Mayor
Thomas M. Kasten
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1600 Floribunda Avenue
Hillsborough, CA 94010



A G E N D A

MONDAY, MAY 14, 2007

4:30 p.m. CLOSED SESSION

6:00 p.m. CITY COUNCIL MEETING

Hillsborough Town Hall

CLOSED SESSION (4:30 p.m.)

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One potential case

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Subdivision (a) of Section 54956.9)

Name of case: Town of Hillsborough v. Ranger Pipelines

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Subdivision (a) of Section 54956.9)

Name of case: Town of Hillsborough v. White Land Company

REGULAR CITY COUNCIL MEETING (6:00 p.m.)

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. MINUTES: April 9, 2007

IV. PROCLAMATION:

- Law Enforcement Torch Run Day in Hillsborough
- National Public Works Week, May 20-26, 2007

V. PRESENTATION:

- Certificate of Achievement for Excellence in Financial Reporting Award: Government Finance Officers Association

VI. 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: APRIL 1 THROUGH APRIL 30, 2007
2. RESOLUTION SETTING THE AMOUNT OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION FOR FISCAL YEAR 2007-2008
3. RESOLUTION PROVIDING FOR INTERIM MODIFICATIONS TO THE BUSINESS LICENSE TAX
4. RESOLUTION ADOPTING BUDGET ADJUSTMENTS FOR FISCAL YEAR 2006-2007
5. RESOLUTION AWARDED A CONTRACT TO PETERSON POWER SYSTEMS FOR GENERATOR MAINTENANCE SERVICE
6. RESOLUTION AWARDED THE BID FOR THE FOREST VIEW AND SHARON AVENUES TRAFFIC CIRCLE PROJECT TO AGUILAR & SONS IN AN AMOUNT NOT TO EXCEED \$37,736 AND ALLOCATING FUNDS FROM THE GENERAL FUND
7. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH FERMIN SIERRA CONSTRUCTION, INC. FOR THE 2007 STORM DRAIN REHABILITATION PROJECT

VII. PUBLIC HEARING:

8. FUNDRAISING EVENT PERMIT APPLICATION 07-06 FOR THE DICKENS HOUSE DESIGNER SHOW HOUSE
9. FUNDRAISING EVENT PERMIT APPLICATION 07-07 FOR THE DICKENS HOUSE DESIGNER HOLIDAY BOUTIQUE

10. ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH
11. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2007-2008

VIII. NEW BUSINESS:

12. RESOLUTION AUTHORIZING SEWER SERVICE CHARGES EFFECTIVE JULY 1, 2007
13. RESOLUTION APPOINTING A DIRECTOR TO THE BOARD OF THE BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA) AND BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY (RFA)
14. RESOLUTION AWARDED A CONTRACT TO BOND BLACKTOP, INC. FOR THE 2007 PAVEMENT MAINTENANCE AND REHABILITATION PROJECT

IX. DISCUSSION ITEM:

15. PENSION OBLIGATION BONDS
16. DISCUSSION OF VOLUNTARY WATER CONSERVATION PROGRAM

X. 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.

XI. 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.

XII. 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, May 14, 2007
6:00 p.m.
Hillsborough Town Hall
1600 Floribunda Avenue, Hillsborough

CONSENT CALENDAR:

1. MONTHLY CLAIMS: APRIL 1 THROUGH APRIL 30, 2007 (Finance Director)

Summary: The monthly claims for the month of April 2007 in the amount of \$1,890,895.31 are submitted for approval.

Recommendation: Approve the monthly claims for April 2007 as submitted.

2. RESOLUTION SETTING THE AMOUNT OF THE SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION FOR FISCAL YEAR 2007-2008 (Finance Director)

Summary: The Special Tax approved by the citizens of the Town of Hillsborough in 1998 allows for an annual rate adjustment equal to a 2% increase each year with a maximum of an accumulated 15% increase from the original maximum fees of \$496 for each improved parcel and \$190 for each unimproved parcel. The maximum rates allowed by law of \$570 and \$218 respectively, were reached during fiscal year 2005-2006 and are set for the upcoming budget year 2007-2008. Annual revenues are \$2,228,560.

Recommendation: Adopt the resolution setting the amount of the public safety tax for fiscal year 2007-2008.

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

Summary: The Hillsborough Business License Tax was originally established in 1985. At that time, the City Council approved certain continuing modifications that have been approved annually. Specifically, while the original ordinance authorized a $\frac{3}{4}\%$ business tax, the City Council has been adopting annual resolutions providing for the reduction of the $\frac{3}{4}\%$ tax to $\frac{1}{2}\%$.

Recommendation: Adopt the resolution providing for interim modifications to the business license tax for fiscal year 2007-2008.

4. RESOLUTION ADOPTING BUDGET ADJUSTMENTS FOR FISCAL YEAR 2006-2007 (Finance Director)

Summary: Throughout the year, budget adjustments for about \$205,000 have been presented to the City Council for certain needs that were not included in the original budget. The Town is also projected to receive revenues for approximately \$390,000 over the original estimates. This resolution will appropriate the remaining \$185,000 to be transferred to the Asset Replacement Fund and partially fund the breathing apparatus and pay the annual lease for Rescue 33 requested by the Fire Department in fiscal year 2008-2009.

During the most recent years, the General Fund has neither fully funded vehicle and other replacement reserves nor set funds for the Town's Other Post Employment Benefits (OPEB). It is recommended that any available funds (excess revenues over expenditures) realized in fiscal year 2006-2007, be transferred to the Asset Replacement Fund to make up for those years where scheduled transfers were not made.

Included in the agenda packet is the schedule showing the budget adjustment details.

Recommendation: Adopt the resolution adopting budget adjustments for fiscal year 2006-2007.

5. RESOLUTION AWARDING A CONTRACT TO PETERSON POWER SYSTEMS FOR
GENERATOR MAINTENANCE SERVICE (Public Works Director)

Summary: The proposed contract is for regular maintenance for the Town's nine stand-by diesel generators located at Town Hall, the Corporation Yard, the Police Department, and various water tank sites and sewer lift stations. The generators supply emergency power when there are power outages at these locations. The Public Works Department performs minor maintenance to the generators, such as oil changes. The diesel engines of the generators require periodic maintenance similar to that of a vehicle, and should be load tested periodically to ensure proper function of the electrical systems.

Peterson Power Systems will perform an Annual Preventative Maintenance Service and Inspection of all generators, provide written service reports for service performed on the generators, advise the Town of any unusual situations or potential problems, and provide 24-hour emergency repair services as needed. For the initial contract period all generators will receive a 3-year preventative maintenance service, including servicing belts and hoses, which accounts for \$16,300 of the initial cost. In the subsequent two years this service will not be needed and the maintenance costs will be approximately \$25,000.

#	Contractor	Cost
1	Peterson Power Systems	\$40,004
2	Cummins West	\$42,900

The Public Works Department has had experience with Peterson Power Systems, which provides special repair services for heavy equipment when the City of Burlingame cannot perform the special repairs. Peterson Power Systems responds in a timely manner and is typically prepared to make repairs on-site with one visit.

This expense is not budgeted in the 2006-2007 budget, and new funding would need to be allocated for the service. Funding for subsequent years has been requested as part of the operating budget.

Recommendation: Adopt the resolution awarding the contract for the Generator Maintenance Service Agreement to Peterson Power Systems in the amount of \$40,004 and allocate \$3,250 from the General Fund, \$3,700 from the Sewer Fund and \$33,054 from the Water Fund.

6. **RESOLUTION AWARDING THE BID FOR THE FOREST VIEW AND SHARON AVENUES TRAFFIC CIRCLE PROJECT TO AGUILAR & SONS IN AN AMOUNT NOT TO EXCEED \$37,736 AND ALLOCATING FUNDS FROM THE GENERAL FUND (Public Works Director)**

Summary: Staff has solicited bids for the installation of a traffic circle at the intersection of Forest View and Sharon Avenues. The improvements for this project include the installation of 85 linear feet of six-inch vertical curb (traffic circle), installation of one new driveway apron, installation of 330 linear feet of rolled curb and gutter, conform paving, and signage. These improvements will help calm traffic on southbound Forest View Avenue and provide much improved safe zones for pedestrians. Adjoining neighbors were advised of the proposed change to the intersection.

The Town will be working with the contractor to safely transition from the stop sign controlled intersection to the traffic circle, which will flow in a manner similar to the Hayne and Darrell circle.

Three bidders were solicited and only two bidders responded with the following results:

#	Contractor	Bid
1	Aguilar & Sons	\$32,946
EE	Engineers Estimate	\$35,000
2	Dryco Construction, Inc.	\$44,980

Staff is recommending the project be awarded to Aguilar & Sons in the amount of \$32,946. A contingency of 15% (\$4,790) is recommended for the project for a total amount of \$37,736. This project is exempt from the California Environmental Quality Act (CEQA) per section 15301(d), of the State Public Resources Code.

The Public Works Department has requested that the Hillsborough Beautification Foundation consider the circle as a site for a future planting project.

Recommendation: Approve the resolution awarding the bid for the Forest View and Sharon Avenues Traffic Circle Project to Aguilar & Sons in an amount not to exceed \$37,736 and allocating funds from the General Fund.

7. **RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH FERMIN SIERRA CONSTRUCTION, INC. FOR THE 2007 STORM DRAIN REHABILITATION PROJECT (City Engineer)**

Summary: This project was completed by Fermin Sierra Construction, Inc. (Contractor). The contractor repaired storm drains located at 510 Eucalyptus Avenue, 2200 Ralston Avenue, Chiltern Road at Arden Road, and West Santa Inez Avenue at Brentwood Drive. The contractor installed a total of 150 linear feet of storm drain pipe, one storm drain manhole, and five storm drain inlets. These improvements will help prevent flooding, increase pedestrian safety and decrease the annual maintenance needs for the storm drain system in these areas.

This project was awarded to Fermin Sierra Construction, Inc. in March of 2007 with a budget of \$70,560 including contingencies. The work has been completed under budget for a final amount of \$58,800.

Recommendation: Adopt the resolution accepting as complete the contract with Fermin Sierra Construction, Inc. for the 2007 Storm Drain Rehabilitation Project in the amount of \$58,800.

PUBLIC HEARING:

8. FUNDRAISING EVENT PERMIT APPLICATION 07-06 FOR THE DICKENS HOUSE DESIGNER SHOW HOUSE (City Clerk)

Summary: The St. Matthew's Episcopal Day School submitted an application to conduct the Dickens House Designer Show House at 108 Stonehedge Road in Hillsborough. This event is proposed to take place on September 19-29, 2007.

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 07-06 for the Dickens House Designer Show House on September 19-29, 2007, subject to the conditions recommended by staff.

9. FUNDRAISING EVENT PERMIT APPLICATION 07-07 FOR THE DICKENS HOUSE DESIGNER HOLIDAY BOUTIQUE (City Clerk)

Summary: The St. Matthew's Episcopal Day School submitted an application to conduct the Dickens House Designer Holiday Boutique at 108 Stonehedge Road in Hillsborough. This event is proposed to take place on October 18, 2007, through November 4, 2007.

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 07-07 for the Dickens House Designer Holiday Boutique on October 18, 2007, through November 4, 2007, subject to the conditions recommended by staff.
10. ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH - ADOPTION (Assistant City Manager)

Summary: The current Memorandum of Understanding (contract) with Central County Fire, Local 2400, states that the Town shall implement the Public Employees' Retirement System (PERS) 3% @ 55 retirement plan effective July 1, 2007. In order to implement the retirement plan for sworn Fire Department personnel, PERS requires that the Town adopt an ordinance authorizing the Mayor to execute the contract amendment. The ordinance amendment was introduced at the April 9, 2007 City Council meeting and the resolution of intention to approve an amendment to the contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the Town of Hillsborough was adopted.

The actuarial valuation for the adoption of this plan amendment is as follows:

- | | |
|--|-------------|
| 1. Change in the Present Value of Benefits | \$1,750,254 |
| 2. Change in the Accrued Liability | \$1,190,818 |
| 3. Change in the Total Employer Rate | 5.351% |

Recommendation:

1. Open the public hearing and receive comments;
 2. Close the public hearing; and
 3. Adopt the ordinance amending a contract between the Board of Administration of the California Public Employees' Retirement System and the City Council of the Town of Hillsborough.
11. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2007-2008 (Finance Director)

Summary: Annually, the City Council is required to adopt by resolution, the fees and charges for the following fiscal year. The schedule represents the Town's master schedule that includes all the fees and charges, such as the sewer and water connection fees, service charges, and the public safety special tax. However, as a matter of administrative policy, changes to the water and sewer rates and the public safety special tax are presented to the City Council as individual agenda items requiring separate actions.

Changes to existing fees, as well as new fees being proposed this year, are outlined in the master Schedule of Fees and Charges included in the City Council packet. Changes to the sewer rates for non-residential accounts are presented as a separate agenda item. The fees reflect the Town's goal towards total cost recovery in user fees where revenues do not exceed the cost of providing the service. The 2007-2008 Cost Allocation Plan reflecting the hourly rates used in the development of the fees are made part of the budget document that was distributed earlier. The new fees are to take effect on July 1, 2007.

Recommendation:

1. Open the public hearing and receive comments;
2. Close the public hearing; and
3. Adopt the resolution setting and confirming the fees and charges for fiscal year 2007-2008.

NEW BUSINESS:

12. RESOLUTION AUTHORIZING SEWER SERVICE CHARGES EFFECTIVE JULY 1, 2007
(Finance Director)
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Summary: The Town undertook a comprehensive water and sewer rate study during the fall of 2006 with the help of an independent firm. The consultants presented their findings and recommendations to both the Financial Advisory Committee and the City Council which approved the study and its implementation at the meeting of December 11, 2006.

Pursuant to the study, the Town adopted a maximum sewer service charge for the next four years to support the long-term financial health of the sewer enterprise operations. The Town may charge rates at or below the maximum sewer service charge in the intervening years. The ordinance adopting a maximum sewer service charge of \$1,658 per Equivalent Dwelling Unit (EDU) was approved by the City Council on February 12, 2007, after a public hearing and following the noticing requirements of Proposition 218.

This resolution will authorize implementing a sewer service charge of \$1,517 per EDU for fiscal year 2007-2008 starting July 1, 2007. It represents a 3% increase from the current \$1,473 residential rate.

Non-residential accounts will be charged at their Equivalent Dwelling Units using the formula from the study and the average winter water use from the prior three years, including 2004-2005, 2005-2006, and 2006-2007. The proposed rates for July 1, 2007, will be as follows:

Name of Account	Current Charge	EDUs	Proposed Charge 7/1/07
Equivalent Dwelling Unit	\$1,473	1.0	\$1,517
Hillsborough Racquet Club	\$1,165	1.2	\$1,820
CalTrans Rest Stop	\$7,734	16.2	\$24,575
Crystal Springs Uplands	\$9,010	5.9	\$8,950
Burlingame Country Club	\$11,274	16.3	\$24,727
Crystal Springs Golf Club	\$8,898	17.6	\$26,699
Hillsborough School District	\$13,619	8.2	\$12,439
Nueva School	\$4,850	3.7	\$5,613

Recommendation: Approve the resolution authorizing sewer service charges for fiscal year 2007-2008 effective July 1, 2007.

13. RESOLUTION APPOINTING A DIRECTOR OF THE BOARD OF THE BAY AREA WATER SUPPLY AND CONSERVATION AGENCY (BAWSCA) AND BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY (RFA) (Public Works Director)

Summary: Councilmember John Fannon has been the Town's representative to the Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA) and Bay Area Regional Water System Financing Authority (RFA). BAWSCA and RFA were two special districts created to assist with the oversight and financing of the San Francisco's regional water system known as the Hetch Hetchy system.

The initial four-year term of Councilmember Fannon as a director of the Board of BAWSCA and RFA will end on June 30, 2007. The Town has been requested to reappoint a representative for another four years until June 2011. It is recommended that Councilmember Fannon continue his current appointment on the board for an additional four years.

Councilmember Fannon is willing to serve an additional term as a director of the Board of BAWSCA and RFA. Councilmember Fannon is also the Chair of the BAWSCA Board Policy Committee.

Recommendation: Adopt the resolution appointing Councilmember John Fannon as a director of the Board of the Bay Area Water Supply and Conservation Agency and Bay Area Regional Water System Financing Authority.

14. RESOLUTION AWARDDING A CONTRACT TO BOND BLACKTOP, INC. FOR THE 2007 PAVEMENT MAINTENANCE AND REHABILITATION PROJECT (City Engineer)

Summary: The original scope of the proposed project consists of street rehabilitation work in the form of 23 linear miles of crack sealing, 21,450 square feet of digout repairs, 1.8 miles of micro-surfacing only and 3.8 miles of scrub seal/micro surfacing on various streets within the Town.

The street segments selected for rehabilitation were chosen and prioritized based upon a number of factors, including maintenance staff recommendations, completion of street segments removed from last year's project, proximity to other streets in the project area, and the street's Pavement Condition Index (PCI). The PCI is a measure of a street's condition, derived through field inspections that utilize scoring criteria developed as part of the Metropolitan Transportation Commission's (MTC) pavement management program.

The project will be scheduled for early summer. Summer is the best time of year for the application of the seal-treatment due to the higher ambient temperatures that allow for a quicker curing time.

The Town received three bids, and Bond Blacktop, Inc. was the lowest bidder overall. This year's project was divided into two portions. The annual street project budgeted at \$400,000 was Base Bid I. The repairs on Crystal Springs Road that are to be funded through a grant were Base Bid II. The results are presented below.

#	Contractor	Base Bid I ST-409	Base Bid II STPL-5141	Grand Total
EE	Engineer's Estimate	\$455,250	\$155,750	\$611,000
1	Bond Blacktop, Inc.	\$490,145	\$180,088	\$670,234
2	O'Grady Paving	\$542,675	\$184,010	\$726,685
3	Interstate Grading & Paving	\$593,232	\$148,407	\$741,600

Staff conducted an analysis of the proposals and verified that the low bidder's qualifications and experience levels are satisfactory. Bond Blacktop, Inc. was the contractor for the 2006 Street Project.

Changes in the project are proposed to meet the project budget, including:

1. Elimination of scrub seal and micro surfacing on Roehampton Road (\$17,000); and
2. Elimination of digouts on Hayne Road and Ralston Avenue (\$57,215).

The staff report included in the City Council's packet elaborates on proposed reductions to meet the budget.

Following discussions with the coordinator for the CalTrans grant, Base Bid II will not be awarded. The Town's bid package included a form that incorporated the Disadvantaged Business Enterprise (DBE) goal language, which was recently updated by CalTrans. Technically, CalTrans has no DBE goals, and thus the reference to it in the form was unacceptable for the purpose of seeking reimbursement from the grant. In order to secure the grant, Base Bid II will be bid separately later this month. The scope of the work will also be modified to more closely match the budgeted amount.

Approximately \$424,000 is available to fund the 2007 Street Project, as a portion of funds were unexpended last year. The quantities in the bid will be adjusted in the field to meet the budget.

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

Recommendation: Adopt the resolution awarding Bond Blacktop, Inc. the contract for the 2007 Pavement Maintenance and Rehabilitation Project, including Crystal Springs Road, in the amount of \$424,000, and allocating General Fund, federal aid, Measure A, and Gas Tax funds for the same; and rejecting Base Bid II.

DISCUSSION ITEM:

15. PENSION OBLIGATION BONDS (Finance Director)

Summary: The Town has contractual obligations to pay retired and active employees pensions that have been earned to date, through a defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). CalPERS breaks down pension payments by participating employers into the following two categories, 1) "normal cost" defined as the annual cost to fund future pension benefits earned by employees in the current fiscal year; and 2) unfunded liability (UAAL), which is the total present value of pension benefits earned less current value of pension assets.

CalPERS allows agencies to pay off any UAAL for any of the Town's three plans. California Communities, a JPA that provides local governments access to low-cost financing, has a Pension Bond Program. Because of the current favorable bond market, public agencies have found it cost-effective to issue pension obligation bonds to pay off their UAAL and have utilized California Communities Bond Program for the bond issuance.

Staff has prepared a brief Power Point presentation discussing the features of pension obligation bonds. Included in the agenda packet is a preliminary analysis of potential savings for the Town and an article evaluating the use of the bonds.

Recommendation: For discussion only; no action required.

16. DISCUSSION OF VOLUNTARY WATER CONSERVATION PROGRAM (Public Works Director)

Summary: Recently, the San Francisco Public Utilities Commission (SFPUC), which provides 100% of the Town's drinking water, has requested that Bay Area Water Supply and Conservation Agency (BAWSCA) members voluntarily reduce water consumption by 10%. The request was made following the fourth driest winter as recorded since 1919. The SFPUC is prudently attempting to manage the limited water resources of the Hetch Hetchy system should there be a prolonged drought event. Staff will review the policies currently in place, Town municipal practices, and outline an outreach program to encourage water conservation.

Recommendation: For discussion only; no action required.