

**MINUTES**  
**REGULAR CITY COUNCIL MEETING**  
**MONDAY, APRIL 9, 2007**

Mayor Mullooly called the regular meeting to order at 6:04 p.m. at the Hillsborough Town Hall, 1600 Floribunda Avenue, Hillsborough, California.

**ROLL CALL:**     Present:     Fannon, Kasten, Krolik, Mullooly  
                         Absent:     Regan

**MINUTES:** The minutes of the March 12, 2007 City Council meeting were approved as submitted.

**PROCLAMATION:**

- Mayor Mullooly presented a proclamation to Robert Gay, District Manager of the San Mateo County Mosquito Abatement District, for the "West Nile Virus and Mosquito and Vector Control Awareness Week", April 23-29, 2007.

**PRESENTATION:**

- Lennie Gotcher, President of the Hillsborough Beautification Foundation, presented Public Works Director Martha DeBry with the Hillsborough Beautification Foundation Professional Volunteer 2007 Award.

**CONSENT CALENDAR:**

Items 4, 5, and 9 were removed for discussion. On motion of Councilmember Kasten, seconded by Vice Mayor Krolik, and unanimous on voice vote, Consent Calendar items 1-3, 6-8, and 10-13 were adopted.

1.     MONTHLY CLAIMS: MARCH 1 THROUGH MARCH 31, 2007

The monthly claims for the month of March 2007 in the amount of \$2,082,283.59 were approved.

2.     QUARTERLY TREASURER'S REPORT

The Treasurer's Report for the quarter ending March 31, 2007, was approved.

3.     QUARTERLY INTEREST RATE PRODUCTS (SWAP) REPORT

The Interest Rate Products Report for the quarter ending March 31, 2007, was accepted.

4.     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

Vice Mayor Krolik asked Finance Director Edna Masbad to produce a ten-year projection showing the budget impact of the Town's retiree benefit obligations under currently approved contracts. The Town has an obligation to the retirees and would not want to default on the retiree's benefits. Ms. Masbad responded that a ten-year financial projection that incorporates the fiscal impact of the contract amendment would be provided to the City Council.

On motion of Vice Mayor Krolik, seconded by Councilmember Kasten, and unanimous on voice vote, the resolution of intention approving an amendment to the contract between the California Public Employees' Retirement System and the Town of Hillsborough was adopted.

5. 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

On motion of Vice Mayor Krolik, seconded by Councilmember Kasten, and unanimous on voice vote, the ordinance authorizing 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 introduced and the first reading of the ordinance was waived. May 14, 2007, was set as the public hearing date to consider adoption of the ordinance.

6. RESOLUTION AUTHORIZING CONTINUED PARTICIPATION IN THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY (C/CAG) AND APPROVAL OF THE JOINT POWERS AGREEMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE JOINT POWERS AGREEMENT

City Attorney Norm Book advised the City Council that a couple of paragraphs in the Joint Powers Agreement for the City/County Association of Governments of San Mateo County were less than clear and he requested written clarification from the San Mateo County Counsel.

The resolution authorizing continued participation in the City/County Association of Governments of San Mateo County, approval of the Joint Powers Agreement, and authorization for the Mayor to execute the Joint Powers Agreement, subject to the City Attorney's legal review, was adopted.

7. RESOLUTION APPROVING THE WORK ORDERS FOR DESIGN SERVICES FOR THE NEW DARRELL WATER TANK, DESIGN SERVICES FOR THE FOREST VIEW PRV AND WATER MAIN INSTALLATION, AND CONSTRUCTION MANAGEMENT SERVICES FOR THE 2007 SANITARY SEWER CLEANING AND VIDEO INSPECTION – PHASE V

The resolution approving the CSG work orders for design services for the new Darrell Water Tank, design services for the Forest View PRV and Water Main Installation, and construction management services for the 2007 Sanitary Sewer Cleaning and Video Inspection – Phase V in the total amount of \$80,180 was adopted.

8. RESOLUTION APPROVING REPAIRS TO THE TOWN HALL IRRIGATION SYSTEM

The resolution awarding the bid to Terra Ferma for the repairs to the Town Hall irrigation system in the amount of \$13,982 was adopted.

9. RESOLUTION AWARDING A CONTRACT TO MAY AND ASSOCIATES AND ALLOCATING \$26,180 FROM THE GENERAL FUND FOR THE DEVELOPMENT OF A VEGETATION MANAGEMENT PLAN

Public Works Director Martha DeBry stated that the highlights of the request for proposal for the vegetation management plan for the Town's open space included the development of guidelines, a strategy for vegetation management, and training for Town staff. The proposed work is estimated to cost \$26,180, which could be allocated from the General Fund. Ms. DeBry added that May and Associates is familiar with the open space in the Town of Hillsborough and has worked with the County of San Mateo.

Mayor Mullooly thanked Ms. DeBry. On motion of Vice Mayor Krolik, seconded by Councilmember Fannon, and unanimous on voice vote, the resolution awarding a contract to May and Associates and allocating \$26,180 from the General Fund for the development of a vegetation management plan was adopted.

10. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH AGUILAR & SONS FOR THE 520 HILLSBOROUGH BOULEVARD STORM DRAIN REPAIR PROJECT

The resolution accepting as complete the contract with Aguilar & Sons for the 520 Hillsborough Boulevard Storm Drain Repair Project in the amount of \$9,625 was adopted.

11. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH FERMIN SIERRA CONSTRUCTION, INC. FOR THE LA CUMBRE / LA CANADA ROAD STORM DRAIN INLET REPLACEMENT PROJECT

The resolution accepting as complete the contract with Fermin Sierra Construction, Inc. for the La Cumbre / La Canada Road Storm Drain Inlet Replacement Project in the amount of \$39,600 was adopted.

12. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH AGUILAR & SONS FOR THE STREET IMPROVEMENTS AT SUMMIT DRIVE AND SKYLINE BOULEVARD

The resolution accepting as complete the contract with Aguilar & Sons for the street improvements at Summit Drive and Skyline Boulevard in the amount of \$16,700 was adopted.

13. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH JMB CONSTRUCTION, INC. FOR THE WATER MAIN REPLACEMENT – PHASE IV PROJECT

The resolution accepting as complete the contract with JMB Construction, Inc. for the Water Main Replacement – Phase IV Project in the amount of \$2,376,817 was adopted.

**NEW BUSINESS:**

14. RESOLUTION APPROVING FUNDING FOR THE SAN MATEO WASTEWATER TREATMENT PLANT IMPROVEMENTS

Public Works Director Martha DeBry provided a Power Point presentation and overview of the San Mateo/Estero Municipal Services District Wastewater Treatment Plant, which treats about one-third of the Town's sewage. The Town's Capital Improvement Program includes \$1,200,000 in funding during FY 2007/08 for the San Mateo Sewer Plant Improvements, which will modernize the sewer treatment plant equipment. Future projects would further expand the sewer treatment plant's peak time capacity, improve the outfall line and enlarge the downstream portion of the Crystal Springs Trunk, which would prevent overflows on Crystal Springs Road.

Ms. DeBry explained that the Town's agreement with the City of San Mateo requires the Town to fund capital improvements in proportion to the Town's use of the treatment plant, which has been estimated at 2.58%. The amount of the Town's contribution is tied to the Town's proportional flow into the Crystal Springs Sewer Trunk. The other parties paying for the project include the City of San Mateo, County of San Mateo, and the Crystal Springs County Sanitary District, each of which has a larger flow into the Crystal Springs Trunk.

Mayor Mullooly thanked Ms. DeBry. On motion of Vice Mayor Krolik, seconded by Councilmember Kasten, and unanimous on voice vote, the resolution authorizing the payment of up to \$1,200,000 for the San Mateo Wastewater Treatment Plant Improvements with funding from 2006 Bond proceeds was adopted.

15. RESOLUTION ENCOURAGING RESIDENTS TO PARTICIPATE IN THE TOWN OF HILLSBOROUGH'S COMPOST GIVE-AWAY AND E-WASTE COLLECTION EVENTS

Public Works Director Martha DeBry stated that the Public Works Department, in cooperation with the South Bayside Waste Management Authority (SBWMA), has arranged for compost give-away events on April 28, 2007, and May 12, 2007. In recent years, the Town has hosted several compost give-away events, which serve to close the recycling loop, as the compost is derived from green waste collected in Town. A 30-yard container would be located in the Walnut Avenue lot. Residents would need to provide their own shovels and containers.

Ms. DeBry introduced the Town's construction and demolition coordinator, Jeannette Lucero, who arranged for an e-waste collection event at the Town Hall parking lot to coincide with the May 12, 2007 compost give-away event. Residents would be able to drop off used electronics, and a contractor would transport the materials to their recycling facility at no cost to the resident or the Town. Residents would have a second opportunity to dispose of e-waste on June 23, 2007, in the Walnut Avenue lot.

Mayor Mullooly asked Ms. DeBry if the announcement would be sent in the water bills. Ms. DeBry replied that both water bill cycles would receive the announcements and that the information has been placed on the Town's website.

On motion of Councilmember Fannon, seconded by Councilmember Kasten, and unanimous on voice vote, the resolution encouraging residents to participate in the compost give-away and e-waste collection events was adopted.

#### 16. DRAFT GREEN PURCHASING POLICY

Public Works Director Martha DeBry stated that a draft "Environmental Purchasing Policy" has been prepared, which encourages the purchase of goods made with recycled material content; identifies waste prevention best practices, such as duplex or double-sided copying; and promotes storing reports, files and emails electronically instead of in hard copy format.

Ms. DeBry explained that a comprehensive resource list would be prepared for staff to assist with identifying vendors who provide recycled content materials and environmentally preferred products. For most departments, the process of selecting green products would be simplified through the use of Office Depot's "green products" catalogue. The Department of Public Works has already incorporated a number of green practices in its specifications and operations. For example, all of the furniture at Vista Park is made of recycled plastic products. Public Works vehicles would be purchased with efficient biodiesel-compatible engines.

On motion of Councilmember Kasten, seconded by Vice Mayor Krolik, and unanimous on voice vote, incorporation of the draft green policy into the Town's purchasing policies was approved.

#### **OLD BUSINESS:**

#### 17. UPDATE ON REFUSE FRANCHISE AND OX MOUNTAIN SETTLEMENT

Public Works Director Martha DeBry stated that in February 2005 the South Bayside Waste Management Authority (SBWMA) entered into an agreement with Allied Waste Services (Allied), which provided a discount on tipping fees in exchange for a pledge to dispose of non-recycled materials at Ox Mountain Landfill. As part of that agreement, Allied agreed to make \$11,600,000 in payments to the SBWMA members over a four-year period. The total payment amount was negotiated as an estimate of the sum of money the SBWMA would have saved, if the discounted tipping fee had been applied in previous years. Allied offered the payments as a way of enticing the SBWMA to continue to dispose of materials at Ox Mountain.

Ms. DeBry requested that the City Council provide direction on the appropriate use of the funds. Options include depositing the funds into the General Fund; or using the funds to offset future rate increases; or placing the funds in a reserve account to offset

expenses associated with refuse franchise and recycling programs. As the Town approaches the end of the franchise agreement, the collection rates are likely to become more volatile, as there are fewer years over which to spread any deficit. A dedicated reserve fund could assist with settling the Town's account with Allied at the end of the franchise, without placing an additional burden on rate payers. Expenses such as those for the recycling coordinator, or the contractor selection process, could also be charged against the reserve.

Ms. DeBry recommended the establishment of a reserve account to assist with the end-of-franchise costs. This would minimize the need for rate increases in the last year of the franchise in 2010 and avoid carrying over a deficit into 2011 when the new franchise starts.

Mayor Mullooly thanked Ms. DeBry. On motion of Councilmember Kasten, seconded by Vice Mayor Krolik, and unanimous on voice vote, the establishment of a reserve account to assist with the end of franchise costs was approved.

#### **PUBLIC COMMENT:**

Police Chief Matt O'Connor announced that the collection box for old pharmaceuticals would be permanently affixed in the Police Department lobby later this week. Hillsborough would be participating in a countywide effort to collect unwanted prescription drugs during Earth Week, which begins on April 22, 2007. On Monday, April 23, 2007, at 11:00 a.m., San Mateo County Supervisor Adrienne Tissier would hold a press conference in Redwood City announcing the cities that would be participating in this venture.

#### **CITY COUNCIL ITEMS:**

Vice Mayor Krolik stated that two new airlines would be flying out of San Francisco International Airport. Jet Blue would have five flights per day starting May 3, 2007, and Southwest would have 25 flights per day starting August-October 2007. No increase in noise is anticipated as the newer airplanes are much quieter than the older jets.

Mayor Mullooly announced that Bruce Herman was appointed the new Architecture Design Review Board alternate.

Mayor Mullooly recognized the Police Department for receiving words of appreciation.

Mayor Mullooly announced that Police Inspector Robert Chinca and Central County Firefighter Michael Hillhouse received service awards from the Lions Club at the 42<sup>nd</sup> Annual Police and Firefighters Awards Banquet on March 30, 2007.

Councilmember Kasten stated that he attended the Regional Housing Needs Allocation Assessment Policy Advisory Committee meeting. A subregion was created in San Mateo County to develop plans for affordable housing, which is required by the State of California. There has been good progress and cooperation by the 21 jurisdictions in San Mateo County. He reported that the affordable housing numbers have improved.

Councilmember Kasten reported that he attended the Focusing Our Vision Initiative Meeting on April 5, 2007, which was held at the County Center in Redwood City. The Association of Bay Area Governments (ABAG) presented funding opportunities for regional priorities including growth, development, and environmental issues in San Mateo County.

#### **ADJOURN:**

Mayor Mullooly adjourned the meeting at 6:55 p.m.