MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, MAY 14, 2007

Mayor Mullooly called the regular meeting to order at 6:02 p.m. at the Hillsborough Town Hall, 1600 Floribunda Avenue, Hillsborough, California.

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

MINUTES: The minutes of the April 9, 2007 City Council meeting were approved as submitted.

PROCLAMATION:

- Councilmember Kasten proclaimed June 6, 2007, as Law Enforcement Torch Run Day in Hillsborough.

- Vice Mayor Krolik proclaimed May 20-26, 2007, as National Public Works Week.

PRESENTATION:

- Councilmember Regan recognized the Town of Hillsborough and Finance Director Edna Masbad for receiving the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Award.

CONSENT CALENDAR:

On motion of Councilmember Kasten, seconded by Councilmember Regan, and unanimous on voice vote, Consent Calendar items 1-7 were approved.

1. MONTHLY CLAIMS: APRIL 1 THROUGH APRIL 30, 2007

   The monthly claims for the month of April 2007 in the amount of $1,890,895.31 were approved as submitted.

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

   The resolution setting the amount of the public safety tax for fiscal year 2007-2008 was adopted.

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

   The resolution providing for interim modifications to the business license tax for fiscal year 2007-2008 was adopted.

4. RESOLUTION ADOPTING BUDGET ADJUSTMENTS FOR FISCAL YEAR 2006-2007

   The resolution adopting budget adjustments for fiscal year 2006-2007 was adopted.

5. RESOLUTION AWARDING A CONTRACT TO PETERSON POWER SYSTEMS FOR GENERATOR MAINTENANCE SERVICE

   The resolution awarding the contract for the Generator Maintenance Service Agreement to Peterson Power Systems in the amount of $40,004 and allocating $3,250 from the General Fund, $3,700 from the Sewer Fund and $33,054 from the Water Fund was adopted.

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

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 was approved.

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

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 was adopted.

PUBLIC HEARING:

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

City Clerk Miyuki Yokoyama stated that the St. Matthew's Episcopal Day School submitted a fundraising application to conduct the Dickens House 2007 Designer Show House from September 19, 2007, through September 29, 2007, at 108 Stonehedge Road in Hillsborough.

Ms. Yokoyama stated that public notices were sent to owners of properties located within a 500-foot radius of the property and no comments have been received. Staff recommended approval of the application subject to the restrictions and conditions of the Police, Fire and Building Departments.

Ms. Yokoyama introduced Linda Handalian, Director of Development at St. Matthew's Episcopal Day School, to answer questions. Vice Mayor Krolik asked if double tickets would be sold. Ms. Handalian replied that if the City Council approves the Dickens House Designer Show House and Holiday Boutique that double tickets would be sold. Having the two event pilot program this year should reduce some of the traffic and congestion, as some of the visitors only want to see the historical home, which has been restored.

Mayor Mullooly opened the public hearing.

Mary Ellen Benninger of 101 and 99 Baywood Avenue stated that she was a supporter of the Dickens House, but she wanted to point out some things to ensure the success of this year's Dickens House regarding safety issues. She stated that Stonehedge Road is a major thoroughfare and there is no stop sign on Stonehedge Road at Uplands Drive/Baywood Avenue. She added that people often fly by in their cars on their way to Crystal Springs and Third Avenue. Ms. Benninger added that the trees in front of 125 Baywood Avenue need to be trimmed, and that the parking plans need to be reviewed. Since there would be more days for the event with more hours, more traffic, and more people unfamiliar to the area, that could be a recipe for disaster. She stated that visitors to the Dickens House should be courteous and not block driveways, and that the streets should be kept clean.

Julie Douglass of 205 Uplands Drive stated that she concurs with Ms. Benninger that cars fly down Uplands Drive. She stated that she would like the Police Department to review the parking plans for the Dickens House. She stated that there is a mud hole across from 108 Stonehedge Road, which is always muddy and rocky. She added that she supports the Dickens House, but would like the Town to consider what it is like to live there with the Dickens House Show House and Holiday Boutique.

Ms. Handalian stated that she was researching alternate parking sites to reduce the traffic on Uplands Drive. She stated that she approached St. Bartholomew's and the

Second Avenue parking garage for parking and considered using a shuttle service to the Dickens House. She added that the Dickens House has a circular driveway. She stated that she would have cones placed at the neighbors' driveways to prevent visitors from parking in those areas. The tickets would be printed with directions and parking restrictions with no parking on certain streets. Ms. Handalian stated that she is sensitive to the neighbors' concerns, and added that if there is a problem, she could employ a second shuttle or redirect traffic. She stated that the Dickens House would be closed on Wednesdays, and that Halloween falls on a Wednesday.

Mayor Mullooly asked if there were any other comments. Police Chief Matt O'Connor stated that extensive parking plans have been prepared for the Dickens House and that there would be police presence once every couple of hours and a radar sign would be installed.

Vice Mayor Krolik asked if a temporary stop sign could be installed at the intersection of Stonehedge Road at Baywood Avenue and Uplands Drive. Public Works Director Martha DeBry stated that the City Engineer must approve adding a traffic sign.

Chief O'Connor stated that a total of 400 visitors would be expected for this event, which would be only 50 visitors per day.

Vice Mayor Krolik asked if the event would run for eight days. Ms. Handalian stated that the Designer Show House would only run for six days instead of the eight days originally proposed.

Mayor Mullooly asked if there were any other comments. There were no further comments. The public hearing was closed. On motion of Councilmember Kasten, seconded by Councilmember Regan, and unanimous on voice vote, Fundraising Event Permit Application 07-06 for the Dickens House 2007 Designer Show House on September 18-23, 2007, subject to the conditions recommended by staff, and as amended by the City Council for six days rather than the eight days proposed, was approved.

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

City Clerk Miyuki Yokoyama stated that the St. Matthew's Episcopal Day School submitted a fundraising application to conduct the Dickens House 2007 Designer Holiday Boutique from October 18, 2007, through November 4, 2007, at 108 Stonehedge Road in Hillsborough.

Ms. Yokoyama stated that public notices were sent to owners of properties located within a 500-foot radius of the property and no comments have been received. Staff recommended approval of the application subject to the restrictions and conditions of the Police, Fire and Building Departments.

Mayor Mullooly opened the public hearing.

Helen Poplack of 255 Uplands Drive stated that she was concerned about the safety of the blind intersection at Baywood/Stonehedge and she would like a temporary stop sign installed. Drivers traveling on Stonehedge and turning left or right on Stonehedge have a chance of a collision. Cars often travel too fast over the 25 miles per hour speed limit. She added that this would be a great opportunity to do a feasibility and engineering study to install a stop sign. She stated that her son was walking his bike and nearly got hit and that the car had skidded 26 feet. She stated that she wants the area to be safe for children and all pedestrians.

Mayor Mullooly asked if there were any further comments.

Councilmember Regan asked if a shuttle could be used and to not allow parking on Stonehedge. Chief O'Connor stated that the shoulder on Stonehedge is wider than adjacent streets and is more suitable for parking. He added that parking can be

restricted on the wet area across from the Dickens House and he recommended using a shuttle service.

Ms. Handalian stated that the postcards and tickets would have parking instructions so that visitors can be funneled to where they should go.

Mayor Mullooly stated that restricting parking in certain areas should help and asked Chief O'Connor to review the tree issue. Chief O'Connor stated that he would have Code Enforcement Officer Linda Clark to check the tree issue. He added that he would look at the parking provisions and how a shuttle service could alleviate some of the parking problems.

Councilmember Regan stated that St. Bartholomew's would be a good area to park. Ms. Handalian replied that she has been in contact with St. Bartholomew's and also the Second Avenue parking garage.

Vice Mayor Krolik stated that Ms. Handalian should work with the Police regarding the shuttle service and parking plans, that a slow or stop sign should be installed at the intersection, and that the tree issue should be resolved.

Mayor Mullooly closed the public hearing. On motion of Vice Mayor Krolik, seconded by Councilmember Regan, and unanimous on voice vote, Fundraising Event Permit Application 07-07 for the Dickens House 2007 Designer Holiday Boutique on October 18, 2007, through November 4, 2007, subject to the conditions recommended by staff and the City Council, was approved.

10. ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH - ADOPTION

Assistant City Manager Kathy Leroux stated that the current Memorandum of Understanding with Central County Fire, Local 2400, states that the Town shall implement the California Public Employees' Retirement System (CalPERS) 3% @ 55 retirement plan effective July 1, 2007. In order to implement the retirement plan for sworn Fire Department personnel, CalPERS 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.

Vice Mayor Krolik asked Ms. Leroux about item 8 of the contract amendment regarding the benefit payments. The benefits of the 2.7 @ 55 formula may be higher than those calculated using the 3% @ 60 formula. Ms. Leroux responded that the Public Works and Unrepresented Employees use the 3% @ 60 formula, Police use 3% at 50, and the Fire currently are at 2% @ 50 and would like to implement 3% @ 55. She added that the three classes are listed in item 3 of the contract amendment.

Vice Mayor Krolik asked what the Town's liability would be for this amendment. Finance Director Edna Masbad replied that the amendment will increase the Town's unfunded liability by $1,190,818; the amount would be amortized over 11 years until fully paid. She added that the amendment increased the present value of the benefits by $1,750,254 and will increase the current employer rate by 5.351%.

Councilmember Regan stated that the change to the contract with CalPERS is part of the merger of the Hillsborough and Burlingame Fire Departments, and this change, unfortunately, erodes some of the Town's savings from the merger.

Mayor Mullooly opened the public hearing. There were no comments. Mayor Mullooly closed the public hearing. On motion of Councilmember Regan, 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 adopted.

11. RESOLUTION SETTING AND CONFIRMING THE FEES AND CHARGES FOR FISCAL YEAR 2007-2008

Finance Director Edna Masbad stated that the City Council is annually required to adopt by resolution the fees and charges for the following fiscal year. Except for the changes to water and sewer charges, which the Town adopted in February 2007, the proposed changes contained in the last column of the schedule included in the agenda packet, reflect only the changes to the employees' hourly rate and number of hours to complete specific tasks. Ms. Masbad stated that the proposed changes would take effect on July 1, 2007.

Ms. Masbad added that the next scheduled changes to the water rates would take effect in January 2008 and staff would be presenting those changes in the fall of 2007. Changes to the sewer rates would be taken up in agenda item 12.

Ms. Masbad stated that the City Council is requested to open the public hearing and receive comments, close the public hearing, and adopt the resolution setting and confirming the fees and charges for fiscal year 2007-2008.

Councilmember Kasten asked for an explanation why some fees have decreased. Ms. Masbad replied that the fees are now more accurate. The Planning Department was able to adjust the number of hours for certain tasks and, therefore, a couple of items have decreased.

Councilmember Regan suggested increasing the fees with the cost of living increase each year rather than increasing fees by 25-30% every five to ten years. Ms. Masbad replied that the changes are based on the individual departmental reviews. Each department reviewed the particular tasks and determined specific number of hours and the current hourly rates to calculate the fees.

Police Chief Matt O'Connor stated that the fees charged in the Police Department are dictated by statutes and are aligned with other cities for fingerprinting, nuisance fees, and character reports.

Councilmember Regan stated that when fees and charges were not increased in the past, pension costs, medical costs, and workers' compensation costs skyrocketed. He directed staff to indicate in the report the date when each fee was last updated. Ms. Masbad stated that the adopted report will contain the requested information.

Vice Mayor Krolik asked if the Town was undercharging for Planning Department fees. Acting City Planner Elizabeth Cullinan responded by stating that the Town appeared to be undercharging for applications and that the proposed increases were due primarily to increases in employee costs. The number of hours for certain tasks, including the City Attorney's, was reviewed. Vice Mayor Krolik stated that residents have become more comfortable pulling permits and that she did not want to discourage residents from pulling permits with the increase in fees. Ms. Cullinan noted that the Town's fees were lower than a majority of jurisdictions in San Mateo County

Mayor Mullooly thanked Ms. Cullinan.

Mayor Mullooly opened the public hearing. There were no comments. Mayor Mullooly closed the public hearing. On motion of Councilmember Kasten, seconded by Councilmember Regan, and unanimous on voice vote, the resolution setting and confirming the fees and charges for fiscal year 2007-2008 was adopted.

NEW BUSINESS:

12. RESOLUTION AUTHORIZING SEWER SERVICE CHARGES EFFECTIVE JULY 1, 2007

Finance Director Edna Masbad stated that the Town implemented the recommendations from a comprehensive study completed last fall, whereby the Town adopted a maximum sewer rate for the next four years as the Town complied with Proposition 218 requirements. The study recommended that the Town adopt annual sewer rates in the intervening years, not to exceed the adopted maximum rate. The resolution reflects a 3% increase of the annual sewer charge from the current residential rate of $1,473 bringing it up to $1,517.

Ms. Masbad added that the study recommended aligning non-residential sewer rates based on their sewer discharges compared to that of a typical single-family residence in terms of equivalent dwelling units (EDUs). Wastewater flow and strength measurements follow the guidelines from the State Water Resources Control Board based on types of discharges and using 90% of their average winter water use for the past three years. For example, a customer assigned two EDUs discharges wastewater comparable to that of two residential customers and should therefore pay twice the residential rate. The resolution first computes equivalent EDUs for each of the Town's non-residential accounts and the computed sewer charge compared to the rate for an EDU or the residential rate.

Ms. Masbad stated that the residential sewer charges would, as in the past, be collected by the County of San Mateo with the customers' property tax bill while non-residential sewer charges would be billed with the monthly water bill of these customers.

Ms. Masbad recommended that the City Council approve the resolution authorizing sewer services charges for fiscal year 2007-2008 effective July 1, 2007.

Councilmember Regan stated that the sewer service charge increases were discussed at the Financial Advisory Committee meeting held on April 30, 2007. FAC Chair Jay Benton and FAC member John Lockton, Jr. agreed to speak to the manager of the Burlingame Country Club about the increase in sewer service charges.

Councilmember Regan stated that the Town's previous sewer rates were too low and that is why the increase is substantial. Ms. Masbad stated that a letter was sent out to customers last summer regarding the anticipated rate increases.

On motion of Councilmember Kasten, seconded by Councilmember Regan, and unanimous on voice vote, the resolution authorizing increased sewer service charges for fiscal year 2007-2008, effective July 1, 2007, was adopted.

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 Martha DeBry stated that 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.

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

On motion of Vice Mayor Krolik, seconded by Councilmember Regan, and unanimous on voice vote, 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 was adopted.

14. RESOLUTION AWARDING A CONTRACT TO BOND BLACKTOP, INC. FOR THE 2007 PAVEMENT MAINTENANCE AND REHABILITATION PROJECT

City Engineer Cyrus Kianpour stated that the original scope of the 2007 Pavement Maintenance and Rehabilitation Project consisted of street rehabilitation work in the form of 23 linear miles of crack sealing, 21,450 square feet of dig out repairs, 1.8 miles of micro-surfacing only and 3.8 miles of scrub seal/micro surfacing on various streets within the Town.

Mr. Kianpour added that approximately $424,000 is available to fund the 2007 Street Project, as a portion of funds were unexpended last year.

Mr. Kianpour reported that following discussions with the coordinator for the CalTrans grant, Base Bid II would 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.

Councilmember Regan recommended including the $57,215 for the dig outs on Hayne Road and Ralston Avenue in order to get the job done correctly, rather than eliminating this portion of the project to meet the project budget.

Vice Mayor Krolik asked if Base Bid II would be rebid. Mr. Kianpour replied that in order to secure the grant, Base Bid II would be rebid later this month, and that the scope of the work will also be modified to more closely match the budgeted amount.

Mayor Mullooly thanked Mr. Kianpour.

On motion of Councilmember Regan, seconded by Councilmember Kasten, and unanimous on voice vote, 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 plus $57,215 for the dig outs on Hayne Road and Ralston Avenue, and allocating General Fund, federal aid, Measure A, and Gas Tax funds for the same, and rejecting Base Bid II, was adopted.

DISCUSSION ITEM:

15. PENSION OBLIGATION BONDS

Finance Director Edna Masbad stated that the Town contracts with CalPERS to administer its defined benefit pension plan dictated by its contractual obligations with its various labor groups. CalPERS' annual retirement rate is broken down into two major components, including a normal cost defined as the annual cost to fund future pension benefits earned by the employees in the current fiscal year; and unfunded actuarial accrued liability (UAAL).

Ms. Masbad stated that currently, local agencies are making fiscal decisions to issue pension obligation bonds to pay off their UAAL. The perception is that CalPERS is charging us 7.75% interest on the UAAL and that savings are achieved if pension bonds are issued at rate lower than this rate. The 7.75% interest CalPERS is charging on the UAAL is designed to match the investment return.

Ms. Masbad defined UAAL as the difference between the present value of all benefits payable to plan members and the actuarial value of plan assets available to pay those benefits. Ms. Masbad discussed current policy assumptions in determining rates, factors contributing to UAAL, pension bonds, historical performance, and other issues.

Ms. Masbad stated that last fall Burlingame issued pension bonds in the amount of $33 million. The combined UAAL was approximately $30.5 million and they also included normal costs of approximately $1.8 million. Normal cost is defined as the annual cost to fund future pension benefits earned by the employees in the current fiscal year. As mentioned earlier, the practice of funding normal costs out of proceeds from a bond issue could be masking an operational imbalance. Their issuance costs were $605,000, and the bond interest cost was 5.76%

Ms. Masbad reported that the Town's projected UAAL as of June 30, 2007, was $11 million. After the fire amendment, the Town's UAAL would go up to $12.7 million. The bond issue would also need a Superior Court validation to allow debt without voter approval since this debt is backed up and paid out of General Fund revenues. The Town can issue a stand-alone debt or can pool with the program through the California Statewide Communities Development Authority. The next available issue is scheduled for October 2007. The deadline to join that pool is mid-June 2007. The current rate has not changed since Burlingame issued theirs and remains at 5.7%

Ms. Masbad stated that the financial analysis included in the agenda packet showed that the Town needs to issue $12.9 million to pay off all of its UAAL. The term of the bond should coincide with the CalPERS amortization period, which is 12 years for Miscellaneous and Police, and 11 years for Fire. True interest cost (TIC) would be 5.7% measured against an investment return of 7.75%. The cost of issuance is $309,000 and can be issued at a level debt service or level savings. The average annual savings for level debt service is $150,000; $119,000 for level savings.

After much discussion about the pension obligation bonds, the City Council recommended that the pension obligation bonds be discussed with the Financial Advisory Committee and for staff to report back to the City Council.

16. DISCUSSION OF VOLUNTARY WATER CONSERVATION PROGRAM

Public Works Director Martha DeBry stated that recently, the San Francisco Public Utilities Commission (SFPUC), which provides 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 recorded since 1919. Ms. DeBry added that the Hetch Hetchy rainfall was 27% of normal and the Sierra snow pack was 49% of normal. The SFPUC is prudently attempting to manage the limited water resources of the Hetch Hetchy system should there be a prolonged drought event.

Ms. DeBry reported that the last drought occurred from 1987 to 1992. Mandatory rationing was implemented, which required a 15% reduction from 1987 water usage. A Town ordinance was established during this drought. Penalties were imposed for excessive water use and constrictors were installed at the meters.

Ms. DeBry stated that the Town currently has a fire sprinkler requirement, which make the use of constrictors on the water meters impractical. The Town's water use is lower than 1987 levels due to better habits; low flow toilets, shower heads, and faucets; efficient irrigation systems; and newer appliances.

Ms. DeBry reviewed the water conservation rationing formula and annual outdoor water allotment, the Town's water conservation practices, and an outreach program to encourage water conservation, including a clothes washer rebate program.

Councilmember Kasten asked if there has been any discussion regarding going back to chlorinated water because the chloramines system requires high water usage for flushing of the pipes. Ms. DeBry replied that there has been no discussion about returning to the old chlorine system since the chlorine system did not meet the federal rules for water quality. Councilmember Kasten asked how much water is used for flushing the pipes. Ms. DeBry responded 50,000 gallons a day for six months out of the year. Councilmember Kasten asked if it would be possible to reduce the number

of flushing days. Ms. DeBry responded that the Water Department would be making a number of changes by closing dead ends in the system to minimize flushing. Ms. DeBry stated that BAWSCA could discuss with San Francisco Public Utilities Commission (SFPUC) about converting back to the chlorine system, as BAWSCA has the most clout with SFPUC. Ms. DeBry stated that all agencies in San Mateo County are looking at methods to reduce water consumption, and that Hillsborough is making every effort to conserve water.

Mayor Mullooly thanked Ms. DeBry.

PUBLIC COMMENT:

There were no comments.

CITY COUNCIL ITEMS:

Mayor Mullooly announced that Richard Reisman would be serving on the Code Enforcement Hearing Panel.

Mayor Mullooly announced that EMS Division Chief Mark Ladas has been named the new Deputy Fire Chief for Central County Fire and firefighter/paramedic John Kammeyer has been promoted to EMS Division Chief. She also announced that the Central County Fire Board celebrated its third anniversary.

Mayor Mullooly reported that the compost giveaway held on May 12, 2007, was a great success that that all the compost was gone in a very short time. The electronic recycling event held on the same day was also very successful.

Mayor Mullooly thanked Chief Building Official John Mullins and Hillsborough Police Department's Captain Mark O'Connor, Inspector Dave Agee, and Inspector Rob Chinca for participating in a statewide sting with the California State Contractors Board. The sting was successful in catching eight contractors suspected of working without state issued licenses.

Vice Mayor Krolik thanked the Public Works and Police Departments for installing a stop sign at Summit Drive.

Vice Mayor Krolik announced that HEART of San Mateo County is offering a homebuyer assistance program for government employees who are first time homebuyers.

Vice Mayor Krolik announced that building permits can now be checked online 24/7 at the Town's website.

Councilmember Kasten thanked his colleagues on the City Council for attending the HEART Launch Luncheon on May 14, 2007. Hillsborough was the best-represented city at the luncheon.

Councilmember Kasten thanked Chief Building Official John Mullins for the e-Trakit system and stated that the system was good for both homeowners and contractors to check projects and permit information online at the Town website.

Mayor Mullooly stated that a study session would be held for a candid discussion about term limits. Vice Mayor Krolik stated that she would be willing to serve on the committee. Councilmember Regan asked Vice Mayor Krolik if she could ask Jackie Speier to attend the study session. Mayor Mullooly stated that the study session would be held in September or October 2007.

ADJOURN:

Mayor Mullooly adjourned the meeting at 9:04 p.m.