

MINUTES

REGULAR CITY COUNCIL MEETING

MONDAY, JUNE 11, 2007

Mayor Mullooly called the regular meeting to order at 6:00 p.m. at the Hillsborough Town Hall, 1600 Floribunda Avenue, Hillsborough, California.

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

MINUTES: The minutes of the May 14, 2007 City Council meeting were approved as submitted subject to wording changes by Vice Mayor Krolik. On page 2, item 8, paragraph 5, the second and third sentences should read "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." On page 3, paragraph 3 should read "Vice Mayor Krolik asked if a temporary *stop* sign could be installed at the intersection of *Stonehedge Road at* Baywood Avenue and Uplands Drive..."

PROCLAMATION:

- Mayor Mullooly proclaimed July as "Smart Irrigation Month" to promote efficient watering practices, technologically advanced irrigation products, and water conservation.

PRESENTATION:

- Financial Advisory Committee, Certificate of Appreciation – Larree M. Renda
- Resolution of Appreciation – Retirement of City Planner Maureen Morton
- Certificate of Recognition for the Apprehension of a Purse Snatching Suspect – Central County Fire Department Personnel Gus Rueb, Ryan Klarich, Scott Stacey, and Rob McNichol

CONSENT CALENDAR:

On motion of Vice Mayor Krolik, seconded by Councilmember Regan, and unanimous on voice vote, Consent Calendar items 1-4 were approved.

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

The monthly claims for the month of May 2007 in the amount of \$3,340,149.66 were approved as submitted.

2. RESOLUTION ESTABLISHING THE TOWN OF HILLSBOROUGH'S APPROPRIATIONS LIMIT FOR FISCAL YEAR 2007-2008

The resolution establishing the Town of Hillsborough's appropriations limit for fiscal year 2007-2008 was adopted with a roll call vote.

3. RESOLUTION ALLOCATING FUNDS FOR STATE WATER RESOURCES BOARD FEES FOR DAM INSPECTION SERVICES IN THE AMOUNT OF \$15,408

The resolution allocating funds for State Water Resources Board fees for dam inspection services in the amount of \$15,408 was adopted.

4. RESOLUTION APPROVING THE CSG WORK ORDERS FOR DESIGN SERVICES FOR THE VISTA WATER ZONE PRESSURE REGULATING VALVES AND WATER MAIN INSTALLATION, AND CONSTRUCTION MANAGEMENT SERVICES FOR THE 2007 STREET REHABILITATION PROJECT

The resolution approving the CSG work orders for design services for the Vista Water Zone Pressure Regulating Valves and Water Main Installation, and construction management services for the 2007 Street Rehabilitation Project in the total amount of \$76,820, and allocating \$48,260 in funds from the 2006 Bond revenues and \$28,560 from the General Fund revenues, Measure A, and Gas Tax, was adopted.

PUBLIC HEARING:

5. RESOLUTION ADOPTING THE 2007-2008 OPERATING AND CAPITAL BUDGET

Finance Director Edna Masbad presented the Town's proposed budget for Fiscal Year 2007-2008 under a three-year rolling budget format. She stated that staff was seeking approval for the first year's budget and was presenting preliminary budgets for the next two years for an extended outlook. Additionally, she provided a General Fund ten-year financial forecast as previously requested by the City Council.

Ms. Masbad stated that the proposed budget for FY 2007-2008 represents the Town's financial plan for all programs and services. The proposed budget reflects a General Fund balanced budget and adequate reserve levels and compliance with the Town's budget and fiscal policies for all funds. The plan also includes the fiscal year 2007-2008 Capital Improvement Budget that is consistent with the Town's General Plan.

Ms. Masbad stated that the proposed budget recommends a 3% increase in sewer rates effective July 1, 2007. Water revenue projections include adjustments to water rates to take effect on January 1, 2008, resulting in an approximate 6% increase in water revenues. Both increases are pursuant to the comprehensive water and sewer rate study done in the fall of 2006 and approved for implementation by the City Council on December 11, 2006.

Ms. Masbad provided a Power Point presentation reviewing the key features of the proposed \$37 million budget for fiscal year 2007-2008, which included staffing changes, equipment replacement, special programs, improvements to facilities, and the Capital Improvement Program. Ms. Masbad added that the proposed budget was presented to the Financial Advisory Committee (FAC) for consideration on April 30, 2007, and on June 8, 2007.

Ms. Masbad stated that the FAC discussed the proposed budget in detail and recommended several changes. The FAC voted not to hire the proposed two new Street Maintenance Workers, and instead increase the service level in Street Department projects through contractual services. The FAC voted to recommend approval of only one Water Maintenance Worker in 2007-2008 to be filled only after a thorough analysis of the need for the new position. The FAC voted not to hire a new Sewer Maintenance Worker.

Ms. Masbad stated that the proposed budget also included the request for an additional one-time contribution to the San Mateo Public Library. The request was for \$500,000; \$25,000 was included in this budget. The Town also included a \$2,000 contribution to HIP Housing, a non-profit organization that provides permanent low-cost housing solutions to San Mateo residents. Facilities and systems improvements included upgrades to the telephone system for \$50,000 and Phase II of the Records Management System Project for \$60,000. Staff also requested \$10,000 for consultant costs for the actuarial study of the Town's OPEB in compliance with GASB 45. The Disaster Preparedness Program would require additional funding of \$48,600 for a full funding of \$99,600 for training and combining plans with the City of Burlingame. The Town would continue the Capital Improvement Program for the Water and Sewer Enterprise funded from the proceeds of the bond issue.

Ms. Masbad reviewed the economic assumptions used in the proposed budget. To balance the budget, moderately aggressive growth in some revenues was projected, including 7% in property tax and a 3% increase in construction permits and business license taxes. A more cautious 2% increase was used for vehicle license fees and franchise fees. Ms. Masbad presented statistics on the median price of and number

of houses sold in the Town for the last five years and discussed the ten-year General Fund extended financial projections.

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 adopting the 2007-2008 Operating and Capital Budget.

Mayor Mullooly thanked Ms. Masbad. Mayor Mullooly opened the public hearing. There were no comments. The public hearing was closed. On motion of Councilmember Kasten, seconded by Councilmember Fannon, and unanimous on voice vote, the resolution adopting the 2007-2008 Operating and Capital Budget was approved with the recommendations of the FAC.

PUBLIC COMMENT:

Mr. James Conn of 949 Chiltern Road stated that he wanted to know about the Town's notification procedure, and how the 500-foot public notification applies to schools and parks. Public Works Director Martha DeBry replied that the notice he was referring to was in regards to Vista Park and the proposed cellular antenna on a tree pole. Ms. DeBry stated that 15-day public notices were sent to homeowners within 500 feet of Vista Park and also to those residents who wished to be contacted.

Mr. Conn stated that only eight days notice was provided, and not 15 days. He added that citizens deserve the right to be given sufficient notice to be heard. He stated that he was not informed about the informational meeting scheduled for June 25, 2007. He stated that the citizens of Hillsborough are not given the opportunity to express their views because they are not sufficiently notified, and that the less people know about the cellular antenna at Vista Park the fewer complaints the Town would receive.

Mayor Mullooly stated that residents within 500 feet of Vista Park would be notified. Mr. Conn stated that he would like to have more advance notice in the future. Ms. DeBry replied that she would try to give two to three weeks notice, but that the meeting scheduled for June 25, 2007, is an informational meeting and not a public hearing, and that a 15-day public notice was not required. The informational meeting was just scheduled, and public notification would be sent out tomorrow, June 12, 2007, and would also be posted on the Town's website.

Councilmember Kasten recommended allowing as much notice as possible to the residents, as calendars do fill up quickly.

Councilmember Fannon asked how the Town could improve on notifying more residents, since residents throughout the Town use Vista Park. Ms. DeBry replied that CCAC would work with Public Works for better outreach to the residents.

Mayor Mullooly asked if there was any further comment.

Beverly Fleming of 2175 Forest View Avenue stated that she was surprised about the proposed roundabout at Sharon Avenue and Forest View Avenue. She stated that she had no idea that the Town was going to install the roundabout and that \$35,000 was an excessive amount of money to spend on it. She stated that it is very nice for the Hillsborough Beautification Foundation to landscape the roundabout, but that it was not appropriate for the Town to build something just to landscape. She would like the Town to reconsider the expenditure for the roundabout.

Mayor Mullooly stated that the roundabout was taken out and is just being replaced. Mrs. Fleming replied that there was a small island with a "Keep Right" sign a long time ago. Mayor Mullooly stated that the City Council cannot take action on any non-agenda item, but that her comments would be duly noted.

Mayor Mullooly asked if there was anyone else who wished to speak. There were no further comments.

CITY COUNCIL ITEMS:

Councilmember Regan stated he received a letter regarding installing a four-way stop sign at the corner of Ralston Avenue and Remillard Drive and asked if the intersection has been surveyed. Police Chief Matt O'Connor replied that data is being collected for intersection volume, vehicle speed, and vehicle compass direction. A ten-year collision report has also been requested from the California Highway Patrol. He added that the City Engineer would decide if a stop sign is warranted. The Town must follow California traffic statutes and regulations.

Mayor Mullooly congratulated Deputy Fire Chief Mark Ladas for graduating on June 11, 2007, from the 2006-2007 Leadership Program.

Mayor Mullooly reported that on June 6, 2007, the Hillsborough Police Department participated in the Law Enforcement Torch Run for the Special Olympics and a proclamation was presented at Town Hall.

Mayor Mullooly and Councilmember Kasten announced that they would be attending the Council of Cities Dinner/Meeting on Friday, June 22, 2007, in Woodside. Mayor Mullooly added that the City Selection Committee would hold its election at this Council of Cities Dinner/Meeting.

ADJOURN:

Mayor Mullooly adjourned the meeting at 6:51 p.m.