

TOWN OF HILLSBOROUGH

San Mateo County

Catherine U. Mullooly, Mayor
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1600 Floribunda Avenue
Hillsborough, CA 94010



A G E N D A

MONDAY, SEPTEMBER 8, 2008

5:15 p.m. CLOSED SESSION

6:00 p.m. CITY COUNCIL MEETING

Hillsborough Town Hall

With the ongoing agenda improvement project and conversion to the electronic formatting, there are some minor changes to this agenda.

CLOSED SESSION (5:15 p.m.)

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Section 54957

Title: City Manager

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

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. MINUTES: August 11, 2008 and August 21, 2008

IV. PRESENTATIONS:

- Hillsborough Little League All-Star Team, District 52, Certificates of Recognition for winning the 2008 District 52 Championship – Gordon Barrows, Brenden Barrows, Henry Caruso, Brock Cozad, Frankie Ferrari, Grant Goodman, Austin Marcus, Chris Mark, John Murray, Greg Pratt, Will Reilly and Andrew Segre

V. 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: AUGUST 1 THROUGH AUGUST 31, 2008

2. RESOLUTION AMENDING AND RESTATING THE APPENDIX OF DESIGNATED POSITIONS FOR THE CONFLICT OF INTEREST CODE FOR THE TOWN OF HILLSBOROUGH
3. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH NAPHTALI H. KNOX, FAICP, FOR THE PREPARATION OF THE 2009 HOUSING ELEMENT IN AN AMOUNT NOT TO EXCEED \$62,000
4. RESOLUTION APPROVING THE EMERGENCY SEISMIC REPAIRS AND MODIFICATION WORK TO FIRE STATION 33
5. RESOLUTION AUTHORIZING THE TERM LANGUAGE TO BE AMENDED TO THE JOINT POWERS AGREEMENT ESTABLISHING THE CENTRAL COUNTY FIRE DEPARTMENT
6. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH CORRPRO WATERWORKS FOR THE CATHODIC PROTECTION REPLACEMENT PROJECT
7. RESOLUTION MAKING A DETERMINATION OF THE PROPERTY TAX EXCHANGE PURSUANT TO THE PROVISIONS OF CHAPTER 282, SECTION 50, PART 0.5, IMPLEMENTATION OF ARTICLE XIII A OF THE CALIFORNIA CONSTITUTION, COMMENCING WITH SECTION 95, DIVISION I, OF THE REVENUE AND TAXATION CODE
8. RESOLUTION AUTHORIZING THE PUBLIC WORKS DIRECTOR TO ENTER INTO A CONTRACT WITH MANAGEMENT PARTNERS, INC. TO CONDUCT AN ORGANIZATIONAL AND MANAGEMENT ANALYSIS OF THE PUBLIC WORKS DEPARTMENT
9. RESOLUTION APPROVING SUBMISSION OF AN APPLICATION FOR GRANT FUNDS FROM THE HABITAT CONSERVATION FUND PROGRAM
10. RESOLUTION ACCEPTING A \$49,300 GRANT FROM THE CALIFORNIA DEPARTMENT OF WATER RESOURCES
11. RESOLUTION APPROVING CSG WORK ORDERS FOR ENGINEERING SERVICES FOR THE 2008/2009 STREET REHABILITATION PROJECT, CHATEAU DRIVE REPAIR PROJECT, SUMMIT DRIVE WATER MAIN PROJECT, 2008 GUARDRAIL REPLACEMENT PROJECT, AND SHADY CREEK RETAINING WALL RECONSTRUCTION OVERSIGHT PROJECT

VI. OLD BUSINESS:

12. UPDATE OF SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY'S (SBWMA'S) REQUEST FOR PROPOSAL (RFP) PROCESS FOR REFUSE COLLECTION AND SHOREWAY RECYCLING AND DISPOSAL CENTER (SRDC) OPERATIONS

13. RESOLUTION APPROVING ISSUANCE OF \$65,455,000 IN DEBT BY THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY (SBWMA) FOR THE IMPLEMENTATION OF THE SHOREWAY MASTERPLAN IMPROVEMENTS

VII. PUBLIC HEARING:

14. ORDINANCE AMENDING CHAPTERS 2.12, 17.04, 17.16, 17.20, 17.24, 17.36 AND 17.56 OF THE HILLSBOROUGH MUNICIPAL CODE – ADOPTION
15. ORDINANCE AMENDMENT PREZONING PORTIONS OF SKYLINE BOULEVARD, HAYNE ROAD AND BLACK MOUNTAIN ROAD TO “RESIDENCE DISTRICT” (“RD”) – ADOPTION

VIII. DISCUSSION:

16. DISCUSSION OF PROPOSED MODIFICATION TO ORDINANCE 13.32.110 OF THE HILLSBOROUGH MUNICIPAL CODE REGARDING “PROPERTY OWNER RESPONSIBILITY – SEWER LATERALS”

IX. 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.

X. 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.

XI. 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.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's Office located at 1600 Floribunda Avenue, Hillsborough, CA 94010, during normal business hours.

AUDIO / VISUAL ADVISORY:

Those persons who wish to use PowerPoint, CDs, DVDs, VCRs or other mediums when presenting to the City Council, will be required to submit media items to the City Clerk by 12:00 p.m. on the day of City Council meetings. Media items can be emailed to myokoyama@hillsborough.net or brought in on disc or flash drives to the City Clerk's Office located at 1600 Floribunda Avenue, Hillsborough, CA 94010.



AGENDA – REPORTS

HILLSBOROUGH CITY COUNCIL

Monday, SEPTEMBER 8, 2008
6:00 p.m.
Hillsborough Town Hall
1600 Floribunda Avenue, Hillsborough

CONSENT CALENDAR:

1. MONTHLY CLAIMS: AUGUST 1 THROUGH AUGUST 31, 2008 (Finance Director)

Summary: The monthly claims for the month of August 2008 in the amount of \$4,396,247.53 are submitted for approval.

Recommendation: Approve the monthly claims for August 2008 as submitted.

2. RESOLUTION AMENDING AND RESTATING THE APPENDIX OF DESIGNATED POSITIONS FOR THE CONFLICT OF INTEREST CODE FOR THE TOWN OF HILLSBOROUGH (City Clerk)

Summary: This resolution updates the Town of Hillsborough's Conflict of Interest Code. The Fair Political Practices Commission (FPPC) requires the Town to update its Conflict of Interest Code biennially. The code revision for this year revises positions in Town that have changed since the last update.

Recommendation: Adopt the resolution amending and restating the appendix of designated positions for the Town of Hillsborough's Conflict of Interest Code.

3. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH NAPHTALI H. KNOX, FAICP, FOR THE PREPARATION OF THE 2009 HOUSING ELEMENT IN AN AMOUNT NOT TO EXCEED \$62,000 (Director of Building & Planning)

Summary: State law requires that all California jurisdictions adopt and forward a Housing Element to the California Department of Housing and Community Development (HCD) by June 30, 2009. The Town of Hillsborough's Regional Housing Needs Allocation (RHNA) requires the planning for 86 new housing units between 2009 and 2014.

As authorized by the City Council, staff commenced the Housing Element process in January of 2008. Specifically, on January 14, 2008, the City Council authorized the City Manager to execute a contract with Naphtali Knox for the preparation of the Housing Element for an amount not to exceed \$41,000. Since execution of the contract, staff has learned that the California Department of Housing and Community Development will require, amongst other items, evidence that at least 34 of the Town's 86 RHNA units are affordable to households with

very low and low incomes and programs accommodating emergency/homeless shelter needs and supportive/transitional housing within the Town. While it seems clear that the Town can meet its RHNA requirement of 86 units overall, the challenge remains to provide units within the lower income categories and to provide programs accommodating emergency/homeless shelter needs and supportive/transitional housing. Staff believes that additional services in an amount not to exceed \$21,000 from Mr. Knox are needed for further research and development of options. The contract amendment assumes \$41,000 from the original contract and \$21,000 from the contract amendment for a total of \$62,000. The contract amendment would assume a new total of 368 hours (versus the originally proposed 235 hours) of professional services with an approximate 11% contingency at \$152.00 per hour. Although not part of this contract request, staff has also retained the services of Barbara Kautz of Goldfarb & Lipman LLP to provide special counsel in these areas.

Fiscal Impact: The proposed contract amendment, along with all existing additional Housing Element related professional services, will not exceed the originally approved budget of \$80,000. Any future services resulting in the need for budget increases will be brought to the City Council for consideration.

CEQA: The proposed contract amendment is exempt from the California Environmental Quality Act.

Recommendation: Adopt the resolution authorizing the City Manager to execute a contract amendment with Naphtali H. Knox for the preparation of the 2009 Housing Element in an amount not to exceed \$62,000.

4. RESOLUTION APPROVING THE EMERGENCY SEISMIC REPAIRS AND MODIFICATION
WORK TO FIRE STATION 33 (Fire Chief)

Summary: The Central County Fire Department obtained a ten percent (10%) matching grant, through the Assistance to Firefighter Grant program, for the Town of Hillsborough to replace an outdated rescue vehicle. The grant provides \$315,000 to the Town to replace Rescue 233 housed at Fire Station 33 on Chateau Drive. The purchase of the apparatus was approved at the March 10, 2008 regular City Council meeting.

The department requested \$29,500 in the FY 2008/2009 budget to make necessary modifications to Fire Station 33 that would allow sufficient clearance to house the new rescue at that station. After adoption of the budget, department personnel began working with the Public Works Department to secure competitive bids for the necessary modifications to the apparatus doors and header. During site visits to the station, it was noted that there were significant cracks in the concrete around the supporting post to indicate seismic instability at the center of the apparatus openings.

This created concerns as to the stability of the apparatus openings. Any significant seismic event could cause failure of the main supporting post and collapse of the apparatus' openings, thereby preventing exiting of the fire apparatus inside.

Keeping in mind the safety of station personnel, and security of the new vehicle and equipment, emergency repairs were requested to address this problem. This work entails the removal of existing doors, stabilization of the opening, demolition work, installation of a new post and beam, installation of shear walls, stucco and drywall patch work, painting, and installation of new apparatus doors and heavy duty openers.

Competitive bids were requested through the Public Works Department with the following results:

Galli Signature Homes	\$29,850
E. W. Rodiack & Associates	\$29,780
Farallon Company	\$26,277

Because Farallon Company's base bid was lowest and they included the lowest bid for concrete work, if necessary, the bid was awarded to Farallon Company. Once the repair work was started, it was determined that the existing concrete was suitable to support the center post and no concrete work was necessary.

Only two qualified apparatus door companies submitted bids for the specialized work of installing apparatus doors once the work is completed. The bids are as follows:

R & S Erection North Peninsula, Inc.	\$10,078
Alert Door Service, Inc.	\$ 9,200

This portion of the bid was awarded to Alert Door Service, Inc. The total cost for the project is as follows:

Farallon Company	\$26,277
Alert Door Service, Inc.	<u>\$ 9,200</u>
Project Total	\$35,477

A five percent contingency reserve (\$1,773.85) is requested for a project total of \$37,250.85.

This project would be \$7,750.85 over the budgeted amount due to the fact that the existing apparatus doors and openers cannot be reused.

In a separate project, the department is in the process of completing the purchase of Self Contained Breathing Apparatus (SCBAs) where the Town budgeted \$171,500 for this project. Through adept negotiations and joint purchasing power, the Town's share will be approximately \$146,118; that reflects coming in \$25,382 under the budgeted amount.

Fiscal Impact: \$29,500 is available in the department's Capital Project budget. \$7,750.85 is requested from the Contingency Reserve Fund.

CEQA: This repair work is exempt from the California Environmental Quality Act.

Recommendation: Adopt the resolution awarding emergency repairs and modification work to Fire Station 33 to Farallon Company and Alert Door Service, Inc. for a project total of \$35,477, with an appropriation of \$7,750.85 from the contingency fund to cover additional work and a five percent contingency reserve.

5. RESOLUTION AUTHORIZING THE TERM LANGUAGE TO BE AMENDED TO THE JOINT POWERS AGREEMENT ESTABLISHING THE CENTRAL COUNTY FIRE DEPARTMENT
(Fire Chief)

Summary: The Joint Powers Agreement was created for the Central County Fire Department in the month of April with each Board member serving a two-year term. This created transitions mid-year. It is the Board's desire to align the terms with standardized City Council terms beginning in December.

Current language on Page 3, Section 6C states: "Term. Subject to subsection 6(b), the representative selected by each of the Member Agencies shall serve one or more terms of two (2) years on the Board, unless earlier removed by the City Council of the Member Agency that they represent or otherwise are no longer a member of the Board."

The proposed language would read, "Term. Subject to subsection 6(b), the representative selected by each of the Member Agencies shall serve one or more terms of two (2) years on the Board, unless earlier removed by the City Council of the Member Agency that they represent or otherwise are no longer a member of the Board. Each two (2) year term shall commence on the date of the applicable December meeting of the Board, as determined by the appointing Mayor or Council, or, in the event such December meeting is postponed, then on the date of the postponed meeting."

Fiscal Impact: None

CEQA: This is exempt from the California Environmental Quality Act.

Recommendation: Adopt the resolution amending the "Term" language contained in the Central County Fire Department Joint Powers Agreement.

6. RESOLUTION ACCEPTING AS COMPLETE THE CONTRACT WITH CORRPRO WATERWORKS FOR THE CATHODIC PROTECTION REPLACEMENT PROJECT
(Public Works Director)

Summary: This project was awarded to Corrpro Waterworks, Inc. in August of 2007. The contractor replaced the existing cathodic protection systems in four out of the fifteen water tanks owned by the Town. The cathodic protection system plays a significant role in protecting our water tanks from corrosion as its sacrificial anodes absorb energy that would otherwise cause the tank walls and structural members to corrode.

The project was awarded to Corrpro Waterworks, Inc. with a total budget of \$68,600, including contingencies. The project has been completed under budget for a final amount of \$64,642.

Recommendation: Adopt the resolution accepting as complete the contract with Corpro Waterworks, Inc. for the Cathodic Protection Replacement Project in the amount of \$64,642.

7. RESOLUTION MAKING A DETERMINATION OF THE PROPERTY TAX EXCHANGE PURSUANT TO THE PROVISIONS OF CHAPTER 282, SECTION 50, PART 0.5, IMPLEMENTATION OF ARTICLE XIII A OF THE CALIFORNIA CONSTITUTION, COMMENCING WITH SECTION 95, DIVISION I, OF THE REVENUE AND TAXATION CODE
(Public Works Director)

Summary: The Town recently applied to the Local Agency Formation Commission (LAFCO) to annex portions of Skyline Boulevard and Black Mountain Road into the Town from the County. Pursuant to Section 99 et. seq. of the California Revenue and Taxation Code, the amount of property tax revenues to be exchanged between and among the local agencies whose service areas or service responsibilities will be altered must be determined. In this case, there are no property taxes levied against public roadways and open space owned by the San Francisco Public Utility Commission and the County of San Mateo. Therefore, the resolution states no property tax revenue will be transferred between the County of San Mateo and Town of Hillsborough as a result of annexation.

The City Council adopted a resolution initiating annexation of the subject area from San Mateo County to Hillsborough on June 9, 2008, and July 14, 2008. Additionally, on August 11, 2008, the City Council introduced the ordinance rezoning the property to "Residence District" ("RD") and adopted the resolution amending the General Plan to include the subject area within the General Plan Map and designating it as "Open Space". Adoption of the ordinance rezoning the area to RD is scheduled as a public hearing item for consideration later on this agenda.

Fiscal Impact: N/A

Recommendation: Adopt the resolution making a determination of property tax exchange pursuant to the provisions of Chapter 282, Section 50, Part 0.5, Implementation of Article XIII A of the California Constitution, commencing with Section 95, Division I, of the Revenue and Taxation Code.

8. RESOLUTION AUTHORIZING THE PUBLIC WORKS DIRECTOR TO ENTER INTO A CONTRACT WITH MANAGEMENT PARTNERS, INC. TO CONDUCT AN ORGANIZATIONAL AND MANAGEMENT ANALYSIS OF THE PUBLIC WORKS DEPARTMENT
(Public Works Director)

Summary: The approved Public Works Administration budget for 2008/2009 includes \$25,000 for an organizational study. A request for proposals to perform a study of Public Works operations, including a review of major contracts such as the CSG engineering contract, was distributed in July 2008, and the Town received two responses from Management Partners, Inc. and Matrix Consulting. After being interviewed by a panel of staff members, Management Partners, Inc. is recommended to conduct the study. Upon receiving the consultant's work product, the department anticipates initiating changes that will result in improvements to fiscal responsibility, customer service, management effectiveness and strategic planning for the

future. The total amount of the proposal is \$25,000 and funds are available in the Public Works Administration Budget. The study should be complete by February 2009.

Recommendation: Adopt the resolution authorizing the Public Works Director to enter into a contract with Management Partners, Inc. to conduct an organizational and management analysis of the Public Works Department.

9. RESOLUTION APPROVING SUBMISSION OF AN APPLICATION FOR GRANT FUNDS FROM THE HABITAT CONSERVATION FUND PROGRAM (Public Works Director)

Summary: The California Wildlife Protection Act of 1990 provides funds to the State of California for grants to local agencies to acquire, enhance, restore or develop facilities for public recreation and fish and wildlife habitat protection purposes. Laura Svensgaard, who has been retained by the Public Works Department to write grants, has identified this grant program as a potential source of funding to make improvements in the Crocker Open Space, specifically for erosion control, invasive species eradication and non-native tree stand conversion. The grant must be submitted by October 1, 2008, and requires an approved resolution of the governing board as part of the application package. The Town is still working on developing the application and anticipates preparing an application package for an amount between \$100,000 and \$200,000.

Recommendation: Adopt the resolution approving submission of the application for grant funds from the Habitat Conservation Fund Program.

10. RESOLUTION ACCEPTING A \$49,300 GRANT FROM THE CALIFORNIA DEPARTMENT OF WATER RESOURCES (Public Works Director)

Summary: The Town of Hillsborough has been authorized to receive a grant of \$49,300 for the purpose of conducting a leak detection survey of the Town's entire water system, and to procure a leak noise amplification device for use by Public Works field staff. The survey will give the Town a thorough picture of the condition of its water main system and identify the need to repair water mains, valves or tanks. Detecting leaks in early stages can prevent the rupture of mains or the malfunction of valves. The matching portion of the grant award reflects the value of the Town's in-kind time to manage and repair (or have repaired) leaks detected during the survey.

The grant application was prepared by Public Works Intern Kyle Johnson under the direction of Ed Cooney of CSG.

Recommendation: Adopt the resolution accepting a \$49,300 grant from the California Department of Water Resources.

11. RESOLUTION APPROVING CSG WORK ORDERS FOR ENGINEERING SERVICES FOR THE 2008/2009 STREET REHABILITATION PROJECT, CHATEAU DRIVE REPAIR PROJECT, SUMMIT DRIVE WATER MAIN PROJECT, 2008 GUARDRAIL REPLACEMENT PROJECT, AND SHADY CREEK RETAINING WALL RECONSTRUCTION OVERSIGHT PROJECT (Public Works Director)

Summary: CSG has submitted proposals for design and construction management of the following projects:

2008/2009 Street Rehabilitation Project – The street rehabilitation project will repair and resurface the existing deteriorated streets throughout the Town. CSG will review Pavement Management System Report (MTC PMS) for recommended street selection and rehabilitation strategies and follow up with site investigations to finalize the street selection with appropriate rehabilitation methods. CSG will then prepare plans, specifications, and cost estimates for the street rehabilitation project. CSG will also provide engineering services for bidding and contract administration, including submittal review. The construction cost of the project is budgeted at approximately \$1.8 million. The design and engineering services are estimated at \$114,710 and will be funded through Measure A and Gas Tax.

Chateau Drive Repair Project – The additional funds will provide for additional engineering services to prepare a geotechnical investigation report, which includes an analysis of a reconnaissance of the water main washout damage and recommendations for the washout. It will also provide for design services to prepare conceptual plans and construction plans, specifications, and cost estimates for the repair project based on the recommendations from the geotechnical report. The additional services are estimated at \$40,720 and will be allocated from the 2006 Bond issue.

Summit Drive Water Main Project – The project will install approximately 1,000 linear feet of water mains on Summit Drive. CSG will prepare plans, specifications, and cost estimates for the water main project. The design cost is estimated at \$15,810 and will be funded through the 2006 Bond issue.

2008 Guardrail Replacement Project – The guardrail replacement project will replace existing deteriorated guardrails throughout the Town. CSG will provide contract administration and on-site construction management for the project, including civil engineering design support, submittal review, resident engineer, construction inspection services, project coordination and management, and project close-out. The engineering services are estimated at \$34,800 and will be funded through Measure A and Gas Tax.

Shady Creek Retaining Wall Reconstruction Oversight Project – CSG will provide on-site construction oversight for the project, including resident engineer, construction inspection services, project coordination and management, and project close-out. The construction management services are estimated at \$32,800 and will be funded through the 2006 Bond issue.

Recommendation: Adopt the resolution approving the CSG work orders in the total amount of \$238,840 and allocating \$149,510 from Measure A and Gas Tax and \$89,330 from the 2006 Bond proceeds.

OLD BUSINESS:

12. UPDATE OF SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY'S (SBWMA'S) REQUEST FOR PROPOSAL (RFP) PROCESS FOR REFUSE COLLECTION AND SHOREWAY RECYCLING AND DISPOSAL CENTER (SRDC) OPERATIONS (Public Works Director)

Summary: Following the receipt of the proposals by South Bayside Waste Management Authority (SBWMA) regarding refuse collection services, the Town of Hillsborough needs to determine how it intends to issue its next refuse franchise. Hillsborough established itself as an optional portion of the SBWMA's larger collection contract. At this point, the Town can continue in the SBWMA's process or consider conducting a separate selection process for collection services. The options are further discussed in a staff report in the City Council's agenda packet. The Executive Director of the SBWMA, Kevin McCarthy, will be available at the meeting to answer questions about the selection process.

Recently, there has been a lot media attention focused on the planned Master Plan Improvements at the SRDC. The report in the City Council's packet and staff presentation will elaborate on the proposed changes at the SRDC.

Fiscal Impact: There is no direct cost impact for the Town. The selection of a new franchised waste hauler and improvements at the SRDC will affect refuse rates paid by property owners in future years.

Recommendation: For discussion only; no action is required.

13. RESOLUTION APPROVING ISSUANCE OF \$65,455,000 IN DEBT BY THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY (SBWMA) FOR THE IMPLEMENTATION OF THE SHOREWAY MASTERPLAN IMPROVEMENTS (Public Works Director)

Summary: The Shoreway Recycling and Disposal Center (SRDC) processes all waste materials collected in the SBWMA service area. A master planning implementation process has been underway for the past two years in order to prepare for new single-stream recycling services, which will substantially increase recycled tonnage. The improvements will also enhance safety for employees and the public on the site.

In order to implement the changes, the SBWMA must issue new debt to rebuild the Materials Recycling Facility (MRF), build an addition to the Transfer Station, add new scale facilities, acquire sorting equipment, move the public drop-off area, and provide traffic improvements.

The authorization for the issuance of a maximum of \$65,455,000 in debt will cover all expenses related to new construction and refinance the SBWMA's existing debt. Pursuant to the SBWMA Joint Powers Agreement, at least two-thirds of the member agencies must authorize the issuance of debt. A detailed report is included in the City Council packet which explains the funding plan. The debt is likely to result in a rate impact of approximately 5.18%.

Kevin McCarthy, Executive Director of the SBWMA, will be available at the meeting to discuss the improvements and proposed debt.

Recommendation: Adopt the resolution approving and directing the issuance of debt by the South Bayside Waste Management Authority (SBWMA) in the maximum amount of \$65,455,000.

PUBLIC HEARING:

14. ORDINANCE AMENDING CHAPTERS 2.12, 17.04, 17.16, 17.20, 17.24, 17.36 AND 17.56 OF THE HILLSBOROUGH MUNICIPAL CODE – ADOPTION (Director of Building & Planning)

Summary: In a follow-up to City Council discussion and direction at the June 9, 2008 City Council meeting, staff is proposing adoption of the ordinance amending a series of chapters within the Hillsborough Municipal Code (Code) relating to the following:

1. Role of ADRB – Sections 2.12.060 and 2.12.070(E):

The proposed ordinance amendment reflects the ADRB as a decision-making body as well as an advisory body to the City Council.

2. Public Notification – Section 2.12.070(A):

Past practice has been that the ADRB reviews Type A projects and that the Planning Department reviews the Type B projects. The proposed ordinance amendment incorporates designated reviewing authorities for the two levels of projects.

3. Second Dwelling Units – Sections 2.12.070(A)(1)(g) and 17.16.010(A):

The proposed ordinance amendment states that all second units may be processed administratively and lists them as a permitted use.

4. Referral to ADRB – Section 2.12.070(A)(2):

The proposed ordinance amendment incorporates the Director of Building and Planning's authority to refer items to the ADRB when, in his or her opinion, the public interest would be better served by ADRB conducting a public hearing.

5. Privacy Section – Section 17.040.010(C):

The proposed ordinance amendment includes amended language to "promote" rather than "ensure" adequate light, air privacy, and open space for each dwelling.

6. California Environmental Quality Act (No existing Code reference):

The proposed ordinance amendment now adopts the California Environmental Quality Act (CEQA) timelines as required by State law.

7. Nonconforming Structures – Section 17.20.020:

The proposed ordinance amendment allows increases to nonconforming structures so long as the enlargement does not increase the degree of nonconformity (i.e., increase further into an already nonconforming setback), and requires similar findings by the City Council for both primary residences and accessory structures.

8. Increased Setbacks for Homes 8,000 Square Feet or Greater (No existing Code reference):

The proposed ordinance amendment requires the additional setback requirements for residences 8,000 square feet and greater.

9. Fire and Building Code Requirements – Sections 17.24.010(E) and 17.36.070(A):

The proposed ordinance amendment eliminates these requirements and refers or defaults to the Building, Fire and Engineering regulations to avoid the need for multiple future amendments.

10. Landscaping Review Thresholds – Section 17.56.050(E):

The proposed ordinance amendment requires that landscaping projects exceeding \$20,000 in value be subject to Design Review. This updated figure represents the approximate equivalent of substantial front yard improvements.

11. “City Planner” Title (Throughout the Code):

The proposed ordinance amendment replaces the term “City Planner” throughout the Municipal Code with the term “Director of Building and Planning”.

Fiscal Impact: There is no fiscal impact associated with the proposed ordinance.

CEQA: The proposed ordinance is exempt from the California Environmental Quality Act.

Recommendation:

1. Open the public hearing and receive comments;
2. Close the public hearing; and
3. Adopt the ordinance amending Chapters 2.12, 17.04, 17.16, 17.20, 17.24, 17.36 and 17.56 of the Hillsborough Municipal Code.

15. ORDINANCE AMENDMENT PREZONING PORTIONS OF SKYLINE BOULEVARD, HAYNE ROAD AND BLACK MOUNTAIN ROAD TO “RESIDENCE DISTRICT” (“RD”) – ADOPTION
(Director of Building & Planning)

Summary: The Town of Hillsborough, in cooperation with the County of San Mateo and the Local Agency Formation Commission (LAFCo), is proposing to annex portions of Skyline

Boulevard, Hayne Road and Black Mountain Road from unincorporated San Mateo County into the Town of Hillsborough. The purpose of this annexation is to install landscaping along Hayne Road, improve the traffic flow and backup at the freeway off-ramp, improve traffic safety, and create a clear jurisdictional boundary between San Mateo County and the Town of Hillsborough.

The area to be annexed is approximately 12.5 acres in size and includes approximately 2,000 feet of Black Mountain Road from Hayne Road to south of Denise Drive and approximately 3,500 feet of Skyline Boulevard from Hayne Road to Chateau Drive. The proposed annexation will not result in additional development.

The proposed annexation requires a rezoning of the area as well as a General Plan amendment incorporating the area into the Town's General Plan and Zoning Maps. Specifically, the City Council will need to adopt an ordinance rezoning the property to "Residence District" ("RD") and a General Plan amendment designating the area as "Open Space" within the Hillsborough General Plan. In order to implement these changes, the City Council will need to determine that the proposed amendments are consistent with the General Plan. Since the purpose of the proposed annexation (to improve traffic conditions) is specifically cited in the General Plan and the ordinance would require that the area remain Open Space and undeveloped, the proposal is consistent with the General Plan. Additionally, the proposal is consistent with the purpose of the Zoning Code for the management of growth consistent with the General Plan.

The City Council adopted a resolution initiating annexation of the subject area from San Mateo County to Hillsborough on June 9, 2008 and July 14, 2008. Additionally, on August 11, 2008, the City Council introduced the ordinance rezoning the property to RD and adopted the resolution amending the General Plan to include the subject area within the General Plan map and designating it as "Open Space".

Recommendation:

1. Open the public hearing and receive comments;
2. Close the public hearing; and
3. Adopt the ordinance rezoning the area to RD.

DISCUSSION:

16. DISCUSSION OF PROPOSED MODIFICATION TO ORDINANCE 13.32.110 OF THE HILLSBOROUGH MUNICIPAL CODE REGARDING "PROPERTY OWNER RESPONSIBILITY – SEWER LATERALS" (Public Works Director)

Summary: Staff is seeking direction from the City Council regarding a proposed modification of Ordinance 13.32.110 "Property Owner Responsibility – Sewer Laterals" of the Hillsborough Municipal Code. The modification explicitly states the requirement to have a lateral inspected by video at the time of sale, which is consistent with current practice. Additionally, the modification gives broader discretion to the City Engineer to demand the repair or replacement of the property owner's private sewer lateral at the property owner's expense when any video

inspection shows damage or defects. Video inspection of the lateral would occur at the time of sale of the property, subsequent to sanitary sewer overflow or when a scheduled inspection is completed by a Town contractor, either in the course of a capital project or Sewer System Master Plan inspection. The Town's current ordinance does not explicitly provide the City Engineer with the ability to order repairs or replacement, except at the time of sale or when a nuisance is found.

Fiscal Impact: There is no direct fiscal impact for adoption of the ordinance. The program will not require additional staff time as inspections are currently conducted during the times stated above. Residents may incur substantial costs when instructed to repair or replace laterals. Replacement of a lateral commonly costs between \$5,000 and \$15,000.

Recommendation: Staff requests City Council comments on the proposed ordinance.