

MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, FEBRUARY 9, 2009

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

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

MINUTES: The minutes of the January 12, 2009 City Council meeting were approved as submitted subject to three wording changes. Mayor Krolik corrected the fourth paragraph on page 11 to read "Mayor Krolik stated that due to a family emergency she needed to catch a flight and turned over the gavel to Vice Mayor Kasten at 9:47 p.m." Vice Mayor Kasten corrected the fourth paragraph of Agenda Item 10 on page 6 to read "Vice Mayor Kasten asked Ms. Masbad why the Town was required to pay \$61,500 for the Genentech refund when the Town never received any proceeds from the tax." Vice Mayor Kasten corrected the third paragraph of City Council Items on page 11 to read "Vice Mayor Kasten announced that the Citizen of the Year/Community Care Award Reception will also be held on Friday, January 30, 2009, at the Hillsborough Racquet Club, where Mayor Krolik will be honored as the 2008 Citizen of the Year. Councilmember Regan stated that Kendra Kasten will be honored as the 2008 Community Care Award Recipient."

PROCLAMATION:

- Mayor Krolik proclaimed March 2009 as American Red Cross Month. Lawrence Leong, Youth Services Rep for Youth Engaged in Services (YES Team) gave a brief speech and accepted the proclamation.

CONSENT CALENDAR:

On motion of Vice Mayor Kasten, seconded by Councilmember Regan, and unanimous on voice vote, Consent Calendar items 1 through 8 were approved.

1. MONTHLY CLAIMS: JANUARY 1 THROUGH JANUARY 31, 2009

The monthly claims for the month of January 2009 in the amount of \$2,566,399.73 were approved as submitted.

2. RESOLUTION AUTHORIZING THE PURCHASE OF THREE PANASONIC TOUGHBOOK COMPUTERS BY PUBLIC WORKS FOR USE BY SEWER CREWS

The resolution authorizing the purchase of three Panasonic Toughbook computers in an amount not to exceed \$12,000 and allocating funds from the Sewer Fund for the same was adopted.

3. RESOLUTION ALLOCATING FUNDS FOR SAFETY TRAINING SERVICES PROVIDED BY DU-ALL

The resolution approving the contract with Du-All Safety Company for Municipality Safety Support Services and Risk Management for the Public Works Department for a term of one year to develop and implement safety programs, employee safety training, and safety maintenance in the amount of \$29,400 was adopted.

4. RESOLUTION AWARDING THE CONTRACT TO PETERSON POWER SYSTEMS FOR ROUTINE MAINTENANCE OF GENERATORS

The resolution awarding the contract to Peterson Power Systems for the routine maintenance of generators was adopted.

5. RESOLUTION AWARDING THE CONTRACT FOR ONGOING SUPPORT OF GIS SERVICES BY FARALLON GEOGRAPHICS

The resolution awarding a contract for ongoing support of GIS services provided by Farallon Geographics was adopted.

6. RESOLUTION AUTHORIZING THE PURCHASE OF A CUES QUICK ZOOM INSPECTION POLE CAMERA FOR THE PUBLIC WORKS DEPARTMENT AND ALLOCATING \$13,679 FROM THE SEWER FUND

The resolution authorizing the purchase of a CUES Quick Zoom inspection pole camera from WECO Industries by the Public Works Department and allocating \$13,679 from the Sewer Fund for the same was adopted.

7. UPDATE ON THE PROPOSED SUPPLEMENTAL ENVIRONMENTAL PROGRAM IN RESPONSE TO THE DRAFT CEASE AND DESIST ORDER

The proposed Supplemental Environmental Program in response to the draft Cease and Desist Order was accepted.

8. RESOLUTION APPROVING THE CONTRACT WITH BROWN AND CALDWELL FOR THE TEMPORARY FLOW METERING INSTALLATION AND MONITORING SERVICES AND ANALYSIS IN AN AMOUNT NOT TO EXCEED \$42,000

The resolution approving the contract with Brown and Caldwell for the temporary flow metering installation and monitoring services and analysis in an amount not to exceed \$42,000 was adopted.

PUBLIC HEARING:

9. FUNDRAISING EVENT PERMIT APPLICATION 09-01 FOR THE PARCA AUXILIARY LUNCHEON AND FASHION SHOW

City Clerk Miyuki Yokoyama stated that the Parca Auxiliary submitted a fundraising application for their annual luncheon and fashion show on Wednesday, May 20, 2009, from 8:00 a.m. to 2:30 p.m. at 136 Roblar Avenue.

Ms. Yokoyama stated that public notices have been sent to homeowners located within a 500-foot radius of the property and no comments have been received. She added that staff recommends approval of the application subject to the conditions of the Fire and Building Departments.

Mayor Krolik opened the public hearing. There were no comments. The public hearing was closed.

On motion of Councilmember Fannon, seconded by Councilmember Benton, and unanimous on voice vote, Fundraising Event Permit Application 09-01 for the Parca Auxiliary Luncheon and Fashion Show on Wednesday, May 20, 2009, was approved subject to the conditions recommended by staff.

10. RESOLUTION APPROVING THE PROPOSED REFUSE RATE INCREASES

Public Works Director Martha DeBry provided a Power Point presentation on the proposed refuse rate increase. She stated that the rate application is presented by Allied Waste annually and that the rate change recommendations are based on three years of information, including the past year, seven months of the current year, and projected expenses through the following year. She added that the franchise expires in December 2010.

Ms. DeBry stated that according to a recent residential survey, 67% of residents believe that backyard service customers should pay for the full cost of the service. She added that about 1,000 residents currently subscribe to rear/side yard service, which accounts for a significant amount of labor expenses associated with the refuse collection activity.

Ms. DeBry reported that there is an estimated \$473,000 shortfall by December 31, 2009, and that the Town has the discretion as to how rates are to be increased. She reviewed the various services, existing rates, the proposed 8% increase in rates and the proposed increase in fees for side/rear yard and pup truck service. She stated that the average Hillsborough resident with a 32-gallon can service is currently paying \$24.32 and the proposed rate would be \$26.56, which does not include the 10% franchise fee. Ms. DeBry reviewed the comments received in the protest letters.

Ms. DeBry stated that she anticipates another increase in residential rates in 2010 prior to the end of the franchise. She stated that at the end of the franchise, the Town will have a reserve of \$250,000 available through a settlement and can use that money to help bring the balance to zero by the year 2010.

Ms. DeBry stated that refuse rates are subject to Proposition 218 protest procedures and a notice was mailed to all residences in advance of the February 9, 2009 City Council meeting advising residents of their right to protest the rate increase.

Mayor Krolik opened the public hearing.

Barton Evans stated that last year, when the \$5 fee for side/rear yard service was applied, he decided that he would place his garbage container curbside. He stated that the container was knocked over by the strong winds and, therefore, he had to resume side/rear yard service and pay the \$5 monthly fee. Mr. Evans stated that it takes Allied Waste 60 seconds round trip up and down his driveway to pick up his garbage, which equals \$600 - \$1,200 per hour. He stated that the increase for a \$20 monthly side/rear yard service is rather high for a flat rate. He explained that he moved from Los Altos, where they have a fee for side/rear yard service based on distance. Mr. Evans stated that his 32-gallon trash container is rarely full, so he will throw recyclables into the trash container.

Mayor Krolik closed the public hearing.

Ms. DeBry stated that the \$20 monthly side/rear yard service fee must cover the time it takes Allied Waste to travel from San Carlos to Hillsborough and back to San Carlos. Mayor Krolik added that side/rear yard service actually requires quite a bit more time than curbside service and also incurs more labor costs. She added that the faster Ox Mountain is filled up, the faster garbage rates will increase and recommended that Mr. Evans take into consideration stewardship of the planet.

Mayor Krolik asked City Clerk Miyuki Yokoyama to present the protests received against the proposed refuse rate increase. Ms. Yokoyama stated that pursuant to Proposition 218, the proposed refuse rates will not be adopted if more than 50% of the affected property owners submit written requests protesting the proposed rates. She stated that written requests could be mailed, faxed or hand-delivered through the conclusion of the public hearing. She added that since there are 4,011 property owners within the Town's refuse collection service area, 50% of this number plus 1, or 2,006 valid protests, would prevent the Town from adopting the proposed refuse rates. She reported that the Town received only 22 protests filed following the requirements of Proposition 218, and since only 22 protests were received, the Town would be able to adopt the proposed refuse rates.

Vice Mayor Kasten asked Ms. DeBry to communicate the residents' service issues to Allied Waste. Ms. DeBry replied that she would communicate the residents' service issues to Allied Waste.

Vice Mayor Kasten asked Ms. DeBry if residents could pay for less than a 32-gallon garbage can. Ms. DeBry replied that residents could pay for a 20-gallon garbage can rate by contacting Allied Waste.

On motion of Councilmember Regan, seconded by Vice Mayor Kasten, and unanimous on voice vote, the resolution approving an 8% rate increase for residential and commercial refuse collection and establishing a fee of \$20 for rear/side yard collection service was adopted.

OLD BUSINESS:

11. TOWN HALL MASTER PLAN STUDY

Director of Building and Planning Liz Cullinan gave a Power Point presentation on the Town Hall Master Plan. She reviewed the history and stated that in June of 2006, the City Council approved the design of a landscape and lighting plan for the Town's parking lot on the west side of Walnut Avenue, and, thereafter, the Town of Hillsborough began consideration of closing Walnut Avenue to through traffic in order to address employee and overflow parking issues. However, after holding a public meeting on the topic on November 15, 2006, the Town elected to cease the study of the street closure proposal in favor of conducting a more comprehensive study or Master Plan of the Town's facilities.

Ms. Cullinan reviewed the Master Plan, which was envisioned to strategically address the long-term future needs and uses of the Town's civic area in terms of community desires and the Town Hall organization, and would include the two parcels consisting of 1600 and 1640 Floribunda Avenue. She explained that 1600 Floribunda Avenue consists of one parcel, including the Town Hall complex and the unpaved lot to the west of Town Hall, and 1640 Floribunda Avenue is a residential rental property. She stated that both properties are owned by the Town and total approximately 2.5 acres.

Ms. Cullinan reviewed the options that a City Council Subcommittee considered, including taking no further action until funding becomes available, conducting improvements to the Walnut Avenue parking lot, and preparing a Town Hall Master Plan/Needs Assessment Study. She explained that \$80,000 has been allocated in the Town's 2008/2009 budget for the Town Hall Master Plan and \$161,890 was allocated in 2003/2004 for improvements to the Town Hall complex associated with early needs assessment planning. She added that while potential revenue sources for implementation measures/capital improvements exist, the Town is currently in a growing budget deficit situation.

Ms. Cullinan stated that she received one public comment from Martin Harband expressing support for paving and improving the Walnut Avenue parking lot.

Ms. Cullinan stated that the Subcommittee is recommending the postponement of the preparation of a Master Plan until such time as the funding becomes available and to provide lighting to improve the basic condition of the Walnut Avenue parking lot. She added that improvements to the Walnut Avenue parking lot undertaken now should not interfere with the option to pursue a more strategic improvement process in the future.

Mayor Krolik asked Ms. Cullinan what would be the cost to install lighting in the Walnut Avenue parking lot. Ms. Cullinan replied that the estimate to install lighting in the Walnut Avenue parking lot is approximately \$10,000.

Councilmember Regan stated that another option would be to enlarge and enhance the 1640 Floribunda Avenue rental property by reducing the size of the Walnut Avenue parking lot. He added that the sale of the 1640 Floribunda Avenue property could prefund Other Post Employment Benefits (OPEB). He asked Ms. Cullinan if she knew how many spaces the Walnut Avenue parking lot would have. Ms. Cullinan replied that 29 parking spaces were previously approved for the Walnut Avenue parking lot by the City Council.

Councilmember Fannon stated that the Town should postpone the Town Hall Master Plan until the Town is in a better financial situation.

Councilmember Benton stated that the Town should uphold the same standards that apply to residents in terms of how the Walnut Avenue parking lot is currently used, citing compost events and vehicle storage, as examples of activities that could impact the aesthetics of the neighborhood. Public Works Director Martha DeBry replied that the compost event is held twice a year and the compost is dropped off on a Friday, the event is held on Saturday and the compost container is removed on Monday. She stated that vehicles for capital projects are staged elsewhere now.

On motion of Councilmember Fannon, seconded by Councilmember Benton, and unanimous on voice vote, the City Council recommended postponement of the preparation of a Town Hall Master Plan until such time as the economy improves, which will be when the funding is identified and/or available, and recommended providing lighting for the Walnut Avenue parking lot as outlined in Option 2 in the "Draft Project Options" attachment.

12. RESOLUTION APPROVING THE OPEN SPACE MANAGEMENT TASK FORCE 2009 PROJECT RECOMMENDATIONS

Public Works Director Martha DeBry gave a Power Point presentation on the Open Space Management Task Force 2009 Project Recommendations. She stated that on April 14, 2008, the City Council approved the Vegetation Management Strategies and Guidelines (Plan) for Town-owned open spaces and that the Plan called for the formation of an Open Space Management Task Force to identify and rank open space management projects. She explained that the Task Force prioritized a list of six projects, including 1) Wildfire Mitigation, 2) Partnerships, 3) Outreach, 4) Acacia Stand Conversion, 5) High Priority Invasive Plants, and 6) Wildlife Management Plan. Ms. DeBry described each of the six projects and reviewed the estimated costs and funding options.

Ms. DeBry recommended that the City Council approve the 2009 Task Force recommended Open Space Management Projects and approve the Master Environmental Impact Report (EIR) project in concept for the 2009/2010 budget.

Councilmember Fannon asked Ms. DeBry when the EIR was started. Ms. DeBry replied that the EIR for the FEMA-funded project was started last year. Councilmember Fannon asked Ms. DeBry if she would request approval for the individual projects at a later City Council meeting. Ms. DeBry replied that any project over \$10,000 would require that she return to the City Council for approval.

Vice Mayor Kasten asked Ms. DeBry if the City Council was to approve the projects or priorities. Ms. DeBry replied that she was requesting that the City Council approve the Task Force's list of priorities.

City Manager Tony Constantouros stated that the Open Space Management Task Force worked hard to come up with the excellent list of projects and that the City Council would be approving the Open Space Management Task Force's 2009 Project "priorities" rather than "recommendations".

Ken Olivier, an Open Space Management Task Force member, stated that the City Council was looking just at the Task Force's list of priorities. He added that the Task Force did not look in depth at each Open Space Management Project.

On motion of Vice Mayor Kasten, seconded Councilmember Fannon, and unanimous on voice vote, the resolution approving the Open Space Management Task Force's project priorities for 2009 was adopted and the Master Environmental Impact Report (EIR) project for the 2009/2010 budget was approved in concept.

13. UPDATE ON THE PROJECT TO IMPROVE SCADA EQUIPMENT

Public Works Director Martha DeBry introduced Cyrus Moaveni of CyberNet Consulting Engineers, who provided a Power Point presentation on the Supervisory

Control and Data Acquisition (SCADA) System Upgrade Project (Project). Mr. Moaveni explained that the purpose of a SCADA system is to provide monitoring and control capability for the Town's water distribution system and the upgrade should result in improved operational efficiencies and regulatory compliance, rapid response to emergencies, improved facility security, equipment energy usage optimization, and cost savings.

Mr. Moaveni stated that the existing SCADA system has deficiencies, including substandard instrumentation and wiring, obsolete and unsupported system software, poor programming, unreliable communications, unacceptable response time to operator requests, inadequate data archiving and reporting mechanisms, unreliable alarm notification, and lack of adequate system documentation.

Mr. Moaveni reviewed the SCADA system improvement recommendations and upgrade design features. He stated that additional benefits include compatibility with Burlingame's system in terms of hardware, software and the communications network; connectivity of Hillsborough and Burlingame's sites for backup and Emergency Operations Center (EOC) operations; better long-term emergency management with the City of Burlingame; timely notification of abnormal conditions, as in water leaks, pipeline rupture, overly high/low tank levels, and facility intrusion; reduction of overtime pay and energy usage; and all resulting in cost savings and, due to the upgrade system's improved reliability, the prevention of undesired situations and reduction of certain preventable risks to the Town.

Councilmember Fannon asked Ms. DeBry who originally installed the SCADA system for the Town. Ms. DeBry replied that Carollo Engineers originally installed the SCADA system.

Councilmember Regan stated that according to the list of existing SCADA system deficiencies, the Town did not get what was needed and that he would hate to do this project again. Ms. DeBry replied that Carollo Engineers designed and built the existing SCADA system, and since they designed and built the system, Carollo did not point out any deficiencies in the system. She added that CyberNet Consulting would not build the new SCADA system, but would oversee the SCADA project contractor.

City Manager Tony Constantouros stated that Carollo Engineers was the least expensive bidder for the existing SCADA system. He added that the upgrade would allow Hillsborough's SCADA system to be more compatible with Burlingame's SCADA system. Ms. DeBry stated that compatibility with Burlingame's SCADA system would be beneficial during an earthquake or fire emergency.

Vice Mayor Kasten asked Ms. DeBry if the SCADA project would be a total replacement or an upgrade to the system. Ms. DeBry replied that the SCADA system project would be a substantial upgrade and would be a significant improvement. She added that the new system would have an upgradable software system.

Councilmember Regan asked Mr. Moaveni how soon the SCADA system upgrade could be implemented. Mr. Moaveni replied that it would take 12-18 months to install.

On motion of Councilmember Fannon, seconded Councilmember Benton, and unanimous on voice vote, staff was directed to proceed with the bidding of the SCADA project.

14. RESOLUTION AUTHORIZING THE APPLICATION SUBMITTAL TO THE CALIFORNIA ENERGY COMMISSION (CEC) FOR A LOW INTEREST LOAN TO FINANCE SCADA AND WATER PUMP IMPROVEMENTS

Public Works Director Martha DeBry stated that the California Energy Commission Program assists water and wastewater treatment and conveyance facilities in identifying projects that can reduce energy usage and costs in existing and planned facilities. She explained that the three possible energy and cost savings projects

identified in Hillsborough includes the replacement of inefficient water pumps, a change in rate schedules at the Crocker pumps, and the upgrade of the SCADA software system to better schedule pumping times to take advantage of off-peak energy prices.

Ms. DeBry stated that the CEC and its energy consultant have completed their study of the three projects and have identified \$698,890 in energy cost savings over a ten-year period. She added that as a result, the Town is eligible to apply for a low interest rate loan (currently 3.95%) for the amount of the identified energy savings. She stated that this loan amount reflects approximately 50% of the SCADA system and pump replacement projects projected costs.

Ms. DeBry stated that staff has completed the loan application and that the CEC requires the City Council to pass a resolution approving the application submittal and participation in the loan program. She explained that approval of the resolution does not commit the Town to using the CEC funding.

City Attorney Norm Book asked Ms. DeBry if the specific loan terms were known. Ms. DeBry replied that she did not know what the specific loan terms were, but that adoption of the resolution only allows the application submission in anticipation of future projects and that the agreement to accept the loan will be presented for approval to the Financial Advisory Committee and City Council at a future date.

On motion of Councilmember Benton, seconded Vice Mayor Kasten, and unanimous on voice vote, the resolution approving the application for a low interest loan from the California Energy Commission to finance SCADA and water pump improvements was adopted.

NEW BUSINESS:

15. APPROVAL OF RESOLUTIONS RELATED TO THE FEDERAL ECONOMIC STIMULUS PROGRAM FOR INFRASTRUCTURE PROJECTS

Public Works Director Martha DeBry provided a Power Point presentation on the Federal Stimulus Package. She stated that the benefits to Hillsborough include separate allocations for Street Projects and Drinking Water/Clean Water Projects, grant and low interest loan availability, and future round(s) of stimulus programs.

Ms. DeBry explained that for the Street Projects, she was anticipating a \$410,000 allocation for the \$1,200,000 street project that includes Ralston Avenue, Hayne Road, Black Mountain Road, Tartan Trail Road, and Chateau Drive. She added that the Metropolitan Transportation Commission (MTC) has advised that projects in excess of \$500,000 are the only ones likely to be given consideration.

Ms. DeBry explained that for Drinking Water/Clean Water the Federal government is giving money to states for State Revolving Funds (SRF) and that the money may be distributed as loans or grants. She added that the State is providing no details on distribution of SRF funds, but is implementing a "fast application" on their website, and is encouraging applications to secure a place on the priority list. She stated that the Regional Cease and Desist Order will help the Town to get funds for sewer projects. She reported that Drinking Water funds would be for the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project (\$1.3M), Water Main Rehabilitation (\$3M), Vista Tank (\$2.5M), Advanced Meter Reading (\$1M), New Darrell Tank (\$3M), and Cherry Creek Pump Station (\$1.25M). She stated that Clean Water funds would be for the EI Cerrito Trunk (\$8M), Lateral Replacement (\$10M), Sewer Cleaning/ Inspection (\$1M), Sewer Lining Project (\$1.5M), Sewer Flow Meters (\$1.9M), 60 Lookout Slope Repair (\$0.2M), Macadamia Drainage (\$1.5M), Cardigan Drainage (\$0.25M), and Crocker Lake Dredging (\$3M).

Ms. DeBry stated that the City Council is asked to consider three resolutions that will need to be approved to enable the Town to act promptly if the Federal stimulus package is adopted.

Mayor Krolik asked if Ms. DeBry would be returning to the City Council for approval of the various infrastructure projects that she discussed. Ms. DeBry replied that she would return to the City Council for approval of the various infrastructure projects.

On motion of Vice Mayor Kasten, seconded by Councilmember Fannon, and unanimous on voice vote, resolutions related to the Federal economic stimulus program for infrastructure projects approving an amendment to the Disadvantaged Business Enterprise program; approving projects and authorizing the City Manager to award a contract for construction in an amount not to exceed authorized Federal aid, if an allocation must be approved within 90 days and cannot be approved at a regular City Council meeting; and authorizing the City Manager to trade allocation of funds under the City/County Association of Governments of San Mateo County (C/CAG) formula with other local agencies in the event no Hillsborough projects are approved, were adopted.

16. REVIEW OF THE SCOPE OF THE 2009 STREET PROJECT

Public Works Director Martha DeBry presented a Power Point presentation on the scope of the 2009 Street Project. She stated that the project is estimated at \$800,000, and, in anticipation of a favorable bidding environment, additional streets are being bid to ensure the full amount of capital funding is expended this year.

Ms. DeBry explained that to stretch the limited number of dollars over as many streets as possible, staff is proposing the use of some alternative treatment methods. She stated the first method, digouts, which is the replacement of asphalt to 6" of depth, will continue to be used to strengthen failed sections of streets throughout the project area.

Ms. DeBry stated that on smaller streets and cul-de-sacs that have low vehicle use, only a scrub seal will be applied to the street. She explained that scrub seals apply a thin coat of emulsion that includes a polymer rejuvenator that bonds to the existing asphalt, which is topped with small rocks up to ¼ inch in size. She stated that this treatment structurally improves the quality of the street, but the street will not have an even black appearance and small rocks will be loosened over time.

Ms. DeBry stated that on streets with heavier traffic, a cape seal will be applied, which is a combination of both a scrub seal and microsurface seal. She explained that a microsurface seal is a thin layer of emulsion spread over the street and when applied over the scrub seal it will keep the small rocks in place longer, and, aesthetically, the street has a smoother, black appearance. She added that microsurfacing only will be applied to a few street sections that are structurally sound, but where the asphalt needs rejuvenation.

Ms. DeBry stated that the 2009 Street Project does not include full reconstruction of any streets, but that reconstruction of streets, including Ralston Avenue, Black Mountain Road, Tartan Trail Road, Parrott Drive and Hayne Road, are proposed as part of the Federal economic stimulus package.

Vice Mayor Kasten asked Ms. DeBry why some streets that have a 60-70 Pavement Condition Index (PCI) are high on the priority list. Ms. DeBry replied that if the Town spends the money now on the streets with a 60-70 PCI, the streets will stay in good condition for a while.

Vice Mayor Kasten asked Ms. DeBry if an additional \$23,000 would need to be spent if the scrub sealed streets had a cape seal applied. Ms. DeBry replied that it would cost an additional \$23,000 to cape seal the scrub sealed streets. She stated that scrub sealing the cul-de-sacs, which have less traffic, stretches the dollar and allows for

more streets to be treated. Vice Mayor Kasten stated that the Hillsborough 2009 Pavement Rehabilitation Program report was excellent by showing that more streets will be treated by using alternative treatment methods based on certain criteria to stretch the limited number of dollars available.

On motion of Mayor Krolik, seconded by Vice Mayor Kasten, and unanimous on voice vote, the City Council recommended proceeding with the proposed use of alternative street treatment methods for the 2009 Street Project.

DISCUSSION ITEM:

17. SUSTAINABLE HILLSBOROUGH TASK FORCE RECOMMENDATION ON GREEN BUILDING ORDINANCE CONCEPTS

Chief Building Official John Mullins provided a Power Point presentation on Sustainable Construction and Energy Efficiency Construction in Hillsborough. He stated that in December 2007, the City Council adopted a resolution to expand Hillsborough's efforts to be a more sustainable community by authorizing a Sustainable Hillsborough Task Force to be established. He explained that the Task Force was created to identify and prioritize a program to reduce greenhouse gases produced within the Town and implement a Green Building Program. He stated that a subcommittee was then created to identify those techniques in new construction and major remodeling projects that could be improved to increase building efficiency.

Mr. Mullins explained that the Green Building Program requires efficiency of buildings and responsible use of water and construction materials; reduction of building impacts on human health and the environment; energy conservation and renewable energy; and resource conservation. He added that the Green benefits include a healthier indoor environment, lower monthly operating costs, less maintenance, and tax credits and rebates.

Mr. Mullins reviewed the Green Point Process, the point system, and examples of available points in new construction.

Councilmember Fannon stated that it was great that one of the Green Building benefits is a healthier indoor environment.

Mayor Krolik stated that Hillsborough has been a leader in the Green Building Program.

Councilmember Benton stated that it would be good to communicate to the residents about the Green Building Program by including an article in the Town newsletter. Mr. Mullins replied that he will include an article in the Town newsletter about the Green Building Program.

Mayor Krolik thanked Mr. Mullins.

18. UPDATE ON WATER CONSERVATION ORDINANCE

Public Works Director Martha DeBry provided a Power Point presentation on the water allocation formula and information about a water filtration system to minimize water use in the flushing program. She explained the water allocation formula for conservation and stated that the formula was created by the Water Conservation Committee after the 1991 drought and was adopted in advance of the 1994 State mandate for water rationing. She added that the City Council at that time specifically wanted to avoid past use as a means of determining water use and determined that the formula provided the fairest way to allocate water in the event of a future drought.

Mayor Krolik stated that the Town must communicate to the residents that the formula is based on the number of residents in the home and the lot size, and that past use is

not used as the basis for allocation, so that residents do not needlessly increase their water usage in anticipation of a higher water allocation.

Councilmember Benton asked Ms. DeBry when the Hillsborough residents would be alerted if the Town must impose the water rationing mandate. Ms. DeBry replied that if the San Francisco Public Utilities Commission (SFPUC) declares a drought, the City Council would at that time impose the Water Conservation Ordinance.

Councilmember Fannon stated that the Town must communicate upfront to the residents about the potential water rationing mandate and that staff should include an article about the Water Conservation Ordinance in the next Town newsletter. Ms. DeBry replied that she will include an article about the Water Conservation Ordinance in the next Town newsletter.

Ms. DeBry explained that routine flushing of the Town's water system is a necessary practice to maintain the system and water quality, even during drought conditions. She stated that flushing operations can send 7 to 10 million of gallons of water down the storm drains annually. She added that Public Works has been investigating an innovative, new mobile filtration system that captures, treats and injects water back into the water delivery system.

Ms. DeBry stated that with the mobile filtration system there would be virtually no wasted water when flushing, no public misperceptions due to the observance of "dirty" water flowing out of hydrants, no property damage or clean-up costs from "curb-jump", a controlled flow and reduced damage to the distribution system, no overloading of storm drains or creeks, and important water quality flushing operations could be maintained during drought cycles. She stated that the cost is currently \$230,000 for the mobile filtration system. Ms. DeBry stated that she will evaluate partnering with other water agencies and will include the mobile filtration system in the stimulus package request.

Councilmember Benton asked if any other city was using the mobile filtration system. Councilmember Fannon stated that he would be attending a Bay Area Water Supply and Conservation Agency (BAWSCA) Board Policy Committee Meeting on Wednesday, February 11, 2009, and will see if anyone else is interested in the mobile filtration system.

Vice Mayor Kasten thanked Ms. DeBry for the update.

PUBLIC COMMENT:

Deb Self, Executive Director of San Francisco Baykeeper, stated that San Francisco Baykeeper is a 20-year-old non-profit organization dedicated to protecting the San Francisco Bay from pollution. She explained that she wanted to introduce herself and talk about the Clean Water Act litigation that Baykeeper has brought against the City of Hillsborough.

Ms. Self stated that Baykeeper has had a very long and successful history bringing the Bay's sewage pollution problem under control, and for the last ten years, have been bringing successful Clean Water Act lawsuits against the cities and treatment plants with the very worst sewage spill and overflow problems, starting with the Cities of Vallejo and Richmond, and the East Bay Municipal Utility District. She added that Baykeeper's campaign is focused on reining in the Peninsula's significant sewage problem, of which Hillsborough plays an important role.

Ms. Self claimed that because of deferred maintenance to the quite old sewage system, the Town is causing illegal spills and overflows, and that the sewage collection system has one of the highest rates of sewage spills in the Bay Area, from both lateral lines and main sewer lines.

Ms. Self stated that Hillsborough's sewage system also contributes to massive spills from the Burlingame sewage treatment plant, which is illegal. She explained that during heavy rains, because the system is old and in such disrepair, not only does sewage leak out of the collection pipes, but rainwater seeps in, creating large amounts of mixed rainwater and sewage that is sent downstream to the Burlingame plant, overwhelming its capacity and causing Burlingame to discharge large amounts of partially treated sewage directly into the Bay. She added that in Baykeeper's settlement with Burlingame, Burlingame has agreed to eliminate those overflows from its treatment plant, but will need Hillsborough's assistance, because of Hillsborough's significant contributions to those overflows.

Ms. Self stated that the purpose of the Baykeeper lawsuit is, ultimately, to help the Town stop spilling sewage in the creeks, streets and neighborhoods, and to help Burlingame cease their illegal discharges. She added that to address the Peninsula's sewage, Baykeeper has brought suit against Burlingame, Burlingame Hills and Hillsborough.

Mayor Krolik stated that every municipality has budget constraints and are trying to maintain their sewer systems. She asked Ms. Self why not allow the municipalities the opportunity to upgrade their sewer systems rather than bringing suit against the municipalities and having them pay large fines. Ms. Self replied that she was referring to the enforcement action brought by the Regional Water Quality Control Board for Hillsborough's contribution to sewage overflows from the San Mateo sewer treatment plant. She stated that she felt that the Baykeeper settlement positions are reasonable and strictly aimed at helping Hillsborough stop polluting the Bay with sewage and come into compliance with the Clean Water Act.

CITY COUNCIL ITEMS:

Councilmember Fannon announced that he was elected Chair of the Bay Area Water Supply and Conservation Agency (BAWSCA) for 2009 and that major water issues, including negotiating the San Francisco Public Utilities Commission (SFPUC) water contract and rebuilding Hetch Hetchy, will be on the BAWSCA agenda this year. Vice Mayor Kasten and Mayor Krolik congratulated Councilmember Fannon.

Mayor Krolik announced that the Council of Cities Dinner/Meeting will be held in Daly City on Friday, February 27, 2009, and that she would be attending.

Mayor Krolik recognized Chief Building Official John Mullins for receiving words of appreciation.

Mayor Krolik announced that Vice Mayor Kasten, Councilmember Benton, Public Works Director Martha DeBry and she attended Congresswoman Jackie Speier's Open Forum for Local Government Leaders with discussion on the anticipated process for applying for funds from the American Recovery and Reinvestment Act on Saturday, February 7, 2009.

Public Work Director Martha DeBry announced that PG&E has offered to remove the Black Acacia trees located in the Walnut Avenue parking lot. The City Council directed staff to get feedback from the Walnut Avenue parking lot neighbors regarding PG&E's offer to remove the Black Acacia trees located in the parking lot and staff was directed to communicate with HBF about new landscaping if the trees are removed.

ADJOURN:

Mayor Krolik adjourned the meeting at 8:59 p.m.