

TOWN OF HILLSBOROUGH

San Mateo County

Christine M. Krolik, Mayor
Thomas M. Kasten, Vice Mayor
John J. Fannon
D. Paul Regan
Jess E. Benton

1600 Floribunda Avenue
Hillsborough, CA 94010



A G E N D A

MONDAY, DECEMBER 14, 2009
6:00 pm CITY COUNCIL MEETING
Hillsborough Town Hall

REGULAR CITY COUNCIL MEETING (6:00 pm)

- I. PLEDGE OF ALLEGIANCE**
- II. ROLL CALL**
- III. MINUTES:** November 9, 2009
- IV. ELECTION OF MAYOR**
- V. ADMINISTRATION OF OATH OF OFFICE:** Mayor Elect
- VI. ELECTION OF VICE MAYOR**
- VII. ADMINISTRATION OF OATH OF OFFICE:** Vice Mayor Elect
- VIII. MAYOR'S YEAR END SUMMARY**
- IX. PRESENTATIONS:**
 - Meritorious Recognition of Felony Apprehension – Officer Dave Agee and members of "A" Shift
 - Distinguished Budget Presentation Award to the Town of Hillsborough: Government Finance Officers Association. This is the seventh time the Town of Hillsborough has received this award.
 - International City Management Association: In honor of 35 years of service to local government, Anthony Constantouros, Hillsborough City Manager

X. 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: NOVEMBER 1 THROUGH NOVEMBER 30, 2009
2. RESOLUTION AUTHORIZING WATER SERVICE RATES AND METER SERVICE CHARGES EFFECTIVE JANUARY 1, 2010
3. ACCEPTANCE OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) TOGETHER WITH THE INDEPENDENT PUBLIC ACCOUNTANT'S (IPA) REPORT ON INTERNAL CONTROL FOR YEAR ENDED JUNE 30, 2009
4. RESOLUTION AWARDED A CONTRACT TO JEANNETTE LUCERO FOR RECYCLING COORDINATOR SERVICES
5. RESOLUTION AWARDED A CONTRACT TO TERRA FERMA FOR THE LANDSCAPE MAINTENANCE OF TOWN HALL FACILITIES INCLUDING THE GARDEN AND VISTA PARK
6. RESOLUTION APPROVING THE ASSIGNMENT OF THE FRANCHISE COLLECTION AGREEMENT WITH ALLIED WASTE INC. TO REPUBLIC SERVICES

XI. OLD BUSINESS:

7. RESOLUTION DEDICATING A SOURCE OF FUNDING FOR THE TOWN'S CLEAN WATER STATE REVOLVING FUND LOAN APPLICATION FOR A SEWER SYSTEM ASSESSMENT PROJECT
8. RESOLUTION APPROVING THE NO-DES MOBILE FILTRATION TRUCK AND EQUIPMENT PURCHASE AGREEMENT AND APPROVING FREIGHT AND USE TAXES

XII. NEW BUSINESS:

9. CONCEPTUAL APPROVAL OF FAIRWAY CIRCLE GARDEN AS PROPOSED BY HILLSBOROUGH BEAUTIFICATION FOUNDATION

XIII. INFORMATIONAL ITEM

10. HILLSBOROUGH NEIGHBORHOOD NETWORK (HNN)
11. PACIFIC GAS AND ELECTRIC COMPANY INSTALLATION OF SMARTMETERS IN HILLSBOROUGH

XIV. PUBLIC HEARING:

12. RESOLUTION AUTHORIZING THE IMPLEMENTATION OF WEEKLY COLLECTION OF SINGLE STREAM RECYCLABLES AND ORGANICS

XV. DISCUSSION ITEM:

13. SAN MATEO COUNTY COUNCIL OF CITIES ELECTION

XVI. 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.

XVII. 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.

XVIII. ADJOURN - In memory of Melvin A. Anderson, Hillsborough Mayor from 1982-1984

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.

ATTACHMENTS:

Any items listed as "Attachments" to the agenda are available on the Town's website or at the City Clerk's office.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda, except as exempt from public disclosure under applicable law, 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, VHS tapes 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.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: MONTHLY CLAIMS: NOVEMBER 1 THROUGH NOVEMBER 30, 2009

SUMMARY: The monthly claims for the month of November 2009, in the amount of \$2,343,826.84 are submitted for approval.

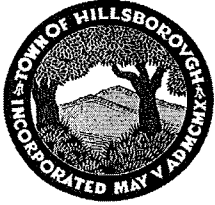
FISCAL IMPACT: Claims have been expended pursuant to the approved budget.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this item.

ATTACHMENTS: Monthly Claims Listing

PREPARED BY: Marie Bernardo, Assistant Finance Director

RECOMMENDATION: Approve the monthly claims for November 2009, as submitted.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AUTHORIZING WATER SERVICE RATES AND METER SERVICE CHARGES EFFECTIVE JANUARY 1, 2010

SUMMARY: On February 12, 2007, the Town passed an ordinance adopting the maximum water service rates and meter service charges for the next four years to implement the recommendations from a comprehensive water and sewer rates study. The maximum rates were approved following the noticing requirement of Proposition 218 and a public hearing. The study recommends implementing charges effective January of each calendar year that do not exceed the maximum charges.

This resolution will authorize the service charges to be implemented effective January 1, 2010, that are the maximum charges and the last year covered by the study and approved from the last Proposition 218 notice. The changes, details of which are included in the resolution, are a combination of an increase in meter charge and water service rates. The percentage of increase for each account will vary based on the individual consumption.

FISCAL IMPACT: Proposed rate increases would bring about an approximate 8% increase in water sales based on the same level of consumption as in the prior year.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this action.

ATTACHMENTS: Resolution

PREPARED BY: Edna Masbad, Finance Director

RECOMMENDATION: Adopt the resolution authorizing water service rates and meter service charges effective January 1, 2010.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: ACCEPTANCE OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) TOGETHER WITH THE INDEPENDENT PUBLIC ACCOUNTANT'S (IPA) REPORT ON INTERNAL CONTROL FOR YEAR ENDED JUNE 30, 2009

SUMMARY: Local ordinances and State statutes require that the Town publish a complete set of financial statements at the close of each fiscal year presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, the Town's CAFR audited by Vavrinek, Trine, Day & Co., LLP, Pleasanton, CA is hereby submitted.

The Town has received an unqualified opinion on the financial statements.

The report was presented and reviewed by the Financial Advisory Committee on November 24, 2009. The Committee also met with the IPA to discuss the audit and accepted and approved the report for recommendation to the City Council.

There will be a short presentation reviewing the Town's performance in the previous year at the meeting.

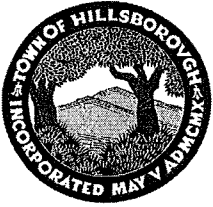
FISCAL IMPACT: There is no fiscal impact associated with the submission of the CAFR.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this action.

ATTACHMENTS: Comprehensive Annual Financial Report for fiscal year ended June 30, 2009

PREPARED BY: Edna Masbad, Finance Director

RECOMMENDATION: Accept and file the Comprehensive Annual Financial Report for fiscal year ended June 30, 2009.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AWARDING A CONTRACT TO JEANNETTE LUCERO FOR RECYCLING COORDINATOR SERVICES

SUMMARY: Jeannette Lucero has served as the Town's construction and demolition recycling coordinator for approximately four years. She has assisted applicants with the filing of recycling plans, ensured compliance, and provided technical assistance with construction and demolition activities.

Originally, Ms. Lucero was a subcontractor to Joan Edwards and Associates. In 2007, she became an employee of CSG Engineering and provided services to the Town and other public agencies. Ms. Lucero recently left employment with CSG and has proposed providing services to the Town as a self-employed contractor at a rate of \$60 per hour on a part-time basis (not to exceed 960 hours per year).

This arrangement would save the Town approximately \$14,000 annually and would ensure continuity in the construction and demolition program. During the past year, the Town has revamped and streamlined the construction and demolition program under Ms. Lucero's leadership.

FISCAL IMPACT: The Town funds the construction and demolition program through refuse rates charged to residential and commercial customers. Charges for the coordinator are included as pass-through costs submitted by Allied Waste as part of its rate application. The total cost for Ms. Lucero's services are estimated at \$57,600 annually.

ENVIRONMENTAL ISSUES: The construction and demolition program has been the key to the Town's high diversion rates over the past twelve years.

ATTACHMENTS: Professional Service Agreement, Resolution

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution awarding a contract to Jeannette Lucero for recycling coordinator services.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AWARDING A CONTRACT TO TERRA FERMA FOR THE LANDSCAPE MAINTENANCE OF TOWN HALL FACILITIES INCLUDING THE GARDEN AND VISTA PARK

SUMMARY: The Town recently requested quotes from three firms (MJ Newell, George's Landscaping, and Terra Ferma) for the landscape maintenance of Town Hall, Town Hall Garden, and Vista Park.

Town Hall is currently maintained by MJ Newell Landscaping. The Town Hall Garden was recently renovated by Terra Ferma with funding provided by the Hillsborough Beautification Foundation. Vista Park is currently maintained by a combination of Town staff (upper park) and School District staff (field). Because staff resources in the Street/Sewer crew are very limited, Public Works is seeking assistance with maintaining the upper portion of the park.

Terra Ferma submitted the lowest bids for Town Hall and the Town Hall Garden at \$1,165 monthly. This compares to the \$1,200 per month contract currently held by MJ Newell. Vista Park was quoted at \$545 per month, which was substantially less than either MJ Newell or George's.

Terra Ferma constructed and maintains Crossroads Park and has been exemplary in their performance.

FISCAL IMPACT: The Town currently budgets \$1,200 per month for Town Hall and a total of \$40,000 per year for Vista Park's maintenance.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this item.

ATTACHMENTS: Resolution

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution awarding the contract to Terra Ferma for landscape maintenance of Town Hall facilities, including the Town Hall Garden and Vista Park.



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CONSENT CALENDAR
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION APPROVING THE ASSIGNMENT OF THE FRANCHISE COLLECTION AGREEMENT WITH ALLIED WASTE INC. TO REPUBLIC SERVICES

SUMMARY: The Town currently has a franchise agreement with Allied Waste Inc. that is valid until December 31, 2010.

On December 5, 2008, Allied Waste merged with Republic Services. The merger was the subject of a lawsuit outside of California and a Federal Department of Justice review. All of those outstanding issues have been resolved and the merger is final. Allied is a wholly-owned subsidiary of Republic, and the franchise should reflect that change.

The South Bayside Waste Management Authority (SBWMA) has recommended that member agencies approve the assignment.

Recology is pursuing negotiations to assume the collection franchises from Republic as soon as July 2010, which will allow them to roll out automated services earlier in some jurisdictions. Should that occur, the Town will need to assign the franchise from Republic to Recology.

FISCAL IMPACT: There is no fiscal impact associated with this item.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this item.

ATTACHMENTS: Resolution

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution assigning the franchise collection agreement from Allied Waste to Republic Services.



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OLD BUSINESS
CITY COUNCIL MEETING
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AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION DEDICATING A SOURCE OF FUNDING FOR THE TOWN'S CLEAN WATER STATE REVOLVING FUND LOAN APPLICATION FOR A SEWER SYSTEM ASSESSMENT PROJECT

SUMMARY: The Town is required by Provision IV in the Regional Water Board's Cease and Desist Order (CDO) No. R2-2009-0020 to complete a Sewer System Assessment Report by November 15, 2011. This requires that the Town conduct a video inspection of all its mains prior to November 2011. Approximately 51 miles of mains remain to be inspected, which are split almost evenly between easement areas and street areas. The street areas are being inspected by the City of Burlingame at a cost of \$1.31 per foot. About 10,000-12,000 feet per month are anticipated to be inspected.

This loan will be used to hire a contractor(s) to inspect the difficult to access easement areas which Burlingame cannot inspect. The most recent bid price received by the Town for such video inspection was \$4.00 per linear foot. In addition to the video inspection costs, significantly higher costs are because the price includes the cost of cleaning the main at \$4.65-\$5.35 per linear foot prior to conducting the video inspection. If pipe is significantly damaged preventing inspection, the project provides allowances for attempting inspection from the opposite direction and making point repairs. The costs for repairs vary greatly depending on the size, length and depth of the main. Because this will be the first inspection in decades of some of these mains, engineering is estimating a greater allowance for point repairs than usual.

The Public Works Department is completing a \$4,000,000 Planning Finance Application for a low interest rate loan from the Water Resources Control Board in order to complete the assessment. The Water Resources Control Board requires applicants to identify by resolution a dedicated source of funds for repayment of the loan. The Town's sewer rate fees have been identified as the dedicated source of funding for the low interest rate loan.

The interest rate for the Planning Finance Loan is zero percent during the draw period. The draw period is for up to three years. Before the end of the draw period, the Planning Finance Loan can be refinanced as part of a new Construction Financing Loan. (Public Works intends to submit a Sewer System Repair/Replacement Construction Financing Loan Application to the Clean Water State Revolving Fund in 2012, in order to comply with Provision VI of the CDO.) In that case, interest on the Planning Finance Loan will begin to accrue upon the effective date of the Construction Financing Agreement and per the terms of the Construction Financing Agreement. On the other hand, if the Planning Agreement balance is not refinanced before the end of the draw period, then interest will be applied at the rate of half the most recent general obligation bond rate, and the loan will be paid off in equal installments over five years.

FISCAL IMPACT: The final Clean Water State Revolving Fund loan package will be presented to the City Council for approval in 2010. The loan will be serviced from Sewer Enterprise revenues beginning as soon as 2013. The cost of the estimated payments will be presented for inclusion in the 2010 rate study.

ENVIRONMENTAL ISSUES: Preventing sanitary sewer overflows is essential to preventing pollution of waters of the State. The execution of CDO R2-2009-0020 will assist the Town with meeting its environmental compliance goals.

ATTACHMENTS: Resolution

PREPARED BY: Cyrus Kianpour, City Engineer

RECOMMENDATION: Adopt the resolution dedicating Sewer Enterprise revenues as the source of funding for the Town's Clean Water State Revolving Fund Loan Application for a Sewer System Assessment Project.



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OLD BUSINESS
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION APPROVING THE NO-DES MOBILE FILTRATION TRUCK AND EQUIPMENT PURCHASE AGREEMENT AND APPROVING FREIGHT AND USE TAXES

SUMMARY: On August 10, 2009, the City Council authorized the Public Works Director to negotiate and execute a \$300,000 "forgivable" Financing Agreement with the California State Water Resources Control Board (Water Board) to purchase a NO-DES Mobile Filtration Truck and Equipment. On September 23, 2009, the Town entered into a Financing Agreement with the Water Board. This Agreement required the Town to enter into a Purchase Agreement with NO-DES, Inc. by November 30, 2009, or forfeit the grant funds. On November 9, 2009, the City Council adopted a resolution authorizing Public Works to purchase the NO-DES Mobile Filtration Unit for \$300,000.

After November 9, 2009, and during negotiations with NO-DES, Public Works learned that the original \$300,000 would be insufficient to cover the freight and use taxes for the purchase of the mobile filtration unit. The freight fees for this unit will not exceed \$2,000 and the use taxes will not exceed \$29,250. Public Works entered into a Purchase Agreement with NO-DES, Inc. on November 30, 2009, contingent upon approval of the Purchase Agreement by the City Council by January 11, 2010. In the event that the Agreement is not approved, the Agreement may be terminated and the \$300,000 grant would be forfeited.

The Agreement provides for no payment to the contractor until the Town has received a permit from the Department of Public Health to operate the equipment. NO-DES has agreed to provide its demonstration unit for the purpose of testing the equipment for the benefit of the Department of Public Health.

The City Attorney has reviewed the Agreement and approved it as to form.

FISCAL IMPACT: Purchase of the equipment requires a contribution from the Water Fund of up to \$31,250 to pay for freight and use taxes. These funds can be allocated from the Water Operations budget.

ENVIRONMENTAL ISSUES: The NO-DES filtration unit will assist the Town with conserving water in its operations and avoid potential illicit discharges of potable water to the storm drain system.

ATTACHMENTS: Purchase Agreement, Resolution

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution approving the NO-DES Purchase Agreement and allocating \$31,250 for freight and use taxes from the Water Fund.



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NEW BUSINESS
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: CONCEPTUAL APPROVAL OF FAIRWAY CIRCLE GARDEN AS PROPOSED BY HILLSBOROUGH BEAUTIFICATION FOUNDATION

SUMMARY: Hillsborough Beautification Foundation (HBF) is proposing using a vacant lot on Fairway Circle as the site of a garden to raise fresh foods for local food banks. Lennie Gotcher proposed the concept as a means for school-age Hillsborough children to earn service credit hours, while providing assistance to local charities. A design has been developed by Brian Koch of Terra Ferma, which places roughly 12 planting beds on the west and east sides of the property and a small sink for cleaning vegetables and equipment. HBF supports the project and will provide the initial funding for the creation of raised planting beds, a fence and sink. The HBF will be seeking donations for some materials from local businesses to help offset its expenses. Adjoining residents were contacted in-person and by mail, including an invitation to a public meeting at Town Hall. Generally, residence response has been positive, as most residents view the existing undeveloped lot as an eyesore. Comments were received about the hours of operations, security, and visual appearance from the street, and the HBF has attempted to address all comments.

The San Francisco Public Utilities Commission, which owns the property, is willing to grant the Town an encroachment permit to allow planting on the site and the installation of a fence. Stipulations on the encroachment require that the site be kept in good order, access be limited to persons engaged in gardening and the center be free of obstructions, in order to allow SFPUC maintenance access to their facilities at the rear of the property. The SFPUC is not charging the Town or HBF for the use of the property.

At this time, HBF and staff are seeking City Council's approval to proceed with the project, which could begin construction after the start of the new year.

FISCAL IMPACT: HBF is funding the project which is estimated at roughly \$20,000.

The project will need to be provided with water for irrigation. It is proposed that the Town absorb the cost of irrigation as it does on other HBF projects.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this project, which will install no permanent structures or hardscapes.

ATTACHMENTS: None

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Approve the Fairway Circle Garden as proposed by Hillsborough Beautification Foundation.



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INFORMATIONAL ITEM
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: HILLSBOROUGH NEIGHBORHOOD NETWORK (HNN)

SUMMARY: The Central County Fire Department (CCFD) has been providing Community Emergency Response Training (CERT) in recent years to both the Town of Hillsborough and City of Burlingame residents. There have been five CERT graduating classes since late 1997, which included over 50 Hillsborough residents. We currently have over 30 Hillsborough residents on the waiting list for the next class that is scheduled for Spring 2010.

Hillsborough residents have been very enthusiastic in response to the training that teaches residents not only how to respond to life saving needs within their neighborhood, but also to organize their neighbors and proactively prepare for emergencies that may occur.

In the early 1990's, the Hillsborough Fire Department trained Town residents to help themselves during a disaster. The program was called Hillsborough Emergency Leadership Program (HELP). The program eventually became inactive due to changes in personnel and lack of a well organized volunteer base.

New interest has brought life back to the program. Hillsborough residents Tedra Wrede and Geraldine LeMais have volunteered to be the HNN Co-Chairs of the effort to organize all of the neighborhoods within Hillsborough. They have formed a Steering Committee and are in the process of recruiting trained CERT and HELP team members and residents to organize their neighborhoods, recruit volunteers, and work with the CCFD to provide disaster preparedness awareness and training.

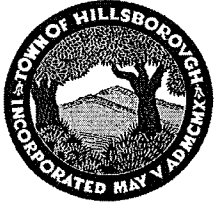
FISCAL IMPACT: There is no fiscal impact associated with this item. There maybe future requests for funding based on acceptance and development of the program.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this item.

ATTACHMENTS: None

PREPARED BY: Don Dornell, Fire Chief

RECOMMENDATION: For information only; no action required.



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INFORMATIONAL ITEM
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: PACIFIC GAS AND ELECTRIC COMPANY INSTALLATION OF SMARTMETERS IN HILLSBOROUGH

SUMMARY: Staff has invited Pacific Gas and Electric Company (PG&E) to make a presentation regarding the installation of SmartMeters in Hillsborough.

Through the SmartMeter program, PG&E has been installing advanced meters since 2006. By the end of 2011, PG&E will have installed 9.8 million SmartMeters for all customers, including 5.3 million electric and 4.5 million gas meters. The program creates an automated gas and electric metering system for all PG&E's customers. With this new system, PG&E will improve the way they obtain customers' meter readings and will be able to provide customers with new features and tools to help better manage their energy use.

In March 2009, the California Public Utilities Commission (CPUC) authorized an upgrade to the SmartMeter program, which provides enhanced customer service and increased operational efficiencies. The Commission approved the upgrade after more than a year of review and testimony.

Instead of traditional electromechanical systems, the new meters use programmable digital solid state technology, including a home area network (HAN) interface that will enable customers to automate management of home energy use and reduce their electric load at critical peak times. These and other features will roll out in the coming years as PG&E builds the back-office applications to support them.

PG&E will invest almost \$2.2 billion in SmartMeters. PG&E's analysis shows that the costs of the new SmartMeter technology will be more than offset over time by operational efficiencies and reduced power purchasing expenses.

PG&E is on track to install 10 million SmartMeter electric and gas meters for all customers by the end of 2011.

PG&E reads SmartMeter gas and electric meters remotely and on a frequent basis, hourly for electric and daily for gas. In the future, PG&E will leverage the SmartMeter system to detect and locate power outages more quickly.

Public Works engaged in discussions with PG&E to determine if the Town can use the PG&E wireless infrastructure to read water meters. That is not a service offered by PG&E at this time.

FISCAL IMPACT: There is no direct fiscal impact on the Town. The cost of SmartMeter technology is incorporated into PG&E's regulated rate structure.

ENVIRONMENTAL ISSUES: SmartMeters allow PG&E to read meters remotely, and eventually will allow residents the opportunity to more closely monitor their energy consumption.

ATTACHMENTS: None

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: For information only; no action required.



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PUBLIC HEARING
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AUTHORIZING THE IMPLEMENTATION OF WEEKLY COLLECTION OF SINGLE STREAM RECYCLABLES AND ORGANICS

SUMMARY: At the November 9, 2009 City Council meeting, the City Council awarded a refuse franchise to Recology for the years 2011 through 2020. The franchise agreement reflects the current level of service, which is weekly trash collection and biweekly collection of recyclables and greenwaste.

The City Council discussed the option of adding a weekly collection of single stream recyclables and organics in 2011. At that time, the City Council requested additional community outreach be performed in advance of the City Council making a decision. A blue postcard was sent to all residences in Hillsborough in November 2009, and information on the website was updated.

The Town has received some written comments from residents, which are included in the City Council's agenda packet. Some comments question the need for weekly collection and a desire to keep rates at a minimum. Other residents expressed their support for the new programs. The Sustainable Hillsborough Task Force unanimously recommends approval of weekly collection of single stream recyclables and organics.

The Town can only implement an organics collection program if it opts for weekly collection of the materials. An organics program allows residents to add items like food, food containers, waxed paper/cardboard and other food soiled materials to greenwaste. Most of this material is now thrown in the trash. This is a fairly significant waste stream in Hillsborough, which can only be addressed through a Town-wide organics program or individual efforts to home compost.

Benefits of opting for weekly collection include:

1. Greater capacity to recycle materials, which will help avoid disposal costs at the landfill and reduce the Town's carbon footprint.
2. The SBWMA's regional education efforts during the franchise transition will be applicable in Hillsborough.

The disadvantage of increasing the level of service is the cost. A weekly program will add approximately \$371,000 to the annual cost of collection. This, coupled with other factors affecting revenues, will result in the need for a rate increase of approximately \$0.10 per gallon per month in years 2011 and 2012. For most residents who use a 32-gallon container, the weekly service will add \$3.20 to their monthly bill.

FISCAL IMPACT: This has no direct effect on the Town's budget. Costs for refuse collection are paid by residents subscribing to collection services.

ENVIRONMENTAL ISSUES: Introduction of the organics program and weekly collection of single stream recyclables will greatly assist the Town with meeting its greenhouse gas (GHG) emission reduction goal for 2020, which is 2,531 GHG tons per year. This program would account for approximately 1,670 GHG tons annually.

ATTACHMENTS: Resolution, Comments

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION:

1. Open the public hearing and receive comments;
2. Close the public hearing; and
3. Adopt the resolution authorizing the implementation of weekly collection of single stream recyclables and organics.



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DISCUSSION ITEM
CITY COUNCIL MEETING
DECEMBER 14, 2009

AGENDA STAFF REPORT

ITEM SUBJECT: SAN MATEO COUNTY COUNCIL OF CITIES ELECTION

SUMMARY: Mayor Krolik would like to discuss with the City Council the regional seats that are up for election at the December 18, 2009 San Mateo County Council of Cities meeting. The San Mateo County Council of Cities election document is included in the City Council agenda packet.

FISCAL IMPACT: There is no fiscal impact associated with this item.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with this item.

ATTACHMENTS: Council of Cities Election Document

PREPARED BY: Anthony Constantouros, City Manager

RECOMMENDATION: For discussion only; no action required.