

# MINUTES

## REGULAR CITY COUNCIL MEETING

### MONDAY, DECEMBER 14, 2009

Mayor Krolik called the regular meeting to order at 6:04 p.m. at the Hillsborough Town Hall, 1600 Floribunda Avenue, Hillsborough, California.

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

**MINUTES:** The minutes of the November 9, 2009 City Council meeting were approved as submitted.

**ELECTION OF MAYOR:** Councilmember Fannon nominated Christine M. Krolik for Mayor. The nomination was seconded by Councilmember Benton and was unanimous upon voice vote. Christine M. Krolik was elected Mayor for a one-year term.

**ADMINISTRATION OF OATH OF OFFICE:** Mayor

The oath was administered to Christine M. Krolik by Police Chief Matt O'Connor.

**ELECTION OF VICE MAYOR:** Councilmember Benton nominated Thomas M. Kasten for Vice Mayor. The nomination was seconded by Councilmember Fannon and was unanimous upon voice vote. Thomas M. Kasten was elected Vice Mayor for a one-year term.

**ADMINISTRATION OF OATH OF OFFICE:** Vice Mayor

The oath was administered to Thomas M. Kasten by Police Chief Matt O'Connor.

**MAYOR'S YEAR END SUMMARY:** Mayor Krolik gave a brief summary of upcoming events for 2010, including the Town's Centennial Celebration at Town Hall on May 5, 2010, a Historic Homes Tour on May 14, 2010, and a parade on Memorial Day, May 31, 2010. She announced that through the efforts of Hillsborough residents Rob Fisher and Ted Dobos, City Manager Tony Constantouros and Police Captain Mark O'Connor, the Hillsborough Concours d'Elegance, the oldest car show west of the Mississippi, will be held on September 12, 2010, at the 18<sup>th</sup> hole of the Crystal Springs Golf Course. Mayor Krolik announced that Tedra Wrede and Geraldine LeMais have volunteered to co-chair a new committee, the Hillsborough Neighborhood Network, to recruit residents to organize their neighborhoods for disaster preparedness. She announced that for his Eagle Scout project, Corey Sullivan built twenty owl houses that were installed throughout Hillsborough for the control of rodents, and that he will provide an update at the January 11, 2010 City Council meeting. She announced that the Sustainable Hillsborough Task Force has the Town's Climate Action Plan in place and that the Town's Green Building Ordinance is now being used by other cities in the area. She announced that the Hillsborough Beautification Foundation (HBF) has done a tremendous job with the landscaping project at the intersection of Skyline Boulevard and Hayne Road. She added that the Town's Centennial Celebration ribbon cutting will be held at the newly renovated Town Hall Garden on Floribunda Avenue, which was funded by HBF. She announced that she wanted to thank the Town's employees for making budget cuts and being diligent, while still maintaining a high level of service. She thanked City Manager Tony Constantouros, the City Clerk and the City Council for a wonderful year. She also thanked the City Council for giving her another year as Mayor.

Vice Mayor Kasten thanked the City Council for re-electing him Vice Mayor.

**PRESENTATIONS:**

- Police Chief Matt O'Connor recognized Officer Dave Agee and members of "A" shift, Sergeant Pat Aherne, Corporal Bill Downes, and Officers Martin Fritzsching and Geoff Chenier, for the meritorious apprehension of a felon.
- Mayor Krolik announced the Government Finance Officers Association's Distinguished Budget Presentation Award to Finance Director Edna Masbad and the Town of Hillsborough. She added that this is the seventh time the Town of Hillsborough has

received this award. Councilmember Benton complimented Ms. Masbad on her excellent and highly detailed budget and added that the award was well-deserved.

- Mayor Krolik announced that the International City Management Association honored City Manager Tony Constantouros for 35 years of service to local government, which includes 15 years with the Town of Hillsborough. She thanked him for his stellar service in managing a well-run town, and added that he sets the bar as high as one could set it.

### **CONSENT CALENDAR:**

On motion of Councilmember Fannon, seconded by Vice Mayor Kasten, and unanimous on voice vote, Consent Calendar items 1 – 6, were adopted.

1. MONTHLY CLAIMS: NOVEMBER 1 THROUGH NOVEMBER 30, 2009

The monthly claims for the month of November 2009, in the amount of \$2,343,826.84 were approved as submitted.

2. RESOLUTION AUTHORIZING WATER SERVICE RATES AND METER SERVICE CHARGES EFFECTIVE JANUARY 1, 2010

The resolution authorizing water service rates and meter service charges effective January 1, 2010, was adopted.

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

The Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2009, was accepted.

4. RESOLUTION AWARDING A CONTRACT TO JEANNETTE LUCERO FOR RECYCLING COORDINATOR SERVICES

The resolution awarding a contract to Jeannette Lucero for recycling coordinator services was adopted.

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

The resolution awarding the contract to Terra Ferma for landscape maintenance of Town Hall facilities, including the Town Hall Garden and Vista Park was adopted.

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

The resolution approving the assignment of the franchise collection agreement with Allied Waste Inc. to Republic Services was adopted.

### **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

City Engineer Cyrus Kianpour stated that the Regional Water Board's Cease and Desist Order requires the completion of a Sewer System Assessment Report by November 15, 2011, and will include the video inspection of 51 miles of sewer mains. He reported that 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. He explained that the Water Resources

Control Board requires the Town to identify by resolution a dedicated source of funds (the Town's sewer rate fees) for repayment of the low interest rate loan.

Mr. Kianpour stated that the interest rate for the Planning Finance Loan is zero percent during the three-year draw period. He explained that before the end of the draw period, the Planning Finance Loan can be refinanced as part of a new Construction Financing Loan, which will have a twenty-year payback period.

Councilmember Fannon asked if the total cost for the Sewer System Assessment Project would be \$4,000,000. Mr. Kianpour replied that \$4,000,000 is the upper estimate for the project, as the cost depends on the condition of the sewer pipes. He stated that in addition to the video inspection costs, significantly higher costs include the expense of cleaning the main prior to conducting the video inspection.

Mayor Krolik thanked Mr. Kianpour.

On motion of Councilmember Fannon, seconded by Councilmember Benton, and unanimous on voice vote, 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 was adopted.

8. RESOLUTION APPROVING THE NO-DES MOBILE FILTRATION TRUCK AND EQUIPMENT PURCHASE AGREEMENT AND APPROVING FREIGHT AND USE TAXES

Public Works Director Martha DeBry stated that on November 9, 2009, the City Council adopted a resolution authorizing the purchase of the NO-DES mobile filtration truck and equipment with a \$300,000 forgivable financing agreement with the California State Water Resources Control Board. She explained that during negotiations, 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 and that a contribution of \$31,250 from the Water Fund for the additional costs is required.

Mayor Krolik thanked Ms. DeBry.

On motion of Councilmember Benton, seconded by Vice Mayor Kasten, and unanimous on voice vote, the resolution approving the NO-DES Purchase Agreement and allocating \$31,250 for freight and use taxes from the Water Fund was adopted.

**NEW BUSINESS:**

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

Public Works Director Martha DeBry stated that the Hillsborough Beautification Foundation (HBF) is proposing the use of a vacant lot owned by the San Francisco Public Utilities Commission (SFPUC) on Fairway Circle as the site of a garden. She stated that the SFPUC is willing to grant the Town an encroachment permit for the garden. Ms. DeBry introduced Lennie Gotcher of HBF.

Ms. Gotcher explained that the raised vegetable beds will be used by local students, Boy Scouts, mother/daughter projects and to earn service credit hours, while providing fresh foods for local food banks.

Councilmember Benton asked if the neighbors were notified about the garden. Ms. Gotcher replied that the residents in the area were notified and were very positive to the idea. She added that there were a few concerns that have been addressed.

Mayor Krolik stated that the vacant lot is overgrown and that the SFPUC was so impressed with the idea that they approved the project. She added that it was a great way to teach children the tradition of giving by having the children donate food to the food banks.

Mayor Krolik thanked Ms. Gotcher and Ms. DeBry.

On motion of Vice Mayor Kasten, seconded by Councilmember Fannon, and unanimous on voice vote, the Fairway Circle Garden as proposed by the Hillsborough Beautification Foundation was adopted with compliments by Vice Mayor Kasten for the fabulous idea.

#### **INFORMATIONAL ITEM:**

##### **10. HILLSBOROUGH NEIGHBORHOOD NETWORK (HNN)**

Fire Chief Don Dornell reported that over 50 Hillsborough residents have attended the Community Emergency Response Training (CERT) classes. He stated that in the 1990's, the Hillsborough Fire Department trained Town residents to help themselves during a disaster through the Hillsborough Emergency Leadership Program (HELP). He stated that HELP eventually fell to the wayside. He reported that there has been renewed interest in taking the program to the next level and that two Hillsborough residents have volunteered to be the Hillsborough Neighborhood Network Co-Chairs. He introduced Tedra Wrede and Geraldine LeMais.

Ms. Wrede and Ms. LeMais provided a Power Point presentation. Ms. Wrede stated that the purpose of HNN was to prepare the Town for the next catastrophic event at the neighborhood level, and to educate and encourage residents to be self-sufficient for the first 72 hours following a catastrophic event. Ms. LeMais explained that the HNN mission statement was to organize neighborhoods with the end goal of emergency preparedness at the individual, neighborhood, and community level, to promote self-sufficiency, and to maintain connectedness to neighbors and the community. Ms. Wrede and Ms. Lemais reviewed HNN's emergency plan for a catastrophic event and their organizational chart.

Ms. LeMais reviewed HNN's initiatives for 2010, including marketing and logo development, recruitment and staffing, and training and resources. She added that their goal is to get the community involved through Town meetings, quarterly newsletters, postcards, the internet, and parent groups.

Ms. Wrede and Ms. LeMais reviewed the HNN neighborhood development milestones, three-year goals, CERT penetration rate, staffing goals, and stability plan.

Mayor Krolik asked if it was necessary to be CERT trained to be a part of HNN. Ms. Wrede replied that it was not necessary to be CERT trained to be a part of HNN.

Fire Chief Dornell introduced Emergency Services Coordinator Bill Reilly. Mr. Reilly stated that there will be a countywide CERT exercise with operational areas and neighborhood communities on March 10, 2010. He applauded the volunteers for their work.

Mayor Krolik announced that there is a sign-up sheet for anyone interested in participating in HNN. Mayor Krolik thanked Ms. Wrede and Ms. LeMais.

##### **11. PACIFIC GAS AND ELECTRIC COMPANY INSTALLATION OF SMARTMETERS IN HILLSBOROUGH**

Public Works Director Martha DeBry introduced PG&E representative, Kathy Lavezzo. Ms. Lavezzo recognized Hillsborough for the Town's energy efficiency and introduced Andrew Tang, a Senior Director of PG&E, to provide an update on the SmartMeter.

Mr. Tang thanked the City Council on behalf of PG&E and stated that he appreciated the opportunity to provide information about the SmartMeter program. Mr. Tang provided a Power Point presentation on the SmartMeter/SmartGrid. He stated that PG&E is building a 21<sup>st</sup> century electric system through the SmartGrid system, which would provide environmental sustainability and reliable service at a reasonable cost. He explained that the SmartMeter program would allow for automated meter readings for all gas and electric customers (so far, over 4 million SmartMeters have been installed), frequent meter reads (hourly intervals for electricity and daily for gas), near real-time information on energy use, two-way communication, and a gateway to customer energy management networks.

Mr. Tang reported that the industry-standard digital electric meters have been used at PG&E since 1980. He stated that the SmartMeter electric meter will use new communications devices installed to transmit the reading to PG&E and to the customer. He explained that one benefit of the SmartMeter program is that it allows for better customer service by providing customers with faster service with convenient meter reading, faster power restoration, remote connect/disconnect, faster problem resolution, and better billing. He stated that another benefit is that the SmartMeter program provides customers with a greater choice and more control over their energy bills by providing energy usage data and new pricing options like SmartRate. He stated that the other benefit of the SmartMeter program is that it enables the future by putting in place a platform for innovation with automated customer energy management and distributed generation and storage for electric vehicles.

Mr. Tang explained that PG&E's future integrated customer energy management would allow for meter-to-home near real-time electric usage, timely price signals, and appliance/energy management control signals, and would allow for meter-to-utility customer electric use, customer energy generation (e.g. solar), and appliance response to energy management control signals.

Mr. Tang reported that there are 6,382 meters installed in Hillsborough with 1,538 to go for a total of 7,920 meters installed by April 2010.

Vice Mayor Kasten asked Mr. Tang about the accuracy of the SmartMeters. Mr. Tang replied that the SmartMeter is manufactured by General Electric and is factory tested to American National Standards Institute (ANSI) standards. He added that upon a customer's request, PG&E will test the customer's meter for accuracy.

Councilmember Benton asked if the electric meters are more accurate. Mr. Tang replied that there is not an appreciable difference between the gas and electric meters with a  $\pm 5\%$  accuracy rate. He added that the old analog meters had a  $\pm 1\%$  accuracy rate.

Vice Mayor Kasten asked if the wireless infrastructure would be able to read the water meters. Mr. Tang replied that it is anticipated that the wireless infrastructure would be able to read water meters in about two years.

Mayor Krolik thanked Mr. Tang.

## **PUBLIC HEARING:**

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

Public Works Director Martha DeBry provided a Power Point presentation on the Single Stream and Organics Program. She stated that the City Council awarded the refuse franchise to Recology for the years 2011 through 2020. She stated that the outstanding issue for the new franchise is weekly collection of single stream recycling and organics.

Ms. DeBry explained that the automated refuse collection provides labor efficiencies, more productive routes, and lower overall cost for refuse collection. She stated that

single stream recycling would use a blue 96-gallon container, organics would use a green 64 or 96-gallon container, and solid waste would use a black 32-gallon container. She added that an insert could be placed in the 32-gallon solid waste container to restrict it to 20-gallons, and customers also have the option of subscribing to a minimum 10-gallon container.

Ms. DeBry stated that single stream recycling uses one cart for aluminum and bi-metals, cardboard, glass, mixed paper, and plastics. She stated that organics recycling uses one cart for vegetables and food scraps, meat, poultry, dairy products, soiled napkins and paper goods (including pizza boxes), waxed cardboard, and yard trimmings. She explained that a kitchen pail will be provided to all residences for collection of the food scraps and food-soiled paper items, which is then emptied into the large organics cart. She stated that weekly single stream recycling and organics collection is important to meeting the carbon emission goals by the year 2020. She added that the Sustainable Hillsborough Task Force recommends adoption of the single stream recyclables and organics program.

Ms. DeBry reported that negative comments received from residents included the rate impact (an increase of \$0.10 per gallon per month), more service than what they want or need, preference for existing services, and lack of discounts for residents with the least waste, recyclables and green waste. She reported that positive comments received from residents included the rate impact was acceptable for the change in service level, the new carts were more convenient, and residents like the ability to compost.

Ms. DeBry reviewed the proposed 2011 monthly rates, which will increase the 20-gallon container by \$2.20, the 32-gallon container by \$3.52, the 64-gallon container by \$7.04, and the 96-gallon container by \$10.56.

Mayor Krolik opened the public hearing.

Rhonda Luongo stated that she was very excited about single stream recycling and composting, but that she was unsure about the carts in the wind and that was a concern.

Alexander (last name illegible) stated that he uses a 20-gallon container and recycles a lot. He explained that he puts all garden clippings into the green cart and he does his own organics composting. He asked if he still has to participate in the single stream and organics program, or if he could do his own composting and not pay the additional fees. Ms. DeBry replied that the cost of the single stream and organics program is built into the refuse collection service.

Dennis Kelly stated that Santa Cruz has an outstanding recycling program. He stated that he did five hours of research on Hillsborough's waste stream and found that the California Integrated Waste Management Board reported that in 1999 Hillsborough disposed of 854 tons food waste. He stated that he found that in Santa Cruz, San Francisco, Daly City and Hillsborough, food represented 17.4% of household waste and grass and leaves accounted for 12.7% of household waste for each of the four cities. He stated that the information was inaccurate and that the California Integrated Waste Management Board no longer exists. He stated that the Town needs an accurate count of what goes into the Town's waste stream and that tree trimmings from Hillsborough should be accounted for and recycled. He stated that the Town should not compost, as Santa Cruz does not compost because of the mold, odor, raccoons, and rats. He stated that San Francisco is having a terrible time getting residents to recycle and is imposing fines for residents who do not comply with their recycling program. He stated that single stream recycling should bring in more recycling and that there should be dedicated people to recycle the materials. He thanked the City Council.

Cecilia Tse stated that she was concerned about the raccoons and deer getting into the compost containers and creating a mess.

George Rogers asked if there would be both curbside and driveway pickup with the recyclables and organics program. Ms. DeBry replied that only curbside pick-up would be available for single stream recycling and organics, but that solid waste garbage service would remain as it is with the option of side/rear yard service. Mr. Rogers stated that he was also concerned about rats and raccoons getting into the food waste.

Janet Manning stated that if the new containers are placed out in the streets, that could be a real concern as it could be dangerous. She stated that she already composts just about everything. She also stated that there may be a rat and raccoon problem with the organics program.

Everett Oliven stated that the single stream program should increase the amount of recycling and should improve the efficacy of the program. He stated that he was happy to pay the extra fees and thanked the Town for putting the recycling program together.

Martha Dannis stated that single stream recycling with weekly service is a much easier recycling program. She stated that she was really happy about the program and happy to pay the extra fees.

Kathy Gillam stated that she has a lot of greenwaste from the oak leaves on her acre lot and that she has to pay a huge fee because the leaves cannot be recycled. She stated that the Town needs to provide a better option than to have residents pay to dump leaves.

Mayor Krolik closed the public hearing.

Mayor Krolik asked how many pick-up days there will be and whether residents would take out the containers on Friday for pick-up on Monday. Ms. DeBry replied that Hillsborough would have a five-day pick-up schedule. She stated that residents with Monday pick-up are not allowed to leave the containers out over the weekend and that it is a code enforcement issue. Mayor Krolik stated that the ordinance should be better enforced as residents are leaving the containers out on Friday for pick-up on Monday.

Councilmember Benton stated that residents have brought up the composting service, which requires weekly pick-up and would cost most residents \$45 more per year. Mayor Krolik stated that taking food out of the trash reduces the Town's carbon footprint. Councilmember Fannon stated that by participating in the organics program, the Town will be helping to extend the life of the landfill for the next generation.

Ms. DeBry stated that since food-tainted paper, food wrappers, pizza boxes, and waxed cardboard could be recycled, residents would likely migrate to smaller solid waste containers. Councilmember Benton asked if residents migrate to smaller solid waste containers, if that would mandate a higher rate for the smaller containers. Ms. DeBry replied that the single stream recycling would offset the cost, as there is less cost to process the organics and recyclables than solid waste and that the overall cost will come down.

Councilmember Fannon asked if residents will receive detailed information about the new recyclables and organics service. Ms. DeBry replied that beginning in July 2010, Recology (along with the South Bayside Waste Management Authority) will begin their program to educate customers about the new services.

Mayor Krolik thanked Ms. DeBry.

On motion of Councilmember Benton, seconded by Councilmember Fannon, and unanimous on voice vote, the resolution authorizing the implementation of weekly collection of single stream recyclables and organics was adopted.

**DISCUSSION ITEM:**

**13. SAN MATEO COUNTY COUNCIL OF CITIES ELECTION**

The City Council discussed the regional seats up for election at the December 18, 2009 San Mateo County Council of Cities meeting, and the selection of Daly City Councilmember Carol Klatt for reappointment to the Bay Area Air Quality Management District, San Carlos Councilmember Omar Ahmad or Menlo Park Mayor Heyward Robinson for appointment to the San Mateo County Transit District (SamTrans), Burlingame Councilmember Jerry Deal for appointment to the Peninsula Corridor Joint Powers Board (Caltrain), and Burlingame Councilmember Terry Nagel for appointment to the San Mateo County Transportation Authority for the Central Judicial Cities.

Mayor Krolik thanked the Councilmembers for their input.

**PUBLIC COMMENT:**

City Manager Tony Constantouros stated that all employee groups voted to forego pay raises in 2010 and the resolution memorializing the employee agreement to take no salary increases will be on the January 11, 2010 City Council agenda. He reported that there was positive reaction from all the employees. All members of the City Council thanked the employees for their team spirit and support during these difficult economic conditions.

Police Chief Matt O'Connor provided a KPIX Channel 5 news clip showing Police Captain Nick Gottuso as the San Mateo County Peninsula Rangemaster Group spokesperson for a very realistic, but simulated "Active Shooter Drill" that occurred on Saturday, December 12, 2009, at South San Francisco High School. He stated that a lock down drill will be held at Hillsborough South School on Tuesday, December 15, 2009. He added that this type of training at the schools has recently been implemented for dealing with potentially violent school incidents.

Mayor Krolik asked if there was anyone in the public that wished to make a public comment. There were no comments.

**CITY COUNCIL ITEMS:**

Vice Mayor Kasten thanked Finance Director Edna Masbad for the wonderful Comprehensive Annual Financial Report (CAFR). He stated that the CAFR was complete and easy to understand.

Mayor Krolik announced that she would be attending the Council of Cities Dinner/Meeting to be held in Colma on December 18, 2009. Vice Mayor Kasten and Councilmember Benton announced that they would also be attending.

Mayor Krolik announced that a public hearing on the Crystal Springs Pipeline No. 2 Replacement Project will be held at Town Hall on January 7, 2010, at 6:30 p.m.

Mayor Krolik thanked all the employees that attended the employee appreciation event on December 11, 2009, and thanked the staff that helped with the event.

Mayor Krolik announced that there will be a presentation on the High Speed Rail Project at the January 11, 2009 City Council meeting.

Mayor Krolik stated that she attended the Airport Roundtable meeting on December 2, 2009, and that there will be a tour of the San Francisco International Airport tower for those Councilmembers that are interested.

**ADJOURN:**

Mayor Krolik adjourned the meeting at 8:37 p.m. in memory of Melvin A. Anderson, Hillsborough Mayor from 1982-1984.