San Mateo County

Thomas M. Kasten, Mayor Jess E. Benton, Vice Mayor Christine M. Krolik, Councilmember Marie Chuang, Councilmember Laurence M. May, Councilmember 1600 Floribunda Avenue Hillsborough, CA 94010

AGENDA

MONDAY, FEBRUARY 14, 2011 5:30 pm CLOSED SESSION 6:00 pm CITY COUNCIL MEETING Hillsborough Town Hall

CLOSED SESSION (5:30 pm)

A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One potential case

REGULAR CITY COUNCIL MEETING (6:00 pm)

- I. PLEDGE OF ALLEGIANCE
- II. ROLL CALL
- III. MINUTES: January 10, 2011
- IV. RECOGNITION:
 - 2010 recipient of the Ed Bent California Fire Service Instructor of the Year Award -Central County Fire Department Captain Jake Pelk

V. PRESENTATIONS:

- Citizens Communication Advisory Committee, Certificate of Appreciation Candace Lyche, who served as a Committee Member from March 2004 through October 2010
- Resolution of Appreciation Retirement of Police Records Supervisor Susan Mitchell -25 years of service
- Resolution of Appreciation Retirement of Police Officer Julianne Giusti 20 years of service

VI. 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: JANUARY 1 THROUGH JANUARY 31, 2011
- APPROVAL OF SITE LEASE AGREEMENT
- 3. RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO THE CONTRACT BETWEEN THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH
- 4. ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH INTRODUCTION
- 5. RESOLUTION APPROVING THE HILLSBOROUGH BEAUTIFICATION FOUNDATION PROJECT TO RENOVATE THE NEW PLACE ISLAND
- 6. RESOLUTION ACCEPTING AS COMPLETE THE 720 CHATEAU DRIVE STABILIZATION PROJECT BY FARALLON COMPANY
- 7. RESOLUTION ACCEPTING AS COMPLETE THE EMERGENCY REPAIR OF A STORM DRAIN AND SLOPE ON AVONDALE ROAD AT CARDIGAN ROAD
- 8. RESOLUTION AUTHORIZING THE AWARD OF A CONSULTING CONTRACT TO HOLMAN & ASSOCIATES FOR THE CULTURAL RESOURCE INVENTORY AND RECOMMENDATIONS FOR THE CRYSTAL SPRINGS / EL CERRITO TRUNK SEWER PHASE II IMPROVEMENTS
- 9. RESOLUTION APPROVING THE CSG WORK ORDER FOR ENGINEERING SERVICES RELATED TO THE SURVEY OF THE FOREST VIEW AVENUE / EUCALYPTUS AVENUE / GERI LANE INTERSECTION AND SANITARY SEWER MASTER PLANNING AND CAPITAL IMPROVEMENT PROGRAM DEVELOPMENT
- 10. RESOLUTION AWARDING THE WINDSOR WATER MAIN REPLACEMENT PROJECT TO FARALLON COMPANY

VII. PUBLIC HEARING:

- 11. FUNDRAISING EVENT PERMIT APPLICATION 10-08 FOR THE NUEVA SCHOOL BENEFIT AUCTION
- 12. ACCEPTANCE OF THE 2010 GENERAL PLAN IMPLEMENTATION REPORT

VIII. OLD BUSINESS:

- 13. SCHEDULING OF CITY COUNCIL WORKSHOP AND HILLSBOROUGH CITY SCHOOL DISTRICT BOARD OF TRUSTEES / HILLSBOROUGH CITY COUNCIL JOINT STUDY SESSION
- 14. ACCEPT THE WATER AND SEWER RATES STUDY AND AUTHORIZE THE IMPLEMENTATION OF RECOMMENDATIONS PRESENTED BY MUNICIPAL FINANCIAL SERVICES, CONSULTANTS, AND THE FINANCIAL ADVISORY COMMITTEE

IX. DISCUSSION:

15. 2010 URBAN WATER MANAGEMENT PLAN UPDATE

X. 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.

XI. 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.

XII. ADJOURN

SPECIAL ACCOMMODATIONS:

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in the City Council meeting, or if you need an agenda in an alternate form, please contact the City Clerk's Office at 375-7412 at least 24 hours before the scheduled City Council meeting.

MINUTES:

A copy of the unapproved minutes will be made available the Friday before the next regularly scheduled City Council meeting. Once minutes are approved by the City Council they will be made available the following day. City Council Agendas and approved minutes are available at the Town's website, <u>www.hillsborough.net</u>.

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.



1

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: MONTHLY CLAIMS: JANUARY 1 THROUGH JANUARY 31, 2011

SUMMARY: The monthly claims for the month of January 2011, in the amount of \$1,821,413.16 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 agenda item.

ATTACHMENTS: Monthly Claims Listing

PREPARED BY: Marie Bernardo, Assistant Finance Director

RECOMMENDATION: Approve the monthly claims for January 2011, as submitted.



2

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: APPROVAL OF SITE LEASE AGREEMENT

SUMMARY: T-Mobile has been leasing space at 553 Darrell Road (Darrell Tank Site) from the Town since April of 1996. The tenant operates a wireless communication site. Due to future construction at the site by the Town, some of the wireless carriers currently located there have been asked to relocate their equipment. T-Mobile desires to construct a tree-pole in the far corner of the site. This pole will also allow for the co-location of another vendor. Public notices were sent and no comments were received.

The proposed term of the agreement is five years with the tenant having four additional five-year options to extend. The new rental agreement is proposed for \$2,100 per month and is proposed to increase 5% annually. With approval of this agreement, T-Mobile agrees to deactivation and removal of the existing wireless site located on a utility pole adjacent to 870 Longview Drive in Hillsborough. A copy of the proposed agreement is included in the City Council's agenda packet.

FISCAL IMPACT: Rental income will be in the amount of \$2,100 monthly.

ENVIRONMENTAL ISSUES: The required environmental review will be conducted for the installation of the wireless communications facility.

ATTACHMENTS: Site Lease Agreement

PREPARED BY: Katharine Leroux, Assistant City Manager

RECOMMENDATION: Authorize the City Manager to execute the Site Lease Agreement with T-Mobile West Corporation, subject to the final review of the City Attorney.



3

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO THE CONTRACT BETWEEN THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH

SUMMARY: The Police Unit voted to increase the employee's contribution to their CalPERS retirement to 10%. To amend the Safety contract, CalPERS requires the Town to adopt a Resolution of Intention and adopt an ordinance to approve an amendment to the contract. The ordinance is a separate agenda item. The resolution and contract amendment are included in the City Council agenda packet.

FISCAL IMPACT: \$28,800 annual savings to the Town.

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

ATTACHMENTS: Resolution and CalPERS Contract Amendment

PREPARED BY: Kristin Armbruster, Human Resources Specialist

RECOMMENDATION: Adopt the Resolution of Intention to approve an amendment to the Safety contract between CalPERS and the Town of Hillsborough.



4

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) AND THE CITY COUNCIL OF THE TOWN OF HILLSBOROUGH - INTRODUCTION

SUMMARY: The Police Unit voted to increase the employee's contribution to their retirement to 10%. To amend the Safety contract increasing the employee's contribution, CalPERS requires the Town to adopt an ordinance authorizing the amendment.

FISCAL IMPACT: There is no fiscal impact associated with adoption of this ordinance.

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

ATTACHMENTS: Ordinance

PREPARED BY: Kristin Armbruster, Human Resources Specialist

RECOMMENDATION:

1. Introduce and waive the first reading of the ordinance; and

2. Set March 14, 2011, as the public hearing date to consider adoption of the ordinance.



5

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION APPROVING THE HILLSBOROUGH BEAUTIFICATION FOUNDATION PROJECT TO RENOVATE THE NEW PLACE ISLAND

SUMMARY: The Hillsborough Beautification Foundation (HBF) presented the plan to renovate the New Place island to the City Council on July 12, 2010. The New Place island is located in front of North Hillsborough School and separates Eucalyptus Avenue and New Place Road.

Since that time, HBF's Maryellie Johnson, Donna Abrahamson, Lori Marquardt and Leslie Wilson have worked with Landscape Architect John Roberts to develop a workplan to renovate the island. (HBF is working with the Hillsborough City School District on a separate project to improve the frontage area of North School. At some point in the future, HBF may also extend new landscaping to the area adjacent to the New Place gates.)

HBF solicited bids from three firms and selected the low bidder, Scapes Inc., to perform the work in an amount not-to-exceed \$90,458. HBF has authorized the contractor to begin work in February 2011. Scapes has performed work in the past for HBF, including the improvements on Golf Course Road at the Highway 280 / Black Mountain Road / Hayne Road entrance to Town.

Mses. Johnson, Abrahamson, Marquardt and Wilson are volunteering to work with the landscape company to ensure the work is done to HBF's standards. The Town will be participating minimally on the project. Work will be limited to the island itself and should not require lane closures, or adversely affect the flow of pedestrian traffic. HBF is working closely with the school to ensure no traffic disruption is caused by any aspect of the project.

FISCAL IMPACT: HBF is funding the entire project through donations made by Hillsborough residents.

ENVIRONMENTAL ISSUES: This project is categorically exempt from the California Environmental Quality Act because it is the renovation of an existing traffic median.

ATTACHMENTS: Resolution and design for the New Place island

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution approving the Hillsborough Beautification Foundation project to renovate the New Place island.



6

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION ACCEPTING AS COMPLETE THE 720 CHATEAU DRIVE STABILIZATION PROJECT BY FARALLON COMPANY

SUMMARY: The project to stabilize Chateau Drive was awarded to Farallon Company in November 2010. The project consisted of the installation of six stitch piers and erosion protection on the disturbed slope adjacent to 720 Chateau Drive.

FISCAL IMPACT: The awarded contract amount for the project was \$17,660, including contingencies. The project was completed under budget in the amount of \$13,585.

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

ATTACHMENTS: Resolution and Photos

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: Adopt the resolution accepting as complete the contract with Farallon

Company for the 720 Chateau Drive Stabilization Project in the amount of \$13,585.



CONSENT CALENDAR
CITY COUNCIL MEETING

FEBRUARY 14, 2011

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION ACCEPTING AS COMPLETE THE EMERGENCY REPAIR OF A STORM DRAIN AND SLOPE ON AVONDALE ROAD AT CARDIGAN ROAD

SUMMARY: The emergency project was awarded to Farallon Company in January 2011. The project consisted of a storm drain and slope repair at the corner of Cardigan Road and Avondale Road. The contractor reconstructed approximately 120 linear feet of 12-inch storm drain pipe and extended the pipe to an outfall to a nearby tributary, installed rip rap at the outfall, secured the slope with the placement of new engineered fill (approximately 250 cubic yards), installed erosion protection, and seeded the disturbed slope with native plant seed mix. Once the hillside was exposed, engineering staff determined that additional excavation was needed to repair the storm drain system and support the street, expanding the work area significantly, therefore increasing the cost to complete the project.

FISCAL IMPACT: The emergency resolution estimated the contract amount for the project was not-to-exceed \$30,000. The project was completed in the amount of \$47,370.

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

ATTACHMENTS: Resolution and Photos

PREPARED BY: Cyrus Kianpour, City Engineer

RECOMMENDATION: Adopt the resolution accepting as complete the contract with Farallon Company for the emergency repair of a failed storm drain and slope at Cardigan Road and Avondale Road in the amount of \$47,370, and allocate the additional cost of \$17,370 from the Sewer Fund.



8

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AUTHORIZING THE AWARD OF A CONSULTING CONTRACT TO HOLMAN & ASSOCIATES FOR THE CULTURAL RESOURCE INVENTORY AND RECOMMENDATIONS FOR THE CRYSTAL SPRINGS / EL CERRITO TRUNK SEWER PHASE II IMPROVEMENTS

SUMMARY: In order to qualify for the California State Revolving Fund (SRF) financing for the Crystal Springs / El Cerrito Sewer Replacement Project, the Town must meet Federal cultural resources compliance procedures, commonly referred to as CEQA-Plus. Initial investigation and research work has already been accomplished. The next step is for the Town to gain State and Federal regulatory agency approval of a "Cultural Resources Inventory and Recommendations for Section 106 Compliance Report".

BACKGROUND: This project has two segments: Crystal Springs Road between Woodridge Road and El Cerrito Avenue, and El Cerrito Avenue between Crystal Springs Road and Gramercy Drive. Earlier cultural resources research has shown that there are no significant cultural resources in the construction zone for the Crystal Springs segment. However, the El Cerrito segment has numerous archaeological sites, some of which will require further investigation and collaboration with the approval agencies.

The consultant's report will describe the regulatory context, archaeological setting, potential project effects, Native American Consultation, field survey, subsurface reconnaissance and lab work already accomplished, and will make professional recommendations for completing Section 106 compliance procedures.

The extent of future required excavations and implementation protocols will be established at this stage; however, further excavation work will not be done now. After obtaining agency approval of the subject Report & Recommendations, the consultant will return with a subsequent proposal for doing the required spot excavation and further reporting work. Depending on the number of excavations required by the State, the additional excavations could require up to nine months to complete.

All of this work is being done proactively to avoid major delays and extraordinary mitigation costs during construction of the Crystal Springs / El Cerrito Sewer Trunk.

Holman & Associates, Archaeological Consultants, have efficiently and cost-effectively provided similar services to the Town in the past. Their reliable, high quality work is well regarded at the State level; therefore, they have been able to streamline the approval process.

Agenda Staff Report - Hillsborough City Council February 14, 2011 Page 2

FISCAL IMPACT: Holman & Associates' proposal for this phase of work is \$23,080 and shall be allocated from the Sewer Fund.

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

ATTACHMENTS: Resolution and Proposal

PREPARED BY: Cyrus Kianpour, City Engineer

RECOMMENDATION: Adopt the resolution authorizing the Public Works Director to enter into contracts with Holman & Associates to provide the necessary archaeological services for the Crystal Springs / El Cerrito Phase II Sewer Improvements Project in the amount of \$23,080, which shall be allocated from the Sewer Fund.



9

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION APPROVING THE CSG WORK ORDER FOR ENGINEERING SERVICES RELATED TO THE SURVEY OF THE FOREST VIEW AVENUE / EUCALYPTUS AVENUE / GERI LANE INTERSECTION AND SANITARY SEWER MASTER PLANNING AND CAPITAL IMPROVEMENT PROGRAM DEVELOPMENT

SUMMARY: CSG has submitted a proposal for the following projects:

FOREST VIEW AVENUE / EUCALYPTUS AVENUE / GERI LANE INTERSECTION – Design Services/Survey: The scope of this work order covers engineering services to research the limits and location of the public street right-of-way along Forest View Avenue, Eucalyptus Avenue and Geri Lane, perform a topographic survey of the area, and develop conceptual plans for the improvements of the intersection. This work allows the Town to distinguish which parts of the area are publicly owned, and what improvements are needed to enhance the safety of the Forest View Avenue / Eucalyptus Avenue / Geri Lane intersection. Based on this information, both the Hillsborough Beautification Foundation and Geri Lane Property Association can consider if they want to create projects for this area. This work totals almost \$13,700 and will be funded from the Public Works Administration Professional Services fund. No new funds are requested for allocation. The item is being presented to the City Council because the cumulative cost for engineering services exceeds \$5,000.

SANITARY SEWER MASTER PLANNING & CAPITAL IMPROVEMENT PROGRAM (CIP) DEVELOPMENT – Engineering Services: The scope of this work order is to perform sanitary sewer system master planning and development and the sewer CIP, including project management, video review, assessment of repair methods and prioritization. This work order will be funded by the Sewer Fund in the amount of \$65,400.

FISCAL IMPACT: \$65,400 would be allocated from the Sewer Fund to prepare a Sanitary Sewer Master Plan and for operating expenses associated with modification of the Forest View Avenue / Eucalyptus Avenue / Geri Lane intersection.

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

ATTACHMENTS: Resolution and Work Orders

PREPARED BY: Martha DeBry, Public Works Director

Agenda Staff Report - Hillsborough City Council February 14, 2011 Page 2

RECOMMENDATION: Adopt the resolution approving the attached CSG work orders in the amount of \$79,100, and allocate \$13,700 from the Public Works Administration Professional Services budget and \$65,400 from the Sewer Fund.



10

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

CONSENT CALENDAR CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: RESOLUTION AWARDING THE WINDSOR WATER MAIN REPLACEMENT PROJECT TO FARALLON COMPANY

SUMMARY: In late 2010, a water main break adjacent to 4 Windsor Drive caused crews to have to abandon a portion of the 4-inch water main serving the area and run temporary services to several homes. The pipe serving this area is 70 years old and has experienced at least five water main breaks over the past decade. When attempting to repair the pipe, crews identified that the main is heavily corroded and alignment of the main is in conflict with other utilities. This line connects to the Newhall Road 4-inch main which is scheduled for abandonment in the near future.

The Town solicited informal bids for the project and received the following bids:

PRICE

CONTRACTOR

\$53,575

Farallon Company

\$74,900

West Valley Construction

\$79,400

Shaw Pipeline

The low bidder for this project is Farallon Company. Staff conducted an analysis of the proposals and verified that the contractor's qualifications and experience levels are satisfactory.

FISCAL IMPACT: A contingency of 20% is recommended for this project due to the potential for unforeseen circumstances that may require changes or additional work during construction. The funding for the project will be \$53,575, with a contingency in the amount of \$10,715, for a total construction budget of \$64,290, which will be allocated from the Water Fund.

Town staff believes that the water main break in early January 2011, was caused by an unexpected shutdown within the San Francisco Public Utility Commission's main, and a claim for reimbursement of the repair and replacement expenses will be prepared and submitted.

ENVIRONMENTAL ISSUES: This project is exempt from the California Environmental Quality Act (CEQA) per section 15302 (c) of the State Public Resources Code.

ATTACHMENTS: Resolution

PREPARED BY: Cyrus Kianpour, City Engineer

RECOMMENDATION: Adopt the resolution awarding the contract for the Windsor Water Main Replacement Project to Farallon Company in the amount of \$53,575, with a contingency in the

Agenda Staff Report - Hillsborough City Council February 14, 2011 Page 2

amount of \$10,715, for a total construction budget of \$64,290 and allocating the same from the Water Fund.



11

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

PUBLIC HEARING CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: FUNDRAISING EVENT PERMIT APPLICATION 10-08 FOR THE NUEVA SCHOOL BENEFIT AUCTION

SUMMARY: Nueva School submitted an application to conduct their Benefit Auction at their campus located at 6565 Skyline Boulevard in Hillsborough. This event is proposed to take place on Saturday, April 9, 2011.

Hillsborough Municipal Code Section 5.16.080 requires a public hearing for a fundraising event permit where more than 200 people will be in attendance during any one day at any one property. Public notices have been sent to owners of properties located within a 500-foot radius of the property listed above.

The Police, Fire and Building Departments have reviewed the application and have submitted comments and recommendations, which are included in the City Council's agenda packet.

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

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

ATTACHMENTS: Fundraising Event Application and Police, Fire and Building Department Comments and Recommendations

PREPARED BY: Miyuki Yokoyama, City Clerk

RECOMMENDATION:

- 1. Open the public hearing and receive comments;
- 2. Close the public hearing; and
- 3. Approve Fundraising Event Permit Application 10-08 for the Nueva School Benefit Auction on Saturday, April 9, 2011, subject to the conditions recommended by staff.



12

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

PUBLIC HEARING CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: ACCEPTANCE OF THE 2010 GENERAL PLAN IMPLEMENTATION REPORT

SUMMARY: California Government Code Section 65400 requires that all cities and counties do the following:

- 1. Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the General Plan; and
- 2. Submit to their legislative bodies, the Governor's Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD), an annual report on the status of the General Plan and progress in its implementation.

The report is required to include the status of the General Plan and progress in its implementation, the progress in meeting the regional housing needs allocation, and local efforts to remove governmental constraints to the maintenance, improvement and development of housing. State law requires that the report be subject to a public hearing.

Included in the City Council agenda packet is a report and accompanying chart demonstrating the Town of Hillsborough's status of their General Plan Implementation Plan.

FISCAL IMPACT: There is no fiscal impact associated with the preparation and consideration of the 2010 General Plan Implementation Report.

ENVIRONMENTAL ISSUES: There are no environmental impacts associated with the preparation and consideration of the 2010 General Plan Implementation Report.

ATTACHMENTS: Draft 2010 General Plan Implementation Report

PREPARED BY: Elizabeth Cullinan, Director of Building and Planning

RECOMMENDATION:

- 1. Open the public hearing and receive comments;
- 2. Close the public hearing; and
- 3. Accept the 2010 General Plan Implementation Report.



13

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

OLD BUSINESS CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: SCHEDULING OF CITY COUNCIL WORKSHOP AND HILLSBOROUGH CITY SCHOOL DISTRICT BOARD OF TRUSTEES / HILLSBOROUGH CITY COUNCIL JOINT STUDY SESSION

SUMMARY: It was recommended at the January 10, 2011 City Council meeting to consider holding a half-day workshop to discuss topics related to the Town of Hillsborough. The Workshop would focus on topics that either a) require policy discussion, b) are a new concept, c) refine current direction, or d) have community impact. The Workshop would be conducted in Study Session format as an informational meeting. Any items requiring further discussion or action would be on the agenda for a future City Council meeting. The proposed date for the City Council Workshop is Friday, March 4, 2011, from 8:30 a.m. to 12:00 p.m. The workshop would be held in the Town Hall Administration Conference Room.

The proposed date for the annual Hillsborough City School District Board of Trustees / Hillsborough City Council Joint Study Session is Saturday, March 12, 2011, from 9:30 a.m. to 12:00 p.m. The Study Session is an informational meeting and would be held in the Council Chambers.

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

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

ATTACHMENTS: None

PREPARED BY: Anthony Constantouros, City Manager

RECOMMENDATION: Schedule Friday, March 4, 2011, from 8:30 a.m. to 12:00 p.m. as the date and time for the City Council Workshop and Saturday, March 12, 2011, from 9:30 a.m. to 12:00 p.m. as the date and time for the Hillsborough City School District Board of Trustees / Hillsborough City Council Joint Study Session.

1.6



14

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

OLD BUSINESS CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: ACCEPT THE WATER AND SEWER RATES STUDY AND AUTHORIZE THE IMPLEMENTATION OF RECOMMENDATIONS PRESENTED BY MUNICIPAL FINANCIAL SERVICES, CONSULTANTS, AND THE FINANCIAL ADVISORY COMMITTEE

SUMMARY: Pursuant to the fiscal year 2010/2011 approved budget, staff solicited proposals for a water and sewer rates study. The study is intended to assess and determine the service charges required to ensure a stream of revenues to pay for operations, long-term debt service and capital requirements of the water and sewer enterprise. The study aims to continue implementing the policy approved in 2006, including aligning the water fixed meter charge with the industry standard.

The City Council reviewed and discussed the Water Master Plan presented by the Public Works Director on October 11, 2010, and again on November 8, 2010, and directed staff to incorporate the plan in the rates study.

In addition to the operational needs, particularly with the cost of wholesale water from San Francisco expected to more than triple over the next decade, and compliance to the bond covenant ratio that now proves harder to maintain with the continued decline in water consumption, the study is structured to present the water rate changes with four different capital program scenarios. Variations to these scenarios were also considered to effect level funding to help smooth the rate changes through the years.

The sewer rate increases will serve to fund an increase in costs for wastewater treatment from Burlingame and San Mateo, both from operations and capital improvement costs and the Town's own capital costs for projects to eliminate sanitary sewer overflows to comply with the Cease and Desist Order issued to the Town in March 2009.

On October 11, 2010, the contract for the study was awarded to Municipal Financial Services. The study was first reviewed by a sub-committee of two members from the Financial Advisory Committee (FAC) and subsequently presented to the FAC at its meeting held on January 20, 2011. The FAC accepted the study and recommended an annual increase of 7% to the sewer rates for the next five years starting July 1, 2011. It recommended changes to the water rates to pay for Option D1 Capital Program (10-year Capital Improvement Program of \$24.4M with level funding) requiring an overall increase of 14% to take effect after the rates adoption and an annual increase of 13% for Years 2 through 5 starting January 1, 2012, from the combination of increases to the meter and flow charges.

Agenda Staff Report - Hillsborough City Council February 14, 2011 Page 2

The FAC further recommended that resulting increases to revenues be separately accounted for between operations and capital, and a policy and process be established to ensure that capital funds are not utilized for any purpose other than capital improvement.

As in the previous study, it is recommended that the Town adopt five years of future rate increases pursuant to the procedural requirements of Proposition 218. This will eliminate the need for the Town to go through the process each year. The Town still retains flexibility to revise the recommended rate increases as long as they do not exceed the maximum rates adopted under the Proposition 218 procedure.

Proposition 218 requires a 45-day notice to all homeowners before the public hearing to approve the rates. They are subject to the protest proceedings wherein rate changes cannot be implemented if there is a majority protest (50%+1). At the City Council's direction, the public hearing could be scheduled for the April 11, 2011 City Council meeting following the 45-day notice period.

A short Power Point presentation will be presented to the City Council and a consultant will be available to answer questions.

FISCAL IMPACT: There is no fiscal impact associated with the approval of the study. Rate changes will be presented to the City Council for adoption at the public hearing.

ENVIRONMENTAL ISSUES: There are no environmental issues associated with the approval of the study.

ATTACHMENTS: Study prepared by Municipal Financial Services and related fiscal analysis spreadsheets

PREPARED BY: Edna Masbad, Finance Director

RECOMMENDATION:

- 1. Accept the Water and Sewer Rates Study;
- 2. Direct staff to implement the 14% recommended water rate increase to take effect after the public hearing and 13% annual increase each January 1 for the next four years;
- 3. Direct staff to implement the 7% recommended annual sewer rate increase for the next five years starting July 2011;
- 4. Authorize the related Proposition 218 notice; and
- 5. Set the public hearing for April 11, 2011, to adopt the rates.



15

San Mateo County 1600 Floribunda Avenue Hillsborough, CA 94010

DISCUSSION CITY COUNCIL MEETING FEBRUARY 14, 2011

AGENDA STAFF REPORT

ITEM SUBJECT: 2010 URBAN WATER MANAGEMENT PLAN UPDATE

SUMMARY: Public Works will provide the City Council with an overview of the 2010 Urban Water Management Plan development and adoption process. The Town is required to update the plan every five years. Public Works has participated in Bay Area Water Supply and Conservation Agency's (BAWSCA) working group to prepare the update.

State laws and regulations have only recently been clarified and released to allow for the update of the plan. Prior to July of this year, the City Council will be asked to review and accept the document.

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

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

ATTACHMENTS: None

PREPARED BY: Martha DeBry, Public Works Director

RECOMMENDATION: For discussion only; no action required.