



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT

July 16, 2003

7:00 p.m.

TOWN COUNCIL CHAMBERS

94 Ashfield Road
Atherton, California

REGULAR MEETING

- 7:00 P.M. 1. PLEDGE OF ALLEGIANCE**
- 7:03 P.M. 2. ROLL CALL McKeithen, Marsala, Carlson, Janz, Conwell**
- 7:05 P.M. 3. PRESENTATIONS**
- A. Presentation by P.G.& E. – Utility Undergrounding**
- 7:15 P.M. 4. COUNCIL REPORTS**
- 7:25 P.M. 5. PUBLIC COMMENTS (only for items which are not on the agenda – limit of three minutes per person)**
- 7:35 P.M. 6. STAFF REPORTS**
- 7:45 P.M. 7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT (Per Resolution No. 02-31)**
- Crime Prevention Task Force**
- 7:50 P.M. CONSENT CALENDAR (Items 8 – 17)**
- 8. APPROVAL OF MINUTES OF SPECIAL COUNCIL MEETING OF JUNE 16, 2003 AND SPECIAL AND REGULAR COUNCIL MEETINGS OF JUNE 18, 2003**
- 9. APPROVAL OF BILLS AND CLAIMS FOR JUNE, 2003 IN THE AMOUNT OF \$666,856**
- 10. ACCEPTANCE OF MONTHLY FINANCIAL REPORT FOR JUNE**

2003

11. **APPROVAL OF AMENDMENT TO AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES BETWEEN THE TOWN OF ATHERTON AND THE CITY OF PALO ALTO FOR FISCAL YEAR 2003-04**

Recommendation: Approve Amendment No. 1 to the agreement between the Town of Atherton and the City of Palo Alto for Information Technology Services for the period of July 1, 2003 through June 30, 2004.

12. **APPROVAL OF PLANS AND SPECIFICATIONS FOR PUBLIC WORKS CORPORATION YARD REMODEL, AUTHORIZATION FOR STAFF TO ACCEPT THE LOWEST RESPONSIBLE BID WITHIN THE BUDGET ESTIMATE, AND AUTHORIZE MAYOR TO EXECUTE CONTRACT**

Recommendation: Approve the plans and specifications for the Public Works Street Corporation Yard Remodel Project, Project No. 03-007, and authorize staff to award the contract to the lowest responsible bidder if the bids received for the base project or the alternative are equal to or below the project budget, and authorize the Mayor to execute said contract.

13. **ADOPTION OF AN ORDINANCE CONFORMING THE TOWN'S FEE SCHEDULE RELATED TO ANIMAL CONTROL TO THE COUNTY OF SAN MATEO'S RECOMMENDED FEE SCHEDULE**

Recommendation: Adopt Ordinance No. ___ amending Section 6.04.240A of the Atherton Municipal Code pertaining to animal control fees and charges.

14. **APPROVAL OF APPOINTMENT OF DAMES REPRESENTATIVE TO PARK AND RECREATION COMMISSION AND APPOINTMENT OF MEMBER TO ARTS COMMITTEE**

Recommendation: Accept the recommendation of the City Council Screening Committee to appoint Etta Mae Bauer to the Park and Recreation Commission as the Dames representative for a two year term, and Marguerette Paponis to the Arts Committee for an indefinite term.

15. **APPROVAL OF INDEPENDENT CONTRACTOR AGREEMENT BETWEEN THE TOWN OF ATHERTON AND KCL ASSOCIATES, INC. FOR BUILDING INSPECTION SERVICES FOR FISCAL YEAR**

2003-04

Recommendation: Approve the independent Contractor Agreement between the Town of Atherton and KCL Associates Inc. for Building Inspection Services for Fiscal Year 2003-04.

16. APPROVAL OF TOW COMPANY CONTRACT

Recommendation: Approve a contract with Ed's Tow & Cradle for addition to the Atherton Police Department Tow Rotation List

17. APPROVAL OF LETTERS IN RESPONSE TO CIVIL GRAND JURY REQUESTS

Recommendation: Approve letters in response to San Mateo County 2002-03 Civil Grand Jury requests related to bicycle safety, handling of forensic evidence, and warrant enforcement.

PUBLIC HEARINGS (Items 18 – 19)

7:55 P.M. 18. PUBLIC HEARING - ADOPTION OF A RESOLUTION ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR THE FISCAL YEAR 2003-2004

Recommendation: Open public hearing. Hear testimony. Close public hearing. After consideration, adopt Resolution No. 03-___ establishing a Special Tax for Municipal Services for the Fiscal Year 2003-2004 as set forth in Ordinance No. 520.

NOTE: Ordinance No 520 approved by the voters on June 5, 2001 provided for the authorization to levy a Special Tax for Municipal Services and Capital Improvements and for the expenditure of the funds derived from the tax. The Special Tax was to commence in FY 2001-2002 and continue through June 30, 2005. Each year, following the adoption of the Budget, it is necessary to hold a Public Hearing and adopt a Resolution levying a Special Tax for Municipal Services and instructing the Tax Collector of the County of San Mateo to collect the tax rates as identified within the Adopted Resolution.

8:35 P.M. 19. PUBLIC HEARING - INTRODUCTION OF AN ORDINANCE AMENDING ATHERTON MUNICIPAL CODE SECTION 17 REGULATING ACCESSORY STRUCTURES - SECOND DWELLING UNITS

Recommendation: Open public hearing. Hear testimony. Close public hearing. After consideration, approve introduction of an ordinance regulating second dwelling units, and waive further reading.

REGULAR AGENDA (Items 20– 25)

- 9:00 P.M. 20. REPORT FROM BKF ENGINEERS, H.T. HARVEY & ASSOCIATES, AND TOWN ARBORIST ON UPPER ATHERTON CHANNEL REPAIR PROJECT**

Recommendation: Receive report from BKF Engineers, H.T. Harvey & Associates, and Town Arborist on the current status of the Atherton Channel Repair Project.

- 9:30 P.M. 21. DISCUSSION AND POSSIBLE ACTION – INTRODUCTION OF AN ORDINANCE AMENDING ATHERTON MUNICIPAL CODE SECTION 15.32 REGARDING ENVIRONMENTAL REVIEW**

Recommendation: After consideration, introduce an ordinance for adoption amending Atherton Code Section 15.32 regarding the environmental review process for removal of heritage trees.

- 9:45 P.M. 22. CONSIDERATION OF APPROVAL OF AWARD OF CONTRACT FOR TENNIS COURTS RESTORATION PROJECT**

Recommendation: After consideration, award the contract for the Holbrook-Palmer Park Tennis Court Restoration Project, Project No. 03-005, to the low bidder to be determined by the July 14, 2003 bids, for an amount to be determined by Council based on bid results.

- 10:00 P.M. 23. CONSIDERATION OF AWARD OF CONTRACT FOR ELENA AVENUE – ATHERTON CHANNEL BOX CULVERT REPLACEMENT, PROJECT NO. 03-006**

Recommendation: 1) Award the contract for the Elena Avenue – Atherton Channel Box Culvert Replacement Project, Project No. 03-006, to the low bidder to be determined by the July 15 bids, for an amount to be determined based on the bid results, 2) authorize the Mayor to execute the contract, and 3) reject all bids received on June 28, 2003.

- 10:15 P.M. 24. ADOPTION OF AN URGENCY ORDINANCE AMENDING**

ORDINANCE NO. 538 - PURCHASING PROCEDURES

Recommendation: Adopt Urgency Ordinance No. ___ amending Ordinance No. 538 to continue in effect existing procedures for informal competitive bid and small purchases under Chapter 3.16 of the Atherton Municipal Code, and waive further reading.

10:45 P.M. 25. DISCUSSION AND POSSIBLE ACTION – CANCELLATION OF REGULAR AUGUST CITY COUNCIL MEETING

Recommendation: Consider cancellation of the August 20, 2003 Regular City Council Meeting.

10:50 P.M. 26. PUBLIC COMMENTS

11:00 P.M. 27. ADJOURNMENT

Agendas and staff reports may be accessed on the Town website at: www.ci.atherton.ca.us

Please contact the City Clerk's Office at 650.752.0529 with any questions

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the City Clerk's Office at (650) 752-0529. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (29 CRF 35.104 ADA Title II)



**Draft Minutes
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT**

June 16, 2003

6:00 P.M.

**Town Council Chambers
94 Ashfield Road, Atherton**

Special Meeting

Mayor Janz called the meeting to order at 6:10 p.m.

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

PRESENT:
Kathy McKeithen
Charles E. Marsala
Alan B. Carlson
William R. Conwell
James R. Janz

City Manager Jim Robinson and City Attorney Marc Hynes were present.

3. PUBLIC COMMENTS

No public comments.

**4. PUBLIC HEARING - PROPOSED FISCAL YEAR 2003-04 INTEGRATED
OPERATING/CAPITAL BUDGET**

ADOPTION OF A RESOLUTION ADOPTING THE FY 2003-04 BUDGET

City Manager Jim Robinson gave a brief introduction of the proposed Fiscal Year 2003-04 Integrated Operating and Capital Budget, noting that amendments may be required in the future as a result of possible funding changes arising from the State budget shortfall. The General Fund Operating Budget expenditures total \$7,832,490, which represents an increase of approximately 4.3% over last year. The City Manager stated that staff had reviewed and made as many reductions as possible to individual departmental operating expenditures.

Finance Director John Johns presented the proposed Fiscal Year 2003-04 Operating and Capital Budget totaling \$12,396,981. Revenues and other financing sources are balanced with expenditures and other financing uses for Fiscal Year 2003-04. The budget document also contains an intermediate range financial plan and capital improvement plan for Fiscal Years 2002 through 2005. Several pages of corrections to the recommended budget were provided at the meeting. According to the Finance Director, the corrections did not represent any substantive changes.

Council Member Carlson stated that on recommendation of the Finance Committee, the proposed budget assumes the maximum parcel tax amount for this third year of the voter approved four-year tax. A resolution to set the parcel tax for Fiscal Year 2003-04 will be before the Council, and a public hearing will be held on the matter, at the July 16th regular meeting.

Discussion centered on ways to reduce the budget including eliminating monies budgeted for contract building inspection/plan checking, traffic studies, and equipment and vehicle purchases. The Finance Director stated that a 15% increase in building permit fees is built into the budget. After the budget is adopted, this item will come back to the Council for approval of the increase. Methods of generating additional revenue, including the licensing of cats and possible increases to the real property transfer tax, were discussed and referred to the City Attorney.

Various alternatives to the proposed tennis court improvements were discussed, as well as other options for replacing police and public works vehicles. Other areas of concern included increased costs for retirement and health insurance premiums, and budgeted amounts for step increases and cost of living adjustments.

Staff was asked to review any public works expenditures that may be related to the Building Permit process, particularly those associated with the Town Arborist. Council Member Marsala noted the need for income and expenditure information associated with Holbrook-Palmer Park. The Town currently recovers approximately two-thirds of the Park's operating expenses through facilities and use fees.

**CONTINUATION OF THE MEASURE "A" ONE-HALF CENT SALES TAX FOR
TRANSPORTATION**

The Council deferred this item to the June 18, 2003 regular City Council meeting.

8. ADJOURNMENT

The meeting adjourned at 10:44 p.m.

Respectfully submitted,

Sharon Barker, City Clerk



**Draft Minutes
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT
June 18, 2003
6:00 P.M.
Meeting Room
Town Administrative Offices
91 Ashfield Road, Atherton
Special Meeting**

Mayor Janz called the meeting to order at 6:00 p.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
Charles E. Marsala
Alan B. Carlson
William R. Conwell
James R. Janz

City Manager Jim Robinson and City Attorney Marc Hynes were present.

2. PUBLIC COMMENTS

There were no public comments.

3. CLOSED SESSION

The Council adjourned to Closed Session at 6:05 p.m.

4. RECONVENE TO OPEN SESSION

The Council reconvened to Open Session at 6:55 p.m. The following action was taken:

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – significant exposure to litigation pursuant to Government Code Section 54956.9 (b)(1)(3)(A). One potential case.**

Direction was given to the City Attorney.

- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Government Code Section 54956.9(a):**

**Teamster Union v. Atherton, et al
Chaput/McTaggart v. Town of Atherton
People v. Avila
People v. Reynolds**

Direction was given to the City Attorney.

- C. LIABILITY CLAIM pursuant to Government Code Section 54956.95**

**Claimant: Barbara Burnett, Executor for estate of Fred Kamphoefner
Agency claimed against: Town of Atherton**

Direction was given to the City Attorney.

- D. CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations pursuant to Government Code Section 54957.6**

**Agency Negotiator: James H. Robinson, City Manager
Employee Organization: Teamsters Local Union 856
Non-management Miscellaneous Employees**

This item was continued to Closed Session at the end of the Regular Meeting.

5. ADJOURN

The meeting adjourned and was continued to the end of the Regular 7:00 p.m. City Council Meeting.

Respectfully submitted,

James R. Janz, Mayor



**Draft Minutes
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT**

June 18, 2003

7:00 p.m.

TOWN COUNCIL CHAMBERS

94 Ashfield Road
Atherton, California

REGULAR MEETING

Mayor Janz called the meeting to order at 7:12 p.m.

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL**

PRESENT: Kathy McKeithen
Charles E. Marsala
Alan B. Carlson
William R. Conwell
James R. Janz

City Manager Jim Robinson and City Attorney Marc Hynes were also present.

3. **PRESENTATIONS**

A. Proclamation in Recognition of Menlo Masters Swim Club – Mayor Janz presented a proclamation to Tim Sheeper, Head Coach of the Menlo Masters Swim Club, in recognition of the club’s canned food donation to the Second Harvest Food Bank.

4. **COUNCIL REPORTS**

- **Council Member Conwell reported on the San Francisco Airport Roundtable**

meeting. The Roundtable has been successful in its efforts to reduce aircraft noise and will be cutting back on future meetings. He attended the City/County Association of Governments meeting where current legislation was addressed. Council Member Conwell also attended the Criminal Justice Commission meeting and was appointed chair of the budget committee.

- Mayor Janz attended a program sponsored by SAMCEDA on May 22. The meeting was attended by representatives of cities, the county, and other agencies and businesses working on garnering support for Measure A. He also attended the D.A.R.E. graduation on May 28, the Waste Reduction Committee meeting on June 4, a League of Cities meeting on June 5, the Arbor Day event on June 7, and the Finance Committee meeting on June 9. He reported on the Highway 101 corridor study meeting he attended on June 11.
- Council Member Carlson attended the Atherton Channel Drainage District Subcommittee meeting. He reported that the Finance Committee met June 9th to review the proposed budget.
- Council Member Marsala reported that the Library JPA met and considered the countywide library budget. The Arts Committee's Big Daddy Jazz event was attended by approximately 250 people.
- Vice Mayor McKeithen reported that the Atherton Channel Drainage Subcommittee met June 2. A study has been completed on the upper channel. The Subcommittee is proposing work on the channel but a follow-up study on the red-legged frog will be required first. The next meeting will be held July 7. The County Office of Emergency Services Council meets Thursday, June 19 at 5:00 p.m. in the County Center, Redwood City.

5. PUBLIC COMMENTS - The following members of the audience spoke:

- Marion Oster, Atherton Heritage Association, is doing research on the lineage of early Atherton resident Thomas H. Selby.
- Jerry Carlson, on the need for minutes of Town committees to be posted on the website. He also commented on the budget process.
- Gilbert Cain

6. STAFF REPORTS

- City Manager Jim Robinson reported that the Menlo Park Fire Protection District Board of Directors introduced an ordinance adopting fire sprinkler standards, and will return to the City Council for action in July. He noted that Item 14 on the consent calendar dealing with a second deferred compensation plan has corrections that the Council should look at prior to adopting the consent agenda. He also announced that the deadline for submitting articles for the summer issue of the Athertonian is Monday, June 23.
- City Attorney Marc Hynes reported out of closed session as follows:

- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – significant exposure to litigation pursuant to Government Code Section 54956.9 (b)(1)(3)(A). One potential case.**

Direction was given to the City Attorney.

- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to Government Code Section 54956.9(a):
Teamster Union v. Atherton, et al
Chaput/McTaggart v. Town of Atherton
People v. Avila
People v. Reynolds**

Direction was given to the City Attorney.

- D. LIABILITY CLAIM pursuant to Government Code Section 54956.95:
Claimant: Barbara Burnett, Executor for estate of Fred Kamphoefner
Agency claimed against: Town of Atherton**

Direction was given to the City Attorney.

Item D on the Closed Session Agenda was continued to the end of the regular meeting.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT

Vit Eckersdorf and Nancy Greenbach reported on recent activities of the Atherton Dames/Holbrook-Palmer Recreation Park Foundation.

CONSENT CALENDAR

Mayor Janz requested that Item 16 be removed from the Consent Agenda and combined with Items 24 and 25. Vice Mayor McKeithen asked that Item 14 be removed from the Consent Agenda. Council Member Carlson asked that Item 8, approval of minutes, be removed and voted on separately since he was not in attendance at the May 21 meetings.

MOTION – to approve the Consent Agenda with the exception of Items 8, 14, and 16 which were placed on the Regular Agenda.

M/S McKeithen/Carlson Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

9. APPROVED BILLS AND CLAIMS FOR MAY, 2003 IN THE AMOUNT OF \$970,506

10. ACCEPTED MONTHLY FINANCIAL REPORT FOR MAY 2003

11. APPROVED AGREEMENT WITH LIEBERT CASSIDY WHITMORE TO PROVIDE LEGAL SERVICES

Authorized the Mayor to execute an agreement with Liebert Cassidy Whitmore for legal services relating to labor relations.

12. APPROVED REQUEST FOR REFERRAL TO THE GENERAL PLAN COMMITTEE THE ISSUE OF CONSTRUCTION SITE PARKING

Approved the request of Planning Commission Chair Phil Lively to refer the issue of construction vehicle parking to the General Plan Committee.

13. APPROVED CONTRACT CHANGE ORDER NUMBER TWO TO THE ATHERTON AVENUE RECONSTRUCTION PROJECT

Approved Contract Change Order Number Two to the Atherton Avenue Reconstruction Project to include the Atherton Avenue cul-de-sac, in the amount of \$38,658.20.

15. ACCEPTED FINAL MAP FOR 223 CAMINO AL LAGO

Accepted and approved the final parcel map for 223 Camino al Lago.

REGULAR AGENDA

Items 8, 14 and 16 were removed from the Consent Agenda and placed on the Regular Agenda.

8. MINUTES OF SPECIAL AND REGULAR COUNCIL MEETINGS OF MAY 21, 2003

MOTION – to approve the minutes of the Special and Regular City Council meetings of May 21, 2003.

M/S McKeithen/Marsala Ayes: 4 Noes: 0 Absent: 0 Abstain: 1 (Carlson)

14. AUTHORIZATION TO ADD SECOND DEFERRED COMPENSATION PLAN FOR TOWN EMPLOYEES

Vice Mayor McKeithen asked that this item be removed from the Consent Agenda. She had questions with the language in the Self-Directed Tax Advantaged Retirement System (STARS) plan agreement regarding withdrawal from the plan, and asked for clarification on costs associated with the plan. City Manager Jim Robinson stated there is no cost to the Town and that contributions consist of employee payroll withholding.

MOTION – to adopt Resolution No. 03-12 authorizing the adoption of the retirement plan,

and to adopt Resolution No. 03-13 authorizing the City Manager and the Finance Director to act on behalf of the plan.

M/S McKeithen/Conwell

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

16. APPROVAL OF PLANS AND SPECIFICATIONS - TENNIS COURT RESTORATION PROJECT

City Manager Jim Robinson gave a brief introduction of this item. Each year, as part of the budgetary process, a review of the Capital Improvement Program is conducted by staff, the Planning Commission, and the Park and Recreation Commission. The Park and Recreation Commission has approved the Tennis Court Restoration Project. The adopted Capital Improvement Program includes funds for designing and constructing new tennis court surfacing and fencing. During the design process, it was determined that the cost would exceed the original estimate of \$180,000.

Public Works Director Duncan Jones presented the staff report and informed the Council that staff's recommendation would be to provide various bid alternates for the plans in order to allow for construction of the courts within the budgeted amount. Devin Conway, Project Manager of Beals Sport, who did the design work, presented proposed plans for the project and identified items that are increasing the cost estimate of the project to \$290,000.

Discussion was held regarding the age and condition of the courts and how money collected from tennis keys has been accounted for. Finance Director Johns stated that currently there is approximately \$24,000 in the Tennis Fund. The separate fund was established several years ago. Prior to that, tennis key funds were put in the General Fund and maintenance of the courts was expended from the General Fund.

Mr. Conway explained the proposed methods of installing the asphalt overlay. He responded to questions on overlay versus reconstruction on clay soil.

Mayor Janz asked for comments from the public. The following members of the audience spoke: Bob Huber, Ray Vella.

The Mayor called a short break at 8:40 p.m. The Council reconvened at 8:45 p.m.

The following members of the audience also spoke:

Rod Boghosian

Alan Margot, Tennis Director

Bill Awbrey

Dave Fowler

Rita Wachhorst

Bob Callaghan

Discussion ensued regarding funding of employee adjustments and merit increases. The City Manager advised that although the budget includes funding for adjustments, discussion of budgeted funds for employee adjustments are subject to the labor negotiation process.

Discussion was held on funding of the Tennis Courts improvements. It was agreed that the funding can be determined at the time the bids are received. Staff was asked to review Public Works' Staff involvement in building permit issues.

Council Member Carlson asked the Finance Director for a separate presentation reflecting a three-year revenue forecast at the next meeting.

MOTION – to adopt Resolution No. 03-10 adopting the Fiscal Year 2003-2004 Integrated Operating/Capital Budget with modifications as approved at the budget hearing on June 16, and as further modified tonight – restore \$290,000 appropriation for the Tennis Court Restoration Project to the Tennis Fund, Parcel Tax Fund, and the Capital Improvement Fund, and restore the \$50,000 revenue estimate for the Building Department to place in the reserve for future building inspection.

M/S Conwell/Carlson

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

25. ADOPTION OF A RESOLUTION APPROVING THE FISCAL YEAR 2003-04 APPROPRIATIONS LIMIT AND CALCULATIONS

Finance Director Johns presented this item, stating that the changes in the resolution result from the shift of 50% of the Town Arborist salary and benefits to the Building Department and the reduction of a Building Department contract planner. The changes that are made to the Gann limit are consistent with those made to the budget.

The Finance Director stated that the only change necessary to the appropriations resolution would be to the supporting documentation and would not affect the amount subject to the Gann limit.

MOTION – to adopt Resolution No. 03-11 approving the Fiscal Year 2003-2004 Appropriations Limit of \$7,992,725 and calculations with the resolution attachments reflecting amendments made to the budget tonight.

M/S Janz/McKeithen

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

17. UPDATE FROM BKF ENGINEERS AND H.T. HARVEY ON UPPER ATHERTON CHANNEL STABILITY IMPROVEMENTS PROJECT (THIS ITEM WILL BE CONTINUED TO THE JULY 16, 2003 REGULAR COUNCIL MEETING)

This item has been continued to the July 16, 2003 Regular City Council meeting to allow

for incorporating the results of the biotic study (red-legged frog) into the reports.

18. PROGRESS REPORT ON TEMPORARY NO PARKING ZONE ON OAK GROVE AVENUE

Chief Brennan gave an update on the temporary no parking zone on Oak Grove Avenue. He stated that the Menlo - Atherton High School staff has made arrangements for construction parking on site when construction is taking place on campus. He recommended putting the temporary no parking signs back out in September when school starts. A report will be made to the Council in October.

Bob Huber spoke on this item.

19. CONSIDER APPROVAL OF ANIMAL CONTROL SERVICES AGREEMENT WITH THE COUNTY OF SAN MATEO AND INTRODUCE AN ORDINANCE REVISING ANIMAL CONTROL FEES

Assistant to the City Manager Linda Kelly presented the staff report for this item. She noted that there is a slight increase in the animal control fees over last year. The proposed ordinance would continue the current animal control services program for three years. The Town receives no direct benefit for the increased fees; the additional revenues go into the county pool.

MOTION – to approve a new contract with the County of San Mateo for animal control services and introduce an ordinance conforming the Town’s fee schedule related to animal control to the County’s recommended fee schedule.

M/S McKeithen/Conwell

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

20. CONSIDERATION OF AGREEMENT WITH PENINSULA CONFLICT RESOLUTION CENTER

The City Manager presented the staff report for this item. At the May 21, 2003 regular Council meeting, the Council heard a presentation by Patricia Brown, Executive Director of the Peninsula Conflict Resolution Center (PCRC). Staff was directed to place an item on this agenda for consideration of membership in the PCRC. The PCRC is a private, non-profit organization and develops conflict resolution programs in San Mateo County. Fees are based on the number of residents. Patricia Brown was present to answer questions. She stated that the town currently has access to the services provided on a case by case basis. The City Manager stated that the Peninsula Builders’ Exchange also offers dispute resolution services at no cost for construction related issues only.

The Council agreed to try this service on a case by case basis if needed.

21. CONSIDERATION OF A REQUEST FOR MEMBERSHIP IN PENINSULA POLICY PARTNERSHIP

City Manager Jim Robinson presented the staff report for this item. The Peninsula Policy Partnership has submitted a request for membership to the Town at an annual cost of \$2,000. Discussion centered on projects the organization is working on and what benefit the Town would incur from the membership. No action was taken.

22. CONSIDERATION OF REQUEST OF CITY/COUNTY ASSOCIATION OF GOVERNMENTS (C/CAG) FOR A LISTING OF POSSIBLE PROJECTS FOR PROPOSED CONTINUATION OF THE MEASURE "A" ONE-HALF (1/2) CENT SALES TAX FOR TRANSPORTATION

Council Member Conwell explained that C/CAG, along with other local organizations, is working to initiate a ballot measure for the continuation of Measure "A". C/CAG has requested that cities submit a list identifying projects that would meet specific criteria for a future ballot measure. City Manager Jim Robinson suggested in the staff report that the only Atherton project that might qualify would be transit related (Caltrain/Samtrans Rail Corridor grade separations). The Council directed the City Manager to submit a list of projects as requested by C/CAG. In addition to the grade separations project, the Council requested that other possible projects be put on the list including drainage problems on El Camino, and Middlefield and Ravenswood. Sound walls along the Caltrain tracks were also suggested. The City Manager stated that this list is preliminary and will likely be changed.

23. DISCUSSION AND CONSIDERATION OF OPTIONS FOR REDUCING LENGTH OF CITY COUNCIL MEETINGS

Discussion was held with suggestions for reducing the length of City Council meetings. Enforcement of the three minute rule for public speakers was discussed, along with limiting public speakers to two minutes. It was also suggested that council members be limited to addressing the audience through the mayor. The mayor should call on council members on a rotation basis. Having staff develop a written order of business was suggested.

The Council concurred that public speakers should be allowed to speak three minutes but should be encouraged to not be repetitive on an issue. It was agreed that the Council should try disciplining itself first in order to keep the meetings going in a timely manner.

26. PUBLIC COMMENTS

Vice Mayor McKeithen brought up the Town's 80th anniversary. She stated that Betty Ogawa, Dames President, had contacted her regarding any plans the Town may have for the 80th anniversary. The City Manager will contact the Dames.

27. ADJOURNMENT

The meeting adjourned at 11:50 p.m. to continue the Closed Session to consider the following:

- D. CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations pursuant to Government Code Section 54957.6**

Agency Negotiator: James H. Robinson, City Manager

Employee Organization: Teamsters Local Union 856

Non-management Miscellaneous Employees

The Council reconvened to Open Session at 12:40 a.m. The following action was taken: Direction was given to the City Manager. The meeting adjourned at 12:45 a.m.

Respectfully submitted,

Sharon Barker, City Clerk

**TOWN OF ATHERTON
CLAIMS LIST
March, 2003**

Item No. 9

Payroll Checks	2102 - 2165	\$ 43,180
Electronic Transfers		275,438
A/P Checks	14958 - 15142	348,238
	TOTAL	\$ 666,856

I, James H. Robinson, City Manager of the Town of Atherton, do hereby certify under penalty of perjury that the demands listed above, check numbers 2102 through 2165 (Payroll) and 14958 through 15142 (Accounts Payable), and Electronic Transfers for Employees Federal Payroll Taxes and fees, inclusive, amount to \$666,857 are true and correct, and that there are funds for payment.

James H. Robinson
City Manager

The above claims, Payroll check numbers 2102 through 2165, Accounts Payable check numbers 14958 through 15142 and Electronic Transfers for employees federal payroll taxes and fees, amount to \$666,857; and are hereby approved for payment.

James R. Janz
Mayor, Town of Atherton

SOURCE OF FUNDS

101	General Fund	\$549,495
105	Tennis Fund	651
201	Special Parcel Tax	41,978
202	Transportation	74
203	Gas Tax Fund	-
210	Road Construction Impact Fees	9,373
213	Library Special Revenue Fund	-
401	General Capital Projects	380
402	Storm Drainage	-
403	Atherton Channel District	9,495
404	Park Playground Improvement	-
405	Middlefield Road Rehab.	-
406	Facilities Construction	20,679
610	Vehicle Replacement	-
611	Computer Maint. & Replacement	4,443
612	Administrative Services	3,061
614	Workers Compensation Insurance	20,391
715	Evans Estate	4,596
730	H-P Park Improvement	-
740	Tree Committee	2,240
	TOTAL	\$666,856

Item No. 10



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JOHN P. JOHNS, FINANCE DIRECTOR

DATE: FOR THE MEETING OF WEDNESDAY JULY 16, 2003

SUBJECT: MONTHLY FINANCIAL REPORT, JUNE, 2003

RECOMMENDATION:

Receive the Monthly Financial Report for June, 2003.

INTRODUCTION:

The attached schedules show revenues and expenditures and fund balance for all funds as of June 30, 2003.

HIGHLIGHTS

In June 2003, the Town received \$252,000 in building permit fees and \$82,000 in road impact fees. The strong performance for these two revenue accounts was due to permit fees being paid for major projects at Sacred Heart Academy and Menlo School.

Year to date General Fund revenues and expenditures represent 98% and 99% of the FY 2002-03 Budget as revised at mid-year. As of June 30, 2003, the General Fund balance amounts to \$4,953,828, or \$5,000 less than the \$4,958,780 estimated for FY 2003-04 budgetary purposes. When taking into account year-end adjusting entries and accruals, we anticipate the year-end fund balance to increase slightly thereby resulting in a slightly more favorable year-end position than was projected as the FY 2003-04 Budget was finalized.

Capital Projects Funds and Internal Services Fund expenditures totaled 64% and 70% of the amounts appropriated respectively. At present, the Public Works Director and the Finance Director are working to ensure that unexpended funds for projects currently in progress are encumbered as appropriate.

As of June 30th, four funds have a negative fund balance (the Gas Tax, Storm Drainage, Administrative Services and Workers Compensation Insurance Funds). However, when taking into account adjusting entries that will be accomplished as part of the year-end closing process each of these four funds is expected to have positive fund balances.

FISCAL IMPACT:

None

Prepared by:

Approved by:

John P. Johns
Finance Director

James H. Robinson
City Manager

TOWN OF ATHERTON
Revenue Summary
For the Month ended June 30th, 2003

Fund	Revenue Source	2002-03 Estimate	Current Period Revenues	Year to Date Revenues	% Received
	Property Tax	\$ 2,854,574	8,296	\$ 2,785,222	98%
	Sales and Use Tax	133,714	-	161,368	121%
	Other Taxes	802,157	59,233	798,121	99%
	Licenses & Permits	1,357,400	262,554	1,353,104	100%
	Fines & Forfeitures	70,286	8,287	75,875	108%
	Revenue from Other Agencies	202,000	4,314	154,425	76%
	Charges for Services	451,349	45,574	410,951	91%
	Investment & Rental Income	284,400	19,510	285,838	101%
	Other Revenues	12,300	912	32,047	261%
	Total General Fund Revenues	6,168,180	408,680	6,056,951	98%
	Interfund (Operating) Transfers In	844,000	422,000	844,000	100%
101	General Fund Total	7,012,180	830,680	6,900,951	98%
	Special Revenue Funds:				
105	Tennis	9,000	905	9,165	102%
201	Special Parcel Tax	1,570,000	-	1,532,654	98%
202	Transportation	270,000	-	175,340	65%
203	Street Improvement (Gas Tax)	200,000	11,489	154,871	77%
208	Police on the Street	-	-	-	
209	Law Enforcement	100,000	-	100,997	101%
210	Road Construction Impact Fees	400,000	83,639	395,234	99%
211	State Park Grants Fund	89,259	-	-	0%
213	Library	20,000	100	362,323	1812%
	Total	2,638,259	96,133	2,730,584	103%
	Capital Project Funds:				
401	Capital Improvement	10,000	-	84,722	847%
402	Storm Drainage	10,000	4,780	4,782	48%
403	Channel Drainage District	52,280	119	39,687	76%
404	Park Playground Improvement	-	-	2,205	0%
405	Middlefield Road Grants	1,200,000	-	1,246,936	104%
406	Facilities Construction	22,000	-	-	0%
	Total	1,294,280	4,899	1,378,332	106%
	Internal Service Funds:				
610	Vehicle Replacement	39,400	-	39,403	100%
611	Information Technology	91,371	-	91,373	100%
612	Administrative Services	406,256	-	236,257	58%
614	Workers Compensation Insurance	80,129	-	40,782	51%
	Total	617,156	-	407,815	66%
	Trust and Agency Funds:				
715	Evans Creative Design	116,900	20,593	85,707	73%
730	H-P Park Improvement	-	-	-	0%
731	MA Little League	-	-	-	0%
740	Tree Committee	-	28	5,475	
	Total	116,900	20,621	91,182	78%
	Total Revenues	11,678,775	952,333	11,508,864	99%

TOWN OF ATHERTON
Expenditure Summary
For the Month Ended June 30th, 2003

Fund	Description	2002-03	Current Period	Year to Date	%
Department		Budget	Expenditures	Expenditures	Spent
101	General Fund				
	11 City Council	\$ 21,623	\$ 118	18,244	84%
	12 City Manager	472,961	36,966	507,544	107%
	16 City Attorney	185,734	17,563	158,914	86%
	18 Finance	381,727	18,856	356,256	93%
	25 Building	860,798	46,657	861,911	100%
	40 Police	3,569,831	234,189	3,463,375	97%
	50 Public Works	1,588,713	137,235	1,656,931	104%
	Contingency	100,000	119,863	118,135	118%
	Total General Fund Expenditures	<u>7,181,387</u>	<u>611,447</u>	<u>7,141,310</u>	<u>99%</u>
	Interfund (Operating) Transfers Out	-	-	-	0%
101	General Fund Total	<u>\$ 7,181,387</u>	<u>\$ 611,447</u>	<u>\$ 7,141,310</u>	<u>99%</u>
Special Revenue Funds:					
105	Tennis	29,946	7,473	15,719	52%
201	Special Parcel Tax	1,480,309	12,227	1,026,728	69%
202	Transportation	273,992	11,633	368,103	134%
203	Street Improvement (Gas Tax)	155,319	-	54,308	35%
208	Police on the Street	40,000	-	20,000	50%
209	Law Enforcement	100,000	8,105	96,589	97%
210	Road Impact Fees	684,294	195,832	221,575	32%
211	State Park Grants	89,259	-	-	0%
213	Library Fund	25,384	-	38,741	153%
	Total	<u>2,878,503</u>	<u>235,270</u>	<u>1,841,763</u>	<u>64%</u>
Capital Project Funds:					
401	Capital Improvement	396,861	17,458	159,346	0%
402	Storm Drainage	-	-	64,767	-
403	Channel Drainage District	90,848	30,282	78,762	0%
404	Park Playground Fund	-	-	31,664	-
405	Middlefield Road Grants	1,299,000	-	933,265	72%
406	Facilities Construction	198,454	19,410	151,245	0%
	Total	<u>1,985,163</u>	<u>67,150</u>	<u>1,419,049</u>	<u>71%</u>
Internal Service Funds:					
610	Vehicle Replacement	45,000	25,832	25,832	57%
611	Information Technology	100,500	1,794	64,889	65%
612	Administrative Services	325,335	13,211	252,622	78%
614	Workers Compensation Insurance	95,000	-	106,659	112%
	Total	<u>565,835</u>	<u>40,837</u>	<u>450,002</u>	<u>80%</u>
Trust and Agency Funds:					
715	Evans Creative Design	84,750	19,130	83,142	98%
730	H-P Park Improvement	-	-	-	0%
731	MA Little League	-	-	-	0%
740	Tree Committee	730	-	4,062	556%
	Total	<u>85,480</u>	<u>19,130</u>	<u>87,204</u>	<u>102%</u>
	Total Expenditures	<u>12,696,368</u>	<u>973,834</u>	<u>10,939,328</u>	<u>86%</u>

TOWN OF ATHERTON
Budget Summary
Fiscal Year 2002-03
June 30th, 2003

Fund	Description	Beginning Fund Balance July 1, 2002	Revenues to Date	Transfers to Date	Expenditures To Date	Ending Fund Balance to Date
101	General Fund	5,194,187	6,056,951	844,000	7,141,310	4,953,828
	Special Revenue Funds:					
105	Tennis	21,926	9,165		15,719	15,372
201	Special Municipal Tax	847,820	1,532,654		1,026,728	1,353,746
202	Transportation	26,779	175,340		368,103	(165,984)
203	Street Improvement (Gas Tax)	85,697	154,871		54,308	186,260
208	Police on the Street	44,434	-		20,000	24,434
209	Law Enforcement	9,121	100,997		96,589	13,529
210	Road Construction Impact Fees	646,417	395,234		221,575	820,076
213	Library Special Revenue Fund	400,000	-		38,741	361,259
	Sub Total	<u>2,082,194</u>	<u>2,368,261</u>	<u>-</u>	<u>1,841,763</u>	<u>2,608,692</u>
	Capital Projects Funds:					
401	Capital Improvement	446,802	84,722		159,346	372,178
402	Storm Drainage	56,786	-		64,767	(7,981)
403	Channel Drainage District	445,509	39,687		78,762	406,434
404	Park Playground Improvement	58,417	2,205		31,664	28,958
405	Middlefield Road Grants	(173)	1,246,936		933,265	313,498
406	Facilities Construction	447,477	-		-	447,477
	Sub Total	<u>1,454,818</u>	<u>1,373,550</u>	<u>-</u>	<u>1,267,804</u>	<u>1,560,564</u>
	Internal Service Fund					
610	Vehicle Replacement	357,952	39,403		25,832	371,523
611	Information Technology	54,979	91,373		64,889	81,463
612	Administrative Services	6,143	236,257		252,622	(10,222)
614	Workers Compensation Insurance	(51,490)	40,782		106,659	(117,367)
	Sub Total	<u>367,584</u>	<u>407,815</u>	<u>-</u>	<u>450,002</u>	<u>325,397</u>
	Trust and Agency Funds					
715	Evans Creative Design	116,028	85,707		83,142	118,593
730	H-P Park Improvement	5,851	-		-	5,851
731	MA Little League	4,821	-		-	4,821
740	Tree Committee	226	28		-	254
	Sub Total	<u>126,926</u>	<u>85,735</u>	<u>-</u>	<u>83,142</u>	<u>129,519</u>
	Grand Total	<u>\$ 9,225,709</u>	<u>\$ 10,292,312</u>	<u>\$ 844,000</u>	<u>\$ 10,784,021</u>	<u>\$ 9,578,000</u>



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
JAMES H. ROBINSON, CITY MANAGER**

FROM: LINDA KELLY, ASSISTANT TO THE CITY MANAGER

DATE: FOR THE MEETING OF JULY 16, 2003

**SUBJECT: AMENDMENT TO AGREEMENT FOR INFORMATION TECHNOLOGY
SERVICES BETWEEN THE TOWN OF ATHERTON AND THE CITY OF
PALO ALTO FOR FISCAL YEAR 2003-04**

RECOMMENDATION:

Approve Amendment No. 1 to the Agreement between the Town of Atherton and the City of Palo Alto for Information Technology Services for the period of July 1, 2003 through June 30, 2004.

BACKGROUND:

At its meeting of August 21, 2002, the City Council approved an Agreement with the City of Palo Alto for Information Technology Services for the period of September 16, 2002 through June 30, 2003. The purpose of the agreement was to obtain cost-effective, quality and reliable services by consolidating most of the Town's information technology contractual needs through a nearby agency that has the resources to provide for such needs and understands government technology environments.

The City Council requested and received a status report on the implementation of the contract at its November 20, 2002 meeting. In this report, staff noted that we were very pleased with the results of this new contractual relationship and that much progress had been made in improving the Town's computer network during this period of time.

Since the contractual relationship commenced in September, a number of improvements to the Town's computer systems have been implemented, including:

1. Installation of back-up power on most desktop computers to protect the equipment against damaging power spikes caused by electrical outages.
2. Upgrading of all network equipment from 10Mbit hubs to 100Mbit Switches to improve speed and reliability of computer network.
3. Consolidation of computer network equipment to racks in Police Department to centralize equipment and improve security.
4. Setup/Deployment of new Microsoft Exchange Server (purchased through a Police Department Tech Grant), and subsequently migrated Police Department to the County Lawnet network, which allows all computers in the Police Department to access Lawnet for critical information. The new server also allows Atherton to host its own email with external email access from home, eliminating monthly e-mailbox charges from a third-party vendor.
5. Deployment of seven replacement desktop computers.
6. Increase of T1 speed (Internet access line) from 750Kbps to 1.5Mbps.
7. Installation of one refurbished and one new network printer for Administration Staff.
8. Addition of improved website software to allow staff posting of agendas and minutes for City Council and committees/commissions, and the new web-based community calendar, both accomplished within the contractual amount for website services.

In addition to the above, staff has utilized the helpdesk services through a dedicated phone number to the Palo Alto IT technical staff, and technical staff has provided on-site support in conformance with the contract. Website maintenance services have also been provided to the satisfaction of staff.

FISCAL IMPACT:

Last fiscal year, the agreement was for nine months, for a total of \$30,400. With additional after-hours that were required due to system emergencies and the installation of the new Exchange Server (which needed to take place on a weekend in order to not interrupt service), the estimated cost of FY 2002-03 Palo Alto IT services was \$33,016.

The proposed FY 2003-04 amendment to the agreement reflects a CPI adjustment in the hourly rates of 2.2%. The total contractual amount proposed is \$35,000 for 12 months (July 12, 2003 through June 30, 2004). This is approximately \$2,916.66 per month, as opposed to last year's monthly average of \$3,475.36. This reduction is the result of the removal of the one month at 12 on-site hours per week (this was the first month of the contract which required more staffing hours to make the cut-over to Palo Alto). All other terms of the contract and scope of work remain the same. Staff does not anticipate requiring Palo Alto IT services for extra consulting services beyond the scope of the proposed agreement for this fiscal year. Also note that the on Page 2 of the amendment, the first payment is due July 1, 2003; however, Palo Alto has indicated that their billing system will invoice the Town in August for the first fiscal year quarterly payment.

Funds for this expense are budgeted in the adopted Fiscal Year 2003-04 Operating Budget, Information Technology Internal Services Fund.

Prepared by:

Approved by:

Linda Kelly
Assistant to the City Manager

James H. Robinson
City Manager

Attachments: Proposed Amendment to Agreement
Agreement for Information Technology Services (FY 2002-03)



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: APPROVAL OF PLANS AND SPECIFICATIONS AND AWARD OF CONTRACT FOR THE PUBLIC WORKS STREET CORPORATION YARD REMODEL, PROJECT NUMBER 03-007

RECOMMENDATION:

Approve the plans and specifications for the Public Works Street Corporation Yard Remodel Project, Project No. 03-007, and authorize staff to award the contract to the lowest responsible bidder if the bids received for the base project or the alternative are equal to or below the project budget amount of \$490,000, and authorize the Mayor to execute said contract.

INTRODUCTION:

Plans and specifications for the proposed Public Works Street Corporation Yard Remodel Project were prepared by John Matthews Architects. The project adds a new building to the Corporation Yard to house crew changing/locker rooms, a superintendent's office, a supervisor's station and a crew meeting room with computer stations and a crew kitchen. The existing building will be converted to provide additional equipment storage, a heated shop and a covered outside work porch. Outside bulk storage areas will be added to the yard to allow purchase of bulk materials and enable better handling of green waste for recycling and other materials.

ANALYSIS:

The Public Works Street Corporation Yard Remodel Project is budgeted for construction in FY 2003-04. The City Council approved the conceptual design at the May 21, 2003 City Council meeting. The plans and specifications have been prepared and are ready to be advertised for construction. Bids will be accepted in August and the project awarded to the lowest bidder if the bid is within the project budget.

Otherwise, the project will be recommended for award or rejection of all bids at the September 2003 City Council meeting.

Staff is recommending that Council approve advertisement and award because of the cancellation of the August City Council meeting. An award at the September meeting will start the project late in the construction season, making it difficult for the contractor to complete grading during the dry season, and potentially resulting in project delays due to rain.

The project as scoped is estimated at more than the project budget. In the current bid environment, staff elected to receive bids on the entire project, and to create an alternative that deletes the exterior modifications to the existing building. In the event that the low bid on the entire project exceeds the project budget, the less costly alternative will be the basis for selection of the contractor.

FISCAL IMPACT:

The Engineer's Estimate for the Public Works Street Corporation Yard Project is \$526,365. The FY 2003-04 Budget includes \$490,000 for construction of the remodel project. The project will be bid with an alternative bid. The Engineer's Estimate for the alternative is \$475,000.

If the low bid for the base project is below the project budget (due to the current favorable bid environment), the base project will be awarded. If the low bid for the base project is above the project budget and the lowest alternative bid is below the project budget, the project will be awarded for the alternative bid. In addition, a 10% construction contingency should be authorized, up to the project budget. The project is scheduled to receive bids on August 15. The successful bidder will be determined by the lowest responsible bid on the base project or the alternative, whichever is below the project budget.

CONCLUSION:

The Public Works Street Corporation Yard Remodel Project plans are consistent with the Capital Improvement Program and should be approved. If the bids received for the base project or the alternative are equal to or below the project budget, staff should be authorized to award the contract for the amount of the lowest responsible bid.

Prepared By:

Approved:

Duncan L. Jones, PE
Public Works Director

James Robinson
City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: ADOPTION OF AN ORDINANCE REVISING ANIMAL CONTROL FEES

BACKGROUND:

At its meeting of June 18, 2003, the City Council approved a new three-year Animal Control Services Agreement with the County of San Mateo and introduced an Ordinance revising animal control fees, to conform the Town's fees to the recommended County fee schedule.

At this time, it would be appropriate to hold second reading and adopt the attached Ordinance No. ____ amending Section 6.04.240A of the Atherton Municipal Code pertaining to Animal Control Fees and Charges.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING SECTION 6.04.240A OF THE ATHERTON MUNICIPAL CODE
PERTAINING TO ANIMAL CONTROL FEES AND CHARGES**

The City Council of the Town of Atherton does ordain as follows:

SECTION 1.: Section 6.04.240A of the Atherton Municipal Code is hereby amended as follows:

6.04.240 Schedule of fees and charges.

Fees and charges referred to in this chapter are as follows:

A. Dog license fees:

Unaltered dog	\$30	(which includes a \$1 surcharge on all licenses for the Animal Population Trust Fund)
Three year license	\$87	
Altered dog	\$12	
Three year license	\$33	
Late penalty	\$15	
Duplicate tag	\$ 5	

Senior Discount (with proof citizen is 60 years of age or older)

Unaltered dog	\$11
Three year license	\$33
Altered dog	\$ 6
Three year license	\$15

Wolf Hybrid Registration Fees

Unaltered	\$21
Altered	\$11
Duplicate tag	\$ 5

B. Redemption Charges

Type A (large size animals, i.e., horses, cows, etc.)

Impound cost	\$100
Board cost	\$20.00 per day
Transportation Cost	\$50.00 per animal

Type B (medium size animals, i.e., hogs, sheep, etc.)

Impound cost	\$70.00
Board cost	\$20.00 per day
Trailing cost	\$50.00 per use

Type C (dogs and wolf hybrids)

Impound costs	Altered – Unaltered
First Offense	
Licensed dog or registered hybrid, wearing tag	\$30.00 - \$50.00
Unlicensed/unregistered, no tag	\$40.00 - \$70.00
Second Offense	\$60.00 - \$80.00
Third Offense	\$90.00 - \$100.00
Fourth Offense	\$120.00 - \$140.00
Fifth Offense and up	\$150.00 - \$170.00
Board Cost	
Dogs/wolf hybrids	\$15.00 per day
Cats	\$13.00 per day

Type D (small size animals, i.e., birds, hamsters)

Impound Cost	\$15.00
Board cost	\$5.00 per day

C. Adoption Fees

	Adoption Fee
Dogs	\$70.00
Cats	\$70.00
Rabbits	\$40.00
Mice	\$4.00
Rats	\$5.00
Guinea Pig	\$12.00
Hamster	\$8.00
Pigeon/Dove	\$3.00
Duck/Goose/Chicken	\$5.00
Turtle	\$5.00
Exotic Snake	\$25.00
Goats/Pits/Sheep	\$35.00
Horses	To be set on an individual basis

D. Surrender, Euthanasia and Dead on Arrival Disposal Fees

	Surrender	Euthanasia	DOA Disposal
Dog/Cat	\$20.00	\$40.00	\$20.00
Rabbit/small animal	\$20.00	\$15.00	\$20.00
Litter of three or more	\$30.00	\$30.00	\$20.00
Bird/Fowl	\$20.00	\$10.00	\$20.00

All Exotic Animals	\$20.00	\$20.00	\$20.00
Farm Animal	\$35.00	\$50 - \$100	\$50 -
\$100		(to be determined individually)	(to be determined)

individually)

- E. **Quarantine Fee** \$ 35.00
- F. **Dangerous Animal Permit Fee** \$200.00
- G. **Field Return Fee** \$ 35.00
- H. **Property Inspection Fee** \$ 25.00
- I. **Breeding Permit Fee** \$ 50.00
- J. **Fancier's Permit Fee** \$ 50.00 per household

SECTION 2.: Except as amended in the preceding sections, all other provisions of chapter 6.04 of the Atherton Municipal Code continue to remain in effect.

SECTION 3.: The City Council hereby declares that it would have passed this Ordinance word by word, sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions of this Ordinance are severable and, if for any reason any sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not affect the validity of the remaining parts of this Ordinance.

SECTION 4.: This Ordinance shall be posted in at least three public places according to law and shall take effect and be in force from and after 30 days after its passage and adoption.

* * * * *

Introduced this 18th day of June, 2003.

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held of the _____ day of _____, 2003.

AYES: COUNCILMEMBERS:
 NOES: COUNCILMEMBERS
 ABSTAIN: COUNCILMEMBERS
 ABSENT: COUNCILMEMBERS

 James R. Janz, Mayor
 Town of Atherton

ATTEST:

Sharon Barker, City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
CITY MANAGER, JAMES ROBINSON**

FROM: SHARON BARKER, CITY CLERK

DATE: FOR THE CITY COUNCIL MEETING OF JULY 16, 2003

SUBJECT: COMMISSION/COMMITTEE APPOINTMENTS

RECOMMENDATION:

Approve the recommendation of the Screening Committee for the following appointments:

Park and Recreation Commission:
(Two year term)

Etta Mae Bauer (Atherton Dames Representative)

Arts Committee:
(Indefinite term)

Marguerette Paponis

ANALYSIS:

The Atherton Dames have notified the Town that Etta Mae Bauer will serve as the representative to the Park and Recreation Commission, replacing the member appointed by the Council in April. City Council Screening Committee members, Bill Conwell and Charles Marsala, have recommended that Etta Mae Bauer be appointed to the Park and Recreation Commission for a two-year term and that Marguerette Paponis be reappointed to the Atherton Arts Committee.

Respectfully submitted by:

Reviewed/Approved by:

Sharon Barker

James Robinson

City Clerk

City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
JAMES H. ROBINSON, CITY MANAGER**

FROM: LINDA KELLY, ASSISTANT TO THE CITY MANAGER

DATE: FOR THE MEETING OF JULY 16, 2003

**SUBJECT: APPROVAL OF INDEPENDENT CONTRACTOR AGREEMENT BETWEEN
THE TOWN OF ATHERTON AND KCL ASSOCIATES INC. FOR BUILDING
INSPECTION SERVICES FOR FISCAL YEAR 2003-04**

RECOMMENDATION:

That the City Council approve the Independent Contractor Agreement between the Town of Atherton and KCL Associates Inc. for Building Inspection Services for Fiscal Year 2003-04.

BACKGROUND:

The Town Building Department has been utilizing the services of KCL Associates, Inc. for building inspection on a month-to-month basis, payable by invoice. At this time, in order to formalize the relationship with the contractor and limit the Town's liability exposure, the City Attorney has worked with the Town's labor relations counsel and ABAG Plan Corporation to draft the attached independent contractor agreement.

The contractor, KCL Associates, Inc., has provided building inspection services through Ms. T.C. Beier, President of the company. The contractor has provided proof of General Liability, Automobile Liability and Workers Compensation and Employers' Liability in the amount of \$2 million dollars (see attached).

Funds for this expense are budgeted in the adopted Fiscal Year 2003-04 Operating Budget, Building Department, Other Contract Services Account, in the amount of \$20,000.

Prepared by:

Approved by:

Linda Kelly
Assistant to the City Manager

James H. Robinson
City Manager

Attachment: Agreement

INDEPENDENT CONTRACTOR AGREEMENT BETWEEN THE TOWN OF ATHERTON AND
KCL ASSOCIATES, INC.

This Independent Contractor Agreement ("Agreement") is entered into between the Town of Atherton ("Town") and KCL ASSOCIATES, INC. ("Contractor").

1. Services of Contractor. Contractor agrees to perform the services described in Exhibit A ("the Services") attached to this Agreement. Contractor will determine the method, details, and means of performing the Services.

2. Compensation. The Town agrees to pay Contractor \$65.00 per hour based upon a monthly itemized invoice Contractor provides to the Town. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation, including all estimated taxes, and shall provide the Town with proof of payment on demand. Contractor indemnifies Town for any claims, losses, costs, fees, liabilities, damages or injuries suffered by Town arising out of Contractor's breach of this provision. Contractor shall be responsible for all expenses incurred in association with the performance of Services.

3. Term of Agreement. This Agreement will be effective as of June 30, 2003. This Agreement will terminate on June 30, 2004, at which time, it may be renewed annually by action by the City Council after receipt and review of responses to a request for proposals, if any. Prior to the termination date, either party may terminate this Agreement by giving 30 days written notice to the other party. Should either party default in the performance of this Agreement or materially breach any of its provisions, the non-breaching party may terminate this Agreement by giving written notification to the breaching party. Termination shall be effective on receipt of the notice, or 5 days from mailing the notice, whichever comes first. "Material breach" shall include, but not be limited to, the following: a) Town's failure to pay compensation for 20 days after a demand for payment; or b) failure of Contractor to perform the Services to the satisfaction of the Town.

4. Relationship of the Parties. Contractor enters into this Agreement as, and shall continue to be, an independent contractor. Under no circumstances shall Contractor look to Town as his/her employer, or as a partner, agent or principal. Contractor shall not be entitled to any benefits accorded to Town employees, such as workers' compensation, disability insurance, vacation, sick pay, holiday pay, medical insurance, retirement benefits, or any other employee benefit. Contractor shall be responsible for providing, at Contractor's expense, and in Contractor's name, disability, workers' compensation or other insurance as well as licenses and permits usual or necessary for performing the Services. Contractor agrees to perform the Services as needed, but that no more than 1,000 hours will be devoted to performance of the Services in any Town fiscal year (e.g., July 1 to June 30). Consistent with this requirement, Contractor may represent, perform services for, or be employed by any additional persons, or companies as Contractor sees fit.

5. Contractor's Representations. Contractor represents that he/she has the qualifications and ability to perform Services in a professional manner, without the advice, control or supervision of the Town. Contractor shall be solely responsible for the professional performance of the Services, and shall receive no assistance, direction, or control from the Town. Contractor shall have sole discretion and control of Contractor's services and the manner in which performed.

6. Indemnities. Except as set forth below, Contractor shall and does hereby indemnify, defend and hold harmless Town, and Town's Council members, managers, and department heads from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorney fees and costs, that

Town may incur or suffer and that result from, or are related to any breach or failure of Contractor to perform any of the representations, warranties and agreements contained in this Agreement.

Town shall provide legal defense to Contractor in connection with claims related to the exercise of discretion by Contractor in the performance of duties hereunder to the same extent as a regular employee of the Town under the provisions of California Government Code sections 810 through 825.6.

Contractor agrees to maintain minimum limits of insurance no less than the following amounts during the term of this agreement:

- General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- Automobile Liability: \$2,000,000 per accident for bodily injury and property damage (if an automobile is driven in the scope of providing services as part of this Agreement.)
- Employer's Liability: \$2,000,000 per accident for bodily injury or disease.

Any deductibles or self-insured retentions must be declared to and approved by the town. The Town may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

7. Notices. All notices to Town shall be directed to: City Clerk, Town of Atherton, 91 Ashfield Road, Atherton, California, 94027. All notices to Contractor shall be directed to: T. C. BEIER, President, KCL ASSOCIATES, INC., 181 Goodwin Drive, San Bruno, CA 94066.

8. Mediation. Should any dispute rise out of this Agreement, the parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. The costs of the mediator, if any, shall be paid equally by the parties. If a mediated settlement is reached, neither party shall be deemed the prevailing party for purposes of the settlement, and each party shall bear its own legal costs and fees. Neither party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution.

9. Attorneys' Fees. In the event of litigation between the parties to enforce any provision of the Agreement, the unsuccessful party shall pay the costs of litigation including reasonable attorneys' fees of the successful party.

10. Conflict of Interest. Contractor may serve other clients, but none who are active within the Town or who conduct business that would place Contractor in a "conflict of interest" as the term is defined and understood in State law.

11. Entire Agreement. This Agreement and Exhibit A hereto constitute the entire agreement between the parties. All prior agreements, written or oral, are hereby superseded by this Agreement.

12. Amendment. This Agreement can only be amended by a writing that is signed and dated by both parties and approved by the Town's City Council.

The foregoing is agreed to by:

TOWN:

Dated: _____

James R. Janz, Mayor

CONTRACTOR:

Dated: _____

T. C. Beier, President
KCL Associates, Inc.

Approved as to Form:

Dated: July 10, 2003

Marc Hynes, City Attorney

EXHIBIT A

Contractor KCL Associates, Inc. agrees to provide BUILDING INSPECTION SERVICES for the Town of Atherton. Services include the inspection of construction projects to verify conformance with the provisions of the Atherton Municipal Code and the 2001 California Building Code. Services shall include meeting with contractors, homeowners, and engineers and maintaining a courteous and professional relationship. Inspection assignments and general direction will be coordinated by the Building Official.



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
JAMES ROBINSON, CITY MANAGER**

FROM: ROBERT J. BRENNAN, CHIEF OF POLICE

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: APPROVAL OF TOW COMPANY CONTRACT

RECOMMENDATION:

The City Council approve the contract of Ed's Tow & Cradle for addition to the Atherton Police Department Tow Rotation List.

INTRODUCTION:

A representative of Ed's Tow & Cradle approached the Atherton Police Department, asking that they be added to the Police Department's Rotation Tow List. The representative was given an application form, as well as a contract to review, complete, sign and return. Both of these items have been returned and reviewed by Staff, who have given initial approval for the addition of this company, pending Council approval. In addition, this company will obtain a business license with the Town, and will provide Staff with evidence of current Liability Insurance upon contract approval.

The Police Department currently has one opening on the Rotation Tow List, and the addition of this company would fill the current vacancy.

ANALYSIS:

Ed's Tow & Cradle has been in business for 15 years in Mountain View. They are currently on the rotation lists of the California Highway Patrol, Mountain View Police Department, and the Palo Alto Police Department.

This tow company will be subject to a probation period of 3 months, at which time their performance will be evaluated to determine whether their contract will be continued. Approving the contract of Ed's Tow & Cradle will allow for an additional resource to be available to the Atherton Police Department.

FISCAL IMPACT:

None.

Prepared by:

Approved:

Robert J. Brennan
Chief of Police

James Robinson
City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: LETTERS IN RESPONSE TO CIVIL GRAND JURY REQUESTS

RECOMMENDATION:

That the City Council consider and approve the staff recommended responses to the Civil Grand Jury reports dealing with Bicycle Safety in San Mateo County, Handling Forensic Evidence, and Warrant Enforcement.

BACKGROUND:

The Civil Grand Jury has recently completed reports on Bicycle Safety in San Mateo County, Handling Forensic Evidence, and Warrant Enforcement in San Mateo County. Each of these reports contains findings and recommendations related to each city within San Mateo County. The Town of Atherton is required to respond to these findings and recommendations. The responses are to indicate whether the Town agrees with the findings or not and if the Town will implement any of their recommendations

Attached are recommended responses to each of the Civil Grand Jury Reports. The Town of Atherton was asked to respond by mid August on the three reports submitted by the Civil Grand Jury. Since our August meeting is to be cancelled, this will be the last opportunity for the City Council to review and approve of these responses from the Civil Grand Jury.



Town of Atherton Office of the City Manager

91 Ashfield Road
Atherton, California 94027
650-752-0500
Fax 650-688-6528

July 16, 2003

Hon. Beth Labson Freeman
Judge of the Superior Court
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063-1655

Re: Grand Jury Report, Bicycle Safety

Dear Judge Freeman:

Thank you for the opportunity to review and comment on the findings of the Grand Jury related to Bicycle Safety in San Mateo County. It is very obvious that the Committee of the Grand Jury that studied this issue spent considerable effort and did extensive research on this issue. The following are responses to each of the Grand Jury's recommendations including the steps that will be taken to implement the suggestions where appropriate.

Recommendation 1.

Within one year, San Mateo County and every city without a long-term strategic bicycle safety and transportation plan should develop one that includes:

- a. the priorities set forth in the San Mateo County Comprehensive Bicycle Route Plan.
- b. a bicycle advisory committee.
- c. at least one city employee whose job responsibilities involve bicycle transportation and safety issues.
- d. coordination of roadway construction projects with neighboring cities.

Response to Recommendation 1.

- a. The C/CAG Comprehensive Bicycle Route Plan for San Mateo County that was adopted by C/CAG in October 2000 will be adopted by the Town of Atherton including modifications that will make it specific to the Town of Atherton at such time the Town applies for any applicable bicycle grant funding. This Plan represents a long-term vision of bicycle programs and improvements for all of San Mateo County.
- b. The Town of Atherton will utilize its existing Transportation Committee as its bicycle advisory committee.
- c. The Town of Atherton will utilize the Public Works Director as Atherton's contact for all matters relating to bicycle transportation and safety issues.
- d. The Town of Atherton currently works with its neighboring jurisdictions to coordinate roadway construction projects that may impact that jurisdiction. In the future the Town of Atherton will ensure that neighboring jurisdictions are also notified of any bicycle projects under consideration.

Recommendation 2.

The county and cities should seek grant funding to support bicycle projects and programs in their communities.

Response to Recommendation 2.

With the assistance of C/CAG the Town of Atherton will actively seek grant funding for bicycle projects and programs to benefit our community and that are consistent with our General Plan. Priority will be given to seeking funds to implement projects that have been identified as high priority in the San Mateo County Comprehensive Bicycle Route Plan.

Recommendation 3.

C/CAG should increase its efforts to address bicycle issues within the cities by:

- a. developing a community outreach program for bicyclists that includes the distribution of designated bicycle route maps and safety tips, and provision of free maps to local bicycle shops and the non-profit bicycle organizations.
- b. incorporating in its Congestion Management Plan the requirement that consideration must be given to bicycle safety during new construction and roadway improvement projects.

Response to Recommendation 3.

This recommendation is being addressed directly by C/CAG.

Recommendation 4.

C/CAG should prioritize and fund projects that demonstrate inter city coordination of bicycle projects, e.g., bicycle lanes and paths.

Response to Recommendation 4.

This recommendation is being addressed directly by C/CAG.

Sincerely,

James H. Robinson
City Manager
Town of Atherton

July 10, 2003

Honorable Beth Labson Freeman
Judge of the Superior Court
400 County Center; 2nd Floor
Redwood City, CA 94063-1655
RE: Grand Jury Report: WARRANT ENFORCEMENT IN
SAN MATEO COUNTY

Dear Judge Freeman:

Thank you for the opportunity to review and comment on the recommendations in the above referenced report. The Town of Atherton will limit its comments to those findings and recommendations that reference our local jurisdiction.

The Police Chief's Association and Sheriff's Office should study the feasibility of creating a centralized county Warrant Detail under the jurisdiction of the Sheriff to serve and enforce warrants for the San Mateo County area. Alternately, the Sheriff's Office and city police departments should develop a standardized policy for coordinated enforcement of arrest and bench warrants.

I agree that there needs to be greater collaboration between the police departments and Sheriff's Office involving the service of warrants. The President of the San Mateo County Police Chief's and Sheriff's Association will place this issue on his agenda for discussion during their November Training Conference. We will also be reviewing the policies surrounding warrant service in the county.

I am hoping that greater use will be made of programs such as the Ad Hoc Task Force to reduce the backlog of outstanding warrants. I agree that by working together with the County Sheriff's Office and other law enforcement agencies, we have the potential to reduce the backlog of warrants presently in the system.

The Town of Atherton appreciates the efforts that the Grand Jury has undertaken to improve the quality of the San Mateo County criminal justice system. We are hopeful the recommendations addressed by the Grand Jury will bring about positive change.

Respectfully submitted,

Chief Robert J. Brennan

July 10, 2003

Honorable Beth Labson Freeman
Judge of the Superior Court
Hall of Justice
400 County Center; 2nd Floor
Redwood City, CA 94063

RE: Grand Jury Report: HANDLING FORENSIC EVIDENCE

Dear Judge Freeman:

Thank you for the opportunity to review and comment on the recommendations in the above referenced report. The Town of Atherton will limit its comments to those findings and recommendations that reference our local jurisdiction.

Police departments of San Mateo County and the Sheriff's Investigation units should review and update their respective investigation protocols regarding how first responders manage various kinds of crime scenes and whom they should call.

I agree that we should work in collaborating with the Sheriff, District Attorney, and the San Mateo County Police Chief's Association in completing a review of the countywide Sexual Assault Protocol. In the future, the Police Chief's Association will be reviewing other countywide investigative procedures to include homicide protocols.

The Town of Atherton appreciates the efforts the Grand Jury has undertaken to improve the quality of the San Mateo County criminal justice system. We are hopeful that recommendations made by the Grand Jury will bring about positive change.

Respectfully submitted,

Chief Robert J. Brennan



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JOHN P. JOHNS, FINANCE DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: PUBLIC HEARING - RESOLUTION TO LEVY SPECIAL PARCEL TAX FOR FISCAL YEAR 2003-04

RECOMMENDATION:

Open public hearing. Hear testimony. Close public hearing. After consideration, adopt Resolution 03-___ establishing a Special Tax for Municipal Services for the Fiscal Year 2003-04.

DISCUSSION:

On June 5, 2001, the residents of Atherton approved Ordinance No. 520 establishing a Special Municipal Tax. FY 2003-04 will be the third year in which the four-year Special Municipal Tax has been in effect.

The FY 2003-04 Budget approved by Council on June 18th includes an estimate of parcel tax revenue in the amount of \$1,770,000. This tax levy represents an increase in the amount of \$200,000 over that of the previous fiscal year. The increase in the parcel tax revenue will be utilized to increase the Town's reserves for insurance and economic uncertainty from \$3.5 million to \$3.7 million. Council has designated that the additional parcel tax revenues be used to increase the Town's financial reserves for the following reasons:

- Increasing pension and employee health benefit costs are likely to cause an erosion of the Town's financial position within the next several years; and,
- There is considerable risk that the State of California will divert revenues from local government to address the imbalance that exists between the State's General Fund revenues and expenses (the most probable target being approximately \$400,000 in motor vehicle license fees, the second largest source of discretionary funding for the Town of Atherton).

As directed by the City Council, we have also extended our intermediate range financial plan from FY 2004-05 to FY 2006-07. This revenue and expenditure analysis is presented in the following table.

**General Fund Revenue and Expenditure Analysis
Fiscal Years 2003 through 2007**

Revenue Category	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Property Tax	\$ 2,899,987	\$ 3,035,934	\$ 3,218,090	\$ 3,346,813	\$ 3,480,686
Sales Taxes	182,000	200,640	210,672	216,992	223,502
Other Taxes	868,840	882,115	917,400	954,096	992,260
Licenses and Permits	1,215,600	1,541,673	1,510,839	1,525,948	1,541,207
Fines and Forefeitures	70,286	70,000	71,400	72,828	74,285
Aid from other Agencies	205,000	139,000	119,000	99,000	99,000
Service Charges	422,333	445,900	445,900	468,195	491,605
Use of Money and Property	364,700	347,300	347,300	382,030	420,233
Other Revenues	9,300	3,000	3,000	3,000	3,000
Total Revenues	\$ 6,238,046	\$ 6,665,561	\$ 6,843,600	\$ 7,068,902	\$ 7,325,777
<i>Revenue Growth</i>		6.9%	2.7%	3.3%	3.6%
Expenditure Category					
Contingency	100,000	100,000	100,000	100,000	100,000
Council	19,098	20,174	20,779	22,026	22,907
Manager	487,127	497,895	562,622	596,379	620,234
Attorney	159,859	175,550	180,817	188,050	197,452
Finance	386,574	434,136	490,574	520,008	540,808
Building	844,738	902,873	993,160	1,052,750	1,094,860
Police	3,633,249	3,629,234	4,013,933	4,394,908	4,570,704
Public Works	1,686,807	1,759,629	1,981,342	2,100,222	2,184,231
Total Expenditures	\$ 7,317,453	\$ 7,519,490	\$ 8,343,225	\$ 8,974,342	\$ 9,331,196
<i>Expenditure Growth</i>	10.4%	2.8%	11.0%	7.6%	4.0%
Surplus Deficit of Revenues over Expenditure	(1,079,407)	(853,929)	(1,499,625)	(1,905,440)	(2,005,420)
<i>Add (subtract) Operating Transfers In (out)</i>					
Parcel Tax	554,500	799,000	799,000	799,000	799,000
Police on the Street	40,000	-	-	-	-
Gas Tax	100,000	200,000	160,000	160,000	160,000
CIP Support	150,000	150,000	150,000	150,000	150,000
Public Facilities Fund	-	-	-	-	-
Vehicle Replacement Fund	-	-	-	-	-
Subtotal Operating Transfers	844,500	1,149,000	1,109,000	1,109,000	1,109,000
Beginning Fund Balance	5,194,187	4,959,280	5,254,351	4,863,726	4,067,286
Ending Fund Balance	\$ 4,959,280	\$ 5,254,351	\$ 4,863,726	\$ 4,067,286	\$ 3,170,866
<i>Increase (Decrease) in Fund Balance</i>	\$ (234,907)	\$ 295,071	\$ (390,625)	\$ (796,440)	\$ (896,420)

As indicated in the preceding table, the General Fund balance is expected to decline from \$4,959,280 to \$3,170,866 from the beginning of FY 2003-04 to the end of FY 2006-07. This projection is based upon the assumption that the parcel tax levy will be increased to the maximum tax levy as specified in Town of Atherton Ordinance No. 520 with the additional revenues being used to increase the parcel tax operating transfer to the General Fund. This projection also includes an assumption that the parcel tax levy and operating transfers will remain consistent during fiscal years 2003-04 through 2006-07.

Should the City Council elect to forgo an increase in the parcel tax levy and operating transfer at this time, the Town's General Fund balance would decline by an additional \$800,000 during the next four fiscal years. Additionally, at an estimated \$2,370,866, the Town's General Fund balance would be approximately \$1.2 million below the \$3.5 million that the City Council has established as the requisite

level of reserves for cash flow, economic uncertainty and insurance. The following table illustrates the effect on the Town's financial position that would result from such a decision.

Town of Atherton General Fund Balance
Fiscal Years 2003-04 through 2006-07
 (Without Increase in Parcel Tax Levy or Operating Transfer)

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Beginning Fund Balance	5,194,187	4,959,280	5,054,351	4,463,726	3,467,286
Ending Fund Balance	\$ 4,959,280	\$ 5,054,351	\$ 4,463,726	\$ 3,467,286	\$ 2,370,866
Increase (Decrease) in Fund Balance	\$ (234,907)	\$ 95,071	\$ (590,625)	\$ (996,440)	\$ (1,096,420)

It should be noted that this intermediate-range financial plan includes an assumption that the Town of Atherton will continue to receive its full share of motor vehicle license fees from the State of California. As indicated during staff's testimony during the June budget hearings, the Town of Atherton and numerous other municipalities in the State of California have elected to include motor vehicle license fees in their budgetary projections based upon the conviction that local governments are entitled to such revenues in accordance with the California Constitution. Nonetheless, we have been advised by the League of California Cities challenges have arisen within the legislature and within the trial courts that continue to threaten this source of revenue.

If the Council adopts the attached resolution, the tax will be collected for the Town of Atherton by San Mateo County as part of the regular property tax bill due and payable in December 2003 and April 2004. The taxes for each parcel classification are listed on Exhibit A of the resolution.

FISCAL IMPACT:

Should the Council approve the tax levy as is proposed in the attached ordinance, the Special Municipal Tax will generate an estimated \$1,770,000, of which \$799,000 would go to the General Fund and the remainder would be available for capital projects. Should the Council decide to adopt a tax levy that remains unchanged from the previous year the Special Municipal Tax will generate \$1,570,000 in FY 2003-04. In the event Council chooses to adopt a tax levy that is less than recommended, staff would seek direction from Council on whether to reduce the special tax operating transfer to the General Fund or to reduce the amount of funds available for the Town's Capital Improvement Program.

Prepared by:

Approved by:

 John P. Johns, CPA
 Finance Director

 James H. Robinson
 City Manager

RESOLUTION 03-__

**A RESOLUTION OF THE TOWN OF ATHERTON
ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES
FOR THE FISCAL YEAR 2003-2004**

WHEREAS, there is Ordinance No. 520 of the Town of Atherton authorizing the City Council to establish a Special Tax Levy on all properties with the Town of Atherton; and

WHEREAS, such Special Tax must be utilized to finance the cost of municipal services during the year as authorized; and

WHEREAS, such Special Tax was approved by at least two-thirds of the voters voting in the June 5, 2001, Special Tax Election, at which time Ordinance No. 520 was presented to the electorate; and

WHEREAS, the City Council has held all public hearings, and made deliberations and findings of fact, as required by Ordinance 520.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the Town of Atherton hereby levies a Special Tax for municipal services in accordance with the tax rates attached and shown as Exhibit "A".

BE IT FURTHER RESOLVED that such tax shall be collected by the Tax Collector of the County of San Mateo in accordance with standard procedures and agreement between the Town of Atherton and the County of San Mateo, providing for such collection.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on the ____ day of _____, 2003 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS
ABSTAIN: COUNCILMEMBERS:

James R. Janz, Mayor
TOWN OF ATHERTON

ATTEST:

Sharon Barker
City Clerk

APPROVED TO FORM:

Marc G. Hynes, City Attorney

EXHIBIT “A”

**2003-2004 SPECIAL TAX RATE
FOR MUNICIPAL SERVICES**

Within the 2003-2004 annual budget is a revenue estimate of \$1,770,000 to be derived from the Special Municipal Tax as authorized by Ordinance 520 of the Town of Atherton.

This amount will be raised by the levy of the following tax rates for each of the categories listed below:

<u>Category</u>	<u>Rate</u>
1. For each dwelling on parcel with an area of less than 1/4 acre.	\$450
2. For each unimproved parcel with an area of less than 1/4 acre.	225
3. For each dwelling on parcel with an area of 1/4 acre but less than 1/2 acre.	570
4. For each unimproved parcel with an area of 1/4 acre but less than 1/2 acre.	285
5. For a dwelling on parcel with an area of 1/2 acre but less than 2 acres.	750
6. For each unimproved parcel with an area of 1/2 acre but less than 2 acres.	375
7. For each dwelling on parcel with an area of 2 acres or more.	960
8. For each unimproved parcel with an area of 2 acres or more.	480
9. For each private club.	10,000
10. For each parcel available for tax owned by a utility which serves Atherton area.	450
11. For each parcel available for tax owned by a utility which does not directly serve the Atherton community.	750

The records of the San Mateo County Assessor, as of each year, shall determine whether or not any particular lot is unimproved for purposes of this ordinance.



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: LISA COSTA SANDERS, DEPUTY TOWN PLANNER

DATE: FOR THE CITY COUNCIL MEETING OF JULY 16, 2003

SUBJECT: ORDINANCE REGARDING ACCESSORY STRUCTURES FOR SECOND DWELLING UNITS

RECOMMENDATION

Staff recommends that the City Council conduct the public hearing and introduce for adoption the attached Ordinance based on the following finding for the reasons outlined in this staff report:

1. The proposed amendment is required to achieve the objectives of the Zoning Plan and the General Plan.

INTRODUCTION

California State Assembly Bill No. 1866 requires a streamlined process for approving second units. According to the new law, cities must now consider all applications for second units ministerially, without discretionary review and a hearing. It does allow cities to create a detailed set of development criteria, including parking, height, setback, lot coverage, architectural review, maximum size of a unit and standards that prevent adverse impacts to historic preservation sites. If the proposal meets the criteria, the local agency must approve the application. Cities may no longer attach conditions to the approval.

ANALYSIS

Atherton Municipal Code Section 17.20.030(C) for R-1A and Section 17.24.030(C) for the R-1B zone currently requires a Conditional Use Permit for accessory structures for human habitation. Section 17.36.030 outlines the criteria in which an accessory structure for human habitation may be granted.

The Planning Commission reviewed the attached Ordinance at their June 25, 2003 meeting. At that meeting, the Commission recommended the City Council adopt the Ordinance as proposed.

The General Plan Committee at their June 4, 2003 meeting reviewed the proposed changes to the accessory structure for human habitation requirements. The General Plan Committee recommended the following:

- Change the name from “Accessory Structure for Human Habitation” to “Second Dwelling Unit”
- Include a requirement for landscape screening

- Include a requirement that external lighting shall be shielded or downlit

Although the Committee recommended retaining the annual fee, it is the City Attorney's opinion that the fee can no longer be charged as the item no longer requires a Conditional Use Permit and annual monitoring. The Committee also requested Staff to research past Conditional Use Permit conditions for other items that should be included as development criteria.

Staff reviewed Conditional Use Permits granted since 1998 for accessory structures for human habitation. The development criteria listed in 17.36.030 with the two additional requirements listed above (landscape screening and external lighting), were the standard conditions contained in these Use Permits. In one occasion, a condition was listed stating that the unit shall not be occupied until a certificate of occupancy is issued. This condition was not recommended as it can be enforced under the uniform building code. Since 1998, the Planning Commission has granted seven Conditional Use Permits to allow accessory structures for human habitation.

Staff does not anticipate much change in the number of second dwelling unit requests under the new requirements. Staff has prepared the attached draft ordinance modifying the code requirements for compliance with State Law. The attached Ordinance has been reviewed by the City Attorney.

CONCLUSION:

It is Planning Staff's professional opinion that the proposed Ordinance Amendment is consistent with the General Plan, the Housing Element and the intent of State Law.

ALTERNATIVES:

The City Council could recommend further modifications to the development criteria to allow a second dwelling unit. Failure to adopt the Ordinance will result in second dwelling units permitted in single-family residential zones without any requirements.

FISCAL IMPACT:

Costs associated with the implementation of the ordinance (building permit fees) will be borne by applicants.

ENVIRONMENTAL IMPACT:

The proposal has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Sections 15305, Class 5 which permits minor alterations in land use limitations which do not result in any changes in land use or density.

FORMAL MOTION:

I move that the City Council introduce the Ordinance Amendment based on the finding listed in the staff report for the reasons listed in the staff report, and waive further reading.

s/Lisa Costa Sanders
Lisa Costa Sanders, Deputy Town Planner

Jim Robinson, City Manager

Attachments:

1. Draft Ordinance
2. Memo from City Attorney

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING TITLE 17 OF THE ATHERTON MUNICIPAL CODE REGULATING SECOND
DWELLING UNITS WITHIN THE TOWN OF ATHERTON.

The City Council of the Town of Atherton does ordain as follows:

SECTION 1: Title 17, Chapter 17.08 of the Atherton Municipal Code is hereby amended by revising Section 17.08.030 to read as follows:

~~“Accessory structure for human habitation”~~ **“Second Dwelling Unit”** means a building or portion of a building designed for use and occupancy by one or two people living independently of the occupants of the main residence building and containing separate kitchen, bath, sleeping or living facilities.”

SECTION 2: Title 17, chapters 17.20 and 17.24 of the Atherton Municipal Code are hereby amended by deleting subsection C of Sections 17.20.030 and 17.24.003 which subsection reads as follows:

~~“C. Accessory structures for human habitation.”~~

SECTION 3: Title 17, Chapters 17.20 and 17.24 of the Atherton Municipal Code are hereby amended by adding a new subsection (C) to existing Sections 17.20.020 and 17.24.020 to read as follows:

“C. Second Dwelling Units in compliance with section 17.36.030.”

SECTION 4: Title 17, chapter 17.36 of the Atherton Municipal Code is hereby amended by revising subsection B of Section 17.36.025 to read as follows:

~~“B. One kitchen may be within an approved accessory second dwelling unit for human habitation for which a use permit has been granted and which is located within the main dwelling building setback lines;”~~

SECTION 5: Title 17, Chapter 17.36 of the Atherton Municipal Code is hereby amended by revising Section 17.36.030 to read as follows:

~~“An accessory A second dwelling unit for human habitation may be is permitted in conjunction with a main residence building, upon the issuance of a conditional use permit, provided the following standards are incorporated into the structural design and made conditions of the conditional use permit;~~

- A. Only one ~~accessory~~ **second** dwelling unit shall be allowed on each lot or parcel.
- B. Each such ~~accessory~~ **second** dwelling unit shall meet all applicable setback requirements in effect for residential structures.
- C. The maximum size of each such ~~accessory~~ **second** dwelling unit shall not exceed six hundred square feet, and no unit shall contain fewer square feet than the minimum prescribed by the applicable building code.
- D. Either the main residence or the ~~accessory~~ **second** dwelling unit, or both, shall be occupied by the owner of the property.
- E. No more than two persons shall reside in any ~~accessory~~ **second** dwelling unit.

- F. Each accessory **second** dwelling unit shall have assigned to it two designated, paved, off-street parking spaces accessible from a public street, and screened from view of the public street.
- G. **Accessory Second** dwelling units which are to be incorporated into or added to existing residence structures shall be permitted only on lots which have area greater than excess of one-half acre.
- H. **Accessory Second** dwelling units which are to be detached from main residence structures shall be permitted only on lots which have greater than forty thousand square feet, and may be located only in the rear yard.
- I. A separation of at least eight feet shall be maintained between any detached **accessory second** dwelling unit and its main residence structure.
- J. Any new **accessory second** dwelling unit which is incorporated into an existing main residence shall have a separate entrance facing the side or rear yard.
- K. ~~Each new or existing building for which a conditional use permit is issued to allow use as an~~ **The accessory second** dwelling structure shall meet all applicable zoning, building and fire regulations.
- L. ~~Each application for a conditional use permit hereunder shall be acted upon by the planning commission. The application fee for a conditional use permit shall be four hundred dollars. Each property owner to whom a conditional use permit is issued for maintenance of an accessory dwelling unit shall pay to the town an additional fee of two hundred dollars annually, payable on July 1st of each year following the issuance of the conditional use permit. The city council may, by resolution, change the amounts of these fees."~~
- L Any lighting associated with the second dwelling unit shall be shielded or downlit and shall not shine onto adjoining properties.**
- M Landscape screening shall be provided in compliance with the provisions of Chapter 17.50."**

SECTION 6: The City Council hereby declares that it would have passed this Ordinance word by word, sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions on this Ordinance are severable and, if for any reason any word, sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not effect the validity of the remaining parts of this Ordinance.

SECTION 7: This Ordinance shall be posted in at least three public places according to law and shall take effect and be in force from and after 30 days after its passage and adoption.

Introduced this ____ day of _____, 2003.

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held on the ____ day of __, 2003, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

James R. Janz, Mayor

ATTEST:

Sharon Barker, City Clerk

APPROVED AS TO FORM:

Marc Hynes, City Attorney

PLANNING COMMISSION STAFF REPORT

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: MARC G. HYNES, CITY ATTORNEY

DATE: MEETING OF JUNE 25, 2003

SUBJECT: SECOND DWELLING UNITS REQUIREMENTS

Recent legislation enacted by the State Legislature as Assembly Bill No. 1866 requires an amendment to Town regulations for second dwelling units. The principal effect of the new legislation is to remove the power of the Town to impose conditions following a public hearing on an application for a second unit. Accordingly, the Conditional Use Permit procedure which previously existed in the town must now be eliminated. The law does allow development of detailed requirements which must be satisfied in order to obtain approval of a second unit. Some of these requirements are described in the report from the Deputy Town Planner. However, once a development application meets the requirements, the application must be approved.

The revisions proposed to Title 17 of the Atherton Municipal Code are intended to bring Town regulations into compliance with the new State law. Lot size requirements as set out in Section 17.36.030(G) and 17.36.030(H) are an appropriate exercise of the Town's authority. However, in view of the other proposed revisions – the term "Accessory dwelling unit" should probably be revised wherever it appears in Section 17.36.030.

Section 17.36.030(G) provides that: "Accessory dwelling units which are to be incorporated into or added to existing residence structures shall be permitted only on lots which have greater than excess of one-half acre."

Section 17.36.030(H) provides that: "Accessory dwelling units which are to be detached from main residence structures shall be permitted only on lots which have greater than forty thousand square feet, and may be located only in the rear yard."

Attention is invited to the provisions of proposed amendments to Section 17.36.030(L) and (M) regarding shielding of lighting and installation of landscape screening. These requirements may be imposed, but shall be administered by Town Staff. Former subsection (L) relating to a conditional use permit issuance and annual compliance fee has been deleted as the conditional use permit procedure has been eliminated.

Respectfully,

MGH:cwb

MARC G. HYNES



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: UPDATE ON UPPER ATHERTON CHANNEL REPAIR PROJECT

RECOMMENDATION:

Receive report from BKF Engineers, H.T. Harvey & Associates and Town Arborist on the current status of the Atherton Channel Repair Project.

BACKGROUND:

BKF and H.T. Harvey presented the recommended project and the re-vegetation concept to the Atherton Channel Drainage Subcommittee on April 28, 2003. At that meeting, the consultants were directed to proceed with the red-legged frog survey and the environmental document. A red-legged frog was found at the project site, resulting in revisions to the project program. These changes were presented to the Subcommittee on June 2, 2003.

The consultants will explain the concept design plan for the project, the re-vegetation plan, and the program for addressing the red-legged frog. In addition, the Town Arborist has prepared a report of tree impacts from the project.

Prepared By:

Approved:

Duncan L. Jones, PE
Public Works Director

James Robinson
City Manager

Attachments: Design Study of Stability Improvements
Tree Report

(REPORTS AVAILABLE FOR PUBLIC VIEWING AT TOWN ADMINISTRATIVE OFFICES, 91
ASHFIELD ROAD, ATHERTON)



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: THE CITY COUNCIL

FROM: LISA COSTA SANDERS, DEPUTY TOWN PLANNER

DATE: FOR THE CITY COUNCIL MEETING OF JULY 16, 2003

SUBJECT: ORDINANCE AMENDING ATHERTON MUNICIPAL CODE SECTION 15.32 REGARDING ENVIRONMENTAL REVIEW

RECOMMENDATION

Staff recommends that the City Council introduce the attached Ordinance for adoption based on the following finding for the reasons outlined in this staff report:

2. The proposed amendment is required to achieve the objectives of the Zoning Plan and the General Plan.

INTRODUCTION

There is currently some ambiguity on the environmental review necessary for the removal of heritage trees. The California Environmental Quality Act (CEQA) contains exemptions for construction of accessory structures, new residences and minor alterations to land use limitations, but does not specifically list the removal of heritage trees. Staff in the past has required a negative declaration for the removal of six or more heritage trees. A section has been added to CEQA to allow local jurisdictions to establish findings of significance. Staff would like to clarify the environmental review process for the removal of heritage trees.

ANALYSIS

Section 8.08 of the Atherton Municipal Code regulates Dead or Dangerous Trees. This section states that property owners shall remove any tree, which appears to be dead, is liable to fall, is dangerous or is an obstruction to public travel. The removal of these trees would be considered categorically exempt based on CEQA section 15304 (projects that do not involve the removal of healthy trees).

Trees that are located outside of the tree preservation area can be removed as a matter of right and are therefore considered to be a ministerial act and would be statutorily exempt from CEQA.

Heritage trees located within the tree preservation area currently require review under CEQA. CEQA allows local jurisdictions to establish findings of significance under Section 15064.7 as follows:

“Each public agency is encouraged to develop and publish thresholds of significance that the agency uses in the determination of the significance of environmental effects. A threshold of significance is an identifiable quantitative, qualitative or performance level or a particular environmental effect, non-compliance with which means the effect will normally be determined to be significant by the agency and compliance with which means the effect normally will be determined to be less than significant. Thresholds of significance to be adopted for general use as part of the lead agency’s environmental review process must be adopted by ordinance, resolution, rule, or regulation, and developed through a public review process and be supported by substantial evidence.”

Staff recommends that the City Council establish the removal of two or fewer trees on parcels of land with area less than one acre, five or fewer heritage trees on parcels of land of one acre, but less than two acres, and seven or fewer trees on parcels of land with area greater than two acres, and three or fewer trees in a grove to be insignificant and therefore exempt from further environmental review. Staff recommends that the removal of three or more heritage trees on parcels of land with area less than one acre, six or more heritage trees on parcels of land of one acre, but less than two acres, and eight or more trees on parcels of land with area greater than two acres, and four or more trees within a grove, to be considered to have a potential for environmental impact unless mitigated and require the preparation of a negative declaration.

As an example, the removal of more than five heritage trees on an acre parcel within the tree preservation area could have a negative impact unless carefully mitigated. The removal of this many large heritage trees, especially if occurring in one area of the site could significantly alter the patterns of light, wind and microclimates as well as detract from the soil stabilization. Preparation of a mitigated negative declaration would either have specific mitigation measures to ensure that any impact is brought to a level that is considered less than significant or would make a finding of recommending denial of the tree removal.

The removal of this many heritage trees on a site could significantly alter patterns of light, wind and microclimates as well as influence energy conservation, storm water management, erosion control, air quality, wildlife habitat and property values. Benefit/Cost analysis of removing or retaining trees and natural ecosystems can be calculated and the economic value justifies their inclusion in the development process. The benefits derived from the urban forest generally increase as size and canopy cover increase. Therefore, it is in the best interest of our community to protect our existing tree sources from loss or depletion. While it is not possible to indefinitely preserve individual trees, as they will eventually die, it is possible to preserve the urban forest by restricting the removal of trees in all age classes and by making provisions for regeneration.

Limiting the number of trees that may be removed at one time will provide an incentive to protect and retain trees and natural ecosystems for their ecologic functions in developed landscapes.

For an acre of parcel, the removal of five or fewer heritage trees in the tree preservation area would not have a significant impact on the environment with the implementation of the tree replacement requirements currently contained in the code. The tree replacement requirements help to ensure a long-term healthy forest environment by replacing older trees with new specimen plantings. This helps to create a vibrant living environment by adding newer specimen plantings that will have a longer life and ensure a thickly wooded environment for the future.

Trees that make up the urban forest have finite life spans and must be removed as they die. In addition, living trees are removed when their health, appearance or structural integrity decline substantially, or when they conflict excessively with utilities or structures. The likelihood that a tree will need to be removed for one reason or another increases as the tree grows older and larger. If areas are planted with a single species, a large percentage of the trees will need to be removed over a short time period when they reach the end of their useful life. This results in a rapid reduction in canopy cover, and the loss of many of the benefits provided by the urban forest. This is less likely to occur if the urban forest is composed of

a variety of tree age classes and species. Species diversity also helps stabilize the urban forest by protecting it from pest and disease epidemics.

The tree replacement requirements help to ensure a long-term healthy urban forest environment by replacing older trees with new specimen trees. This helps to ensure a sustainable, diverse, high-density urban forest by adding large canopied, long-lived tree species.

Staff would recommend limiting the consideration of tree removals to five-year increments. An applicant could request the removal of five trees at one time and then come back five years later and request the removal of five other trees. The five-year time span would allow time for the replaced trees to mature and is consistent with the effective time span of environmental impact reports under CEQA. Using the one acre parcel as an example, if an applicant were to initially obtain approval for the removal of five trees, and then request any additional tree removals within the next five years, the requirement for preparation of a negative declaration would be imposed. Further, if an applicant were to obtain approval for the removal of six trees, that negative declaration would be considered applicable for five years.

The attached Ordinance was reviewed by the Planning Commission at their June 25, 2003 meeting and recommended to the City Council for adoption. Since the Planning Commission's review on the item, staff has added the following wording to the Ordinance in an attempt to clarify the environmental review process for other trees:

“In compliance with the California Environmental Quality Act (CEQA), the City Council finds that heritage trees located outside of the tree preservation area can be removed as a matter of right and that such removal is therefore considered to be a ministerial act, statutorily exempt from CEQA, and, the City Council further finds that dead or dangerous heritage trees may be considered categorically exempt from CEQA.”

CONCLUSION:

It is Planning Staff's professional opinion that the proposed Ordinance Amendment is consistent with the General Plan and will achieve the desired results of maintaining Atherton as a thickly wooded environment.

ALTERNATIVES:

The City Council could either adopt or modify the Ordinance Amendment. Staff feels that the proposal is consistent with past practices.

FISCAL IMPACT:

Costs associated with the implementation of the ordinance will be borne by applicants.

ENVIRONMENTAL IMPACT:

The proposal has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Sections 15305, Class 5 which permits minor alterations in land use limitations which do not result in any changes in land use or density.

FORMAL MOTION:

I move that the City Council introduce the Ordinance Amendment based on the finding listed in the staff report for the reasons listed in the staff report, and waive further reading.

s/Lisa Costa Sanders

Attachments:

3. Draft Ordinance
4. Memo from City Attorney Marc Hynes

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING SECTIONS 15.32 OF THE ATHERTON MUNICIPAL CODE REGARDING
ENVIRONMENTAL REVIEW IN
THE TOWN OF ATHERTON.

The City Council of the Town of Atherton does ordain as follows:

SECTION 1: Chapter 15.32 of the Atherton Municipal Code is hereby amended to entirely to read as follows:

~~“Environmental Impact Report~~ Environmental Review”.

SECTION 2: Section 15.32.100 of the Atherton Municipal Code is hereby added to read as follows:

“Threshold of Significance for the Removal of Heritage Trees. The City Council declares that the removal of the following heritage trees could potentially have a significant impact on the environment and that an initial study and mitigated negative declaration or Environmental Impact should be prepared;

- A. More than two heritage trees on parcels of land with an area less than one acre. The removal of two or fewer heritage trees is exempt from further environmental review.
- B. More than five heritage trees on parcels of land with an area of one acre, but less than two acres. The removal of five or fewer heritage trees is exempt from further environmental review.
- C. More than seven heritage trees on parcels of land with an area greater than two acres. The removal of seven or fewer heritage tress is exempt from further environmental review.
- D. More than three heritage trees within a grove, screen, stand or closely planted area. The removal of three or fewer heritage trees, in such situation is exempt from further environmental review.

The applicable environmental determination shall be valid for a period of five years.

In compliance with the California Environmental Quality Act (CEQA), the City Council finds that heritage trees located outside of the tree preservation area can be removed as a matter of right and that such removal is therefore considered to be a ministerial act, statutorily exempt from CEQA, and, the City Council further finds that dead or dangerous heritage trees may be considered categorically exempt from CEQA.”.

SECTION 3: That the City Council hereby declares that it would have passed this Ordinance word by word, sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions of this Ordinance are severable and, if for any reason any word, sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not effect the validity of the remaining parts of this Ordinance.

SECTION 4: This Ordinance shall be posted in at least three public places according to law and shall take effect and be in force from and after 30 days after its passage and adoption.

* * * * *

Introduced this ___ day of _____, 2003.

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held on the _____ day of _____, 2003, by the following vote:

AYES	COUNCILMEMBERS:
NOES	COUNCILMEMBERS
ABSENT	COUNCILMEMBERS
ABSTAIN	COUNCILMEMBERS

James R. Janz, Mayor

ATTEST:

Sharon Barker, City Clerk

APPROVED AS TO FORM:

Marc Hynes, City Attorney

STAFF REPORT

**TO: HONORABLE CHAIR AND COMMISSIONERS
TOWN OF ATHERTON PLANNING COMMISSION**

FROM: MARC G. HYNES, CITY ATTORNEY

DATE: MEETING OF MAY 28, 2003

**SUBJECT: AMENDMENTS TO MUNICIPAL CODE
HERITAGE TREE REMOVAL – ENVIRONMENTAL ANALYSIS**

The Planning Staff Report details the Town's regulation of heritage trees as well as dead or dangerous trees. The report points out that the California Environmental Quality Act ("CEQA") allows local jurisdictions, such as the Town, to establish its own threshold of significance in determining the significance of environmental effects.

The Staff recommends that the City Council establish a threshold of significance related to the removal of heritage trees on properties within the Town. The report contains the analysis behind the recommendation that Chapter 15.32 of the Atherton Municipal Code be amended to provide that removal of four or fewer heritage trees per acre of lot area is insignificant and exempt from further environmental review. Five or more heritage trees per acre of lot area will require environmental review. A negative declaration may be justified where the potential environmental impact of the tree removal can be mitigated. Removal of more than four heritage trees on an acre parcel within the tree preservation area will also require environmental review. With proper mitigations, a negative declaration may be justified.

The conclusion by the Staff that removal of four or fewer heritage trees in the tree preservation area would not have a significant impact on the environment is based upon the fact that the Municipal Code currently requires replacement of such trees. This replacement helps to ensure a long-term healthy forest environment by replacing older trees with new specimen plantings. It implements the General Plan policy that Atherton be a thickly wooded residential community.

Section 15064.7 of the CEQA Guidelines encourages agencies to develop and use thresholds of significance as a way of standardizing environmental assessments. Section 15064.7 is authorized by Sections 21803 and 21087 of the Public Resources Code. These sections are part of the California Environmental Quality Act (Public Resources Code sections 21000 and following).

Respectfully,

MGH:cwb
Attachment

MARC G. HYNES



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: AWARD OF CONTRACT FOR HOLBROOK-PALMER PARK TENNIS COURT RESTORATION PROJECT, PROJECT NUMBER 03-005

RECOMMENDATION:

Award the contract for the Holbrook Palmer Park Tennis Court Restoration Project, Project Number 03-005, to the low bidder to be determined by the July 14 bids, for an amount to be determined by Council based on the bid results.

INTRODUCTION:

The adopted Capital Improvement Program includes funds for designing and constructing new tennis court surfacing and fencing for the Holbrook-Palmer Park Tennis Courts. The need for these replacements was made clear by the cracking and settlement of the pavement surface, and the rusting of the fencing.

ANALYSIS:

The Park Tennis Court Restoration Project is budgeted for construction in FY 2003-04. The design for the project was budgeted in FY 2002-03. Town staff approved the contract for design of the project in early spring. Plans for the tennis court restoration have been coordinated with members of the Atherton Tennis Club and Alan Margot, the tennis pro.

The specifications were modified to incorporate additional language to modify the existing fence should the Council reduce the scope of work of the project by deleting the new fencing. This change required delay of the bids from July 9 to July 14. The bid results will be provided to Council members on July 14 and presented at the Council meeting.

The Parks and Recreation Commission considered this project at their July 2 meeting and discussed alternate funding for the renovation. The Parks and Recreation Commission generally felt that the project should proceed if the bids for restoration of the courts could be accomplished within the original estimate of \$180,000. If costs exceeded that amount, it was suggested that the Tennis Committee and users assist in the funding of these improvements. Suggestions ranged from pledges of funding from tennis players ie: Tennis players would agree to buy a key if courts improved or key holders would commit to buying 5 or 10 year keys to provide up front revenue to defray the cost of the restoration of the courts

The Commission agreed that it would be reasonable to expect that key sales would increase to at least 100 keys annually. At \$150 per key, the courts would generate \$15,000 per year. If the fee were increased to \$250, \$25,000 would be generated. In addition, the tennis professional pays to the Town a portion of his fees, estimated to be \$2,000 per year (but also anticipated to increase with the improved courts).

The tennis courts will be charged for maintenance of approximately \$5,000 per year (reduced substantially from previous years due to the new courts and fences). At the current key rate, this will leave revenue of \$12,000 per year for the Tennis Fund to re-pay the additional \$100,000 cost (or less depending on the bid prices) to replace the fencing, utilities and site furnishings in about 8 years. The next major maintenance on the courts is expected at approximately 10 years, at which time approximately \$30,000 will be required to re-coat the courts. Once the \$100,000 is paid, a reserve will be maintained in the fund for re-coating the courts and for court replacement in the future.

FISCAL IMPACT:

The Engineer’s Estimate for the Holbrook-Palmer Tennis Court Restoration Project is \$279,117. In addition, a construction contingency of \$10,000 would bring the total project estimate to \$289,117. The project is tentatively budgeted in FY 2003-04 for \$290,000. The project is scheduled to receive bids on July 14 and present the bid results to the Council at the July 16 meeting.

The bidder will be determined by the lowest responsible bid on the base project, which is the total project including all bid items. The Council may award the base project or reduce the project cost by selecting one of the following alternatives:

- 1) Tennis Courts and New Fence – remove utility improvements and site furnishings, except for:
 - a) tennis court nets, posts, center strap and anchor
 - b) fencing and gates
- 2) Tennis Courts only – remove utility improvements and site furnishings, except for:
 - a) tennis court nets, posts, center strap and anchor
- 3) Other – remove bid items determined by Council at the Council meeting.

The cost reduction will be determined by removing bid items at the price bid by the low bid contractor.

CONCLUSION:

The bids received for the base project or the selected alternative are below the Capital Improvement Program budget, and the contract should be awarded for the amount selected by Council.

Prepared By:

Approved:

Duncan L. Jones, PE
Public Works Director

James Robinson
City Manager

Attachments:



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

**SUBJECT: AWARD OF CONTRACT FOR ELENA AVENUE - ATHERTON CHANNEL BOX
CULVERT REPLACEMENT, PROJECT NUMBER 03-006**

RECOMMENDATION:

Award the contract for the Elena Avenue - Atherton Channel Box Culvert Replacement Project, project number 03-005 to the low bidder to be determined by the July 15 bids, for an amount to be determined based on the bid results. Staff also recommends that the City Council reject all bids received on June 28, 2003.

INTRODUCTION:

The adopted Capital Improvement Program includes funds for designing and constructing enlarged replacements for existing box culverts at the Elena Avenue and Barry Lane street crossings of the Atherton Channel. The need for these replacements was made clear by waters overflowing both street crossings during the last El Nino winter and was confirmed to be very high priority in the Nolte study.

ANALYSIS:

The Elena Avenue Atherton Channel box culvert was budgeted for construction in FY 2002-03. The City Council approved the contract for design at the August 21, 2002 City Council meeting. The project was initially bid on June 28, 2003. Due to a technical error, the project was not advertised in accordance with the California Contracts Code. On advice of the City attorney, the project was re-bid. This change required delay of the bids to July 15. The bid results will be presented at the July 16 Council meeting.

FISCAL IMPACT:

The Engineer's Estimate for the Elena Avenue - Atherton Channel box culvert project is \$157,211.25. In addition, a 10% construction contingency of \$15,721.13 would bring the total estimate to \$179,932.38. \$200,000 from Parcel Tax funds is budgeted for the project in the FY 2003-04. The project is scheduled to receive bids on July 15 and present the bid results to the Council at the July 16 meeting. The successful bidder will be determined by the lowest responsible bid on the project

CONCLUSION:

The bids received for the project are below the Capital Improvement Program budget, and the contract should be awarded for the amount of the lowest responsible bid. All bids received on or before June 28, 2003 should be rejected.

Prepared By:

Approved:

Duncan L. Jones, PE
Public Works Director

James Robinson
City Manager

Attachments:



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JOHN P JOHNS, FINANCE DIRECTOR

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: PURCHASING ORDINANCE

RECOMMENDATION:

That the Council:

- Adopt an Urgency Ordinance eliminating the six-month sunset provision on the change in the dollar threshold from \$250 to \$750 on an urgency basis; and,
- Direct staff to report on the effectiveness of the Finance Department's implementation of its on-line purchasing and requisitioning system in August of 2004.

DISCUSSION:

In a November 2002, the Finance Department recommended that the City Council modify Municipal Code Section 3.16 et seq. to increase the limit for purchases necessitating the issuance of a purchase order be raised from \$250 to \$750. Staff recommended this action for two reasons:

- Purchases less than \$750 in amount constituted a relatively small fraction of the total dollar value of expenditures for materials, supplies and contractual services. Hence, in the judgment of the Town's external auditors, an increase in the purchasing limit would not adversely affect financial controls.
- Increasing the threshold for purchases would better enable the Finance Department to comply with Section 3.16 within its existing staffing constraints.

In response to staff's recommendation, the City Council determined that rather than implement a permanent change to the Municipal Code, it would be more prudent to revise the Municipal Code for a period of six months and to require staff to report back to Council on the effectiveness of the revised purchasing procedures. (In addition to temporarily raising the dollar threshold from \$250 to \$750 the revisions in the Town's purchasing procedures included implementation of the purchase order module within its integrated financial system).

To ascertain the impact on the staff's workload and its ability to adhere to the requirements of Municipal Code Section 3.16 from these changes, we performed the following activities:

- Conducted a detailed analysis of transactions occurring in FY 2001-02 in the \$250 to \$750 range with the objective of determining the quantity and dollar volume purchase that would have been issued had the municipal code section requiring the issuance of a purchase order remained at the \$250 threshold.
- Tabulated and summarized purchase orders issued and vendor payments made during the period of January 2002 through June, 2003; and,
- Compared vendor payments made during the six months ended June 30th, 2003 with the purchase orders issued during that same time frame.

Examination of FY 2001-02 transactions

As indicated in our November 20, 2002 staff report, 1,711 transactions with a dollar value of \$750 or less were executed in Fiscal Year 2001-02. The dollar amount of such transactions amounted to approximately \$400,000 or 8 percent of \$4.3 million in payments for non-payroll related expenses during this same time frame.

To obtain a better understanding of the impact on the Finance Department's workload and on the Town's internal control structure that would result from raising the purchase order threshold from \$250 to \$750, staff conducted a detailed examination of these 611 transactions. This examination included determining the vendor to whom the payments had been made as well as understanding the nature of the transaction itself.

Based upon this analysis we determined that approximately one-half of the transactions were for items other than services, supplies or equipment and were therefore not subject to the requirements of the purchasing ordinance. These transactions included refunds and reimbursements, specialized professional services, payments for utilities and payments to other governmental agencies. Hence, the actual volume of payments made to vendors that were less than \$750 in amount and that were subject to the Town's purchasing ordinance amounted to approximately \$200,000.

Based upon this examination we also identified a number of recurring purchases that were made to individual vendors for services and supplies, such as the procurement of maintenance supplies from a local retailer and the procurement of temporary help on an as needed basis. While individually these purchases amounted to \$750 these purchases when combined with other purchases during the fiscal year from the same vendor they exceeded \$750 threshold. Of the \$200,000 in purchases individually amounting to less than \$750, \$86,000 or 43 percent could have been consolidated among 14 individual vendors. According to the Town's purchasing ordinance recurring purchases made from vendors should be consolidated where practical to ensure that such expenditures are subjected to budgetary control and that such purchases are made in accordance with sound business practices.)

Accordingly, Finance Department staff has begun working with staff of each department to consolidate purchases among vendors from which a recurring need is expected to occur in FY 2003-04.

Analysis of Vendor Payments and Purchases made during the six months ended June 30th, 2003.

From the period of January 1st, to June 30th, 2003, the Town issued \$1,267,347 in payments to 185 individual vendors for contractual services, supplies and equipment. Based upon a stratification of vendor

payments according to dollar amount, we determined that collectively, purchases from vendors less than \$750 in amount constitute a relatively small fraction of the Town's expenditures for services, supplies and materials. In fact only about \$24,000 or 2 percent of the total \$1,267,347 in payments to vendors totaled \$750 or less.

Nonetheless, as indicated in our examination of individual vendor payments for FY 2001-02, the opportunity continues to exist to consolidate individual purchases amounting to \$750 or less and we have begun working with each department to accomplish this objective.

Comparison of Vendor Payments with Purchase Orders Issued

In January of 2003, the Finance Department implemented its on-line purchasing and requisitioning system. To determine how effective staff has been in implementing this system, we compared the dollar amount of purchase orders issued with the actual vendor payments made during this same six-month period.

For the six months ended June 30th, 2003 the Finance Department issued 65 purchase orders amounting to \$321,351 via its integrated financial system. However as indicated previously, payments to vendors during the six months ended June 30th, 2003 amounted to \$1.3 million or approximately \$1 million more than the dollar value of purchase orders issued.

The variance between dollar value of purchase orders issued and vendor payments made during this time frame can be explained by the fact that a significant portion of payments were made to vendors pursuant to obligations that the town incurred prior to the purchasing system having been brought on-line. For example, based upon our review of vendor payment activity during the past six months, we identified \$750,000 in payments for engineering and construction services related to capital projects that had been initiated prior to December 31st, 2003. Hence it is difficult to evaluate at this time how the implementation of the Town's on-line purchasing and requisitioning system has been in attaining increased compliance with the Town's purchasing ordinance.

Although we believe that comparing vendor payments with purchase orders issued for services and supplies is a valid method for evaluating the degree of compliance with the town's purchasing ordinance, we believe that such a comparison should be made for an entire fiscal year.

Staff has consulted with the City Attorney on the procedures necessary to eliminate the sunset provision on the change to Section 3.16 of the municipal code. According to the City Attorney, a finding of urgency must be made in order for the elimination of the sunset provision to be effective immediately. The fact that the Council will not meet in August to approve a second reading of the ordinance requires adoption on July 16 as an urgency measure.

During the months of July, August and September, the Finance Department's efforts will be directed towards the following priorities:

- Producing the financial statements for the year ended June 30th, 2003 and assisting the auditors in their examination of the Town's financial records;
- Monitoring developments in the State of California budget deliberations; and,
- Assisting departments in forecasting their requirements for materials, supplies and equipment and encumbering such funds where necessary.

In light of the priorities listed above, staff believes that it would constitute a less than effective use of staff's time to revert to the practice of requiring purchase orders for single item purchases that are less than \$750 and greater than \$250 in amount. We therefore recommend that the Council approve a finding of urgency in rescinding the six-month sunset provision.

CONCLUSION:

Single item purchases less than \$750 in amount constitute a relatively small fraction of the town's expenditures for services, supplies and equipment. Accordingly, we believe that the threshold for issuing purchase orders can be increased from \$250 to \$750 without negatively impacting budgetary and financial controls and we recommend that the City Council make such a change on a permanent basis.

The Town's purchasing ordinance calls for consolidating recurring purchases from individual vendors where practical to conform to sound business practices and to maintain effective budgetary controls. Based upon our examination of individual payments amounting to \$750 or less we have identified an opportunity to consolidate such purchases among vendors and have begun to work with each department to accomplish this objective in FY 2003-04.

Since the purchasing module was implemented in the middle of the fiscal year and since a large majority of payments made during the second half of the fiscal year for obligations incurred during the first half of the fiscal year, it is difficult to ascertain how effective the Finance Department has been in attaining improved compliance with the Town's purchasing ordinance as a result of implementing its on-line requisitioning and purchasing system. In staff's judgment such an evaluation can and should be accomplished at the end of Fiscal Year 2003-04 when the on-line purchasing system has been in place for an entire fiscal year.

Prepared by:

Approved by:

John P. Johns, CPA
Finance Director

James H. Robinson
City Manager

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING ORDINANCE NO. 538 TO CONTINUE IN EFFECT EXISTING PROCEDURES
FOR INFORMAL COMPETITIVE BID AND SMALL PURCHASES UNDER CHAPTER 3.16 OF
THE ATHERTON MUNICIPAL CODE**

WHEREAS, by Ordinance No. 538 adopted December 18, 2002, and effective on January 17, 2003, the City Council amended Chapter 3.16 of the Atherton Municipal Code to require that procurement of supplies, services, and equipment over \$750.00 be made only by purchase order or by written contract approved by the City Manager and that any purchase of supplies, services, or equipment up to \$750.00 can be obtained by soliciting a single vendor of choice. Requisitions, purchase orders are not required; and

WHEREAS, the foregoing amendments were to be automatically repealed on the 181st day following the effective date, January 17, 2003, of Ordinance No. 538 unless the City Council shall take further action; and

WHEREAS, the City Council desires to continue the amendments in effect by removing the repealer language as set forth in Ordinance No. 538; and

WHEREAS, in order to ensure the consistent operation of the Town's Finance Department and execution of its duties under existing purchasing regulations the City Council finds and determines that the public welfare requires adoption of this ordinance as an urgency measure;

NOW, THEREFORE, the City Council of the Town of Atherton does ordain as follows:

SECTION 1: Amendment of Code. Section 5 of Ordinance No. 538 is hereby amended by deleting therefrom the second sentence which reads:

"This ordinance shall automatically be repealed and shall be of no further force and effect on and after the 181st day following its effective date unless the City Council shall take further action."

SECTION 2: The City Council hereby declares that it would have passed this Ordinance word by word, sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions of this Ordinance are severable and, if for any reason any word, sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not affect the validity of the remaining parts of this Ordinance.

SECTION 3: This Ordinance shall be posted in at least three public places according to law and shall take effect immediately as an urgency measure based upon the findings set forth in the above recitals which are incorporated here by reference.

* * * * *

Introduced at a regular meeting of the City Council of the Town of Atherton on July 16, 2003.

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held on the _____ day of _____, 2003, by the following vote:

AYES: COUNCILMEMBERS _____

NOES: COUNCILMEMBERS _____

ABSTAIN: COUNCILMEMBERS _____

ABSENT: COUNCILMEMBERS _____

James R. Janz, Mayor
Town of Atherton

ATTEST:

Sharon Barker, City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 16, 2003

SUBJECT: CANCELLATION OF AUGUST CITY COUNCIL MEETING

RECOMMENDATION:

It is recommended that the City Council take official action to cancel their August 20, 2003 regular scheduled meeting.

BACKGROUND :

It has been a tradition of the City Council to cancel the August City Council meeting. The next regular scheduled meeting of the City Council would be September 17, 2003. The July 16 agenda accommodates the possibility of cancellation of the August meeting by requesting specific council action on a number of agenda items if the meeting is cancelled. Formal City Council action for cancellation of the meeting also provides for public comment.