



**Town of Atherton
CITY COUNCIL AGENDA
JUNE 20, 2001**

5:00 p.m. **👉 Note time**

**MEETING ROOM
TOWN ADMINISTRATIVE OFFICES
91 Ashfield Road
Atherton, California**

SPECIAL MEETING

- 5:00 P.M.** **1. ROLL CALL McKeithen, Janz, Carlson, Fisher, Conwell**
- 5:05 P.M.** **2. PUBLIC COMMENTS (only for items which are not on the agenda –
limit of three minutes per person)**
- 5:10 P.M.** **3. CLOSED SESSION**
- A. Conference with Labor Negotiator – Labor Negotiations pursuant
to Government Code Section 54957.6**
- Agency Negotiator: Ralph Freedman, Interim City Manager
Employee Organization: Local Union No. 856
Non-management miscellaneous employees**
- B. Conference with Labor Negotiator – Labor Negotiations pursuant
to Government Code Section 54957.6**
- Agency Negotiator: Ralph Freedman, Interim City Manager
Employee Organization: Management**
- 6:59 P.M.** **4. RECONVENE TO OPEN SESSION**
- Report of action taken.**
- 7:00 P.M.** **5. ADJOURN**

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)

Dated & Posted 06.15.01



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

Agenda

June 20, 2001

7:00 p.m.

TOWN COUNCIL CHAMBERS

94 Ashfield Road
Atherton, California

REGULAR MEETING

- 7:00 P.M. 1. **ROLL CALL** McKeithen, Janz, Carlson, Fisher, Conwell
- 7:05 P.M. 2. **CITY ATTORNEY REPORT ON CLOSED SESSION**
- 7:15 P.M. 3. **COUNCIL REPORTS**
- 7:25 P.M. 4. **PUBLIC COMMENTS** (only for items which are not on the agenda – limit of three minutes per person)
- 7:35 P.M. 5. **CITY MANAGER REPORT**
- 7:45 P.M. 6. **DEPARTMENT HEADS' REPORTS**
- 7:50 P.M. 7. **CITY ATTORNEY REPORT**
- 7:55 P.M. 8. **COMMUNITY ORGANIZATION ROUNDTABLE REPORT** (Directed by Resolution No. 99-6)
- 8:00 P.M. **CONSENT CALENDAR** (Items 9 - 16)
9. **MINUTES OF SPECIAL MEETINGS OF MAY 7, 2001, MAY 9, 2001, MAY 16, 17, 18, 19, AND 24, 2001, AND REGULAR MEETING OF MAY 16, 2001**
10. **BILLS AND CLAIMS FOR MAY 11, 2001 THROUGH JUNE 15, 2001**
11. **ADOPTION OF ORDINANCE NO. 524, PERTAINING TO THE TIMING OF LANDSCAPE SCREENING REQUIREMENTS ON APPROVED PROJECTS**

- 12. APPROVAL OF DESIGN CONTRACT FOR MIDDLEFIELD ROAD REHABILITATION
- 13. APPROVAL OF PLANS AND SPECIFICATIONS AND AWARD OF CONTRACT FOR 2001 CRACK SEALING PROJECT
- 14. APPROVAL OF POST OFFICE CONTRACT
- 15. APPROVAL OF AGREEMENT FOR ENVIRONMENTAL HEALTH STORMWATER FEES
- 16. APPROVAL OF AGREEMENT FOR JOINT ARTS PROGRAM WITH MENLO SCHOOL

8:15 P.M. **PUBLIC HEARINGS** (Items 17 and 18)

- 17. ADOPTION OF URGENCY ORDINANCE NO. ____, IMPOSING AN EXTENSION ON A MORATORIUM ON CONSTRUCTION OF BASEMENTS
- 18. PUBLIC HEARING FOR FISCAL YEAR 2001/02 BUDGET

REGULAR AGENDA (Item 19)

9:45 P.M. 19. CONSIDER MODIFICATION TO ALARM FEES FOR FISCAL YEAR 2001/02

10:15 P.M. 20. **PUBLIC COMMENTS**

10:30 P.M. 21. **ADJOURN**

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

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Minutes
JOINT CITY COUNCIL/PLANNING
COMMISSION/GENERAL PLAN COMMITTEE
MEETING
Monday, May 7, 2001
12:00 p.m.
SACRED HEART SCHOOLS
CONFERENCE ROOM, MAIN BUILDING
150 Valparaiso Avenue, Atherton

Special Meeting

1. **ROLL CALL** **A. Carlson, Conwell, Fisher, Acheson, Andrews, Hau, Lively, Watts, Liebes**

2. **PUBLIC COMMENTS.** **There were no public comments.**

3. **DISCUSSION**

Discussion was held with Sacred Heart Schools Administration regarding site planning. Representatives from Sacred Heart conducted the group on a tour of the campus.

4. **ADJOURN**

The meeting adjourned at 2:00 p.m.

Dianne M. Fisher, Mayor



**Minutes
CITY COUNCIL MEETING**

May 9, 2001

7:00 P.M.

Town Council Chambers

94 Ashfield Road
Atherton, California

Special Meeting

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

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

Interim City Manager Ralph Freedman and City Attorney Marc Hynes were also present.

The Interim City Manager asked that Item No. 9 on the agenda be withdrawn at the request of the Playground Committee. This item will be returned to the Council on the June 13th meeting after further review by the Park and Recreation Commission.

City Attorney Marc Hynes reported the results of the Closed Session held at 6:30 p.m. as follows:

- Directions were given to the City Attorney relative to the city manager recruitment interviews. Background investigations of the finalist candidates will be conducted by Avery and Associates. A consultant from Avery and Associates will attend the May 16th Council meeting and provide written reports on the background investigations to the Council.
- Interviews of the finalist candidates will be held on Thursday, May 17th at 8:30 a.m. by the City Council, on Friday, May 18th at 7:30 a.m. by the Resident Screening Committee, and again on Saturday, May 19th at 8:30 a.m. by the City Council.

The City Attorney discussed the reasons for using the Safe Harbor designations for closed session agendas. State Statute sets out the exact wording for closed session items which ensures compliance with the Ralph M. Brown Act.

Mayor Fisher asked that an item be added to the agenda for reporting of closed session items by the City Attorney.

Council Members Conwell and McKeithen asked that information on items to be addressed by the City Council in closed session be provided to the Council with the agenda packets.

2. PUBLIC COMMENTS

The following members of the audience spoke:

- John Sisson, Resident Screening Committee
- Jim Dobbie, 124 James Avenue
- John Rugeiro, 10 Stockbridge Avenue

In response to comments by John Sisson, the following motion was made.

MOTION – to add Item 10A to the agenda, Direction to the Resident Screening Committee.

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

3. CITY COUNCIL REPORTS

- Council Member Conwell reported on the Airport Roundtable meeting. The proposed airport runways were discussed. He also reported that the aircraft noise monitor will not be installed in Atherton until next year.
- Vice Mayor Carlson reported that the Screening Committee has met and created a list of residents recommended for Town Commissions and Committees. He also reported on the progress of the City Manager search.
- Council Member McKeithen asked for updated sheets from the Koff Study to include PERS contributions made by the Town on behalf of the employees. She also commented that the survey in the Athertonian had no Council input. She asked that in the future the Council be consulted as to survey questions. She requested that the City Attorney provide a draft letter by the next Council meeting regarding the expenditure of Channel District funds.
- Mayor Fisher reported that the Waste Reduction Committee met last week, and no action was taken. She read a letter from a resident commending Town employee Mike Wasserman.

4. CITY MANAGER REPORT

Interim City Manager Ralph Freedman reported on the following:

- The Town will receive an allocation of approximately \$21,000 from a State Bond measure for park funding in the next fiscal year.
- Chaplain Program – a memo was provided to the Council on the cost of this service and the benefits of the program.

- **LAFCO budget** – changes in State law require that the agencies involved be assessed for the cost of operations. Atherton’s share will be \$675 for the fiscal year.
- **ABAG Power Pool** – the electric program will be suspended because of the recent energy problems within the State. ABAG has recommended that cities budget for a 50% rate increase in electric utility costs for FY 2001/2002.
- **San Mateo County City Selection Committee** – a representative from the Council will need to attend a special meeting of the Committee on May 18th. At that meeting representatives will be selected from the county municipalities to serve on various area agencies.
- **Housing Element** – under State law, the Town is required to adopt a new housing element by the end of this calendar year. Town Planner Neal Martin will come to the first Council meeting in July to discuss this issue. The cost of updating the housing element will be approximately \$10,000 to \$12,000.
- A request by the Committee for the Parcel Tax for a banner to be posted on Middlefield Road reminding residents to vote in the June 5 election has been approved.

CONSENT CALENDAR

Council Member McKeithen asked that all three items be removed from the Consent Calendar and placed at the end of the agenda.

REGULAR AGENDA

8. APPOINTMENTS TO TOWN COMMISSIONS AND COMMITTEES

MOTION – to approve the recommendations of the Screening Committee and appoint the following residents to Town Commissions and Committees:

Marion Oster	Planning Commission
Joan Sanders	General Plan Committee
Alex (Sandy) Kaye	General Plan Committee
Jim Dobbie	General Plan Committee
Jean Schaaf	Arts Committee
Henry Cartan	Parks and Recreation Commission
Jeanne Wangsness	Parks and Recreation Commission
Alan Kertz	Audit Committee
Robert O’Donnell	Audit Committee
Maureen Dickey	Mid-Peninsula Access Corporation

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

9. CONSIDER MODIFICATIONS TO HOLBROOK-PALMER PARK PLAYGROUND PROJECT

This item was removed from the agenda.

10. DISCUSSION AND POSSIBLE ACTION – FISCAL YEAR 2001/02 BUDGET AND ALARM FEES

Interim City Manager Ralph Freedman presented General Fund expenditure projections for Fiscal Years 2000-01 and 2001-02. Budget figures were based upon calculations excluding any revenue from the proposed parcel tax. The following members of the audience spoke:

**Jim Dobbie, 124 James Avenue
Marion Oster, 38 Flood Circle
Bob Jenkins, 36 Irving Avenue
Jean Schaaf, 29 Stockbridge Avenue**

Discussion ensued regarding continuing the charges for alarm fees if the parcel tax passes. The Hillsborough alarm program was discussed. Council directed Staff to evaluate methods of charging equitably for alarm fees or false alarm fees, and to bring revenue projections back to the next meeting showing the difference in the revenue stream if alarm fees are eliminated. Staff will also analyze previous years' revenues when only fees for false alarms were charged.

10A. DIRECTION TO RESIDENT SCREENING COMMITTEE

John Sisson, from the Resident Screening Committee, had questions regarding the process of the interviews of the City Manager candidates. He asked if the Resident Committee will receive the finalist candidates' resumes prior to the interview date, and if the background investigations will be made available to the Committee.

MOTION – to have the City Attorney send, along with his letter to the members of the Resident Screening Committee outlining the interview process, a confidentiality agreement to be signed by the each member of the Committee prior to receiving the resumes and background information of the finalist candidates. The background information to be delivered to the Committee members by the Police Department the evening of the meeting on May 16, 2001. Also moved that the background information documents be numbered, and that at the end of the interview session on Friday, they be returned to the City Attorney.

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

The following three items were removed from the Consent Calendar and placed on the Regular Agenda:

5. ADOPTION OF RESOLUTION NO. 01-06 RECOMMENDING THAT THE SAN MATEO COUNTY FLOOD CONTROL DISTRICT IMPOSE CHARGES FOR FUNDING THE 2001/02 COUNTYWIDE NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM (NPDES) GENERAL PROGRAM

Council Member McKeithen had a question regarding the budget figure in the staff report as compared to the figure in the proposed resolution. The Interim City Manager stated that the staff report figure was the latest the CCAG board had received, and the resolution can easily be amended if necessary.

6. ADOPTION OF RESOLUTION NO. 01-07 RECOMMENDING THAT THE SAN MATEO COUNTY FLOOD CONTROL DISTRICT IMPOSE ADDITIONAL CHARGES FOR FUNDING THE EXPANDED SCOPE OF WORK OF THE 2001/02 COUNTYWIDE NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM (NPDES) GENERAL PROGRAM

Council Member McKeithen asked why the assessment amount stated in the staff report is different from the proposed resolution. The Interim City Manager stated the total assessment for single family residence is \$5.38. She also asked what the legal fees and election costs were as stated in the staff report. Interim City Manager Ralph Freedman stated that the election costs are for a mail-in ballot.

7. ADOPTION OF RESOLUTION NO. 01-08, AUTHORIZING THE ACCEPTANCE OF SECURITIES DONATED TO THE TOWN OF ATHERTON

This resolution is proposed to allow an account to be set up with Morgan Stanley in the Town's name to allow people to make tax-deductible donations to the Playground Project. The Playground Committee is not a 5013C corporation. Instructions will be given to Morgan Stanley to liquidate securities on the date they are received. A separate fund will be set up by the Town to receive donated monies with interest to be posted to the fund.

MOTION – to approve Resolution No. 01-06 and Resolution No. 01-07, with changes to the NPDES resolutions if necessary, and to approve Resolution No. 01-08, authorizing the Town to accept securities donated for the Playground Project.

M/S Conwell/Carlson

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

11. PUBLIC COMMENTS

There were no public comments at this time.

12. ADJOURN

The meeting adjourned at 10:05 p.m.

Respectfully submitted,

Sharon Barker, City Clerk



Minutes
CITY COUNCIL MEETING
MAY 9, 2001
6:30 p.m.
MEETING ROOM
TOWN ADMINISTRATIVE OFFICES
91 Ashfield Road
Atherton, California

SPECIAL MEETING

Mayor Fisher called the meeting to order at 6:30 p.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

City Attorney Marc Hynes was also present.

2. PUBLIC COMMENTS

There were no comments from the public.

3. CLOSED SESSION – The Council adjourned to closed session at 6:35 p.m.

4. RECONVENE TO OPEN SESSION – The Council reconvened to open session at 6:55 p.m. The following action was taken:

**A. Public Employment pursuant to Government Code Section 54957
Title: City Manager**

Directions were given to the City Attorney relative to the city manager recruitment interviews. Background investigations of the finalist candidates will be conducted by the firm of Avery and Associates. A consultant from Avery and Associates will attend the May 16th City Council meeting and provide written reports of the background investigations to the Council. Interviews of the finalist candidates will be held on Thursday, May 17th at 8:30 a.m. by the City Council, on Friday, May 18th at 7:30 a.m. by the Resident

Screening Committee, and again on Saturday, May 19th at 8:30 a.m. by the City Council.

5. ADJOURN

The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Sharon Barker, City Clerk



**Minutes
CITY COUNCIL MEETING
MAY 16, 2001
5:00 p.m.
MEETING ROOM
TOWN ADMINISTRATIVE OFFICES
91 Ashfield Road
Atherton, California**

SPECIAL MEETING

Mayor Fisher called the meeting to order at 5:00 p.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

Interim City Manager Ralph Freedman and City Attorney Marc Hynes were also present.

- 2. PUBLIC COMMENTS – There were no public comments.**
- 3. CLOSED SESSION – The Council adjourned to Closed Session at 5:05 p.m.**
- 4. RECONVENE TO OPEN SESSION – The Council reconvened to Open Session at 7:00 p.m. The following action was taken:**
 - A. Public Employment – pursuant to Government Code Section 54957**
Title: City Manager
No action was taken.
 - B. Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9**
Patricia O’Neal vs. Town of Atherton
Instructions were given to Legal Counsel.
- 5. ADJOURN**
The meeting adjourned at 7:05 p.m.

Respectfully submitted,

Sharon Barker, City Clerk



Minutes
TOWN OF ATHERTON
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT MEETING

May 16, 2001

7:00 p.m.

TOWN COUNCIL CHAMBERS

94 Ashfield Road
Atherton, California

REGULAR MEETING

Mayor Fisher called the meeting to order at 7:08 p.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

Interim City Manager Ralph Freedman and City Attorney Marc Hynes were also present. The City Attorney reported that at the closed session held at 5:00 p.m., the Council was provided with City Manager candidates' background reports from Avery and Associates. Directions were also given to Legal Counsel in the matter of Patricia O'Neal vs. the Town of Atherton.

2. PRESENTATIONS

A. Mayor Fisher presented Certificates of Appreciation to outgoing Commission and Committee members Lida Urbanek, General Plan Committee, and Jim Ransohoff, Planning Commission. Certificates will be mailed to Teri Watts and Linda Liebes, General Plan Committee, and Jan Zones, Arts Committee, who were not in attendance.

3. COUNCIL REPORTS

- **Council Member Conwell reported on the Criminal Justice Council meeting. He read the mission statement of the Council and discussed the Community Court program which deals with juvenile offenders. He also reported on the CCAG**

meeting where a \$3.5 billion Transportation project for the Bay Area was discussed.

- Council Member McKeithen asked that a description of closed session items be sent to Council members with their meeting packets. She stated that the positions in the Koff and Associates report were not in the same order as the prior report, and asked for a staff report from the Interim City Manager on such items in the future. She requested the Channel District opinion from the City Attorney.
- Vice Mayor Carlson asked that an analysis of the Koff report from the Interim City Manager be presented at the next Council meeting.
- Mayor Fisher read a letter commending Police Officer Anthony Kockler for a presentation he made at Menlo School. She asked the Council to return to the next meeting with ideas for streamlining Council meetings.

4. PUBLIC COMMENTS

The following members of the audience spoke:

Marion Oster, Heritage Association

John Rugeiro, 10 Stockbridge Avenue

John Sisson, 26 Belleau Avenue

5. CITY MANAGER REPORT

This report was moved to the end of the agenda

6. DEPARTMENT HEADS' REPORTS – None.

7. CITY ATTORNEY REPORT

City Attorney Marc Hynes handed a report to the City Council on the Atherton Channel Drainage District. This issue will be taken up at the June meeting.

8. COMMUNITY ORGANIZATION ROUNDTABLE REPORT – No report.

CONSENT CALENDAR

MOTION – to remove all three items (Items 9 through 11) and place them at the end of the agenda, except for the minutes of the April 11, 2001 and April 18, 2001 Special meetings, which are approved.

M/S Fisher/Carlson

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

PUBLIC HEARINGS

12. ADOPTION OF URGENCY ORDINANCE NO. 523, IMPOSING A MORATORIUM ON CONSTRUCTION OF BASEMENTS

Senior Planner Lisa Costa Sanders presented this urgency ordinance which was proposed by the General Plan Committee and the Planning Commission. The ordinance would impose a moratorium on the construction of basements outside the building footprint. The ordinance requires a 4/5 vote of the Council, and would take effect immediately upon adoption. It would be in effect for forty-five days, and could be extended at a public hearing. The current ordinance allows for the construction of basements five feet from a property line. Basements constructed as such could result in the elimination of significant amounts of mature landscaping in the landscape preservation area. The Municipal Code and the General Plan require the preservation of landscaping and Heritage trees, specifically in the tree preservation area. Building Official Mike Hood answered questions on the existing restrictions, and the amount of space needed to preserve Heritage trees.

Mayor Fisher opened the public hearing at 8:13 p.m. The following members of the audience spoke in favor of the urgency ordinance:

Forrest Carmichael, 85 Middlegate, representing the Gates Neighborhood Association
Dick Sperisen, 76 Southgate
Dave Longbine, 23 Almendral
Jan Offutt, 58 Northgate Avenue
Herbert Clough, 40 Deodora Drive
Bill Walberg, 57 Middlegate
Dale Sakai, 29 Middlegate

Mayor Fisher closed the public hearing.

Vice Mayor Carlson requested that a letter from the Gates Neighborhood Association be made a part of the minutes of this meeting. It will be attached as Exhibit "A".

Motion – to adopt Urgency Ordinance No. 523, with the following changes – Section 3 shall read “Basements shall not extend outside the footprint of the main building or accessory structure, with the exception of areas for stairways and light wells which shall be limited to the main buildable area. No basement retaining wall or retaining walls for driveways shall be located within 10’ of the property line.”

M/S Carlson/Janz

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

13. INTRODUCTION OF AN ORDINANCE PLACING LIMITATIONS ON BASEMENT AREAS WITHIN THE TOWN OF ATHERTON

Based on discussion of the urgency ordinance, the Council agreed to send the proposed ordinance back to the General Plan Committee for further review.

MOTION – to return the proposed ordinance to the General Plan Committee and Planning Commission for further review of the following: the allowed size of light wells (could extend to within 10 feet of the property line), distance requirements from existing Heritage trees to the basement or light well (at least 10 feet from any Heritage tree to protect from root damage), and why there is a limit to impervious surface within 10 feet of the property line.

M/S Janz/McKeithen

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

14. INTRODUCTION OF ORDINANCE NO. 524, AMENDING THE LANDSCAPE SCREENING ORDINANCE

Senior Planner Lisa Costa Sanders discussed the proposed ordinance requiring plantings to be sized to adequately screen the proposed structure within a period of five years from the date construction begins. Discussion ensued regarding changing the time planting is required to begin when a permit is taken out. Building Official Mike Hood answered questions from the Council.

Mayor Fisher opened the public hearing. Lida Urbanek, 75 Tuscaloosa, spoke from the audience.

Mayor Fisher closed the public hearing.

MOTION – to introduce Ordinance No. 524, with the change that landscape screening is required to be planted within five years from date of issuance of the building permit instead of the date that construction begins, and waive further reading.

M/S Carlson/Janz

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

15. TENTATIVE PARCEL MAP – 233 CAMINO AL LAGO (APN 070-341-150)

Senior Planner Lisa Costa Sanders presented the tentative parcel map for the division of one parcel into two parcels. Discussion ensued.

MOTION – to approve the tentative parcel map allowing the division of one parcel into two at 233 Camino Al Lago, based on the findings of the staff report, and subject to the conditions listed in the Draft Tentative Parcel Map Certificate (Exhibit “B” of these minutes).

M/S Janz/Conwell

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

16. LOT MERGER – 366 WALSH ROAD (APN 073-202-130 AND 120)

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

MOTION – to approve the lot merger based on the findings of the staff report and subject to the conditions listed in the Draft Lot Merger Certificate (Exhibit “C” of these minutes).

M/S Janz/Mckeithen

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

REGULAR AGENDA (Items 17 through 21)

17. DISCUSSION AND POSSIBLE ACTION – ATTORNEY’S OPINION ON TAX IMPLICATIONS OF TOWN PROVIDED HOUSE FOR CITY MANAGER

City Attorney Marc Hynes indicated that he will obtain a written opinion for the Council on tax implications of the Town-provided house next week. Vice Mayor Carlson asked that the Council receive the written opinion by Saturday. John Ruggeiro, 10 Stockbridge, spoke from the audience.

18. DISCUSSION AND POSSIBLE ACTION – SALARY AND BENEFITS FOR THE POSITION OF CITY MANAGER

Discussion was held on restructuring the salary and benefit package and on the housing issue for the city manager. The Council considered alternatives to totally subsidizing the house, including providing a low interest loan, or providing the house but having the city manager pay for the cost of utilities and standard maintenance. John Sisson spoke from the audience.

19. APPROVAL OF AGREEMENT FOR CONSULTANT SERVICES WITH AVERY AND ASSOCIATES FOR CITY MANAGER RECRUITMENT

City Attorney Marc Hynes handed out a proposal from Avery and Associates. He stated that the firm is available to perform background checks of city manager candidates, and to assist the Council through Saturday during the interviews of the city manager candidates. The agenda can be amended tomorrow by a 4/5 vote if the Council desires to consider a contract to utilize Avery’s services. John Sisson spoke from the audience.

20. DISCUSSION AND POSSIBLE ACTION – FISCAL YEAR 2001/02 BUDGET AND ALARM FEES; CONSIDERATION OF MOTION TO SUPPORT THE PARCEL TAX

Interim City Manager Ralph Freedman presented an overhead slide outlining the false alarm fee activity over the last four years. He presented alternatives to the current alarm fee program, including charging for all false alarms, charging an annual permit fee (based on the Hillsborough model), or blending the false alarm fees and annual permit fees. It was agreed that this item will be addressed in June after the election.

**The following members of the audience spoke:
Stanley Bernhard, 86 Barry Lane
Bob Jenkins, 36 Irving Avenue**

The City Council discussed taking action to show support of the parcel tax. The Council concurred that by signing the ballot statement they have shown their support for the measure.

21. APPOINTMENT OF COUNCIL MEMBER TO SAN MATEO COUNTY CITY SELECTION COMMITTEE AND CONSIDERATION OF CITY SELECTION COMMITTEE APPOINTMENTS

Council Member Janz indicated his interest in representing the San Mateo Council of Cities on the ABAG board. He will have the City Clerk fax his resume to the Mayors.

MOTION – to appoint Council Member Conwell to represent the Council at the San Mateo County City Selection Committee meeting on May 18, 2001.

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

The following items (Item 9, 10, and 11) were removed from the Consent Agenda:

9. MINUTES OF SPECIAL MEETINGS OF APRIL 21, 2001, APRIL 30, 2001, AND REGULAR MEETING OF APRIL 18, 2001

Council Member McKeithen asked for the following changes to the minutes:

April 18, 2001 Regular Meeting:

Item 2C – add after the first sentence “Council Member McKeithen observed that PERS data was omitted from compensation for all Atherton employees.”

Item 3 – Correct first sentence after bulleted items to read “Screening Committee: Council Member McKeithen reported that Commission appointments will be recommended and agendized for a future Council meeting.”

Item 3 – Add to end of last sentence at top of page 3 “subsequently changed to Friday, May 18th at 7:30 a.m.”

Item 17 – Change to “The meeting adjourned at 10:55 p.m. to the continued closed session regarding Public Employment, pursuant to Government Code Section 54957, Title: City Manager.”

April 21, 2001 Special Meeting

**Item 4B. Public Employment, City Manager – Change action taken to read:
“ Instructions were given to legal counsel to prepare the final agreement for extension
of the Interim City Manager contract”.**

April 30, 2001 Special Meeting

**Item 4B. Public Employment, City Manager – Change beginning of motion to read “to
ratify the extension of Interim City Manager Ralph Freedman....”**

**MOTION - approve the minutes of the Regular Meeting of April 18, 2001 and the
Special Meetings of April 21, 2001 and April 30, 2001 as corrected.**

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

**10. BILLS AND CLAIMS FOR APRIL 10, 2001 THROUGH MAY 10, 2001, IN THE
AMOUNT OF \$582,112.13**

Council Member McKeithen asked for information on several claims.

**MOTION – to approve the bills and claims for April 10, 2001 through May 10, 2001 as
submitted.**

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

**11. APPROVAL OF PLANS AND SPECIFICATIONS, AWARD OF CONTRACT FOR
2001 PAVEMENT PATCHING PROJECT**

**Public Works Director Cliff Temps answered questions for Council Member
McKeithen concerning the low bid. The recommended contractor is proposing an
alternative process for this project.**

**MOTION: to approve the plans and specifications for the FY 2000/2001 Pavement
Patching Project, award a contract to G. Bartolotto and Company, and authorize the
City Engineer to approve extra work up to a maximum contract amount of \$275,000.**

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

5. City Manager Reports

- The Menlo School Working Group Committee met today. The minutes of this
meeting will be sent to the Council, and will be placed on the Town website. There
was unanimous consensus for the plan that was developed by the architect for the
School.**

- **The Audit Committee met today at 5:00 p.m. The Auditor met earlier with Interim Finance Director Bill Yeomans to address the process of closing out the fiscal year.**
- **Building Official Mike Hood will be monitoring energy usage in Town buildings.**
- **The Interim City Manager and Public Works Director will meet with Menlo Park Staff to discuss the possibility of doing a corridor study of Valparaiso Avenue.**
- **The Town is receiving the increase as a result of the Post Office contract, although the contract is not yet in place. The contract is being finalized.**

22. PUBLIC COMMENTS

There were no public comments at this time.

23. ADJOURN

The meeting adjourned at 11:05 p.m.

Respectfully submitted,

Sharon Barker, City Clerk



Minutes
Town of Atherton
CITY COUNCIL MEETING
Thursday, May 17, 2001
8:30 A.M.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California
SPECIAL MEETING

Mayor Fisher called the meeting to order at 8:30 a.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

2. PUBLIC COMMENTS There were no public comments.

3. CLOSED SESSION The Council adjourned to closed session at 8:35.

4. RECONVENE TO OPEN SESSION The Council reconvened to open session at

A. Public Employment – pursuant to Government Code Section 54957

Title: City Manager

The Council voted unanimously to retain the firm of Avery and Associates to assist in the City Manager recruitment process.

5. ADJOURN

The meeting adjourned at 3:00 p.m.

Dianne M. Fisher, Mayor



**Minutes
Town of Atherton
JOINT CITY MANAGER RECRUITMENT
RESIDENT SCREENING COMMITTEE/
CITY COUNCIL MEETING
Friday, May 18, 2001
7:30 A.M.
TOWN COUNCIL CHAMBERS
SPECIAL MEETING**

The meeting was called to order at 7:30 a.m.

1. ROLL CALL

PRESENT: John Sisson, John Ruggeiro, John Foster, Jon Duane, Jim Dobbie, Charles Marsala, David Dollinger, Kathy McKeithen, James R. Janz, William R. Conwell, Alan B. Carlson, Dianne M. Fisher

2. PUBLIC COMMENTS There were no public comments.

3. CLOSED SESSION

The Committee and the City Council adjourned to closed session at 7:35 a.m.

4. RECONVENE TO OPEN SESSION

The meeting reconvened to open session at 1:00 p.m.

A. Public Employment – pursuant to Government Code Section 54957

Title: City Manager

No action was taken.

5. ADJOURN

The meeting adjourned at 1:00 p.m.

Dianne M. Fisher, Mayor



**Minutes
Town of Atherton
CITY COUNCIL MEETING
Friday, May 18, 2001
1:15 P.M.
Town Council Chambers
Special Meeting**

Mayor Fisher called the meeting to order at 1:25 p.m.

1. ROLL CALL

**PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell**

2. PUBLIC COMMENTS There were no public comments.

3. RATIFICATION OF AGREEMENT WITH WILLIAM AVERY ASSOCIATES FOR CONSULTING SERVICES – CITY MANAGER RECRUITMENT PROCESS

MOTION – to ratify an agreement with William Avery and Associates for consulting services for the city manager recruitment process.

M/S Conwell/Janz Ayes: 5 Noes: 0 Abstain: 0 Absent: 0

4. CLOSED SESSION The Council adjourned to closed session at 1:35 p.m.

5. RECONVENE TO OPEN SESSION

Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9. Patricia O’Neal vs. Town of Atherton

The Council reconvened to open session at 1:50 p.m. The following action was taken:

The Council voted unanimously to retain the firm of Stubbs and Leone to defend the Town in the matter of Patricia O’Neal vs. Town of Atherton.

6. ADJOURN

The meeting adjourned at 1:55 p.m.

Dianne M. Fisher, Mayor



Minutes
Town of Atherton
CITY COUNCIL MEETING
Saturday, May 19, 2001
8:00 A.M.
TOWN COUNCIL CHAMBERS
SPECIAL MEETING

Mayor Fisher called the meeting to order at 8:00 a.m.

1. ROLL CALL

PRESENT:
Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

2. PUBLIC COMMENTS There were no public comments.

3. CLOSED SESSION The Council adjourned to closed session at 8:05 a.m.

4. RECONVENE TO OPEN SESSION The Council reconvened to open session at 4:10 p.m. The following action was taken:

A. Public Employment – pursuant to Government Code Section 54957
Title: City Manager

The Council unanimously decided upon the top candidate for the position of City Manager based on final investigation by, and a report from, a Council sub-committee consisting of Mayor Fisher and Council Member McKeithen. Upon completion of contract negotiations, the Council will announce the name of the new City Manager.

5. ADJOURN

The meeting adjourned at 4:15 p.m.

Dianne M. Fisher, Mayor



Minutes
CITY COUNCIL MEETING
THURSDAY, MAY 24, 2001
5:30 p.m.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

SPECIAL MEETING

Mayor Fisher called the meeting to order at 5:30 p.m.

1. ROLL CALL

PRESENT: Kathy McKeithen
James R. Janz
Alan B. Carlson
Dianne M. Fisher
William R. Conwell

2. PUBLIC COMMENTS There were no public comments.

3. CLOSED SESSION The Council adjourned to closed session at 5:35 p.m.

4. RECONVENE TO OPEN SESSION

A. Public Employment – pursuant to Government Code Section 54957
Title: City Manager

The Council reconvened to open session at 7:15 p.m. The following action was taken: On motion by Council Member McKeithen, and seconded by Vice Mayor Carlson, the Council unanimously approved the employment agreement for James H. Robinson for the position of City Manager.

5. ADJOURN

The meeting adjourned at 7:20 p.m.

Dianne M. Fisher, Mayor

ITEM NO. 10, APPROVAL OF BILLS AND CLAIMS FOR MAY 11, 2001 THROUGH JUNE 15, 2001 WILL BE AVAILABLE MONDAY, JUNE 18, 2001.



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RALPH FREEDMAN, INTERIM CITY MANAGER

DATE: FOR THE CITY COUNCIL MEETING OF JUNE 20, 2001

SUBJECT: ADOPTION OF ORDINANCE 524, AMENDING THE ATHERTON MUNICIPAL CODE PERTAINING TO THE TIMING OF LANDSCAPE SCREENING REQUIREMENTS ON APPROVED PROJECTS WITHIN THE TOWN OF ATHERTON

RECOMMENDATION:

Adopt Ordinance No. 524, amending the Atherton Municipal Code pertaining to the timing of landscape screening requirements on approved projects within the Town of Atherton.

DISCUSSION:

This Ordinance was introduced, and first reading was held, at the regular City Council meeting on May 16, 2001. Further reading was waived. The attached Ordinance is presented for adoption by the City Council.

ORDINANCE NO. 524

**AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AMENDING THE ATHERTON MUNICIPAL CODE PERTAINING TO THE TIMING OF
LANDSCAPE SCREENING REQUIREMENTS ON APPROVED PROJECTS
WITHIN THE TOWN OF ATHERTON**

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

SECTION 1: Section 17.50.070 of the Atherton Municipal Code is hereby amended as follows:

17.50.070 Plant Coverage and tree sizes

Plantings shall be sized to adequately screen the proposed structure within a period of five years from the date *of issuance of a building permit*. The following shall constitute minimum standards for plant coverage and tree sizes:

A. All plantings shall be of adequate size and spacing to insure compliance with the screening requirements. A site inspection shall be conducted after a completed landscape screening application has been submitted. It shall be the discretion of the building official or town representative to assess the adequacy of the proposed planting to meet the screening requirement;

B. Minimum Tree Size. All trees shall be at least twenty-four-inch box container size at the time of installation. Larger trees may be required in the sole discretion of the building official where deemed necessary to meet the objectives of this chapter. Fifteen gallon trees or shrubs may be allowed at the discretion of the building official, when it can be shown that they will achieve the desired landscape screening requirements. (Ord. 508 §~ 7, 8, 1999: Ord. 470 § 1(F), 1992: Ord. 460 § 2 &art), 1991)

SECTION 2: That the City Council hereby declares that it would have passed this Ordinance 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 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 and be in force from and after 30 days after its passage and adoption.

* * * * *

I hereby certify that the foregoing ordinance was introduced at a regular meeting on May 16, 2001 and adopted at a regular meeting of the City Council of the Town of Atherton held on _____, 2001, by the following vote:

*AYES: Councilmembers:
NOES: Councilmembers:
ABSTAIN: Councilmembers:
ABSENT: Councilmembers:*

Dianne M. Fisher, Mayor

ATTEST:

Sharon Barker, City Clerk



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
INTERIM CITY MANAGER, RALPH FREEDMAN**

FROM: CLIFF TEMPS, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JUNE 20, 2001

**SUBJECT: APPROVAL OF DESIGN CONTRACT FOR MIDDLEFIELD ROAD
REHABILITATION**

RECOMMENDATION

Approve the design contract with Wilsey Ham for Middlefield Road Rehabilitation.

INTRODUCTION

The Middlefield Road Rehabilitation project consists of correcting pavement and trench failures and resurfacing Middlefield Road from Fair Oaks Lane to Ravenswood Avenue. It also includes shoulder work, so there are none of the usual pavement drop-offs that accompany overlays, drainage between Encinal School and Watkins Avenue, and replacing all pavement markings. If this basic pavement, shoulder, and drainage work doesn't use up the entire budget, additional drainage work may be added at both ends of the project. The project will be funded with \$1,147,000 from a Federal grant, \$152,000 from a State grant, \$8,500 from SAMTRANS and Menlo Park, \$409,000 from Town drainage and Channel District reserves, and 573,500 from Town street funds. Our schedule calls for completing design by this November, advertising and opening bids in December, having the contractor start work as early in 2002 as weather permits, and finishing the work by the end of that summer.

MIDDLEFIELD ROAD DESIGN PROPOSAL EVALUATION

2 proposals received:

- Wilsey Han (WH)**
- Nichols Consulting Engineers (NC)**

Evaluator: Cliff Temps, Atherton Public Works Director

Scoring	<u>WH</u>	<u>NC</u>
Understanding of Project (20 points)		
<p>WH vague about importance of providing turn-key service relating to State/Federal administration (-5).</p> <p>NC exhibited poor understanding of drainage issues (-5).</p> <p>Both exhibited the same level of emphasis on importance of pavement testing.</p>		
	15	15
Experience in overlay projects (20 points)		
<p>Both (WH through subconsultant) and NC staff showed excellent experience in overlay and general remedial pavement design.</p> <p>NC proposal included consideration of reberized ac overlay which WH did not (3).</p>		
	17	20
Experience and professional background of project management team (15 points)		
<p>WH team includes former City Engineer and Caltrans Local Projects Chief. NC team experience gained from private practice (3 points difference for more direct experience).</p> <p>WH office includes people working on the project who Specialize in drainage and who will work on that aspect of the project. NC personnel's experience is much more limited in the drainage area (4 points difference).</p>		
	15	8
Proposed schedule and allocation of resources (20 points)		
<p>NC proposal lower in cost (7 points).</p> <p>WH proposal includes more thorough and efficient survey to render better information for selecting pavement edge treatments and facilitating better analysis of drainage consequences of edge improvements (7 points).</p>		

Both proposals include same effort in pavement testing and design analysis

**WH proposal includes significant time for utility identification and coordination - to avoid storm drain/utility conflicts (4).
WH proposal includes adequate time to identify feasibility of solving local drainage problems at Fair Oaks and Ravenswood ends of project - if budget or supplemental funding permits (4)**

13 5

Familiarity with State and Federal Procedures (15 points)

NC references do not reflect current work which includes direct involvement in State and Federal processing. 2 current WH projects included for references include such direct involvement

15 5

Ability to meet or exceed 5% DBE goal (10 points)

**WH proposal includes 7% DBE effort.
NC proposal includes 1%**

7 1

TOTAL SCORE

82 54

Other factors:

WH's office is in San Mateo County and it will use its own staff surveyors to gather field information. NC proposed to use a San Jose subconsultant for surveying. It will be less difficult for WH to send a survey crew back to pick up missed information.



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
INTERIM CITY MANAGER, RALPH FREEDMAN**

FROM: CLIFF TEMPS, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JUNE 20, 2001

**SUBJECT: APPROVAL OF PLANS AND SPECIFICATIONS AND AWARD OF
CONTRACT FOR 2001 CRACK SEALING PROJECT, 2001-01**

RECOMMENDATION

Approve the plans and specifications for the 2001 Crack Sealing Project, award a contract for its construction to Ruberized Crackfiller Sealant, Inc. and Company, and authorize the City Engineer to approve extra work up to a maximum total contract amount of \$15,000.

INTRODUCTION

Crack sealing is the second of three projects we plan to put out to contract for construction this summer. The other two will involve patching and surface sealing. Most of the crack sealing is located either on streets that will be scheduled for surface sealing later in the summer, or streets that are cracked but not so badly that more extreme maintenance or rehabilitation measures are indicated. A copy of the plans and specifications showing and listing the 14 miles of street scheduled for crack sealing is available at the counter in Town Hall.

ANALYSIS

Four bids were received for the patching work:

Ruberized Crackfiller Sealant, Inc, Fullerton & Sacramento	\$12,000.00
Graham Contractors, San Jose	\$33,500.00
American Asphalt, Redwood City	\$40,540.50
Northern California Crack Sealing, Richmond	\$83,000.00

Because Ruberized Crackfiller Sealant's bid was so low, staff carefully checked all of the company's references and gave the contractor two chances to go over his bid to make sure there was no mistake. The people we talked to about Ruberized's work gave high marks to its quality and the company's efficiency. The company told us that they stand behind their bid, and would be happy or do more work at the same time, for the same price. Staff recommends that the Town take them up on their offer to extend the work up to a contract limit of \$15,000. This goes right to the specification limit beyond which price renegotiation would be required.

FISCAL IMPACT

Funds for the crack sealing work are provided in the recommended FY 2001/2002 Capital Improvement Budget.

CONCLUSION:

The low bid received for the work provides good value to the Town, and the contract for 2001 Pavement Crack Sealing should be awarded.

Respectfully submitted:

Reviewed/Approved:

/s/Cliff Temps
Cliff Temps
Public Works Director

Ralph Freedman
Interim City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RALPH FREEDMAN, INTERIM CITY MANAGER

DATE: FOR THE COUNCIL MEETING OF JUNE 20, 2001

SUBJECT: APPROVAL OF U.S. POSTAL SERVICE CONTRACT

RECOMMENDATION:

Approve the attached Agreement with the U.S. Postal Service for the operation of a Contract Post Office by the Town of Atherton.

INTRODUCTION:

The Town has operated the Contract Post Office for many years as a service to its residents. The agreement between the Town and the Postal Service has not been revised for a period of ten years. The Interim City Manager has renegotiated a new agreement with the Postal Service that will provide additional international postal services for the patrons of the Post Office in Atherton. With the new agreement, the Town will receive considerably more money for the operation of the Post Office.

The standard Postal Agreement was modified to reflect the Town's desire to have clarification on how long records should be retained. This change has been inserted in Section H.5 on Page 14.

ANALYSIS:

The new agreement will result in the Town receiving \$37,182 per year in excess of the previous agreement. In addition, the Town received a one-time lump sum payment of \$14,700 because of the delay in implementing this agreement

FISCAL IMPACT:

The Town will receive \$51,762 per year under this new agreement. The agreement is for an indefinite term with both sides having the ability to cancel the agreement with appropriate notice to the other party.



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RALPH FREEDMAN, INTERIM CITY MANAGER

DATE: FOR THE MEETING OF JUNE 20, 2001

**SUBJECT: APPROVAL OF AGREEMENT FOR ENVIRONMENTAL HEALTH
STORMWATER FEES**

RECOMMENDATION:

Approve the agreement with the County of San Mateo for Stormwater Pollution Prevention Program Services.

INTRODUCTION:

As a mandatory requirement of the Countywide National Pollution Discharge Elimination System (NPDES) Permit, the County Division of Environmental Health has been conducting stormwater pollution prevention inspections on businesses throughout San Mateo County since 1994. To date, the Division of Environmental Health has not been charging fees as a part of this inspection service.

The Division of Environmental Health recently informed the Town that its budget has become tighter and in order to remain fiscally responsible as an enterprise fund, the Division will begin billing businesses throughout the County an annual \$46 fee as of July 1, 2001 for stormwater inspections.

ANALYSIS:

Upon informing the Division that the Town of Atherton does not have any established commercial or industrial businesses within its jurisdiction, the Division responded that while no businesses will be charged the \$46 fee, the Agreement will also allow the Division to respond on a complaint basis

to any illegal discharge activities which may take place in the Town. The Division has responded to complaints of illegal discharge within the Town limits in the past.

In addition, the Division routinely inspects public and private schools as well as any Town facilities which have hazardous materials, above-ground storage tanks and/or a standby generator. The fee could also be levied on country clubs if they have any of the above-mentioned items on premises. The Town's NPDES permit actually requires the Town to conduct inspections of own facilities and those of schools and country clubs. This agreement arranges for the County to conduct these inspections instead of the Town, an arrangement which alleviates Town staff of the significant amount of time required for staff training in this area, conducting inspections, following up on violations, and processing the required paperwork. The Division is requesting Council approval of the attached Agreement in order for the Town to be consistent with the other 19 incorporated cities in the County, as co-permittees of the NPDES permit. This arrangement is favorable in terms of staff time and efficiencies for both the County and the Town.

FISCAL IMPACT:

The Town will be levied a \$46 annual stormwater inspection fee as a result of this Agreement.



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RALPH FREEDMAN, INTERIM CITY MANAGER

DATE: FOR THE CITY COUNCIL MEETING OF JUNE 20, 2001

SUBJECT: APPROVAL OF AGREEMENT WITH MENLO SCHOOL FOR USE OF FACILITIES FOR ARTS RELATED FUNCTIONS

RECOMMENDATION:

Approve the agreement between Menlo School and the Town of Atherton for the use of the School's facilities for arts related functions for an indefinite period.

ANALYSIS:

The proposed agreement will allow for arts related events in Menlo School facilities that could not be conducted in Town-owned facilities. The agreement calls for the creation of a committee comprised of three Town representatives and three School representatives to oversee approximately twelve events per year. This project has the support of the Town's Art Committee, and will foster various high quality arts related events for the Atherton community.

FISCAL IMPACT

The agreement would require both the Town and the School to provide \$500 each in seed money to allow the Committee to begin the process of bringing arts events to the School's facilities. Some of the events will require the public to pay for them, and others may be available at no cost to the public. It is anticipated that all advertising and underwriting costs will be paid out of revenues generated from user fees, and from grants that the Committee will solicit from Federal and State sources.

AGREEMENT BETWEEN THE TOWN OF ATHERTON AND MENLO SCHOOL FOR THE USE OF THE SCHOOL FACILITIES FOR ARTS RELATED FUNCTIONS (INDEFINITE PERIOD)

THIS AGREEMENT is made and entered into this 21st day of June, 2001, by and between TOWN OF ATHERTON, a municipal corporation of the State of California (hereinafter "TOWN"), and MENLO SCHOOL (hereinafter "SCHOOL").

WITNESSETH:

WHEREAS, Section 10900 et. seq. of the California Education Code authorize public agencies to enter into agreements for the purpose of organizing, promoting and conducting programs of community arts and recreation; and

WHEREAS, TOWN and SCHOOL desire to organize, promote and conduct such programs within the general area served by both entities by entering into an agreement for arts related programs of all types for educational purposes, and consistent with the goals and philosophy of the School, that would serve the Atherton community and other neighboring communities; and

WHEREAS, TOWN and SCHOOL have a desire to establish an ongoing relationship in coordination of such Programs at the SCHOOL's facilities; and

WHEREAS, this Agreement will serve the public interest, health and general welfare of the residents of Atherton and surrounding areas; and

WHEREAS, this agreement will also provide for TOWN usage of the outside facilities of SCHOOL; and

WHEREAS, TOWN and SCHOOL desire to continue the arrangements made under the agreements indefinitely;

NOW, THEREFORE, in consideration of the promises, mutual terms, covenants and conditions contained in this Agreement, the parties agree as follows:

SECTION 1. JOINT COMMITTEE. TOWN AND SCHOOL shall form an oversight committee comprised of three members from each entity. The function of this committee is to approve the events covered by this agreement and to coordinate these events with the appropriate SCHOOL officials. The Committee should also undertake the following:

- (a) Schedule and reserve SCHOOL facilities to individuals and groups for their use, at such times when these facilities are available. The Committee shall be solely responsible for the coordination and scheduling of requests for the reservation and use of the Facilities, which shall be accomplished in accordance with SCHOOL's usage policies, Exhibit "A", attached hereto and incorporated herein by this reference. The

Committee shall be responsible to compensate the SCHOOL for the provision of any staffing beyond that level in existence at the SCHOOL, if necessary.

(b) Collect all rentals and fees for the Facilities from the individuals or groups using them, as set forth by the Committee. All fees will be deposited into a separate account of the Town, and audited annually by the Town's auditor. The Committee will utilize all fees, after any payments due to SCHOOL for direct costs, for the advertising and underwriting of future arts events.

(c) Issue a completed Usage Permit to each individual or group user, in the form contained in Exhibit "A". The SCHOOL reserves the right to conduct background checks pursuant to the California Education Code 44237 or consistent with normal TOWN practices.

(d) Monitor and enforce the permittees' use of the Facilities, to determine whether such use complies with the conditions of the permits. If a permittee's use of a Facility does not comply with the conditions of the particular permit, THE Committee may deny the permittee further use of the Facilities.

(e) Provide SCHOOL with one (1) copy of every permit issued for the rental or use of the facilities and a regularly updated schedule of use of the facilities not less frequently than once per month.

(f) Provide SCHOOL on or before February 1 and August 1 of each with a financial report which describes the revenues the Committee has collected from Facilities rentals under this Agreement during the immediately previous six months period, January through June, or July through December, as the case may be.

(h) Refer to SCHOOL for comment any dispute pertaining to any allegation of unlawful authorization, denial, or conditional authorization of use of Facilities of SCHOOL. The Committee shall have the authority and power to resolve any such dispute.

(i) The Committee will reimburse the SCHOOL for all direct expenses connected with the above mentioned programs, that are in excess of any regular direct expenses of the SCHOOL.

(j) TOWN and SCHOOL agree to both deposit \$500 into said bank account after execution of this agreement to be used as seed money by the Committee.

(k) All events will be conducted in compliance with all Town and other governmental regulations.

(l) Both the TOWN and the SCHOOL give their approval to the Committee to seek grants to underwrite any expenses in connection with these events.

SECTION 2. DUTIES OF SCHOOL. SCHOOL shall undertake the following obligations under this Agreement:

- (a) Provide and maintain the Facilities, Exhibit "B", for the Committee to schedule and reserve to individuals or groups for arts-related uses. Provide the Committee with a schedule of days at each school for a block of designated exclusive school usage, and of days at each school for a block of non-school usage.
- (b) Provide an appropriate number of copies of the required policies and fee schedules or other items necessary for issuance to permittees if such issuance is required by SCHOOL policy.

- (c) Grant the Committee the right to determine whether the permittees' use of the facilities complies with the conditions of the permits.

SECTION 3. AMENDMENT OF EXHIBITS. The Head of School and the City Manager of TOWN shall have the power to amend Exhibits "A", "B" and "C-1 & 2" on behalf of the parties by written instrument containing both of their signatures with their respective governing body's approval.

SCHOOL shall cooperate with TOWN in the scheduling by SCHOOL of its custodial service to facilitate usage without additional costs to either party. During the times the Committee is entitled to the use of such facilities, the public shall have the right to use off-street parking facilities on the grounds of the school within which the Facility is located and shall have reasonable access through School grounds to the facilities being used.

SECTION 4. DUTY OF SCHOOL TO HOLD TOWN HARMLESS.

- (a) TOWN shall save and hold harmless SCHOOL, Exhibit "C-1", its officers, employees and agents from, and defend them against any and all liability, costs, attorney's fees, or expenses (hereinafter, "liability") incurred by TOWN, its officers, employees, or agents, on account of any lawsuit, judgment, or claim of any kind arising out of or connected with TOWN's performance of this Agreement, except where such liability arises out of the negligence of TOWN, its officers, employees or agents.
- (b) SCHOOL shall save and hold harmless TOWN, Exhibit "C-2", and its contractors from any claims or causes of action for injury to persons or damage to property which may arise by reason of any dangerous or defective condition of school property, except where such liability arises out of the negligence of TOWN, its officers, employees or agents.

SECTION 5. DUTY OF SCHOOL TO INSURE. SCHOOL has in force, and during the term of this Agreement shall maintain in force, a combined, single-limit liability insurance policy in the amount of not less than one million dollars (\$2,000,000), with the TOWN, its officers, employees and agents as named, at SCHOOL's expense, as additional insureds under such liability policy, with respect to the hold harmless provisions of Section 5 above.

SECTION 6. DUTY OF TOWN TO HOLD SCHOOL HARMLESS.

- (a) TOWN shall save and hold harmless SCHOOL and Menlo College, its officers, employees and agents from, and defend them against any and all liability, costs, attorney's fees, or expenses (hereinafter, "liability") incurred by SCHOOL, its officers, employees, or agents, on account of any lawsuit, judgment, or claim of any kind arising out of or connected with SCHOOL's performance of this Agreement, except where such liability arises out of the negligence of SCHOOL, its officers, employees or agents.

(b) TOWN shall save and hold harmless SCHOOL, its officers, employees and agents from all liability incurred by SCHOOL, its officers, employees or agents, on account of any lawsuit arising out of (1) use of any premises under the ownership or possession of TOWN in connection with the performance of the Agreement, except where such liability arises out of the negligence of SCHOOL, its officers, employees or agents, and (2) the use by TOWN pursuant to Section 4 of any premises under the ownership or possession of SCHOOL, except where such liability arises out of the sole negligence of SCHOOL, its officers, employees or agents.

SECTION 7. DUTY OF TOWN TO INSURE. TOWN has in force, and during the term of this Agreement shall maintain in force, a combined, single-limit liability insurance policy in the amount of not less than one million dollars (\$2,000,000), with the SCHOOL and Menlo College, its officers, employees and agents as named, at TOWN's expense, as additional insureds under such liability policy, with respect to the hold harmless provisions of Section 7 above.

SECTION 8. DISCRIMINATION. Neither party to this Agreement shall discriminate against any employee, applicant for employment, or other person on the basis of race, religion, sex, national origin, age (where the person is 40 years of age or older), disability, ancestry, medical condition (as defined by state anti-discrimination statute), or creed, in violation of any federal or state law, in connection with the performance of this Agreement.

SECTION 9. GOVERNING LAW; JURISDICTION. The laws of the State of California shall govern this Agreement, and any disputes regarding this Agreement shall be resolved according to said laws. Any legal proceedings shall be instituted in the courts of the State of California and County of San Mateo, irrespective of any claim of diversity of citizenship or other possible jurisdictional conditions.

SECTION 10. TOWN REPRESENTATIVE. The City Manager or designee shall represent TOWN in all matters pertaining to the services to be rendered under this Agreement. All requirements of TOWN pertaining to the services to be rendered under this Agreement shall be coordinated through the TOWN representative.

SECTION 11. SCHOOL REPRESENTATIVE. The Head of School or designee shall represent SCHOOL in all matters pertaining to the services to be rendered under this Agreement; all requirements of SCHOOL pertaining to the services to be rendered under this Agreement shall be coordinated through the SCHOOL representative.

SECTION 12. NOTICES. All notices hereunder shall be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To TOWN
City Manager
TOWN OF ATHERTON
91 Ashfield Road
Atherton, California 94027

To SCHOOL
Business Manager/CFO
MENLO SCHOOL
50 Valparaiso Avenue
Atherton, California 94027

SECTION 13. TERM OF AGREEMENT. This Agreement shall commence on July 1, 2001, and shall continue indefinitely until terminated. Either party may terminate this Agreement by giving not less than ninety (90) days' prior written notice to the other party.

SECTION 14. EFFECT OF WAIVERS. The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, or ordinance or law or of any subsequent breach or violation of the same or any other term, covenant, condition, ordinance or law.

SECTION 15. RECOVERY OF COSTS AND ATTORNEYS FEES IN LEGAL ACTIONS. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorney's fees expended in connection with such an action from the other party.

SECTION 16. INTEGRATED AGREEMENT. This document represents the entire and integrated Agreement between TOWN and SCHOOL and supersedes all prior negotiations, representations or agreements, either written or oral. In particular, this Agreement supersedes all prior agreements between TOWN and SCHOOL pertaining to the subject matter thereof. This agreement shall not be construed as nor deemed to be an Agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action herein for any cause whatever. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties. The provisions of Exhibits A, B and C may be modified in writing by the City Manager of TOWN and Superintendent of SCHOOL.

SECTION 17. ALL PROVISIONS OF AGREEMENT ARE CONDITIONS. All provisions of this Agreement are expressly made conditions.

IN WITNESS WHEREOF, TOWN and SCHOOL have executed this Agreement on the date first above written.

APPROVED AS TO FORM

TOWN OF ATHERTON
("TOWN"), by

City Attorney

City Manager

Attachments:

Exhibit "A" - Facility Use Agreement and Permit

Exhibit "B" - School Facilities

Exhibit "C-1 & 2" - Insurance Coverage for School and Town



FACILITY USE AGREEMENT AND PERMIT

Name of Renter: _____
(hereinafter referred to as "RENTER")

Address/Tel: _____

Facility: _____

Dates of Use: _____

Fee: \$_____ to be paid to
Menlo School by the Town of Atherton as detailed in the Agreement between the Town of
Atherton and Menlo School for the use of the school facilities for arts related functions.

AGREEMENT: This is to confirm that RENTER is authorized to use the facilities and property setforth herein of Menlo School as noted in the above schedule for the purposes of *DESCRIPTION OF EVENT*.

RENTER agrees to assume full financial responsibility for any damage caused to Menlo School and Menlo College property from or in connection with the use thereof, to abide by the rules and regulations of Menlo School.

RENTER agrees to defend and indemnify Menlo School and Menlo College against and save Menlo School and Menlo College harmless from any and all loss, cost, liability, damage and expense, including without limitation reasonable attorneys' fees and costs, incurred in connection with or arising from the use of the facilities by any of his/her staff participants and/or guests; provided however, that RENTER shall not be obligated to indemnify Menlo School and Menlo College for claims arising from the negligence or willful misconduct of Menlo School and Menlo College or Menlo School and Menlo College's employees, agents or contractors. In the event any action or proceeding is brought against Menlo School or Menlo College for any claim against which RENTER is obligated to indemnify Menlo School and Menlo College hereunder, RENTER, upon notice from Menlo School and Menlo College shall defend such action or proceeding at RENTER'S sole expense by counsel approved by Menlo School and Menlo College, which approval shall not be reasonably withheld, unless RENTER'S insurer is providing counsel, in which case Menlo School and Menlo College shall have no right to approve counsel.

Rental Agreement Page 2

RENTER shall provide Menlo School with evidence of insurance in the form of a Certificate of Insurance in favor of, and in a form acceptable to Menlo School as an additional insured, evidencing public liability insurance with a policy limit of not less than \$2,000,000 per incident. Such Certificate must be submitted to Menlo School prior to the commencement of the facility use.

Use of the name of "Menlo School" by RENTER in advertising, promotion or publicity, or in any other manner related to the event shall be made only with the prior written consent of the Business Office. RENTER may use the name "Menlo School" only to identify the location at which the subject event will be held.

This agreement may be canceled for any reason by RENTER at no charge, upon receipt by Menlo School of written notice of such cancellation at least 14 days prior to the date of event. Upon cancellation under the above terms, Menlo School will refund unused prorated use fees.

Additional terms: Campus security is on duty and can be contacted at 400-5837. The School's facility contract manager can be contacted at 650-568-9077 in case of questions.

A copy of this contract will be carried by RENTER at all times while on the campus of Menlo School or Menlo College.

Please sign and date both copies of this agreement and return them to the Facility Contract Manager.

MENLO SCHOOL

AGREED:
RENTER

By: _____
Pat Pannell
Business Manager and C.F.O.

By: _____

Date: _____

Date: _____

Menlo School Facilities Available for Use

Occupancy Maximums

	Standing Only	Seated
Hall Ballroom	204	102
Florence Moore Auditorium		225
Amanda MacDonald Student Center		
Front Room	293	146
Rear Room	86	43
Dining Hall	520	220
Gym (Without Bleachers)	1,333	750
Bleacher Capacity		432
Commons		298
Grounds and Fields	Varies	Varies



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: THE CITY COUNCIL

FROM: LISA COSTA SANDERS, SENIOR PLANNER

DATE: FOR THE CITY COUNCIL MEETING OF JUNE 20, 2001

SUBJECT: ADOPTION OF ORDINANCE EXTENDING A MORATORIUM ON BASEMENTS –PUBLIC HEARING

RECOMMENDATION:

Staff recommends that the City Council conduct the public hearing and adopt the attached Ordinance extending the moratorium on the construction of basements outside of the building footprint based on the following findings for the reasons outlined in this staff report:

1. The extending the moratorium is necessary to protect a current and immediate threat to the public health, safety, or welfare.
Basis for finding: The current Municipal Code requirements allow for the construction of basements five feet from a property line. This could result in the elimination of significant amounts of mature landscaping in the landscape preservation area.
2. The approval of building permits for basements outside of the building footprint would result in a threat to public health, safety, or welfare.
Basis for finding: As stated above, issuance of a building permit for a basement within five feet from a property line could result in the elimination of significant amounts of mature landscaping in the landscape preservation area.
3. The moratorium is necessary to achieve the objectives of the Zoning Plan and the General Plan.
Basis for finding: The Municipal Code and General Plan policies require the preservation of landscaping and heritage trees, specifically in the tree preservation area.

INTRODUCTION:

The City Council, at their May 16, 2001 meeting, adopted an Ordinance imposing a Moratorium on the construction of basements outside of the footprint of the main building. This Ordinance became effective immediately for a period of 45 days. The Council also directed the General Plan Committee to further study more permanent municipal code changes for basements. The General Plan Committee, at their June 7, 2001 meeting discussed the issues raised by the City Council and recommended changes to the municipal code regarding basements to the Planning Commission. The Planning Commission is scheduled to review this item at their June 27, 2001 meeting.

ANALYSIS:

State Planning and Zoning Law allows for the adoption of an Interim Zoning Ordinance (to become effective immediately) to protect the public safety, health, and welfare, prohibiting any uses which may be in conflict with a contemplated zoning proposal. The interim ordinance is effective for 45 days from the date of adoption and can be extended for 10 months and 15 days. It can be extended for an additional 12 months after the second extension. Each extension of the interim ordinance requires a public hearing and a 4/5 vote of the City Council. The interim ordinance became effective on May 16, 2001, and will expire on June 30, 2001. If the City Council adopts the extension, the moratorium will continue through May 15, 2002. Staff feels that this extension provides sufficient time for discussion, preparation and implementation of more permanent code changes.

As stated at the May 16, 2001 City Council meeting, when the interim ordinance was first adopted, this moratorium is necessary to protect landscaping in the landscape preservation area. Current code requirements allow for the construction of basements and retaining walls for underground garages to be constructed within five feet of the property line.

Also as stated above, the issue was reviewed by the General Plan Committee and will be reviewed by the Planning Commission at their next meeting. Staff anticipates an Ordinance ready for City Council review and introduction at their July 18, 2001 meeting. Assuming introduction at that meeting and adoption at the August 15, 2001 meeting, the permanent ordinance changes would be effective on September 14, 2001.

It is recommended that the Council extend the ordinance imposing a moratorium limiting the construction of basements to the footprint of the main building or accessory structures. This would preclude any development that is not in compliance with the pending ordinance changes.

ENVIRONMENTAL IMPACT:

The proposed Ordinance Amendment is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15305, Minor Alterations in Land Use Limitations of the CEQA guidelines.

FORMAL MOTION:

I move that the City Council adopt the attached urgency Ordinance extending the moratorium on basements within the Town of Atherton based on the findings and for the reasons incorporated in the Staff Report.

/s/Lisa Costa Sanders

Lisa Costa Sanders, Senior Planner

Attachments:

1. Draft Ordinance Extending a Moratorium

ORDINANCE NO. ____
AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
IMPOSING A MORATORIUM ON THE DEVELOPMENT OF CERTAIN SIZE
BASEMENTS WITHIN THE TOWN OF ATHERTON

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

SECTION 1: The City Council hereby determines that there is a current and immediate threat to the public health, safety, or welfare and that the approval of additional building permits for basements within five feet of the side property line will be contrary to the purpose and intent of the Atherton Municipal Code and the Atherton General Plan requiring the preservation of heritage trees and other mature landscaping outside of the buildable area. Further, the City Council at their May 16, 2001 meeting adopted an urgency Ordinance imposing a moratorium on basements for a period of 45 days.

SECTION 2: The City Council has deferred this matter to the General Plan Committee and Planning Commission for study. The General Plan Committee has studied this issue and forwarded their recommendation to the Planning Commission. Considerable time was spent in reviewing this matter, and with the necessary timing for implementation of an ordinance amendment, the City Council finds it necessary to extend the moratorium prohibiting basements as delineated in Section 3 below, to protect heritage trees and other landscaping outside of the buildable area.

SECTION 3: *Basements shall not extend outside the footprint of the main building or accessory structure, with the exception of areas for stairways and light wells which shall be limited to the main buildable area. No basement retaining wall or retaining walls for driveways shall be located within 10' of the property line.*

SECTION 4: The City Council hereby declares that it would have passed this Ordinance 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 5: This Ordinance shall be posted in at least three public places according to law and shall take effect and be in force immediately from the date of adoption, for a period of 10 months and 15 days.

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held on the 20th day of June, 2001, by the following vote:

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

Dianne M. Fisher, Mayor
Town of Atherton

ATTEST

Sharon Barker, City Clerk

**PARCEL TAX MONIES
FOR CAPITAL IMPROVEMENT PROJECTS**

FISCAL YEAR 2001-02

PROJECTS

Middlefield Road-Design	
Middlefield Road-Construction	
2001 Street Patching	
2001 Street Crack Sealing	
2001 Street Surface Sealing	150,000
2002 Street Patch, Seal & Overlay	175,000
2002 Street Reconstruction	250,000
Valparaiso - University Signal	75,000
Atherton Channel Repairs	100,000
Park Play Structure	
Park Improvements	
St Corp Yard Design & Bldg Imp ¹	225,000
Park Corp Yard Improvements	40,000
City Hall ADA Improvements	60,000
Council Chamber Improvements	25,000
City Hall Building Reserve Fund	150,000
TOTAL PROJECT COSTS	1,250,000

NOTES

1. \$200,000 Required for construction next Fiscal Year to complete outside improvements

**PARCEL TAX MONIES
FOR CAPITAL IMPROVEMENT PROJECTS**

FISCAL YEAR 2002-03

PROJECTS

Middlefield Road-Construction	
Street Patch, Seal & Overlay	
Street Reconstruction	282,000
Atherton Channel Repairs	218,000
St Corp Yard Yard Improvements	200,000
City Hall Building Reserve Fund	100,000

TOTAL PROJECT COSTS **800,000**

FISCAL YEAR 2003-04

PROJECTS

Middlefield Road-Construction	
Street Patch, Seal & Overlay	
Street Reconstruction	384,000
Atherton Channel Repairs	216,000
City Hall Building Reserve Fund	200,000

TOTAL PROJECT COSTS **800,000**

FISCAL YEAR 2004-05

PROJECTS

Middlefield Road-Construction	
Street Patch, Seal & Overlay	
Street Reconstruction	400,000
Atherton Channel Repairs	200,000
City Hall Building Reserve Fund	200,000

TOTAL PROJECT COSTS **800,000**



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: RALPH FREEDMAN, INTERIM CITY MANAGER

DATE: FOR THE MEETING OF JUNE 20, 2001

SUBJECT: CONSIDER MODIFICATION TO ALARM FEES FOR FISCAL YEAR 2001-02

RECOMMENDATION:

Direct staff to implement a revised Alarm Fee structure per the options explained below, or retain the fee structure in its current form.

INTRODUCTION:

At the City Council meeting of June 13th, I presented sample false alarm data for the Calendar Year 1999, which showed that most false alarms are first calls (49%) or second calls (25%). I also presented more detailed information on three alternatives to the current fee structure - (1) charge for all false alarms; (2) the "Hillsborough Model"; and (3) a blended system.

At the June 13th meeting, considerable discussion ensued regarding alternatives to the current Alarm Fee structure. The following is understood as the direction to staff on this issue:

1. Obtain an opinion from the City Attorney regarding whether excess Building Department revenues could be used for other Town expenses indirectly related to the Building Department, or unrelated to the Building Department. The attached opinion stated that these revenues could be used for general Town expenses.
2. Council requested a definition of a call that classifies as a "false alarm."
3. Consider raising the Business License Fee for the category of Alarm Installers, to be possibly based on the number of Alarm customers the company has in Atherton.

4. Consider alternatives that would retain the Alarm Fee as a revenue source to the Town while reducing the \$300 annual Alarm Fee. In general, Council was in favor of eliminating the annual Alarm Fee, or reducing it to a minimal amount.

ANALYSIS:

Currently, the Police Department staff generally defines a false alarm as the tripping of an alarm that is not related to potential criminal activity at the alarm location. Alarm charges can be cancelled if there is a malfunction to the system, if the resident calls the Communications Center prior to the arrival of a Police Officer, or if approved for some legitimate reason by an appropriate Police Department official.

Regarding the option of raising the Business License Fee for the category of Alarm Installers, staff has not as of this writing researched whether other cities structure their business license fees in this manner. Staff is not recommending this approach until further research is done. Staff does not want to institute a fee that would discourage Alarm Installers from conducting business in the Town and serving our residents. If the fee were increased dramatically, this could potentially cause installers to pass along this fee to their Atherton customers.

Based on Council discussion and staff’s one year of experience with the current fee structure, staff presents the following alternatives to the current policy:

1. First Free with \$50 Charge Thereafter and Assess an Annual Fee:

Given that the average number of False Alarms after the cancelled calls is 1,845, this option could potentially generate revenue as follows:

First Alarm Free (eliminates an average of 922 calls)	
Second and subsequent calls: 922 x \$50:	\$46,100
An Annual Permit Fee could also be charged: 1,250 x \$100:	\$125,000
Total Potential Revenue:	\$171,100

2. Charge \$70 for All False Alarms and Assess an Annual Fee:

Under this option, no Free False Alarms would be given.

Average Number of False Alarms: 1,845 x \$75:	\$138,375
An Annual Permit Fee could also be charged: 1,250 x \$50:	\$62,500
Total Potential Revenue:	\$200,875

3. No Free False Alarms, Graduated Fee Thereafter and Assess and Annual Fee:

First Alarm Charged at \$50: 922 x \$50:	\$46,100
Second and subsequent calls: 922 x \$75:	\$69,150
An Annual Permit Fee could also be charged: 1,250 x \$60:	\$75,000
Total Potential Revenue:	\$190,250

FISCAL IMPACT:

As the goal is to replace the estimated \$200,000 General Fund revenue which would be lost by modifying the current Alarm Fee structure, Staff is recommending that the City Council approve Alternative #2 with a \$70 fee for all false alarms and the assessment of a \$50 Annual Fee Assessment. This would be the cleanest way to administer this program.