



AGENDA
Town of Atherton
CITY COUNCIL
April 17, 2013

6:00 P.M.

Meeting Room

Town Administrative Offices

91 Ashfield Road

Atherton, California

Special Meeting

6:00 P.M. ROLL CALL Lewis, Carlson, Dobbie, Widmer, Wiest

6:02 P.M. PUBLIC COMMENTS

6:12 P.M. PUBLIC ANNOUNCEMENT OF CLOSED SESSION ITEMS

6:13 P.M. CLOSED SESSION

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)

City Manager

RECONVENE TO OPEN SESSION

Report of action taken.

6:59 P.M. 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) 752-0500. 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)



AGENDA
Town of Atherton
CITY COUNCIL
April 17, 2013
7:00 p.m.
94 Ashfield Road
Atherton, California
REGULAR MEETING

This Agenda may not reflect the actual order of items. The order of items is subject to change based on Council action.

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL** Lewis, Dobbie, Widmer, Wiest, Carlson
3. **PRESENTATIONS**

PROCLAMATION FOR:

- DISPATCHER WEEK
- NATIONAL POLICE WEEK
- WEST NILE VIRUS AND MOSQUITO AND VECTOR CONTROL AWARENESS WEEK

4. **PUBLIC COMMENTS** *(This portion of the meeting is reserved for persons wishing to address the Council on any matter not on the Agenda that is within the subject matter jurisdiction of the City Council. State law prohibits the Council from acting on items not listed on the Agenda except by special action of the City Council under specified circumstances. Speakers' time is limited to three minutes.)*
5. **REPORT OUT OF CLOSED SESSION**
6. **CITY MANAGER'S REPORT**
 - a. **Community Center Advisory Committee Report**
7. **COMMUNITY ORGANIZATION ROUNDTABLE REPORT**

CONSENT CALENDAR (Items 8-14)

(Consent Calendar items are routine in nature and are generally considered in one motion and adopted by a single vote of the City Council. If discussion regarding a Consent Calendar item is desired, the member(s) of the City Council, public, and/or staff wishing to pull the item should so indicate at the time the Mayor calls for consideration of the Consent Calendar.)

8. **APPROVAL OF MARCH 13 SPECIAL MEETING, MARCH 20 REGULAR MEETING, AND APRIL 3 SPECIAL MEETING MINUTES**
Recommendation: Approve meeting minutes

9. **APPROVAL OF BILLS AND CLAIMS FOR MARCH, 2013 IN THE AMOUNT OF \$917,445**
Recommendation: Approve Bills and Claims in the amount of \$917,445

10. **APPROVAL OF CONTRACT WITH CMS SOLUTIONS TO IMPLEMENT THE INSTALLATION OF SHORETEL VOIP TELECOMMUNICATIONS SYSTEMS**
Report: City Manager George Rodericks
Recommendation: Approve contract with CMS Solutions to implement the installation of Shoretel VoIP telecommunications systems

11. **ADOPTION OF A RESOLUTION REVISING THE APPOINTMENT OF DIRECTORS TO REPRESENT THE TOWN OF ATHERTON TO ABAG PLAN CORPORATON BOARD OF DIRECTORS**
Report: City Clerk Theresa DellaSanta
Recommendation: Adopt resolution revising the appointment of directors to represent the Town of Atherton to ABAG PLAN Corporation Board of Directors

12. **CONSIDERATION TO SEND LETTER OF SUPPORT FOR SENATE BILL 557**
Report: Community Services Director Mike Kashiwagi
Recommendation: Consider sending letter of support for Senate Bill (SB) 557

13. **AWARD OF CONTRACT FOR THE 2013 CAPE SEAL PROJECT**
Report: Community Services Director Mike Kashiwagi
Recommendation: Award the contract for 2013 Cape Seal Project, project number 56056 to Intermountain Slurry Seal, the lowest responsive and responsible bidder, in the amount of \$308,072, and authorize the City Manager to execute the contract

14. **ADOPT RESOLUTION APPROVING DESTRUCTION OF RECORDS RETAINED BY ADMINISTRATION**
Report: City Clerk Theresa DellaSanta
Recommendation: Adopt resolution authorizing the destruction of certain records retained by the Administration Department

PUBLIC HEARINGS - None

REGULAR AGENDA – (Items 15-20)

15. **ACCEPTANCE OF FISCAL YEAR 2011-2012 BASIC FINANCIAL STATEMENTS, REPORT ON COMPLIANCE WITH THE AGREEMENT FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE A FUNDS FOR LOCAL TRANSPORTATION PURPOSE, AGREED UPON PROCEDURES REPORT ON COMPLIANCE WITH THE PROPOSITION 111 APPROPRIATIONS LIMIT, AND MEMORANDUM ON INTERNAL CONTROL AND REQUIRED COMMUNICATIONS**

Report: Finance Director Robert Barron III

Recommendation: Accept FY 2011-2012 Basic Financial Statements, Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds, Agreed Upon Procedures Report on Compliance with the Proposition 111 Appropriations Limit, and the Memorandum on Internal Control and Required Communications

16. SPECIAL EVENT ROAD CLOSURES

Report: Police Chief Ed Flint

Recommendation: Adopt a Resolution requiring that requests for road closures for Special Events on the mentioned streets be approved by staff only after a public meeting before the City Council to gather input

17. RESPONSE TO GRAND JURY REPORT

“WATER RECYCLING – AN IMPORTANT COMPONENT OF WISE WATER MANAGEMENT”

Report: City Manager George Rodericks

Recommendation: Accept the attached response to the San Mateo Grand Jury on their report entitled “Water Recycling – An Important Component of Wise Water Management.”

18. DISPOSITION OF THE ARTS COMMITTEE / AMENDMENT OF RESOLUTION NO. 13-08 GOVERNING COMMITTEES AND COMMISSIONS

Report: City Manager George Rodericks

Recommendation: Consider the request of the Arts Committee on the disposition of the Arts Committee and, if supported, move the disbandment of the Arts Committee and direct staff to amend the appropriate Resolution for Council consideration

19. APPROVAL OF REQUEST FOR PROPOSAL FOR DRAINAGE STUDY

Report: Community Services Director Mike Kashiwagi

Recommendation: Approve the Request for Proposal (RFP) for preparation of the Drainage Study and authorize staff to advertise and distribute the Drainage Study RFP

20. APPROVAL OF REQUEST FOR PROPOSAL FOR PARK MASTER PLAN

Report: Community Services Director Mike Kashiwagi

Recommendation: Approve the Request for Proposal (RFP) for preparation of the Holbrook-Palmer Park Master Plan and authorize staff to advertise and distribute the Park Master Plan RFP

21. AGREEMENT AMENDMENT WITH BIGGS CARDOSA ASSOCIATES, INC. FOR MARSH ROAD CHANNEL REPAIRS ADDITIONAL SERVICES

Report: Authorize the City Manager to execute an amendment to the agreement with Biggs Cardosa Associates, Inc. in the amount of \$8,200 for additional consulting services to analyze two additional repair options and to analyze additional issues raised during a the March 2013 workshop

22. COUNCIL REPORTS/COMMENTS

23. FUTURE AGENDA ITEMS

**A. INFORMATION ON RELATIONSHIP BETWEEN THE TOWN OF
ATHERTON AND THE SAN MATEO COUNTY LIBRARY JPA**

24. PUBLIC COMMENTS

25. ADJOURN

PLEASE NOTE THE FOLLOWING INFORMATION:

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PROCLAMATION

IN RECOGNITION OF ATHERTON'S PUBLIC SAFETY COMMUNICATIONS PERSONNEL

WHEREAS, the City Council of the Town of Atherton, along with the entire community, would like to honor the contributions of all Communications personnel in the public safety arena for your continued efforts to preserve public safety through our 9-1-1, non-emergency lines, and dispatch of our police personnel to thousands of calls for service each year across the nation; and

WHEREAS, each year, the second week of April is dedicated to the men and women who serve as public safety telecommunicators. It was first conceived by Patricia Anderson of the Contra Costa County Sheriff's Office in 1981 and was observed only at that agency for three years. Members of the Virginia and North Carolina Chapters of the Association of Public-Safety Communications Officials (APCO) became involved in the mid-1980s. By the early 1990s, the national APCO organization convinced Congress of the need for a formal proclamation. Rep. Edward J. Markey (D-Mass.) introduced what became H.J. Res. 284 to create "National Public Safety Telecommunicator Week." According to Congressional procedure, it was introduced twice more in 1993 and 1994, and then became permanent, without the need for yearly introduction; and

WHEREAS, The City Council of the Town of Atherton would like to declare National Public Safety Telecommunications Week (April 14-20, 2013) which has been set aside so everyone can be made aware of your hard work and dedication, which provides a vital link to the public safety services on which we have come to rely every day; and

WHEREAS, The City Council of the Town of Atherton wish to thank you for all the sacrifices you make to create a better and safer world for the public. Your commitment to your profession is appreciated by the public safety communications community, and the citizens you serve; and

NOW, THEREFORE, as Mayor of the Town of Atherton, and on behalf of the Atherton City Council, I hereby commend the outstanding service performed by our Communications personnel.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Town of Atherton to be affixed this 17th day of April, 2013.

Elizabeth Lewis, Mayor
Town of Atherton

PROCLAMATION

*In Memory of Many, In Honor of All
National Police Week – May 11 – 17, 2013*

IN RECOGNITION OF NATIONAL PEACE OFFICERS MEMORIAL DAY

In 1962, President Kennedy proclaimed May 15th as National Peace Officers Memorial Day. The calendar week in which May 15th falls, is recognized as National Police Week.

WHEREAS, The Candlelight Vigil is traditionally held on May 13th, regardless of the day of the week on which it falls. The National Peace Officers Memorial Day Service is hosted by the Fraternal Order of Police and the Fraternal Order of Police Auxiliary; and,

WHEREAS, the Town Council and the community of the Town of Atherton would like to honor the men and women of law enforcement for their never ending commitment to the protection of life and property; and,

WHEREAS, the Town Council would like to honor those 2 fallen officers who lost their lives in the line of duty in 2012: Deputy Robert Lee Paris, Jr. and Officer Kenyon M. Youngstrom; and,

WHEREAS, the Town Council would like to honor those 10 officers killed in the line of duty enrolled from prior years: Deputy Ray C. Bogart; Dep. Constable J. Edward Brown; Officer Daniel Clark; Dep. Constable Charles A. DeMoranville; Officer Timothy Duane; Deputy William F. Edwards; Sheriff William Elam; Dep. Constable Arthur Miner; Inspector Brian D. Olcomendy; Officer Robert J. Quirk; and,

NOW, THEREFORE, as Mayor of the Town of Atherton, and on behalf of the Atherton Town Council, I hereby proclaim that the week of May 11 – 17, 2013 be recognized as National Police Week and remember those officers who paid the ultimate sacrifice with their lives while serving and protecting the citizens of this great State of California.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Town of Atherton to be affixed this 17th day of April, 2013.

Elizabeth Lewis
Mayor

PROCLAMATION

***A PROCLAMATION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
PROCLAIMING THE WEEK OF APRIL 21 THROUGH APRIL 27, 2013 AS WEST
NILE VIRUS AND MOSQUITO AND VECTOR CONTROL AWARENESS WEEK***

WHEREAS, West Nile virus is a mosquito-borne disease that can result in death or severe debilitation of humans, horses, birds, and wildlife; and

WHEREAS, in 2012, West Nile virus resulted in nineteen (19) deaths in California residents, and sickened over 470 individuals in 31 counties tested positive for the virus, of which over 300 developed neuroinvasive disease; and adequately funded mosquito control, disease surveillance, and public awareness programs are the best ways to prevent outbreaks of West Nile virus; and

WHEREAS, mosquitoes continue to be a source of illness, death, and human suffering; and professional mosquito control based on scientific research has made great advances in reducing mosquitoes and the diseases they transmit.

WHEREAS, the San Mateo County Mosquito and Vector Control District works with other public health agencies to reduce pesticide risks to humans, animals, and the environment while protecting human health; and West Nile Virus and Mosquito and Vector Control Awareness Week will increase the public's awareness of West Nile virus and of the importance of integrated management in controlling mosquitoes and other vectors in San Mateo County.

THEREFORE, BE IT RESOLVED by the Town of Atherton City Council that the week of April 21 through April 27, 2013, be designated as West Nile Virus and Mosquito and Vector Control Awareness Week in the Town of Atherton.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Town of Atherton to be affixed this 17th day of April, 2013.

Elizabeth Lewis, Mayor
Town of Atherton



ITEM 6 Town of Atherton

CITY COUNCIL STAFF REPORT – MANAGER’S REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GEORGE RODERICKS, CITY MANAGER
DATE: APRIL 17, 2013
SUBJECT: CITY MANAGER WRITTEN REPORT

ADMINISTRATION:

Fire Chief Meeting – Community Emergency Response Team

On Thursday, April 18 at 8:30 am the Fire Chief will host a meeting to hear from CERT team members on what they think the District could do better to support the CERT program. If you are interested in attending, contact Carol Parker at carolp@menlofire.org. The event requires registration. The event will be held at Station 1, 300 Middlefield Avenue, Menlo Park.

Legislative Action

The League has issued a request for letters of opposition to SB 7 (Steinberg). SB 7 would prohibit a charter city from receiving or using state funding or financial assistance for a construction project if the city has a voter-approved charter provision or ordinance that authorizes a contractor to not comply with state prevailing wage requirements on local construction projects funded by (non-state) city funds. While the Town is not a charter city, SB 7 represents an erosion of the constitutional limits on State authority and establishes a template for future State erosion of local control.

Unless there is Council concern expressed this evening to the contrary, staff will prepare a letter of opposition for the Mayor’s signature.

Community Center Advisory Committee (CCAC)

On April 4th City Council met and appointed resident members to the CCAC. The members include Phil Lively, Didi Fisher, Steve Dostart, Rose Hau, Clive Merredew, Rick DeGolia, and Paul Tonnelli. The CCAC has scheduled their first meeting for Tuesday, April 30 at 4:30 p.m. in the City Council Chambers. The tentative agenda includes selection of Chair and Vice Chair,

scheduling a regular meeting date, Brown Act training, discussion of architect selection, and discussion of Master Plan.

Atherton Disaster and Preparedness Team (ADAPT)/ Atherton Civic Interest League (ACIL)

The ADAPT and the ACIL met with Chief Flint and other Town staff to acquire several mobile trailers and furnish them with equipment and tools to be used in the event of a major emergency. These trailers are in the parking lot next to the Town offices. Staff will be establishing signage and outfitting the inside of the trailers to secure the equipment.

Representatives from ADAPT and ACIL will make a presentation to Council at the regular May meeting to let the community know about the collaborative effort. The ADAPT worked with Chief Flint and his staff for over a year to get the project completed, and the ACIL contributed funds to purchase part of the tool sets for the trailers.

Bike/Pedestrian Advisory Committee –

Staff has solicited membership from Atherton residents and from neighboring jurisdictions for the advisory committee over the last several weeks. We received a total of 4 applicants. Staff will meet with the consultants this Friday to set a kick-off meeting. Subsequent to that meeting staff will meet with the Mayor to review and approve the advisory committee members.

ABAG Power

The Town, along with thirty-seven other public agencies, meets its natural gas needs through the ABAG POWER joint powers agency. The ABAG POWER pooled purchasing and billing strategy strives for low cost and stable pricing that differentiates it from PG&E's more short term, market-rate approach. In turn, this allows the Town to predictably budget power costs.

The ABAG POWER program is now threatened by a series of proceedings scheduled to come before the California Public Utilities Commission (CPUC). PG&E engages in a purchasing strategy that includes contracting for the right to use designated segments of pipes ('pipeline capacity') to move natural gas from a producer into the region's natural gas distribution system. Under the current system, PG&E determines the location and the amount of pipeline capacity acquired under these contracts, subject to CPUC oversight.

Beginning early last year, CPUC regulations were put into place that require ABAG POWER to take and pay for a portion of PG&E's pipeline capacity. This is a significant burden on the ABAG POWER program for the following reasons:

- The purchasing strategy does not generally include the tactic of contracting for pipeline capacity separate from the purchase of natural gas.
- Even if the strategy were revised, absent the recent regulations ABAG POWER would not choose to match the locations and the amounts that they will be required to take from PG&E.
- Costs cannot be recovered by reselling this pipeline capacity.

The CPUC will be taking up this issue in June 2013. The Town, along with the other jurisdictions in the ABAG POWER JPA will be sending a letter to the CPUC stating our objections to forcing ABAG POWER to take and pay for pipeline capacity acquired by PG&E.

Banner Policy

The Town of Atherton recognizes the community-wide benefit in publicizing cultural, recreational, social and other special events of local nonprofit organizations promoting events in Atherton which would be of interest to the local community. Currently, the Town allows banners to be hung at Marsh and Middlefield however there is no policy establishing guidelines for hanging banners. The Town's banner application form sets priorities and specifies groups that are allowed to hang banners within Town but it fails to appropriately address the legal issues surrounding banners, their display, and the Town's ability to regulate their display once we allow any at all. Staff, in conjunction with the City Attorney, is working on a policy to establish these guidelines. The policy is anticipated to be on the May Agenda.

POLICE DEPARTMENT BUDGET ADJUSTMENTS PERS SAVINGS

Attached is a memorandum from the Finance Director showing the budget adjustment analysis within the PD operations of PERS retirement contribution savings. (Attachment 1)

President of the United States (POTUS) Visit

On Thursday, April 4, 2013 President Barack Obama was the guest of honor at two local private fundraisers. Below is a breakdown of what it cost to the Town to cover the POTUS event. The final cost for the Town (Police and Public Works) including work prior to the event, the event itself, and clean-up after the event is \$7,616.41.

Public Works Costs	
4/2 - Prep Work (9 hours)	\$675.00
4/2 - Equipment Cost	\$91.00
4/4 – Staff Hours (16 hours)	\$1,432.00
4/4 – Equipment	\$121.00
4/5 – Clean-Up (7.5 hours)	\$56.00
4/5 – Equipment	\$60.00
Public Safety Costs	
3/27 – IAP Prep Work (3 hours)	\$195.00
3/28 – IAP Prep Work (3 hours)	\$195.00
4/1 – IAP Prep & Helicopter Land (8 hours)	\$520.00
4/2 – IAP Prep (8 hours)	\$520.00
4/3 – IAP Prep & CP Setup (9 hours)	\$585.00
4/4 – POTUS Detail (14 hours)	\$1003.25
4/4 – POTUS Detail (10 hours – Officers)	\$992.00
4/4 – POTUS Detail (SGT Cost)	\$1171.16
TOTAL	\$7,616.41

We will be seeking reimbursement from the appropriate parties.

Polling Services for 2013 Parcel Tax Renewal

As the Council is aware I am seeking bids from firms to assist the Town with polling for the 2013 Parcel Tax Renewal should the Council decide to put that on the November 2013 ballot. I have received bids from two firms and am awaiting a third. As soon as I have the three bids I will be presenting it to the Council for their consideration.

Former Mayor of San Carlos, CA

Randy Royce, former Mayor of San Carlos passed on March 26, 2013. A \$100 donation on behalf of the City Council was made to the Bonnie J. Addario Lung Cancer Foundation in Mr. Royce's memory.

Media Center Report

Attached is the 2012 Media Center Report (Attachment 2).

Charter City versus General Law City

Attached is a memorandum from the City Attorney briefly discussing Charter City issues. (Attachment 3)

Public Works Projects and Notification(s)

At prior Council meetings the City Council various street projects. The slurry and cape seal projects involve significant road closures and inconvenience to large neighborhoods. For these projects the Council asked that staff consider expanded notification(s). In these areas, staff will be making extra efforts to contact property owners to provide them with advance notification.

For "dig-outs" streets are always open, albeit sometimes there is a slight detour through or around the construction area(s) while workers complete their work. In the past we have never notified residents of this work. However, given Council's direction with the Slurry Project we provided door hanger notification in the vicinity of the impacted residents and posted notice on the Town Website and via the Town email. Exact dates and times are not posted due to weather related concerns.

This year a resident expressed exceptional concern when the scheduled work impacted access in front of his property. Despite the contractors assertions of notification the resident asserted that he did not receive proper notification. The door hanger notification could have been removed and/or blown from the residence. Staff offered to shut down the work on the street for the day due to the inconvenience; however, the resident remained dissatisfied with the project, staff, and staff's response. Work on all other streets has proceeded without incident.

Electronic Marquee @ Roosevelt School

We learned recently that there was a plan for an electronic marquee in front of Roosevelt School. Staff inquired with the Redwood City School District as to whether there were any plans in the works for similar installations at any school in Atherton – particularly Selby Lane. We advised that if there were that there could be concerns from adjacent property owners. The District Superintendent advised that there were no such plans in the works for Atherton.

COMMUNITY SERVICES DEPARTMENT:

See attached community services report (Attachment 4).

PLANNING DEPARTMENT:

See attached Community Services Department update.

POLICE DEPARTMENT:

Police Activity

There were 104 criminal investigations for the month of March. 76 offenders were cited, arrested or referred to the San Mateo County District Attorney's Office for prosecution. 62 of those cases were for vehicle code violations that include driving without a license, driving on a suspended license, and driving under the influence of alcohol. The other cases were for possession of stolen property, warrant arrests, possession of marijuana, being drunk in public, and the arrest of a gang member who was fighting in public.

Of the 1,444 total police incidents for the month of March, 862 were officer initiated incidents, which resulted in 793 citations being issued for vehicle code violations. Officers also initiated 290 other types of incidents that included contacting suspicious people on the street or in cars, as well as security checks at schools and Holbrook Palmer Park.

Holbrook Palmer Park had 29 incidents this reporting period, 11 of which were security checks by officers. Other police activity at the park included leash law violations, suspicious vehicles, the annual Easter egg hunt, a fire odor investigation, a juvenile throwing rocks at birds, a parking violation, and the report of illegal narcotics use (unfounded).

700 House/Vacation checks were completed during the month of March.

Officers responded to 20 ordinance violation calls this month. These calls were for illegal solicitors, loud music/noise ordinance violations, illegal signs, construction ordinance violations, and leash law violations.

School Incidents

Officers responded to 70 school incidents during this reporting period. The incidents involved thefts, alarms, traffic issues, suspicious vehicles, security checks, traffic enforcement, and gang activity. The following depicts the number of incidents per school:

SCHOOL	TRAFFIC	OTHER	TOTAL
ENCINAL SCHOOL	2	0	2
LAS LOMITAS SCHOOL	0	6	6
LAUREL SCHOOL	0	6	6
MENLO-ATHERTON HIGH	4	26	30
MENLO COLLEGE	4	6	10
MENLO SCHOOL	0	5	5
SACRED HEART PREP	2	3	5
ST. JOSEPH'S	0	0	0
SELBY LANE SCHOOL	3	3	6

Response Times

The average response time for Priority 1 calls for service (incidents are categorized from 1 to 3 with one being the highest priority) was 6 minutes during this time period, which met our goal of having an average response time of less than 8 minutes.

Disaster Preparedness

Nothing to report.

Special Events and Community Activities

On Saturday, March 30, 2013, Police personnel attended the annual Easter Egg Hunt in Holbrook Palmer Park. The D.A.R.E. car and motorcycle were driven by Officer Chris Vigil who spent time talking to residents and their children about the department, police work and safety messages.

The police department started its "Employee of the Quarter" award last year and the following people received the award:

- 1st quarter – Sgt. Anthony Kockler
- 2nd quarter – Jennifer Frew
- 3rd quarter – Kristin Lopez
- 4th quarter – Officer Dave Metzger

All winners for 2012 were eligible for the Employee of the Year award where the entire staff votes and the person who receives the most votes is the winner for 2012.

The Employee of the Year award’s recipient is Jennifer Frew who has been with the organization since 2000. From coordinating the hiring and training of all police department personnel to working as the Chief’s Assistant writing staff reports and correspondence to working as the Acting Parks Manager for the last 2 years, she also is the Custodian of Records, Budget Coordinator, IT Liaison, and Training Manager for San Mateo County. She has completed almost every task in our organization and with her can-do attitude and work ethic, she has received this award based on her hard work and dedication to the community and staff in Atherton.

Training

The police department sent the following personnel to training in March for a total of 66 hours:

<u>Officer</u>	<u>Training</u>	<u>Dates/Hours</u>
A. Gutierrez	Public Records Act Course/CPOA	March 7 – 8 16 hours
K. Haselbach	Inner Perspectives/Colma Pd	March 13-14 24 hours
K. Haselbach	Hostage Negotiations Scenario Training/SMCO S/O	March 15 10 hours
B. Lane	Armorer Course/D-PREP	March 18-19 16 hours

Investigations

Detective Yoakum is currently working on a “sexting” child pornography case. The suspect is a member of the United States Military, so the case is also being investigated by the Naval Criminal Investigation Service. This case remains under investigation.

Public works update - March 2013

- Sweep contracted monthly streets :

February 2013	Miles 39	Yards 21	Tonnage 8.45
March 2013	Miles 50	Yards 21	Tonnage 11.45
- Service requests –
 - Repairs down stop sign Winchester/ECR
 - Tree limb in street Walnut/Station
 - Graffiti – Middlefield red brick wall
 - Repair water heater in Council Chambers
 - Debris in Bike Lane Middlefield Road
 - Litter spill – ECR & 5th Ave.
 - Complaint – repair shoulder 210 Park Lane

City Manager's Written Report

April 17, 2013

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- Weekly litter removal on ECR (Fridays 2 staff, 2 hours).
- Litter Marsh Road, Middlefield Road and Alameda.
- General duties – Garbage cans, town wide and ECR litter, Town Center landscape, ECR landscape, corp yard clean-up, vehicle/tool maintenance.
- Worked diligently to diagnose series streetlight problem in Lloydden Park and Watkins/Burns corridor. Lights still not functional in those neighborhoods.
- Performed shoulder maintenance on numerous streets throughout Town.
- Performed street marker maintenance to 50+ street markers throughout Town.
- Installed sanitary napkin stations and signs in park restroom (causing sewer problems)
- Park duties including expanded efforts on bringing irrigation system to automatic status. Pump maintenance and repairs made to both pumps in preparation for season.
- Cleaned up rear of Carriage House. Moved out long time storage area used for dog training classes.
- Prepped park for California Arbor Day event.
- Park General daily duties – mowing, empty garbage/recycling, restroom oversight, fire extinguishers (checked/re-charged), playground inspections, elevator inspections, open/close buildings, meeting room set-ups/tear downs.
- See attached spreadsheet of Events.



Street marker maintenance



Shoulder – Atherton Ave/ECR



New sanitary napkin stations

The following bar chart can be used as a reference as to the amount of dollars budgeted for the MCE contract for maintenance services vs. actual dollars spent. The graph is broken into the 6 families of expenditures that make up the whole of the contract. Public Works intends to supply this information on a monthly basis to the council in the monthly City Managers report and to the public upon their request.

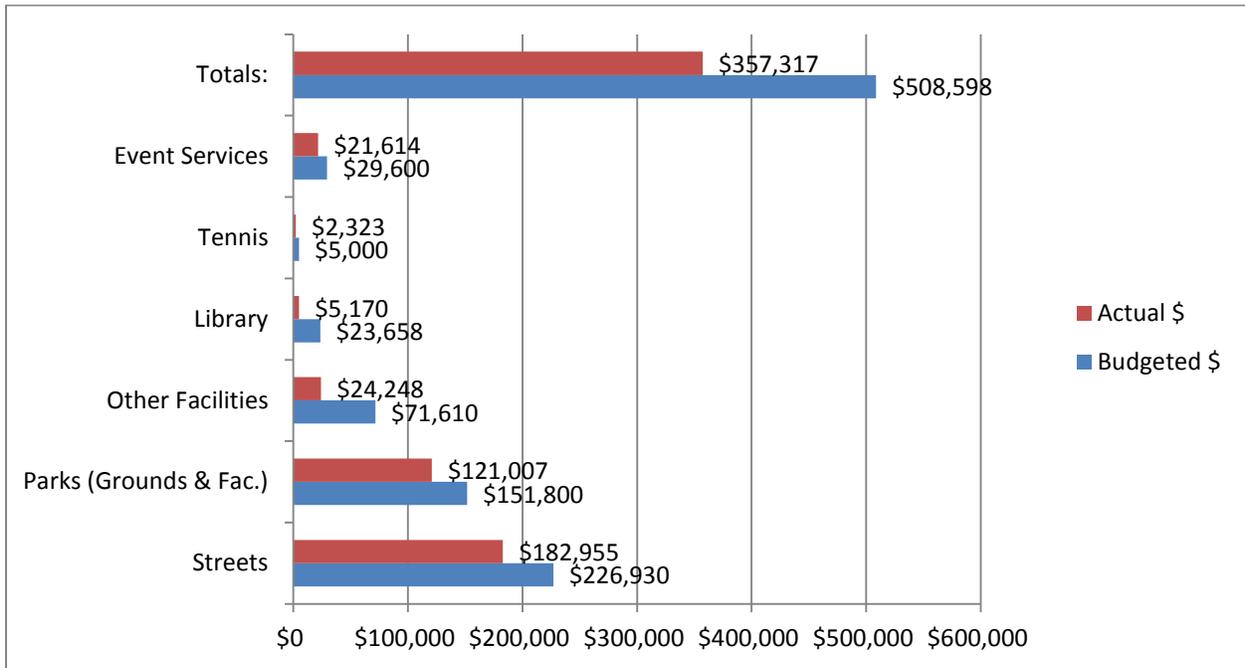
Town of Atherton
MCE Corporation Public Works Maintenance
Budget vs. Actual Expenditures FY 12-13
9months (75% **through March**) through fiscal year

Description	Budget Dollars	Actual Dollars	% used
Streets	\$ 226,930	\$ 182,955	80.62
Parks (Grounds & Fac.)	\$ 151,800	\$ 121,007	79.71
Other Facilities	\$ 71,610	\$ 24,248	33.86
Library	\$ 23,658	\$ 5,170	21.85
Tennis	\$ 5,000	\$ 2,323	46.46
Event Services	\$ 29,600	\$ 21,614	73.02
Totals:	\$ 508,598	\$ 357,317	70.26

City Manager's Written Report

April 17, 2013

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Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: APRIL 17, 2013

SUBJECT: POLICE DEPARTMENT BUDGET ADJUSTMENTS PERS SAVINGS

RECOMMENDATION

Receive the report showing the budget adjustment analysis within Police Department operations of PERS retirement contribution savings

DISCUSSION

In June 2012, Council authorized the appropriation and payment of \$1,224,321 to pay off the Public Safety CALPERS Pension side fund. By funding this obligation, the Employer Contribution rate for FY 12/13 would drop from 39.919% to 26.416%. The benefit of paying off the Public Safety side fund was an estimated savings of \$282,534 in the CALPERS employer retirement contribution. Without paying off of the side fund, the annual expenditure budget for the CALPERS employer contribution for Public Safety was estimated at \$846,694 as opposed to an estimated \$564,160 by paying off the side fund.

In the adopted Fiscal Year 12/13 budget the Public Safety employer contribution rate of 39.919% was used and the PERS retirement contribution expenditure was budgeted as \$912,093. During the fiscal year the police department experiences additional costs in maintaining operational staffing levels. Budget transfer adjustments within the department were necessary to offset overtime expenditures. Subsequent evaluation of the department budget and the current retirement contribution rate of 26.416%, and projecting out the remainder retirement contribution expense for Public Safety, there were savings realized within this expenditure line item. This allowed for budget transfer adjustments made from this line item to areas of need within the department's budget. Attachment A highlights the budget transfers adjustments made from the PERS retirement contribution budget line item to needed areas within the department.

An initial budget transfer of \$180,000 was made for the following line items.

Overtime	\$80,000
Technical Services	\$15,000
Vehicle Repairs and Maintenance	\$35,000

Other Contract Services	\$25,000
Oil & Gasoline	<u>\$25,000</u>
	\$180,000

The \$180,000 budget transfer from the PERS retirement contribution left a revised budget of \$637,359. During the Midyear Budget review the Police Department needed additional budget adjustments based on the remaining projected expenditures. In Attachment A in the midyear adjustments column, an additional (\$90,000) adjustment was from the PERS retirement contribution expense to offset needed midyear budget adjustments. The total midyear adjustments for the department were a decrease of \$48,088 in expenditures.

The adjustments brought the CALPERS retirement contribution to \$642,093 from the original adopted budget of \$912,093, a \$270,000 decrease in the PERS contribution budgeted expenditure. Due to department staffing costs, the initial projected savings of \$282,534 in paying the Public Safety side fund was used as 39.919% contribution rate was initially budgeted for in FY 2013.

In Attachment A the total adjustment from the Original FY 13 Budget Police Department Total of \$5,463,061 and the Revised Budget after Mid-Year Adjustments Department Total of \$5,414,973 reveals a net decrease (under budget expenditure) of \$48,088

Attachment B reveals a scenario of NOT having any Police Department adjustment transfers or midyear adjustments. This Scenario is just comparing projected expenditures to original budget and does not take into consideration midyear adjustments. The net variance of projected year end expenditures and original budget is a net decrease (under budget expenditure) of \$127,279. Within this scenario, the increase in expenditures in relation to the budget can be seen as an offset by items that are under budget. In this case the (\$274,735) variance in the CALPERS retirement contribution expense is a major component in the Police Department budget.

FISCAL IMPACT

This report illustrates the savings in the PERs contribution expense in Public Safety as a result of the Side Fund payoff and the use of the budgeted expenditure that was budgeted at the 39.919% in FY 2013. The Town currently is paying a contribution rate of 26.416%

Prepared by:

Approved by:

Robert Barron III, Finance Director
Attachment: Attachment A
Attachment B

George Rodericks, City Manager

Police Budget With Department adjustments & Mid Year Transfers

		Original 2013 Budget	Budget Transfer Adjustments	Revised Budget	Projected Year End Expenditures	Mid Year Adjustments	Revised Budget After MidYear Adj.	Variance From Budget
101-40-50001-040	Regular Salaries	2,184,885	(50,000)	2,134,885	2,168,443 ***		2,134,885	33,558.13
101-40-50003-040	Dispatcher Salaries	309,257		309,257	281,044		309,257	(28,213.44)
101-40-50004-040	Police Reserve Salaries	30,720		30,720	34,800		30,720	4,079.77
101-40-50005-040	Temporary Help Salaries	31,052	50,000	81,052	81,052		81,052	0.00
101-40-50006-040	Overtime	140,000	80,000	220,000	220,000		220,000	0.00
101-40-50007-040	Special Event Salaries Reimb	10,000		10,000	10,000		10,000	0.00
101-40-50008-040	Vacation/Comp Time Payout	0		0	18,724	20,000	20,000	(1,275.94)
	Salaries & Wages	2,705,915	80,000	2,785,915	2,814,063	20,000	2,805,915	8,148.52
101-40-50013-040	EE Benefits Earned	51,595		51,595	51,595		51,595	0.00
101-40-51001-040	Medicare	38,302		38,302	38,302		38,302	0.00
101-40-51002-040	Social Security	381		381	226		381	(154.93)
101-40-51003-040	PERS Retirement Contrib-ER	912,093	(180,000)	732,093	637,359	(90,000)	642,093	(4,734.87)
101-40-51004-040	PERS Retirement Contr EE/ER pd	187,264		187,264	180,828		187,264	(6,436.71)
101-40-51005-040	Def Comp - ER Paid	7,523		7,523	6,491		7,523	(1,031.37)
101-40-51007-040	Short-term Disability Ins	576		576	850		576	274.30
101-40-51008-040	Health Insurance - Active	362,601		362,601	387,032		362,601	24,431.54
101-40-51009-040	Health Insurance - Retirees	495,676		495,676	495,675		495,676	(0.96)
101-40-51010-040	Dental Insurance	39,398		39,398	38,146		39,398	(1,252.80)
101-40-51011-040	Vision Insurance	4,693		4,693	4,469		4,693	(223.76)
101-40-51013-040	Worker's Comp Insurance	43,226		43,226	49,606		43,226	6,380.81
101-40-51014-040	Life & ADD Insurance	3,100		3,100	2,941		3,100	(158.86)
101-40-51015-040	Long-term Disability Insurance	17,670		17,670	17,116		17,670	(553.27)
101-40-51016-040	State Unemployment Ins	26,415		26,415	29,478		26,415	3,062.70
101-40-51018-040	Uniforms	15,951		15,951	16,152		15,951	201.04
101-40-51020-040	Educational Reimb	6,000		6,000	6,000		6,000	0.00
	Employee Benefits	2,212,463	(180,000)	2,032,463	1,962,266	(90,000)	1,942,463	19,802.86
101-40-52017-040	Technical Services	59,026	15,000	74,026	65,839	0	74,026	(8,187.00)
	Professional Services	59,026	15,000	74,026	65,839	0	74,026	8,187.00
101-40-53001-040	Vehicles Repair & Maintenance	40,000	35,000	75,000	37,369		75,000	(37,631)
101-40-53002-040	Other Equip Repair & Maint	5,000		5,000	4,969		5,000	(31)
101-40-53014-040	Utilities - Electricity	18,000		18,000	22,313	4,300	22,300	13
101-40-53015-040	Utilities - Gas	1,100		1,100	819	280	1,380	(561)
101-40-53016-040	Utilities - Water	800		800	1,212	465	1,265	(53)
101-40-53018-040	Utilities - Telephone	33,368		33,368	32,214	1,160	34,528	(2,314)
101-40-53025-040	Printing - External Service	2,000		2,000	1,936		2,000	(64)
101-40-53026-040	Recruitment Costs	4,400		4,400	4,025		4,400	(375)
101-40-53027-040	SMC Booking Fees	4,000		4,000	3,950		4,000	(50)
101-40-53028-040	Citation Processing	1,800		1,800	983		1,800	(817)

101-40-53032-040	Rent - Facilities	8,760		8,760	8,503		8,760	(257)
101-40-53503-040	Equipment Replacement Chg	62,800		62,800	62,800		62,800	0
	General Operations	182,028	35,000	217,028	181,093	6,205	223,233	(42,140)
101-40-54003-040	Conferences	1,280		1,280	1,189		1,280	(91)
101-40-54004-040	Training & Workshops	2,000		2,000	1,907		2,000	(93)
101-40-54005-040	Subscriptions	800		800	570		800	(230)
101-40-54006-040	Training - Post (sworn)	22,000		22,000	22,984	985	22,985	(1)
101-40-54007-040	Membership/Dues	1,980		1,980	1,365		1,980	(615)
101-40-54008-040	Mileage Reimbursement	300		300	0		300	(300)
101-40-54010-040	Other Contract Services	85,089	25,000	110,089	106,326		110,089	(3,763)
101-40-54021-040	Animal Control	52,180		52,180	46,902	(5,278)	46,902	0
	Other Services/Expenses	165,629	25,000	190,629	181,243	(4,293)	186,336	(5,093)
101-40-55002-040	Office Supplies	6,700		6,700	6,647		6,700	(53)
101-40-55006-040	Safety Supplies & Materials	8,000		8,000	4,077		8,000	(3,923)
101-40-55007-040	K-9 Expenses	15,000		15,000	14,041		15,000	(959)
101-40-55015-040	Oil & Gasoline	65,000	25,000	90,000	53,403		90,000	(36,597)
101-40-55016-040	Other Supplies & Matls	31,300		31,300	29,975		31,300	(1,325)
101-40-55018-040	Disaster/Emerg Fund			0		20,000	20,000	(20,000)
	Supplies & Materials	126,000	25,000	151,000	108,143	20,000	171,000	(62,857)
101-40-57004-040	Machinery & Equipment	8,000		8,000	2,200		8,000	-5,801
101-40-57006-040	Computer Equipment/Software	4,000		4,000	0		4,000	-4,000
	Capital Outlay	12,000	0	12,000	2,200		12,000	-9,801
	Police Dept. TOT	5,463,061	0	5,463,061	5,314,847	(48,088)	5,414,973	(83,752.18)

The COPS Grant has not been adjusted to the PD Salaries and benefits

Without PD Budget Adjustment Transfers or Mid Year Adjustments

		Original 2013 Budget		Projected Year End Expenditures	***	Variance From Budget
101-40-50001-040	Regular Salaries	2,184,885		2,168,443		(16,442)
101-40-50003-040	Dispatcher Salaries	309,257		281,044		(28,213)
101-40-50004-040	Police Reserve Salaries	30,720		34,800		4,080
101-40-50005-040	Temporary Help Salaries	31,052		81,052		50,000
101-40-50006-040	Overtime	140,000		220,000		80,000
101-40-50007-040	Special Event Salaries Reimb	10,000		10,000		0
101-40-50008-040	Vacation/Comp Time Payout	0		18,724		18,724
	Salaries & Wages	2,705,915		2,814,063		108,149
101-40-50013-040	EE Benefits Earned	51,595		51,595		0
101-40-51001-040	Medicare	38,302		38,302		0
101-40-51002-040	Social Security	381		226		(155)
101-40-51003-040	PERS Retirement Contrib-ER	912,093		637,359		(274,735)
101-40-51004-040	PERS Retirement Contr EE/ER pd	187,264		180,828		(6,437)
101-40-51005-040	Def Comp - ER Paid	7,523		6,491		(1,031)
101-40-51007-040	Short-term Disability Ins	576		850		274
101-40-51008-040	Health Insurance - Active	362,601		387,032		24,432
101-40-51009-040	Health Insurance - Retirees	495,676		495,675		(1)
101-40-51010-040	Dental Insurance	39,398		38,146		(1,253)
101-40-51011-040	Vision Insurance	4,693		4,469		(224)
101-40-51013-040	Worker's Comp Insurance	43,226		49,606		6,381
101-40-51014-040	Life & ADD Insurance	3,100		2,941		(159)
101-40-51015-040	Long-term Disability Insurance	17,670		17,116		(553)
101-40-51016-040	State Unemployment Ins	26,415		29,478		3,063
101-40-51018-040	Uniforms	15,951		16,152		201
101-40-51020-040	Educational Reimb	6,000		6,000		0
	Employee Benefits	2,212,463		1,962,266		(250,197)
101-40-52017-040	Technical Services	59,026		65,839		6,813
	Professional Services	59,026		65,839		6,813
101-40-53001-040	Vehicles Repair & Maintenance	40,000		37,369		(2,631)
101-40-53002-040	Other Equip Repair & Maint	5,000		4,969		(31)
101-40-53014-040	Utilities - Electricity	18,000		22,313		4,313
101-40-53015-040	Utilities - Gas	1,100		819		(281)
101-40-53016-040	Utilities - Water	800		1,212		412
101-40-53018-040	Utilities - Telephone	33,368		32,214		(1,154)
101-40-53025-040	Printing - External Service	2,000		1,936		(64)
101-40-53026-040	Recruitment Costs	4,400		4,025		(375)
101-40-53027-040	SMC Booking Fees	4,000		3,950		(50)
101-40-53028-040	Citation Processing	1,800		983		(817)
101-40-53032-040	Rent - Facilities	8,760		8,503		(257)
101-40-53503-040	Equipment Replacement Chg	62,800		62,800		0
	General Operations	182,028		181,093		(935)
101-40-54003-040	Conferences	1,280		1,189		(91)
101-40-54004-040	Training & Workshops	2,000		1,907		(93)
101-40-54005-040	Subscriptions	800		570		(230)
101-40-54006-040	Training - Post (sworn)	22,000		22,984		984
101-40-54007-040	Membership/Dues	1,980		1,365		(615)

101-40-54008-040	Mileage Reimbursement	300		0		(300)
101-40-54010-040	Other Contract Services	85,089		106,326		21,237
101-40-54021-040	Animal Control	52,180		46,902		(5,278)
	Other Services/Expenses	165,629		181,243		15,614

101-40-55002-040	Office Supplies	6,700		6,647		(53)
101-40-55006-040	Safety Supplies & Materials	8,000		4,077		(3,923)
101-40-55007-040	K-9 Expenses	15,000		14,041		(959)
101-40-55015-040	Oil & Gasoline	65,000		53,403		(11,597)
101-40-55016-040	Other Supplies & Matls	31,300		29,975		(1,325)
101-40-55018-040	Disaster/Emerg Fund			20,000		20,000
	Supplies & Materials	126,000		128,143		2,143
101-40-57004-040	Machinery & Equipment	8,000		2,200		-5,801
101-40-57006-040	Computer Equipment/Software	4,000		0		-4,000
	Capital Outlay	12,000		2,200		-9,801
40	Police Dept. TOT	5,463,061		5,334,847		(127,279.45)

The COPS Grant has not been adjusted to the PD Salaries and benefits



MEDIA CENTER

Lights! Camera! Community Action! 2012 ANNUAL REPORT

Dear Members of the Media Center Community:

On December 17, 2012, Palo Alto Mayor Yiaway Yeh issued a proclamation recognizing the accomplishments and achievements of the 2012 Palo Alto Mayor's Youth Video Corps (YVC). The proclamation was the culmination of our work guiding youth to create videos for Mayor Yeh and the city's Utilities department.

This work impressed the leadership of the Democratic Municipal Officials (of which the Mayor is a former board member). The DMO brought the YVC team to Washington to cover the Inauguration and to create videos about their experience. Part of their experience was a White House tour capped by a surprise audience with the President and First Lady.



Members of the Media Center's Youth Video Corp greet First Lady Michelle Obama and President Barack Obama in the Blue Room of the White House. YVC members from left to right: Kenny Jones, Dakota Baker and Nitya Kasturi.

This magic is what we do! In 2012 as in every year, we delivered on our mission to put the faces and issues of our community on TV and the Web. We do this by providing media production skills and tools to the people who live and work on the Midpeninsula:

- Through a partnership with the City of Palo Alto, we taught the YVC how to interview, produce, operate high-end equipment and edit their footage into a compelling narrative.
- With grants from Microsoft and Cisco, we expanded our after school media programs to serve Willow Oaks Elementary School in Menlo Park.
- Through a grant from the Palo Alto Weekly Holiday

fund, we continued to host the Sound Lounge in our studio, a safe place where youth bands can perform for their fans and future audio engineers can learn their craft.

- A grant from the Silicon Valley Community Foundation launched an immigrations stories project – a multimedia project to collect and celebrate family stories and immigrant perspectives.
- With some funding from a private donor and elbow grease on the part of one passionate volunteer and a dedicated board member, we launched MC Sports, a youth-led, youth-driven sports-casting program using our mobile production truck.

What does all this have to do with running a TV station? It has to do with the production of a unique story, a video that, but for our efforts, would never be created; would never come into our homes, schools, civic buildings and businesses; would never touch lives, entertain and give hope. Behind everything we do is our strong commitment to our studio and field production programs.

To do this, we must consistently reinvest in the technology base that makes it all possible. At the end of 2012, our I.T. department installed a new state-of-the-art playback system. This system brings new functionality and capability to cablecast and automates several routine but painstaking tasks that had to be done by hand before. We are able to deliver higher quality video feeds to Comcast and AT&T U-verse to showcase our community videos. In 2013, we plan to use the system as a basis to start streaming our channels in HD via the Internet.

How did we do all of this in 2012? With the help of you – our “stock holders.” It is the gift of your time and your unique talents, and the sharing of your wealth with us that empower us to empower others to make a lasting difference in our community one video at a time.



Best Regards,

Barbara Kyparschik

Board President

Annie Folga

Executive Director

Financial Report

Operations

Revenue

The total operating revenue for 2012 was \$775,538, a 7.9% decrease from 2011. Lower in-kind contributions accounted for over 60% of that decrease. *PEG (Public, Education and Government) subscriber pass-through fees*, representing 45% of the total revenue in 2012, were 4.5% greater than in 2011. *Contracted meeting coverage* billings decreased by \$4,350 (-2%), reflecting continuing municipal economic pressures. *Class & facility use fees* increased by \$15,400 (+24%) mainly due to the high demand for our summer camps. *Professional/media services* decreased by \$46,200 (-39%) and represents 9% of total revenue.

Expenditures

Operating expenses were \$925,194, a 2% decrease that was largely due to low *in-kind legal services* along with lower salary costs related to the decrease in professional services projects.

Summary

Overall, we finished the year with \$149,656 in net operating loss. This was in line with the 2012 budget authorized by the Board.

Capital Expenditures

We purchased and began implementation of a new state-of-the-art Cablecast System. In 2012 we capitalized costs of \$36,500 for this system.

Net Assets Update

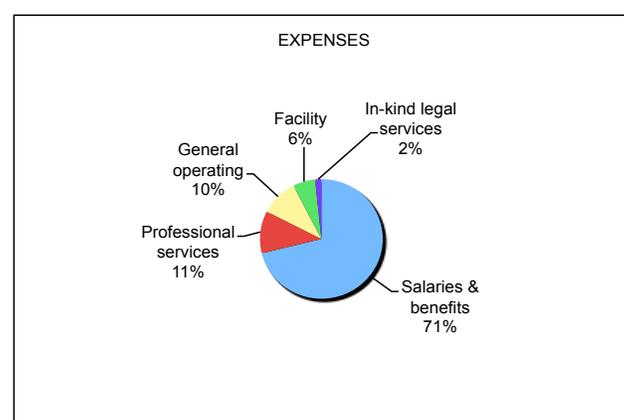
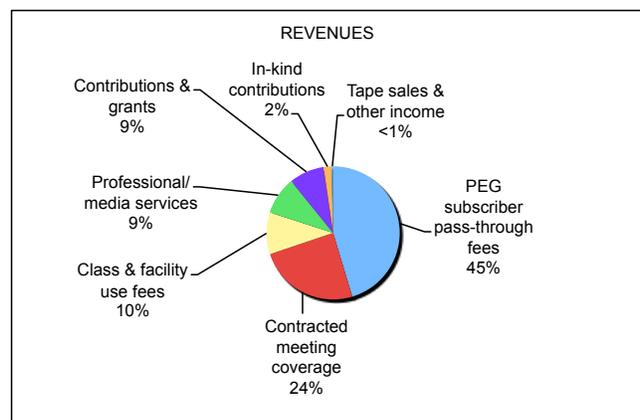
Net assets increased by \$570,546 as compared with 2011. That increase was the result of a very strong market performance of our investments and included \$149,656 in disbursements for operations, and \$83,900 in depreciation. The Board continues to invest the capital fund conservatively with the advice of professional investment managers.

UNAUDITED STATEMENT OF FINANCIAL POSITION December 31, 2012

ASSETS	
Current assets	
Cash & cash equivalents	\$ 1,636,598
Investments	4,043,537
Accounts receivable	165,804
Prepaid expenses & other current assets	26,026
Total current assets	<u>5,871,965</u>
Fixed assets, net of accumulated depreciation	2,243,234
Total assets	<u>\$ 8,115,199</u>
LIABILITIES AND NET ASSETS	
Current liabilities:	
Accounts payable & accrued expenses	\$ 23,288
Unearned revenue	32,955
Total current liabilities	<u>56,243</u>
Net assets:	
Unrestricted, undesignated	5,147,761
Unrestricted, designated	667,961
Unrestricted, fixed assets	2,243,234
Total net assets	<u>8,058,956</u>
Total liabilities & net assets	<u>\$ 8,115,199</u>
Net assets, beginning of period	\$ 7,488,410
Change in net assets	570,546
Net assets, end of period	<u>\$ 8,058,956</u>

UNAUDITED STATEMENT OF OPERATIONS For the year ended December 31, 2012

REVENUES	
PEG subscriber pass-through fees	\$ 351,654
Contracted meeting coverage	189,741
Class & facility use fees	78,857
Professional/media services	71,459
Contributions & grants	65,986
In-kind contributions	15,012
Tape sales & other income	2,829
Total revenues	<u>\$ 775,538</u>
EXPENSES	
Salaries & benefits	\$ 658,178
Professional svcs	105,759
General operating	91,832
Facility	54,413
In-kind legal services	15,012
Total expenses	<u>\$ 925,194</u>
NET OPERATING INCOME/-LOSS	<u>\$ -149,656</u>



Our History

Thanks to Cable Co-op, Midpeninsula Community Media Center was created by the 2001 merger of Mid-Peninsula Access Corp, operating since 1990, and Silicon Valley Community Communications, established by Co-op to keep local programming alive. We serve Atherton, East Palo Alto, Menlo Park, Palo Alto, Stanford and unincorporated portions of San Mateo and Santa Clara counties.

Classes & Equipment

No one is turned away from our fee-based classes due to lack of funds. Out of the 243 community members who completed Media Center training classes and workshops, 29 applied for and received scholarships.

We increased the number of active studio producers and volunteer crew by 12.7%:

- 308 in 2011
- 347 in 2012

We also brought in 72 new field producers:

- 45 new field producers through Zoom In, our fast track video field production workshop
- 7 youth joined our Mayor's Youth Video Corps

Digiquest Summer Camp 2012

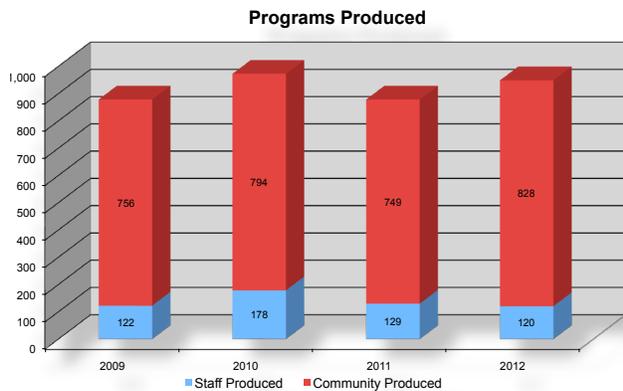
Digiquest Summer Camp Workshops continued this year, carrying on our tradition of providing TV Production, Advanced TV Production, and Special Effects and Animation weeklong camps for youth, ages 10-15.



Our camp instructors were both industry professionals who worked to make our camp curricula relevant to young people as well as aligned with industry standards.

Our Mission

Our Mission is to inform, inspire, and empower people to speak and act on behalf of their communities, to use television and the internet to create and distribute programs that promote and celebrate individual expression, local achievements, education, cultural exchange, arts appreciation, and civic engagement. The Media Center is a 501(c)(3) public benefit corporation.



- 20 youth joined MC Sports

In all, community members produced 828 programs and staff members produced another 120, for a total of 948 productions for the year.

Our TV Production Instructor, Sally Rayn, abstract artist and creator of Dynamic Symbolism, is the 2011 winner of the Adolph and Esther Gottlieb Foundation Individual Support Grant and a TV show producer at the Media Center, hosting "Talk Art," an artist interview show. (www.sallyrayn.com)

Our Special Effects and Animation Instructor, William Mitchell-Kapeliela is a multi-media artist and a Masters student of Fine Arts in Game Design at the Academy of Art University. He received his Bachelors of Science in Game Art and Design from the Art Institute of California at Orange County. (www.willsportfolio.com)

Camps ran from 9:30am – 3:30pm for seven weeks, providing 210 hours of camp, reaching more than eighty students. This year we were proud to receive grant funding from the City of East Palo Alto's Measure C to provide 12 students from East Palo Alto with full scholarships to a week of summer camp.

Community Programs

Studio Highlights



Producer Gloria Horsley speaks with the studio audience during a taping of *Open to Hope* in the studio.

Open to Hope

Dr. Gloria Horsley and Dr. Heidi Horsley, a mother-daughter team of therapists, tackle the tough topic of death and how to find hope after loss. Won 1st Place at the CreaTiVe Awards.

Dr. G's Empirical Compound

Norm Goldblatt, aka "Dr G," physicist, inventor, astronomer and all-around renaissance nerd, performed stand-up comedy around his lifelong love affair with science.

West Coast Songwriters

Monthly performance series showcasing

local singer/songwriters. Music industry judges select "Best Original Song" and "Best Performance."

High Five

Health and fitness series featured Mona Lisa Reyes, former Miss California, and her team of fitness fans.

Protect Choice: The Threat to Women's Rights

A call to face the escalating threat. This show features new vignettes culled from Oscar-nominated, Emmy-winning Dorothy Fadiman's trilogy on reproductive rights.

Field Production Highlights

Public Safety Videos

Zoom In volunteers produced videos about personal safety and emergency preparedness that the City of Palo Alto distributes at safety events.

MC Sports

Coverage of local high school football, boys and girls basketball, boys baseball, and girls soccer and volleyball games by youth volunteer crew.



Gunn student Kirsten Baird runs camera at a girls basketball game.

Mayor's Youth Video Corps

A group of teenagers worked with Palo Alto Mayor Yiaway Yeh to create videos about infrastructure.

Phantom Loads

Lani Ludwick with Doug Kreitz won a Zoomie for this profile of the City of Palo Alto's Halloween energy conservation event.

International Folk Art Market

Producer Beth Charlesworth won two WAVE awards.

Partnerships

In addition to our studio and field production classes and programs, we entered new partnerships with local organizations in the areas of education, children and family resources, and women's rights.

Palo Alto Adult School

Launched co-branded classes at the Adult School using Media Center instructors for "Video Production with iMovie" and "Podcasting."

Aspiranet

Aspiranet offers children and family resources with programs that focus on

family services, foster care, adoption, education, afterschool programs, and community partnerships. After the production of a series of Aspiranet Encore Fellow segments, their CEO gave budget approval to pursue producing a series with the Media Center.

Honoring Womens Rights

The Media Center provided video equipment to document the "Honoring Womens Rights Conference & Art Exhibit" in celebration of the 40th Anniversary of Women's Caucus for Art (WCA).

We continued active partnerships with:

Project Safety Net: Supported youth emotional health and wellness

KMVT Mountain View: Promoted each others classes

Palo Alto Art Center: Conducted Digital Art classes in our classroom

East Palo Alto Police Department: Produced continuing episodes of "Make the Call" featuring family and friends of murder victims

Film Festivals: Provided volunteers and equipment for:

- United Nations Association Film Festival (UNAFF)
- Palo Alto International Film Festival (PAIFF)
- Cinequest (San Jose)

Government Meetings

We produced 398 city hall and school board meetings in 2012. In all we covered 1,651 meeting hours:

- 925 hours for Palo Alto
- 272 hours for Belmont
- 186 hours for East Palo Alto
- 137 hours for Palo Alto School Board
- 131 hours for Menlo Park

Local Election Coverage

We videotaped six candidate forums and covered 11 additional races with candidate or ballot measure statements. We also produced a debate on one local measure. We featured video links for 26 different races and one review of all state props on the Election Page on our website and got the most views ever for our online videos. Thousands of local voters made use of our online voter resources.

Youth Programs

We are pleased to announce the kickoff of a new Media Center youth program: MC Sports! This youth-driven, youth-led initiative is spearheaded by Chuck Alley with support from Board member Andrew Mellows. Using the mobile production truck, students cover local games with adult mentoring. MC Sports seeks ways to make this pilot program sustainable. Currently there is no charge to participate and Chuck volunteers his time. Since its inception in the fall, MC Sports has covered 16 games.

We continued and expanded youth programs in a number of exciting ways:

- Opened our Studio Internship program to middle schoolers
- Developed Field Production Internships to cover local events and news
- Added more Sound Lounge music nights, with youth bands performing for youth
- Started another afterschool program in East Palo Alto at Willow Oaks
- Created new onsite youth leadership positions, including Social Media Coordinator and Youth Video Editor
- Broadened the production work of the Youth Advisory Council to include three video-based community action projects on cyber bullying, peer pressure, and stress
- Added a new award to our 7th Annual Greenlight Earth Day Film Festival through a grant from the City of San Jose. A brother and sister were named "Community Energy Champions" for their inspiring short



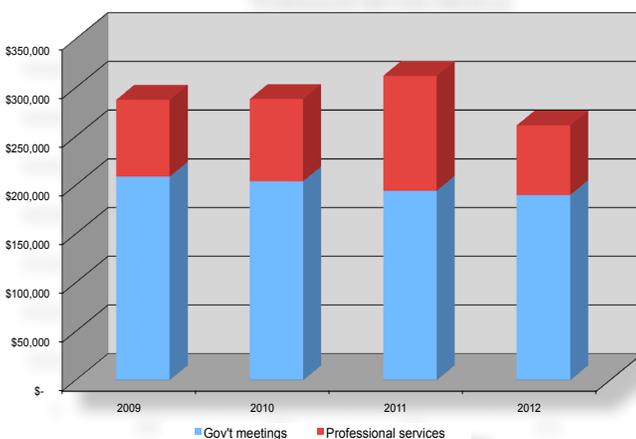
Board member Andrew Mellows supervises Paly students Simone Buteau and Ethan Cohen in the production truck.

film, "Living the Green Life" about environmentally conscious habits:
www.youtube.com/watch?v=aliqMVnFWHo

- Distributed over 100 Greenlight curriculum packets to area educators

Professional Services

Professional Services Revenue



Our team of professionals works with clients to produce the right video product, whether on location or at our fully equipped professional studio.

This includes:

- Clips for websites
- Public Service Announcements
- Training videos
- Fundraising campaign messages
- Live event coverage
- Documentaries
- Custom video productions of every kind

Nothing can move people like the power of video. We bring video messages to life at an affordable price for schools, non-profits, government agencies, and small businesses.

We use the modest profit margin from our combined government meeting coverage and professional services to subsidize our community access activities. Professional services revenues were down in 2012 reflecting continuing economic pressures on local organizations.

Contact proservices@midpenmedia.org.

Midpeninsula Community Media Center
 900 San Antonio Road
 Palo Alto, CA 94303
 650-494-8686
www.MCProServices.com
info@MCProServices.com

MEDIA CENTER PROFESSIONAL SERVICES
 A Full-Service Media Production House

Video can make every message more dynamic! The Midpeninsula Community Media Center offers a team of professionals who will work with you to produce the right video product. Whether in your own location or at our fully-equipped, professional studio, we will help you every step of the way.



Staff

Annie Folger, Executive Director. Full Time: Karen Adams, Becky Sanders, Katherine Saviskas, Chris Pearce, Lupita Segura, Dave Sorokach. Part Time: Sara Bennett, Nancy Brown, Bill Dimitri, Jarred Hodgdon, Brian Jones, Jeff McGinnis, Louise Pencavel, Sally Rayn, Doug Smith. Consultants: Judy Blumenstein, Elliot Margolies

Our Studio and Field Production Volunteers

The Media Center's success in 2012 would not have been possible without the talents and dedication of 285 active volunteers. Our Board and Staff are most grateful to our volunteers, our most cherished assets!

Laura Aceves	James Chang-Davidson	Deanna Fountain	Sarah Kahn	Jamie Munguia	Judy Rock	Wyatt Thayer
Amanda Akass	Scott Chesworth	Jan Foy	Andrew Kandasamy	Nitya Nasturi	Ofelia Romero	Owen Tomlins
Jose Alvarez	Joshua Ching	Max Frenkel	Alexander Kanellakos	Marco Navarro	Laura Rosensteel	Ilja Trifonovs
Peter Anderson	Haelin Cho	Alec Furrier	DC Kansundra	Lucas Neumeyer	Emilia Rossmann	Lynn Tsai
Serena Arge	Tanuj Chopra	Danielle Gee	Craig Kaplan	Stan Ng	Max Rossmann	Naomi Ture
Victoria Asbury	Don Cirlin	Sean George	Joseph Kautz	Jesse Norfleet	Sooji Rugh	Curtis Turner
Gaia Aspitz	Rogelio Cisneros	Daria Godorozha	Kendy	Tim Norkol	Byung Sa	Micheal Uhila
Herb Atkins	Malia Clark	Azucena Gonzalez	Bruce Kerr	Fabian Nunez	Stephen Salazar	Tom Upton
Brady Austin	Ethan Cohen	Brian Good	Cathy Keys	Myles Nunez	Becky Sanders	Marce Uriarte
Karin Baage	Nia Combs	Lauren Goodkind	Laura Kinley	Fanny Obadia	Brad Sanzenbacher	Ray Uribes
Kirsten Baird	Nubia Combs	Mark Gorelik	Mary Klein	Vance Okita	Jayshree Sarathy	Jaime Valderrama
Dakota Baker	Sam Cook	Agata Goroski	Suresh Kondapalli	Henry Organ	Paula Saslow	Francisco Valdespine
Eric Baker	Randy Cookson	Peter Graham	Daniel Kottke	Karen Owoc	Maria Sauza	Scott Van Duyne
Reva Balakrishnan	Katie Cox	Patricia Gray	Alex Kreitz	Lola Padilla	Cheryl Savan	Victoria Van Duyne
Scotty Bara	Jim Crawford	Trich Gray	Doug Kreitz	Miguel Adolfo Padilla	Katherine Saviskas	Yana Vashenko
Dan Beaulier	Audrey Daniel	Yvette Green	Gary Kreitz	Susana Padilla	Kent Schneevies	Taevia Vauss
Cecilia Belmont	TD Daniel	John Guisin	Paula Kyin	Genaro Paed	Norma Schroder	Iwalani Venerable
Sara Bennett	Ragu Das	Jasmin Gutierrez	Erinne Lambden	Patty Page	Sibyl Schroder	Edgar Villa
Rachael Bertone	Santa Dasu	Ben Haber	Sean Lee	Victor Palacios	Jo-Anne Scott	Isabelle Vincent
Abira Berzin	Elliot Dauber	Mohammad Hakkik	Carrie Leroy	Breana Park	Jim Seawright	Alex Vlassova
John Bessire	Michael Davich	Steve Hall	Denet Lewis	Song Park	Lupita Segura	Zac Wang
Kathy Bibby	Edoardo De Armas	Ronny Hamed	Jim Lewis	Sophie Pelosi	Martha Sevilla	Jacob Warsaw
Fred Bockmann	Makenna DeGeronimo	Ashley Harkness	Victor Li	Phil Pflager	Sion Shankel	Marty Wasserman
Sharat Bodduluri	Francisco Del Rosario	Christopher Harris	Mei Lin Fung	Sophia Pino	Jake Shapiro	Alex Watson
Michael Bogart	Stacie Delakovias	Twila Harrison	Erk Lind	Veronica Polivanaya	Corinna Shi	Paul Wehrenberg
Nicolas Borbolis	Mitchell Donat	Reagan Harwood	Alma Love	Emily Pomeroy	Anita Silver	Greg Weinstein
Nick Bousse	Maya Donato	Teagan Harwood	Lani Ludwick	Coby Simler	Coby Simler	Claire Wellwood
Jack Brook	Serly Echeveria	Birgit Haselhuber	Alex Lui	David Simon	David Simon	Nance Wheeler
Nancy Brown	Chris Echols	Mark Hatatsaka	Victor Luna	Allison Simoni	Allison Simoni	Paola Williams
Kevin Bumett	Tim Erskin	Stephanie Herman	Elliot Margolies	Shaan Singh	Shaan Singh	Nozipo Wobogo
Jim Buteau	Veronica Escamez	Fiona Hon	Kari Martell	Suzie Quackenbush	Vicci Smith	Elise Wong
Michael Buteau	Spence Everson	Phil Horsley	Hedy McAdams	Mike Quinn	Brian Sotnick	Emily Wong
Simone Buteau	Alexander Faciane	Maritza Hurtado	Judi McCalla	Grant Raffel	Myhtili Soundararajan	Ryan Wong
John Cabrera	Grace Fang	Jack Jaffe	Patrick McErlain	Krishna Raghunath	Eva Spektoro	Alex Wang
Patrick Campisi	Patricia Faust	Alondra Jaime	John McGuire	Blake Ragsdale	Birgit Starmanns	Carl Yorke
Griffin Carlson	Trevor Felch	Vishnu Jaisim	Marlo McKenzie	Pranov Rajan	Paul Stefanski	Loren Young
Livia Carlson	Steven Felicelli	Anthony Jewett	Raphael Miranda	Maya Ram	Justine Strayhorn	Joshua Yuan
Doug Carman	Carl Ferreira	Faith Jones	VJ Mohan	Jean Ramacciotti	Shobana Swami	Josh Yuen
Dr. Gunjan Chakravarty	Dontae Flemming	Kenny Jones	Layla Moheimani	Wes Rapaport	Noam Tadelis	Maya Zach
Shubha Chakravarty		Marc Judson	Eva Mungai	Chris Rasmussen	Lisa Tesler	Alan Zoraster
Conrad Chan		Christina Kahn		Evan Rattner		

Our Donors and Members

We hope that you will join us. Become a member, remain a member and help us reach our goals. We are grateful to our members and donors for their support. We thank our Advisory Council for sharing their expertise and for acting as Media Center Ambassadors in our community.

Ken Allen
Anonymous
Applied Materials
Duane Bay
Patricia Becker
Sarah E. Bemus
Fred Bockmann
Cable Co-op Legacy Grant
Cal Construction Group
Cisco Systems Foundation
City of East Palo Alto
Measure C
City of Menlo Park
City of Mountain View
City of Palo Alto
City of San Jose
City of Sunnyvale
Community Energy
Champion Grant
Kathy Cordova
Michael Di Battista
Dan Dykwel
Melinda Fabozzi
Dorothy Fadiman
Annie & Roy Folger
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Mac MacCorkle
Elliot Margolies
Joyce McClure
Eric McCormick
Jeff McGinnis
Andrew Mellows
Goro O. Mitchell
Deborah D. Mytels
Peter Neal
Stan Ng

Barbara Noparstak
Henry Organ
Palo Alto Historical
Association
Palo Alto Weekly Holiday
Fund
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Louise Pencavel
Laura G. Quackenbush
Elizabeth Raffel
Joanne Reed
John C. Richards
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Robert W. Row
Rebecca Sanders
Brad Sanzenbacher
Mary Sause
Silicon Valley Community
Foundation: Microsoft
Silicon Valley Community
Foundation: Silicon Valley
Threads
Phil Smaller
Stanley Smith
Michael Stern
Tom & Mary Thomas

Veronica S. Tincher
Debra L Wakefield
Michael E. Wyant

Media Center Advisory Council

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Karen Holman
Joanie King
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Meda Okelo
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Greg Schmid
Kathy Schroeder
Christine Shambora
Silvia Vonderlinden
Yiaway Yeh



Board of Directors

Barbara Noparstak, President. Joanne Reed, Vice President. Mike DiBattista, Treasurer. Michael Stern, Secretary. Dan Dykwel, Donna Grider, Lawrence Lee, Andrew Mellows, Azieb Nicodimos, Nora Pimentel, Sue Purdy Pelosi, Margaret S. Roberts

Organizations Served by the Media Center in 2012

Abilities United
Accelerator Studies Foundation
Acterra
Adjacent Applications
Afe Mai A Club
African Womens Development Fund, USA
Ageno School of Business
Alameda County Vets Employment Committee
All of Us or None
American Grief Academy
Art for Well Beings
Arts Council Silicon Valley
Aspiranet
Avenidas
Bar-Ilan University, Israel
Bay Area Code Pink
Bay Area Somali Community
Blood Centers of the Pacific
Boys & Girls Club of the Peninsula
Break Through The Static
CA Assemblymember Rich Gordon
CA Assemblymember Jerry Hill
CA Employment Development Department
CA Senator Joe Simitian
CA Voters Rights Institute
CAC Group
Cana Restaurant, Oakland
Candidates for Foothill-De Anza trustee
Candidates for San Mateo County Board of Education
Candidates For San Mateo County Supervisor
Candidates for Sequoia Health District
Candidates Santa Clara County Board of Education
Cantor Museum
Carolyne Clarke, Candidate for Menlo Park City Council
Castro Travel
Center for a New Generation
Children's Hospital & Research Center, Oakland
City of Belmont City Council
City of East Palo Alto
City of Menlo Park
City of Mountain View
City of Palo Alto
City of Palo Alto Mayor's Office
City of Palo Alto Utilities
City of San Jose
City of Sunnyvale
Coalicion Pinolera
College Track
Common Ground
CommonBrights.org
Community Legal Services in East Palo Alto
Company C Ballet
Compassionate Friends
Concentric Media
Congresswoman Anna Eshoo
Constellation Research
Continental Caterers
CreaTV San Jose
Crow Canyon Archaeological Center
David Woods, EPA City Council
Deborah's Palm
Diva Designs
E3Regenesis Solutions
EarthBench.org
East Palo Alto Sanitary District
Economic Development, City of EPA
Ecumenical Hunger Program
Educators for Fair Consideration
Encinal School
Energy Foundation
Enneagram Explorations
Environmental Volunteers
EPACT
EPA Summer Journalism Institute
Escuela Popular Charter School
Film 77 Studios
Filoli
Food System
Foothill Theatre Company
Foreclosure Summit
GAIA
German American Business Association (GABA)
Girl Scouts of America
Golden Gate University
Google
Grace Lutheran Church
Greater Good
Green Foothills
Gunn High School
Habitat for Humanity, Greater San Francisco
Hillview Middle School
Housing Leadership Council
Hu Nu Clothing Line
HyTrust Marketing
Institute for Equality
Intel
International Folk Art Market, New Mexico
International Institute of the Bay Area
Jewish Community Center
JLS Middle School
JobTrain
Jordan Middle School
Ken Dauber, Candidate for PAUSD Board
Kidizens
KMVT Mountain View
La Entrada Middle School
Larry Moody, Candidate for EPA City Council
Las Lomitas Elementary School District
Laura Martinez, Mayor East Palo Alto
Laurel Elementary School
League of Women Voters of Palo Alto
Legal Services for Prisoners with Children
Lions Toastmasters
Liz Kniss, Santa Clara County Supervisor
Lucile Packard Children's Hospital
Mandy Lowell, former PAUSD Board President
Maxygen
Mayor Yiaway Yeh, City of Palo Alto
Medbump
Melissa Baten Caswell, PAUSD Board Member
Menlo Park City School District
Menlo Park Fire Protection District
Menlo-Atherton High School
Midpeninsula Regional Open Space District
Mothers on a Mission to Save Our Children
Move To Amend
NASA Ames Research
New America Media
Oak Knoll Elementary School
Occupy Mountain View
Occupy Redwood City
Open ROV
Pacific Art League
Palo Alto Adult School
Palo Alto Art Center
Palo Alto Chamber of Commerce
Palo Alto Daily News
Palo Alto High School
Palo Alto Historical Association
Palo Alto International Film Festival
Palo Alto Library System
Palo Alto Medical Foundation
Palo Alto Online
Palo Alto PTA
Palo Alto Unified School District
Palo Alto University
Palo Alto Weekly
Pat Burt, Palo Alto City Council
Pathways Home Health, Hospice & Private Duty
Pen TV, San Mateo
Peninsula Peace and Justice Center
Peninsula Conflict Resolution Center
Peninsula Interfaith Action
Performance Science Training
Picture the Possibilities
Planned Parenthood Mar Monte
Presidio Chapter Daughters of the American Revolution
Project Safety Net
Promise Worldwide
Ravenswood City School District
Ravenswood Family Health Center
Redwood City Neighbors United
Regional Water Quality Control Plant
Renaissance Mid-Peninsula
Richmond/Ermet AIDS Foundation
Robert Hoover, Director, David Lewis Reporting Center
ROKPA
Ron Davis, EPA Interim City Manager
Rosalie Rendu Center
Sally Lieber, California State Senator Candidate
San Francisco 49ers Academy
San Francisco Foundation
San Mateo County Workforce Investment Board
San Mateo Credit Union
SAP (System Analysis & Program Development)
Save Our Shores
Scary Cow Independent Film Makers
Second Harvest Food Bank
Sequoia Union High School District
SETI Institute
Sickle Cell Community Advisory Council
Sierra Club: Loma Prieta Chapter
Silicon Valley Community Foundation
SLAC National Accelerator Laboratory
Smith & Nasht
Sonoma Graphic Products
South Bay Veterans Collaborative
Spark
Stanford Medical Center
Stanford University
Star Search Toastmasters
Stephanie Herman Style
TEDx Bay Area
The Cat Coach
The Oakland Tribune
The Roadway Safety Foundation
The Tech Museum
Toastmasters International
Tokyo Waka
Town of Atherton
UC Berkeley
UC San Francisco
Union City Toastmasters
United Nations Association Film Festival
United Nurses Associations of California
University of Washington
VEC San Mateo
Veterans for Peace
VFW Native American Veterans
Village Harvest
VivAsia
VMware
Well Spring
Wemorph Inc.
William & Flora Hewlett Foundation
Willow Oaks School
Wisdom 2.0
Woodside Atherton Garden Club
Write
Youth Community Service
Youth United for Community Action
Zero Waste, City of Palo Alto



Town of Atherton

MEMO FROM CITY ATTORNEY'S OFFICE

TO: City Manager

FROM: City Attorney

DATE: April 8, 2013

SUBJECT: Charter City Benefits

The fundamental distinction between a charter city and a general law city is simply the issue of whether or not “home rule” is better for a municipality or whether the governing laws should be those established by the State legislature.

The basic premise upon which charter cities function is that they possess supreme powers over “municipal affairs”, and in such matters the local agency can do anything that is constitutional and not a matter of statewide concern. Determining whether something is a municipal affair or a matter preempted by the state is made on a case-by-case basis by the courts, not the legislature.

It should be first noted that the charter acts as the city’s constitution and is said to operate as a limitation on powers, not a grant of them. In essence the municipality has authority over much of what it does, and the charter acts to constrain that power in ways that reflect local mores, values, and concepts of good government.

Both general law and charter cities share some of the same authority to regulate so-called “police powers” generally with respect to the public health, safety, morals, and general welfare of the community. However, the scope of these powers in charter cities is much greater, and those in general law cities can be totally constrained by the legislature in its infinite wisdom.

Where charter cities have greater authority with respect to home rule is in dealing with municipal affairs. The list is fluid and changes as charter cities expand their creation of local regulations, and I have attached several pages that highlight some of the contrasting features of the two forms of governance. Generally speaking, charter cities possess greater authority over such areas as municipal elections, procedures for initiative,

referendum and recall, procedures for adoption of ordinances, compensation of officers and employees, procedures relating to city contracts, the financing of public improvements, the making of charitable gifts of public funds, establishing term limits for local officers, and in creating land use and zoning legislation although with many exceptions.

The areas where charter cities do not have plenary authority include school systems, traffic and vehicle regulation, sale of alcoholic beverages, licensing of members of a trade or profession, tort claims against government entities, open and public meeting regulations, and exercising the power of eminent domain. These are areas where the state has elected to occupy the field totally and preempt local control, but these are not areas that appear to be primary concerns for the Town of Atherton.

The issue of local control over local government is the basic distinction between the two types of city government. That said, it is important that the charter itself accurately reflect the pulse of the community. A charter that fails to provide citizens with effective and appropriate controls over their local legislative officials is doomed to failure; while one that protects local values while allowing the elected officials to govern based on community values will be well received and give the citizens a more effective and responsive government.

Obviously this is a very broad overview, and I leave you with the examples of some areas where differences have developed in the attached document from the League of CA Cities. I remain available if you have any questions.

General Law City v. Charter City

Characteristic	General Law City	Charter City
Ability to Govern Municipal Affairs	Bound by the state's general law, regardless of whether the subject concerns a municipal affair.	Has supreme authority over "municipal affairs." Cal. Const. art. XI, § 5(b).
Form of Government	State law describes the city's form of government. For example, Government Code section 36501 authorizes general law cities be governed by a city council of five members, a city clerk, a city treasurer, a police chief, a fire chief and any subordinate officers or employees as required by law. City electors may adopt ordinance which provides for a different number of council members. Cal. Gov't section 34871. The Government Code also authorizes the "city manager" form of government. Cal. Gov't Code § 34851.	Charter can provide for any form of government including the "strong mayor," and "city manager" forms. See Cal. Const. art. XI, § 5(b); Cal. Gov't Code § 34450 <i>et seq.</i>
Elections Generally	Municipal elections conducted in accordance with the California Elections Code. Cal. Elec. Code §§ 10101 <i>et seq.</i>	Not bound by the California Elections Code. May establish own election dates, rules, and procedures. See Cal. Const. art. XI, § 5(b); Cal. Elec. Code §§ 10101 <i>et seq.</i>
Methods of Elections	Generally holds at-large elections whereby voters vote for any candidate on the ballot. Cities may also choose to elect the city council "by" or "from" districts, so long as the election system has been established by ordinance and approved by the voters. Cal. Gov't Code § 34871. Mayor may be elected by the city council or by vote of the people. Cal. Gov't Code §§ 34902.	May establish procedures for selecting officers. May hold at-large or district elections. See Cal. Const. art. XI, § 5(b).
City Council Member Qualifications	<p>Minimum qualifications are:</p> <ol style="list-style-type: none"> 1. United States citizen 2. At least 18 years old 3. Registered voter 4. Resident of the city at least 15 days prior to the election and throughout his or her term 5. If elected by or from a district, be a resident of the geographical area comprising the district from which he or she is elected. <p>Cal. Elec. Code § 321; Cal. Gov't Code §§ 34882, 36502; 87 Cal. Op. Att'y Gen. 30 (2004).</p>	Can establish own criteria for city office provided it does not violate the U.S. Constitution. Cal. Const. art. XI, § 5(b), 82 Cal. Op. Att'y Gen. 6, 8 (1999).

Characteristic	General Law City	Charter City
Public Funds for Candidate in Municipal Elections	No public officer shall expend and no candidate shall accept public money for the purpose of seeking elected office. Cal. Gov't Code § 85300.	Public financing of election campaigns is lawful. <i>Johnson v. Bradley</i> , 4 Cal. 4th 389 (1992).
Term Limits	May provide for term limits. Cal. Gov't Code § 36502(b).	May provide for term limits. Cal. Const. art. XI, § 5(b); Cal Gov't Code Section 36502 (b).
Vacancies and Termination of Office	An office becomes vacant in several instances including death, resignation, removal for failure to perform official duties, electorate irregularities, absence from meetings without permission, and upon non-residency. Cal. Gov't Code §§ 1770, 36502, 36513.	May establish criteria for vacating and terminating city offices so long as it does not violate the state and federal constitutions. Cal. Const. art. XI, § 5(b).
Council Member Compensation and Expense Reimbursement	Salary-ceiling is set by city population and salary increases set by state law except for compensation established by city electors. See Cal. Gov't Code § 36516. If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.	May establish council members' salaries. See Cal. Const. art. XI, § 5(b). If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.
Legislative Authority	Ordinances may not be passed within five days of introduction unless they are urgency ordinances. Cal. Gov't Code § 36934. Ordinances may only be passed at a regular meeting, and must be read in full at time of introduction and passage except when, after reading the title, further reading is waived. Cal. Gov't Code § 36934.	May establish procedures for enacting local ordinances. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
Resolutions	May establish rules regarding the procedures for adopting, amending or repealing resolutions.	May establish procedures for adopting, amending or repealing resolutions. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
Quorum and Voting Requirements	A majority of the city council constitutes a quorum for transaction of business. Cal. Gov't Code § 36810. All ordinances, resolutions, and orders for the payment of money require a recorded majority vote of the total membership of the city council. Cal. Gov't Code § 36936. Specific legislation requires supermajority votes for certain actions.	May establish own procedures and quorum requirements. However, certain legislation requiring supermajority votes is applicable to charter cities. For example, see California Code of Civil Procedure section 1245.240 requiring a vote of two-thirds of all the members of the governing body unless a greater vote is required by charter.

Characteristic	General Law City	Charter City
<p>Rules Governing Procedure and Decorum</p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i>.</p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i>.</p> <p>May provide provisions related to ethics, conflicts, campaign financing and incompatibility of office.</p>
<p>Personnel Matters</p>	<p>May establish standards, requirements and procedures for hiring personnel consistent with Government Code requirements.</p> <p>May have "civil service" system, which includes comprehensive procedures for recruitment, hiring, testing and promotion. See Cal. Gov't Code § 45000 <i>et seq.</i></p> <p>Meyers-Milias-Brown Act applies. Cal. Gov't Code § 3500.</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, § 10(b).</p>	<p>May establish standards, requirements, and procedures, including compensation, terms and conditions of employment for personnel. See Cal. Const. art. XI, § 5(b).</p> <p>Procedures set forth in Meyers-Milias-Brown Act (Cal. Gov't Code § 3500) apply, but note, "[T]here is a clear distinction between the <i>substance</i> of a public employee labor issue and the <i>procedure</i> by which it is resolved. Thus there is no question that 'salaries of local employees of a charter city constitute municipal affairs and are not subject to general laws.'" <i>Voters for Responsible Retirement v. Board of Supervisors</i>, 8 Cal.4th 765, 781 (1994).</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, section 10(b).</p>
<p>Contracting Services</p>	<p>Authority to enter into contracts to carry out necessary functions, including those expressly granted and those implied by necessity. See Cal. Gov't Code § 37103; <i>Carruth v. City of Madera</i>, 233 Cal. App. 2d 688 (1965).</p>	<p>Full authority to contract consistent with charter.</p> <p>May transfer some of its functions to the county including tax collection, assessment collection and sale of property for non-payment of taxes and assessments. Cal. Gov't Code §§ 51330, 51334, 51335.</p>

Characteristic	General Law City	Charter City
<p>Public Contracts</p>	<p>Competitive bidding required for public works contracts over \$5,000. Cal. Pub. Cont. Code § 20162. Such contracts must be awarded to the lowest responsible bidder. Pub. Cont. Code § 20162. If city elects subject itself to uniform construction accounting procedures, less formal procedures may be available for contracts less than \$100,000. See Cal. Pub. Cont. Code §§ 22000, 22032.</p> <p>Contracts for professional services such as private architectural, landscape architectural, engineering, environmental, land surveying, or construction management firms need not be competitively bid, but must be awarded on basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of services. Cal. Gov't Code § 4526.</p>	<p>Not required to comply with bidding statutes provided the city charter or a city ordinance exempts the city from such statutes, and the subject matter of the bid constitutes a municipal affair. Pub. Cont. Code § 1100.7; see <i>R & A Vending Services, Inc. v. City of Los Angeles</i>, 172 Cal. App. 3d 1188 (1985); <i>Howard Contracting, Inc. v. G.A. MacDonald Constr. Co.</i>, 71 Cal. App. 4th 38 (1998).</p>
<p>Payment of Prevailing Wages</p>	<p>In general, prevailing wages must be paid on public works projects over \$1,000. Cal. Lab. Code § 1771. Higher thresholds apply (\$15,000 or \$25,000) if the public entity has adopted a special labor compliance program. See Cal. Labor Code § 1771.5(a)-(c).</p>	<p>Historically, charter cities have not been bound by state law prevailing-wage requirements so long as the project is a municipal affair, and not one funded by state or federal grants. <i>Vial v. City of San Diego</i>, 122 Cal. App. 3d 346, 348 (1981). However, there is a growing trend on the part of the courts and the Legislature to expand the applicability of prevailing wages to charter cities under an analysis that argues that the payment of prevailing wages is a matter of statewide concern. The California Supreme Court currently has before them a case that will provide the opportunity to decide whether prevailing wage is a municipal affair or whether it has become a matter of statewide concern.</p>

Characteristic	General Law City	Charter City
<p>Finance and Taxing Power</p>	<p>May impose the same kinds of taxes and assessment as charter cities. See Cal. Gov't Code § 37100.5.</p> <p>Imposition of taxes and assessments subject to Proposition 218. Cal. Const. art. XIII C.</p> <p>Examples of common forms used in assessment district financing include:</p> <ul style="list-style-type: none"> • Improvement Act of 1911. Cal. Sts. & High. Code § 22500 <i>et seq.</i> • Municipal Improvement Act of 1913. See Cal. Sts. & High. Code §§ 10000 <i>et seq.</i> • Improvement Bond Act of 1915. Cal. Sts. & High. Code §§ 8500 <i>et seq.</i> • Landscaping and Lighting Act of 1972. Cal. Sts. & High. Code §§ 22500 <i>et seq.</i> • Benefit Assessment Act of 1982. Cal. Gov't Code §§ 54703 <i>et seq.</i> <p>May impose business license taxes for regulatory purposes, revenue purposes, or both. See Cal. Gov't Code § 37101.</p> <p>May not impose real property transfer tax. See Cal. Const. art. XIII A, § 4; Cal. Gov't Code § 53725; <i>but see</i> authority to impose documentary transfer taxes under certain circumstances. Cal. Rev. & Tax. Code § 11911(a), (c).</p>	<p>Have the power to tax.</p> <p>Have broader assessment powers than a general law city, as well as taxation power as determined on a case-by case basis.</p> <p>Imposition of taxes and assessments subject to Proposition 218, Cal. Const. art. XIII C, § 2, and own charter limitations</p> <p>May proceed under a general assessment law, or enact local assessment laws and then elect to proceed under the local law. See <i>J.W. Jones Companies v. City of San Diego</i>, 157 Cal. App. 3d 745 (1984).</p> <p>May impose business license taxes for any purpose unless limited by state or federal constitutions, or city charter. See Cal. Const. art. XI, § 5.</p> <p>May impose real property transfer tax; does not violate either Cal. Const art. XIII A or California Government Code section 53725. See <i>Cohn v. City of Oakland</i>, 223 Cal. App. 3d 261 (1990); <i>Fielder v. City of Los Angeles</i>, 14 Cal. App. 4th 137 (1993).</p>
<p>Streets & Sidewalks</p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>
<p>Penalties & Cost Recovery</p>	<p>May impose fines, penalties and forfeitures, with a fine not exceeding \$1,000. Cal. Gov't Code § 36901.</p>	<p>May enact ordinances providing for various penalties so long as such penalties do not exceed any maximum limits set by the charter. <i>County of Los Angeles v. City of Los Angeles</i>, 219 Cal. App. 2d 838, 844 (1963).</p>

Characteristic	General Law City	Charter City
<p>Public Utilities/Franchises</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); Cal. Gov't Code § 39732; Cal. Pub. Util. Code § 10002.</p> <p>May grant franchises to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city to allow use of city streets for such purposes. The grant of franchises can be done through a bidding process, under the Broughton Act, Cal. Pub. Util. Code §§ 6001-6092, or without a bidding process under the Franchise Act of 1937, Cal. Pub. Util. Code §§ 6201-6302.</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); <i>Cal. Apartment Ass'n v. City of Stockton</i>, 80 Cal. App. 4th 699 (2000).</p> <p>May establish conditions and regulations on the granting of franchises to use city streets to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city.</p> <p>Franchise Act of 1937 is not applicable if charter provides. Cal. Pub. Util. Code § 6205.</p>
<p>Zoning</p>	<p>Zoning ordinances must be consistent with general plan. Cal. Gov't Code § 65860.</p>	<p>Zoning ordinances are not required to be consistent with general plan unless the city has adopted a consistency requirement by charter or ordinance. Cal. Gov't. Code § 65803.</p>



Town of Atherton

**Building Department
91 Ashfield Road
Atherton, California 94027
Phone: (650) 752-0560**

Community Services Monthly Report March 2013

Submitted by:
Mike Kashiwagi, PE
Director of Community Services

Town of Atherton Building Safety & Inspection

*Construction and Permit Summary
March 1, 2013 to March 31, 2013*

	March	Fiscal Year 2012-13
Total Construction Valuation¹:	\$3,870,250	\$93,173,881

REVENUE

Plan Check Fees Collected:	\$26,395	\$250,014
Permit Fees Collected:	\$39,977	\$604,163
Other Fees Collected:	\$1,828	\$22,665
TOTAL:	\$68,200	\$876,842

PLAN CHECK

Applications Received:	54	500
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PERMITS

<u>Residential:</u>		
New Single Family Residential Permits Issued:	1	21
New Accessory Structures Issued:	10	105
Addition / Alteration Permits Issued:	6	81
Reroof / Water Well / Grading Permits Issued:	3	93
Plumbing/Mechanical/Electrical Permits Issued:	22	122
Demolition Permits Issued:	6	34
<u>Non-Residential:</u>		
New Permits Issued:	0	9
TOTAL Permits Issued:	48	465

Total Open Permits as of 3/31/13	344
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INSPECTIONS

Inspections Performed:	531	4,326
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Footnotes:

¹Valuation: For permitted projects during this period.

**Town of Atherton
Building Safety & Inspection**

Code Enforcement Activity Summary

March 1, 2013 to March 31, 2013

CE responded to the following types of cases:

1. Dangerous Trees	1o	10. Early Set Out-trash	0
2. Construction Law	2o	11. Neighbor Law	2o/2c
3. Dog Barking	1o/1c	12. Animal	1o
4. Building without permits	1o	13. Litigation	2o
5. Encroachments	7o	14. Vehicles	0
6. Fence Violations	0	15. Unsecured Prop	0
7. Accessory Bld.	3o	16. HOA Contact	0
8. Refuse	1o	17. Admin/finance	1o
9. Zoning	2o	18. Admin/ordinance	0
		19. Public Nuisance	3o
Number of Cases Closed = 3		Number of Cases Still Open = 26	

c: Closed

o: Open

Planning Projects

March 1, 2013 to March 31, 2013

	This Month Activity	Fiscal Year to Date Activity
Staff Level Reviews	18	167
Planning Commission Items	2	23

1) 163 Almendral Avenue : Heritage Tree Removal Permit request for the removal of three heritage redwood trees. The vote was 2:2 which resulted in No Action. Staff anticipates the applicant will bring the item forward to the next Planning Commission as a new item.

2) 125 Alta Vista Drive : Special Structures Permit request to allow a pool to be located up to the front setback for the main residence. This item was approved by a 4:0 vote, with the additional condition that the applicants pay special attention to noise attenuation of the pool equipment and air conditioning units up to and including the possible relocation of the equipment to another location.

The following items are tentatively scheduled for March:

1. 12 Cowell, request for a Special Structures Permit for two basements under accessory structures
2. 82 Howard Way, request for a Special Structures Permit for a tennis court closer to the main residence than is normally allowed.

Arborist Activity Summary

March 1, 2013 to March 31, 2013

	Site Visits			Plan Review
	Tree Removal	Inspections	Info. / Consu.	
TOTAL	11	13	21	12

Town of Atherton Building Inspection & Plan Check

Summary of New Single Family Residential Permits Issued by

Month	2013	2012
January	2	2
February	1	0
March	1	2
April		2
May		4
June		3
July		3
August		2
September		3
October		4
November		1
December		4
Total New SFD Permits:	4	30

Plan Check Performance

March 1, 2013 to March 31, 2013

Project Type	Cycles	No of Plan Checks	Target **	Average Review Days	Overdue Plan Checks
Major Plan Check	1st Review	23	10	6	0
	Subsequent Rev.	17	5	3	0
Minor Plan Check	1st Review	19	3	2	0
	Subsequent Rev.	1	2	1	0
Total Number of Plan Checks		60			

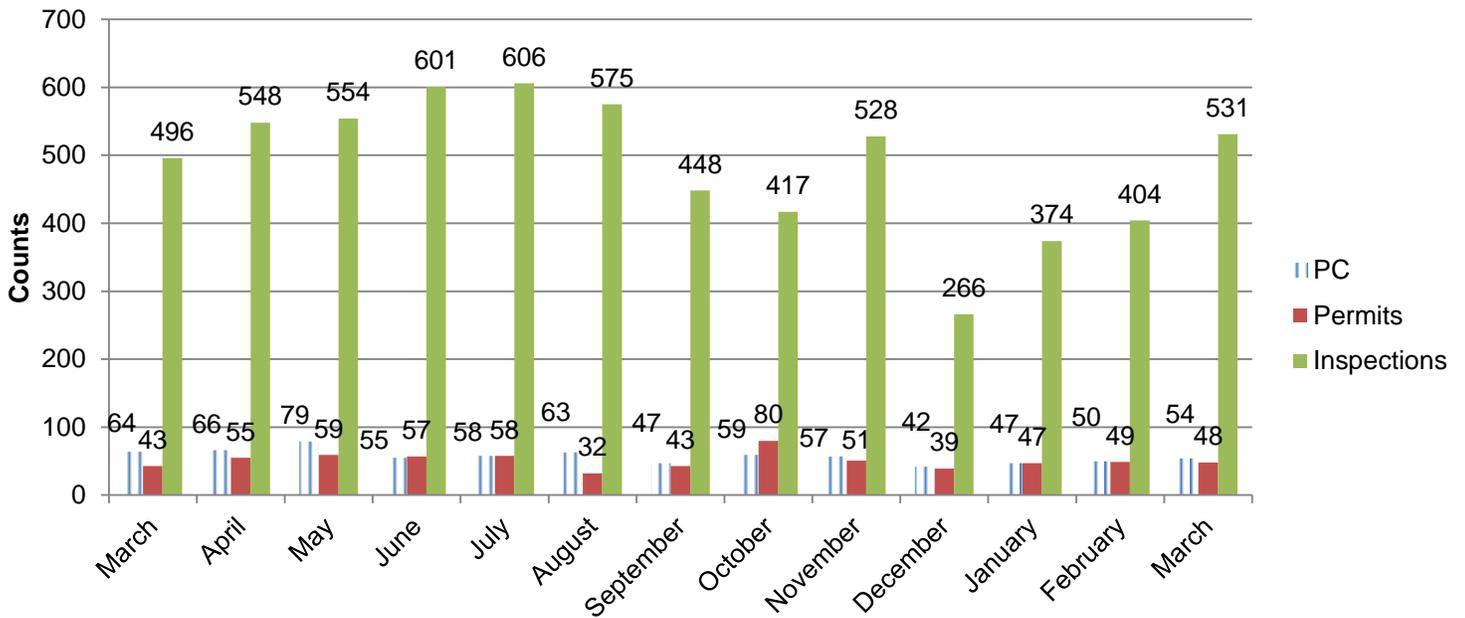
** Target: in working days

Major Plan Check: New Houses, New Accessory Structures, New non-Residential

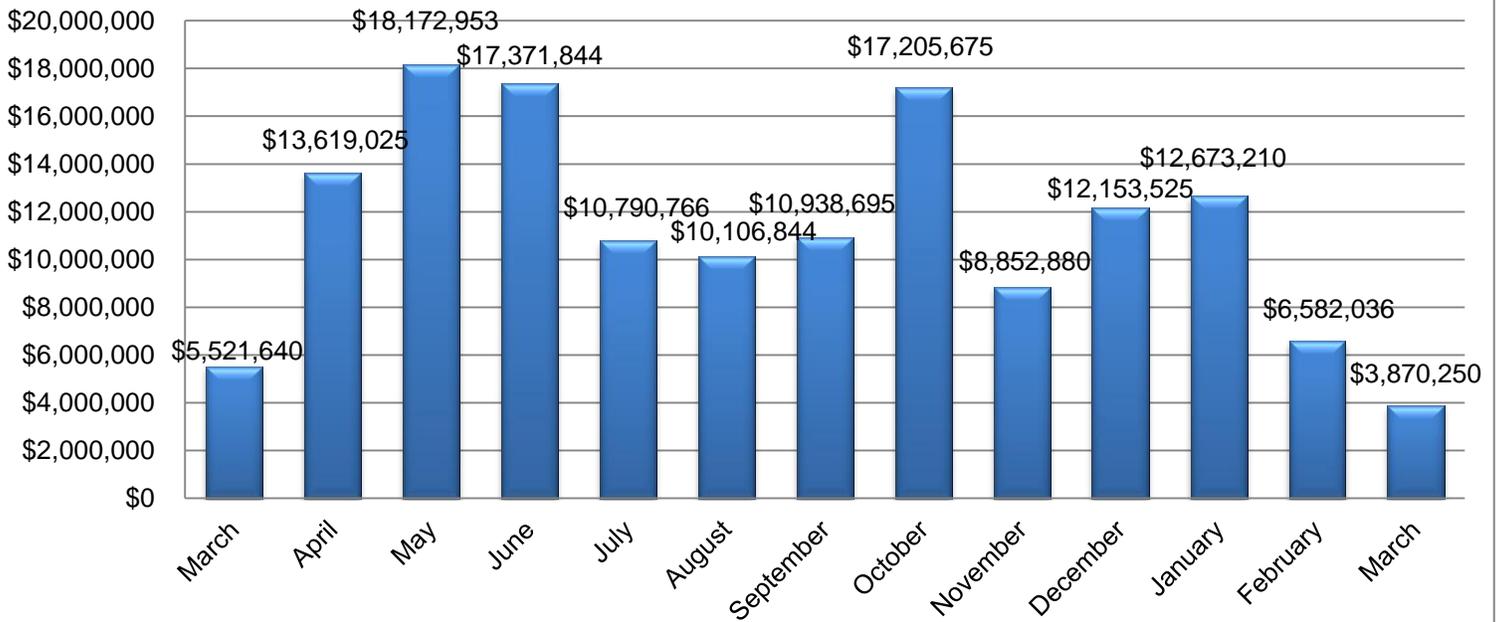
Minor Plan Check: Small Additions, Reroof, Alterations, Misc.

Summary Graphs

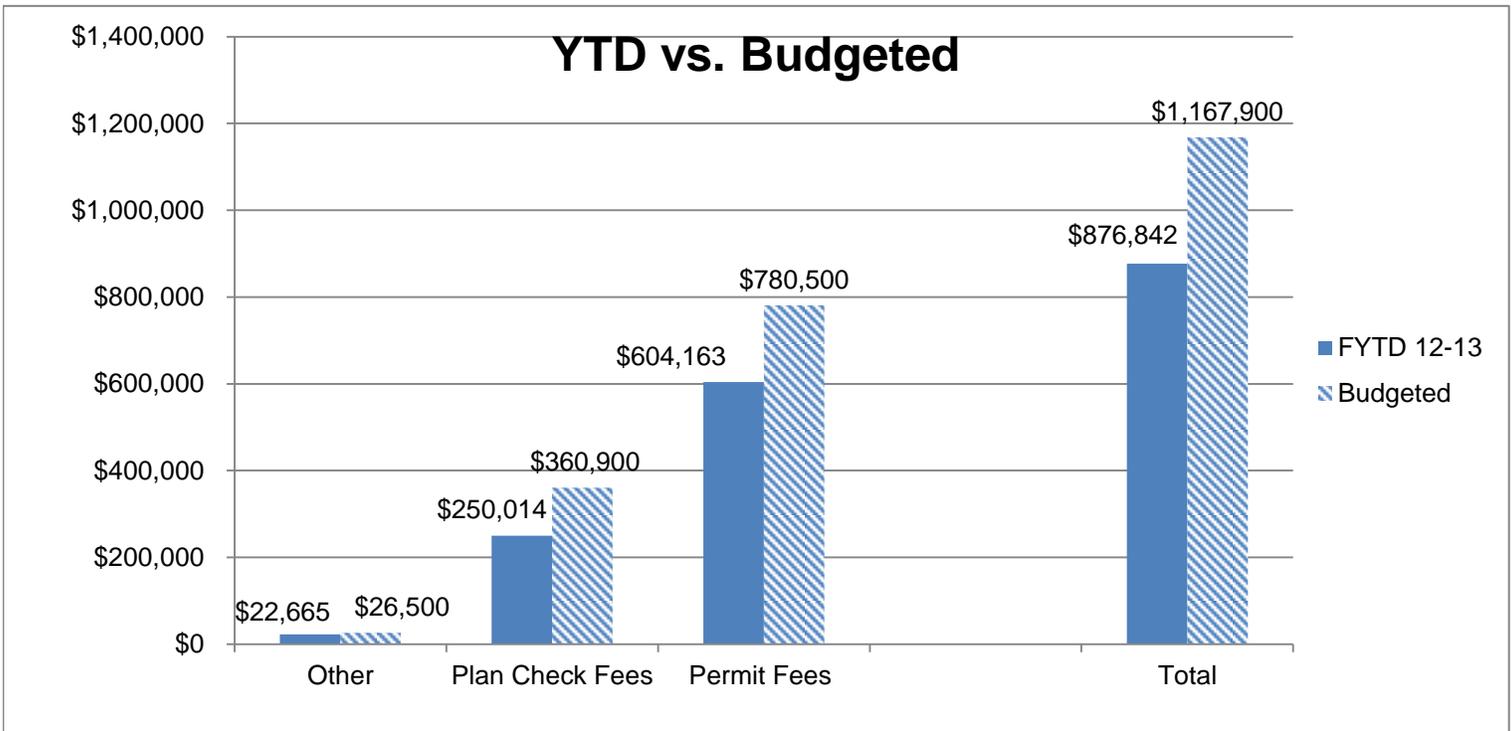
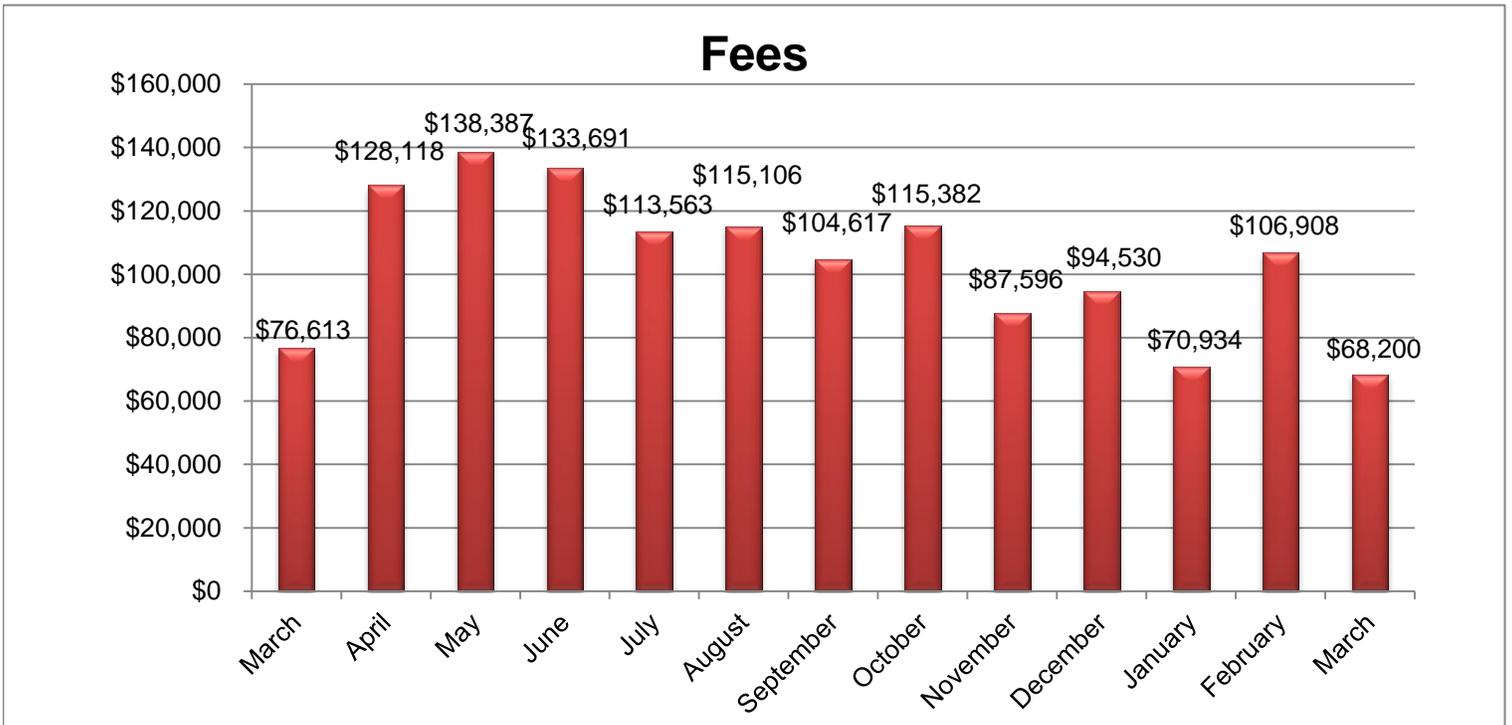
Plan Checks, Permits, Inspections



Valuation



Summary Graphs





Draft Minutes
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL DRAINAGE
DISTRICT
March 13, 2013
1:00 P.M.
Town Council Chambers
94 Ashfield Road
Atherton, California
Special Meeting

ROLL CALL Lewis, Carlson, Dobbie, Widmer, Wiest

PUBLIC COMMENTS

REGULAR

MID-YEAR BUDGET ADJUSTMENTS REPORT FOR FY 2012-2013

City Council discussed the Mid-Year Budget Report for 2012-2013.

The Mid-Year Budget Report focuses on the Town's General Fund and does not look at the Town's Special Funds other than where they impact the General Fund. The PowerPoint presentation and a spreadsheet distributed to the City Council can be accessed through the City Clerk's Office. The Report also projects forward to fiscal year-end with respect to revenues and expenditures.

At Mid-Year, the Town's General Fund revenues are tracking at 9% over budget. The major source of the Town's revenue is property taxes. Property taxes will come in \$558,474 over budget. This is primarily due to an increase in receipts for the Educational Reimbursement Augmentation Fund. This revenue is unique to only a few counties in the State and is the result of property values in the county exceeding the level necessary to provide the minimum required school funding under State law. When the minimum funding level is met the additional revenues are returned to the local agencies in proportion. This revenue is a continuing target of the State budget process and cannot be counted on as a continuing revenue source. As a result, the Town budgets conservatively for it in future years. Other revenues had slight increases. At year-end, the net change to the General Fund balance is a \$1,093,100 increase. This results in a year-end General Fund Balance of \$7,737,858.

This total general fund amount is broken down into various reserve allocations. The Town has established a Building Reserve (\$728,911) to address fluctuations in permitting revenue and costs year-to-year; a 15% Emergency Reserve (\$1,612,471), local miscellaneous pension obligation (\$704,313), a 5% Capital Projects Reserve (\$537,490), and a 15% General Operating Reserve (\$1,612,471). The Town has established set-asides to pay down future underfunded actuarial liabilities such as the CalPERS pension obligations and/or other post-employment benefits.

At this time, the Town has paid-off its underfunded pension obligation for local safety employees and has allocated the pay-off for local miscellaneous – the earlier \$704,313. However, the Town still retains other unfunded post-employment benefit obligations of approximately \$7 million. The Town’s Finance Committee and City Council are considering ways to address this unfunded liability.

The table below reflects these allocations off of the end of year projected general fund balance.

Item	General Fund Allocation
End of Year General Fund Balance	\$7,737,858
Building Reserve	(\$728,911)
15% Emergency Reserve	(\$1,612,471)
Reserve for Local Miscellaneous Side Fund	(\$704,313)
5% Capital Project Reserve	(\$537,490)
15% Operating Reserve	(\$1,612,471)
Remaining Unallocated Fund Balance	\$2,542,202

On the expenditure side, overall expenditures are netted out within each department. Where there are cost-savings in one area they are netted out against additional expenditure needs in another. Using the Police Department as an example, if the Department is running understaffed by one officer due to an unanticipated vacancy there is an associated salary and benefit savings connected to that vacancy. However, there are minimum staffing requirements in order to fulfill appropriate coverage needs in the community. As a result, some officers may be called in for overtime while the Department recruits to fill the unanticipated vacancy. At the beginning of the year one does not expect the position to be vacant nor does one expect the need for additional overtime. The budget will reflect this perspective. However, when the unanticipated vacancy occurs there will be salary and benefit savings in the short-term and overtime costs in the same term.

These unanticipated savings and expenses are netted out at mid-year for a more accurate picture of the budget. Where there are clear needs to increase the budget allocation, staff presents the Council with budget amendment requests to do so. At this time the budget for Building Department is the only area that requires amendment and this is due to an accounting correction within one area and a project allocation within another. Even with these two increases, overall across all departments, the Town’s budget reflects a 1.16% budget decrease.

Staff provided the Council with details of revenues and expenditures of prior years together with a five-year projection. Staff prepared the five-year projection using a set of assumptions: 1) a modest property tax increase per year of 3%; 2) an ERAF revenue projection held flat at \$700,000; 3) all other revenues increasing at 2%; 4) all operational costs increasing at 2%; 5) elimination of single-year one-time revenues or expenditures; and 6) decreased CalPERS employer rates due to the payoff of the pension side-fund obligations.

Staff proposed three areas for the Town to focus this unallocated fund balance in the future.

- 1) Consider an increase in the Town’s total reserve policy from its current 35% to 50%.

- 2) Consider allocating funds toward the Town's Capital Improvement Fund to assist in the Town's philosophy of save and then spend, for capital projects.
- 3) Consider allocating funds to pay down and/or pay off the Town's unfunded actuarial liability for other post-employment benefits. Presently, this is the Town's only unfunded liability and it totals approximately \$7 million.

MARSH ROAD CHANNEL REPAIRS DISCUSSION

Next up on the Agenda was a discussion of the Marsh Road Channel Repairs. Here the Council heard a report from Biggs Cardosa Associates, Inc. on their preliminary analysis of options to repair the Marsh Road Retaining Wall. The Council considered several options: 1) a soldier pile wall; 2) a soil nail wall; 3) a cast-in-place concrete U-Channel; and 4) a precast concrete U-Channel. Each option had its pros and cons reflected in its impact during construction, its ability to accommodate future widening of Marsh Road, its construction time, and its cost. The Council asked a number of questions covering areas related to future opportunities to cover the channel, construction duration, utility impacts, tree impacts, environmental analysis, and construction design and durability.

The costs of the projects ranged from \$2.1 million to \$2.8 million. Recommended options were the soil nail wall and the cast-in-place U-Channel. These options were approximately \$2.1 million. The Town's 5-Year Capital Improvement Plan allocates funding to this project should the Council ultimately choose to move ahead with it. Because none of the options included covering or widening the capacity of the channel but instead focused on repairs to the stability of the roadway all were exempt under CEQA.

At the conclusion of the meeting the Council directed staff to return with another option for their consideration. The Council expressed a desire to assess the cost of covering the channel as an option as well as an analysis of shorter term "fixes" rather than a complete overhaul of the channel expressing that the issue isn't one of drainage, rather repairs to the roadway stability.

Staff will work with the consultant to develop these options and return the issue to the Council for their further discussion.

ADJOURN

MOTION by Widmer, second by Dobbie to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 3:35 p.m.

Respectfully submitted,

Theresa DellaSanta
City Clerk



Draft Minutes
Town of Atherton
CITY COUNCIL
ATHERTON CHANNEL DRAINAGE DISTRICT
March 20, 2013
7:00 p.m.
94 Ashfield Road
Atherton, California
REGULAR MEETING

Mayor Lewis called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL Lewis, Dobbie, Widmer, Wiest, Carlson

PRESENTATIONS

RED CROSS PROCLAMATION

Mayor Lewis presented a proclamation to the American Red Cross and noted the many ways in which the AMR has touched the lives of those in Atherton over the years.

EARTH DAY PROCLAMATION

Mayor Lewis presented a proclamation in support of Earth Day 2013 noting Atherton's support for green economy initiatives.

4. PUBLIC COMMENTS

Patrick Sweeney, Atherton Library's new branch manager, introduced himself to Council, staff and residents.

5. REPORT OUT OF CLOSED SESSION – None.

6. CITY MANAGER'S REPORT

a. Community Center Advisory Committee Report

City Manager Rodericks made comments on the Community Center Advisory Committee (CCAC) selection process and evaluation criteria for applicants. Council comments included that the City Manager continue to look into school protocols, tennis court funding, the methodology followed for library costs, both direct and indirect, and an update on the status of the Menlo-Atherton League project.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT - None.

CONSENT CALENDAR (Items 8-21)

Council Member Wiest removed item 13.

Council Member Dobbie removed items 15 and 20.

Council Member Widmer had comments on items 9 and 19.

Mayor Lewis had a comment on item 17 and removed item 18.

8. APPROVAL OF FEBRUARY 12 SPECIAL MEETING AND FEBRUARY 20 REGULAR MEETING MINUTES

Recommendation: Approve meeting minutes

Approved with grammatical edits provided by Mayor Lewis.

9. APPROVAL OF BILLS AND CLAIMS FOR FEBRUARY, 2013 IN THE AMOUNT OF \$818,309

Recommendation: Approve Bills and Claims in the amount of \$818,309

Staff was directed to look into direct and indirect costs for the library.

10. FINANCIAL REPORT FOR FEBRUARY 28, 2013

Report: Finance Director Robert Barron III

Recommendation: Receive the General Fund Financial Report for February 28, 2013

11. RESOLUTION TO REJECT CLAIM OF TOM AND WENDE HUTTON

Report: City Clerk Theresa DellaSanta

Recommendation: Adopt Resolution 13-xx denying the claim in the amount of \$9,201.00 filed by Tom and Wendie Hutton for damages

12. RESOLUTION APPROVING EMPLOYER PAID MEMBER CONTRIBUTION

Report: City Manager George Rodericks

Recommendation: Approve Resolution No. 13-xx for Employer Paid Member Contributions (EPMC)

14. STORAGE AND OPERATION OF I-NET EQUIPMENT

Report: City Manager George Rodericks

Recommendation: Approve the agreement between the Town of Atherton and the Cable Joint Powers Agency for storage and operation of institutional network equipment

16. RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A CALTRANS COMMUNITY-BASED TRANSPORTATION PLANNING GRANT AND TO ENTER INTO A CONTRACT WITH THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION UPON RECEIPT OF THE GRANT

Report: Community Services Director Mike Kashiwagi

Recommendation: Authorize the City Manager to submit a Caltrans Community-Based Transportation Planning Grant and to enter into a contract with the State of California Department of Transportation upon receipt of the Grant

17. 2012 ANNUAL REPORT TO THE CITY COUNCIL ON THE ATHERTON GENERAL PLAN IMPLEMENTATION

Report: Town Planner Lisa Costa Sanders

Recommendation: Accept the Annual Report and authorize its transmittal to the California Governor's Office of Planning and Research and the California Department of Housing and Community Development pursuant to Section 65400 of the California Government Code (CGC)

19. AWARD OF CONTRACT FOR THE 2013 SPRING PATCHING PROJECT

Report: Community Services Director Mike Kashiwagi

Recommendation: Award the contract for 2013 Spring Patching Project, project number 56055 to G. Bortolotto and Sons of San Carlos, the low bidder on the March 13, 2013 bids, for \$89,250.00; and to authorize the City Manager to execute the contract on behalf of the Town

Council Member Widmer questioned if there is value in sharing this contract with neighboring cities. Staff noted that the price per square foot Atherton receives is better than neighboring cities but they will look into it.

20. PATROL VEHICLE PURCHASE

Report: Police Chief Ed Flint

Recommendation: Authorize the Police Department to purchase two 2013 Ford Police Interceptor sedans as replacement patrol vehicles for a cost of \$78,625.50, which includes sales and tire tax, license, emergency equipment, and installation costs

Council Member Dobbie said he would like to see the amount of return the Town receives once the old vehicles are auctioned off. Dobbie felt it was important that the Town go after the best possible price.

Chief Flint said staff has no way of knowing what the return is until the vehicle is fully stripped. Flint added that staff always goes after the best price.

Council Member Widmer requested maintenance records for vehicles proposed for auction in the future.

21. BUDGET AMENDMENT MID-YEAR FISCAL YEAR 2013-13

Report: Finance Director Robert Barron III

Recommendation: Receive the General Fund Financial Report for February 28, 2013

MOTION by Widmer, second by Dobbie to approve the consent calendar consisting of items 8, 9, 10, 11, 12, 14, 16, 17, and 20. The motion passed unanimously.

PUBLIC HEARINGS - None

REGULAR AGENDA – (Items 22-24)

22. STRATEGIC PLANNING FOR PARCEL TAX RENEWAL

Report: City Manager George Rodericks

Recommendation: Consider the use of professional services for assistance with the upcoming parcel tax renewal and evaluation of other potential revenue sources

City Manager Rodericks presented options for the Council to consider as the Town moves forward with a considered parcel tax renewal.

Greg Conlon, Atherton resident, suggested that the Finance Committee have a chance to opine on the options and make recommendations to Council.

Council Member Dobbie noted that there are plenty of opportunities for alternative revenue streams if the Town were to adopt a charter city.

Council Member Widmer said he didn't have enough financial information to determine if the Town needs to continue the parcel tax at all. Widmer suggested agendaizing the parcel tax issue so there can be some serious discussion on whether it is needed, and if so, at what level and for how long.

Council Member Wiest felt that transparency is very important. Wiest didn't feel that polling followed that strategy however he felt that staff has an obligation to inform taxpayers of what it is we do and report it out to the residents. Wiest concluded that this shows that the Town has a desire to make their services better.

Council Member Carlson felt that Council needs more cost information and data before moving forward. Carlson said the Finance Committee is due a five-year financial forecast update, including new numbers associated with long term liabilities. Carlson concluded that Council needs to have a better picture of their financial environment before making any decisions.

Mayor Lewis felt it was important to look at all potential revenue enhancements. Lewis supported the idea that the Town needs to do a polling service for the parcel tax renewal.

Council directed staff to move forward with obtaining costs for polling services to assist the Town with an anticipated 2013 renewal of the parcel tax and set up a workshop later in the year for discussion of using a consultant to assist the Town with evaluation of other revenue alternatives.

23. APPROVAL OF CIVIC CENTER MASTER PLAN RFP

Report: Community Service Director Mike Kashiwagi

Recommendation: Approve the Request for Proposal (RFP) for preparation of a Civic Center Master Plan, and Authorize staff to advertise and distribute the Civic Center Master Plan RFP

Community Services Director Kashiwagi summarized his written report. Council discussed the merits and methodology of returning weddings to the Park.

Council Member Dobbie, as an ad-hoc member of the committee to review the RFP, went over the changes he suggested to the committee at a meeting earlier in the week.

Vice Mayor Carlson noted that the civic center should be low key and that the size of the library should be determined very early on in the process.

Council Member Widmer felt that it was important to learn from past mistakes and to make sure that the consultant understands there may be a need for additional meetings depending on the needs and desires of the residents.

Council discussed ways the consultant will work with the Community Center Advisory Committee. Rodericks noted that he intends to update the Council on a regular basis of the CCAC's work.

Mayor Lewis suggested that the consultant meet with staff and the CCAC as required. Vice Mayor Carlson suggested that staff provide a schedule from the consultant with incremental costs, particularly associated with attendance at additional meetings.

Planner Lisa Costa Sanders recommended that the consultant suggest ways to utilize technology and social media to spread the word and seek resident participation.

Council wordsmithed a few changes to the RFP to address concerns related to increasing awareness around CalTrain and its right-of-way; ensuring that the bidders are aware that the Town wishes to keep the same look and feel of its present civic center; the appropriateness of the listed square footage from prior studies and whether they remain indicative of future development; and the evaluation criteria that will be used for proposals.

Council requested that staff look at the references for proposers for all projects done over the last five years.

MOTION by Widmer, second by Dobbie to approve the RFP, as modified (above) for preparation of a civic center master plan, and authorize staff to advertise and distribute the civic center master plan RFP. The motion passed unanimously.

24. INFORMATIONAL STAFF REPORT - START-UP OF WEDDINGS AT HOLBROOK-PALMER PARK

Report: Community Service Director Mike Kashiwagi

Recommendation: Provide direction to staff regarding resumption of weddings at Holbrook-Palmer Park beginning July 1, 2013

Community Services Director Mike Kashiwagi summarized his staff report.

Council Member questioned how the contract was set up in the past. Widmer asked how many weddings are expected per month.

Kashiwagi said the numbers provided in the report are based on historical numbers and not assumptions. Rodericks added that both revenues and expenditures are annualized costs.

Council Member Dobbie said he pushed hard to stop weddings in the park in the past because a majority of the weddings are for non-Atherton residents. Dobbie felt that the weddings take up too much space particularly with parking and Atherton residents cannot enjoy their park.

Vice Mayor Carlson suggested only allowing one major event per day in the park. Additionally, he suggested being very aggressive on the pricing of wedding events.

Council Member Wiest felt that clients need to treat events in the park as a commodity and respect others in the park. Wiest suggested bringing back updates on an annual basis so Council can decide whether or not to adjust event requirements in the park.

Council Member Widmer said he is not against activities in the park. His issue is with access and size of certain events. Widmer suggested defining the size of events to allow for Atherton residents to always have room to visit their park.

Mayor Lewis said the park is open to the entire public, including citizens outside of the Town. Lewis added that the park is a self-sustaining amenity and it is the Town's responsibility to maintain the park for the residents and the general public.

Council directed staff to solidify potential vendor scenarios that would be used and develop a facility use policy to govern facility rentals at the park. Council agreed to direct staff to return weddings to the park provided that appropriate criteria can be developed associated with concerns related to neighborhood impacts, impacts to the park, parking, and number and size of weddings. Staff will return to a future meeting with the information.

13. DISPOSITION OF THE ARTS COMMITTEE

Report: City Manager George Rodericks

Recommendation: Consider the request of the Arts Committee on the disposition of the Arts Committee and, if supported, move the disbandment of the Arts Committee and direct staff to amend the appropriate Resolution for Council consideration

City Manager Rodericks summarized his staff report. Rodericks said the idea behind disbanding the Arts Committee as a formal Town Committee is to allow its membership to expand beyond the established committee size without encountering quorum issues; to allow the group to facilitate and participate in its own events without restricting such performance and activity via the Brown Act, Town purchasing policies, or Fair Political Practices Committee requirements; and to allow a more free-form group to continue to engage in distinctive local arts programming.

Council Member Dobbie noted that they are disbanding so they don't have to follow the Brown Act. He asked what makes the Arts Committee any different than any other committee.

City Attorney Connors noted that the Arts Committee is the only committee that sponsors events that they then enter. For example, they hold an Art exhibit where some of the committee members participate in showing and/or selling their art.

Rodericks noted that, going forward; if the Arts Committee is disbanded then the Council would receive an annual funding request from the Arts Foundation to use the Evans Trust fund.

There was discussion that as a Foundation the Council could choose to direct Evans Trust money to other groups outside of the Arts Foundation, such as the Dames or any other organization that promotes the arts. Rodericks noted that there is no difference now as the Council has the power to give the trust funds to anyone as long as it is associated with art.

Council Member Widmer asked if the Arts Committee members really understand all of the facts associated with disbanding.

Council felt that the Arts Committee may not be fully aware of the implications of their disbandment and directed staff to return to the Committee to discuss the issue again prior to the Resolution returning to Council.

15. APPROVAL OF CONTRACT WITH CMS SOLUTIONS TO IMPLEMENT THE INSTALLATION OF SHORETEL VOIP TELECOMMUNICATIONS SYSTEMS

Report: City Manager George Rodericks

Recommendation: Approve contract with CMS Solutions to implement the installation of Shoretel VoIP telecommunications systems

Council Member Widmer said he did some research on Shoretel. He had concerns with their financial condition and continued viability. Widmer added that he was concerned that the vendor is proposing a hardware solution rather than the trending cloud based applications. Widmer concluded with his concerns that the phones being offered will be refurbished phones since the proposed vendor is in the primary business of refurbished equipment.

Widmer noted that after his research he would be much more comfortable with Avaya's offerings. Widmer doesn't agree with the proposed vendor because of the business base of the OEM, the core business, the business base and the total staff of the prime contractor.

Council directed staff to discuss the issue further with Council Member Widmer, and if necessary, gather additional information to further inform the Council's decision. The item will be returned to the April City Council meeting.

18. RESOLUTION APPROVING ENVIRONMENTAL PROGRAMS COMMITTEE FUNDING REQUEST FOR EARTH DAY EVENT

Report: Town Planner Lisa Costa Sanders

Recommendation: Approve the proposed program for Earth Day at Holbrook-Palmer Park and Adopt resolution authorizing a budget amendment in the amount of \$1,000 in support of the event

Council Member Widmer reported that the EPC will be hosting and Earth Day event at the Park on April 22 at 4:00 p.m. Larry Costello, PH.D., a nationally and internationally recognized figure in the horticulture environment, will be a guest speaker.

Council Member Carlson noted that he would support a donation limited to only covering the cost of the tree.

Council Member Wiest said that in the spirit of welcoming back the EPC he supports the entire donation.

Motion by Carlson, second by Lewis to approve a donation that only covers the cost of the tree.
Motion failed 2-3 (Dobbie, Widmer, and Wiest opposed).

MOTION by Dobbie, second by Widmer to approve the proposed program for Earth Day at Holbrook-Palmer Park and adopt resolution authorizing a budget amendment in the amount of \$1,000 in support of the event. The motion passed 4-1 (Carlson opposed).

25. COUNCIL REPORTS/COMMENTS

26. FUTURE AGENDA ITEMS

Council Member Widmer noted that he would be looking for support for a future item to create an IT Steering Committee for the Town.

27. PUBLIC COMMENTS – None.

28. ADJOURN

MOTION by Widmer, second by Wiest to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 10:23 p.m.

Respectfully submitted,

**Theresa DellaSanta
City Clerk**



Draft Minutes
Town of Atherton
CITY COUNCIL
ATHERTON CHANNEL DRAINAGE DISTRICT
April 3, 2013
3:00 P.M.
CITY COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California
SPECIAL MEETING

ROLL CALL Lewis, Carlson, Dobbie, Widmer, Wiest

PUBLIC COMMENT – limited to particular items on the special agenda

APPOINTMENTS TO THE COMMUNITY CENTER ADVISORY COMMITTEE (CCAC)

Report: City Manager George Rodericks

City Manager Rodericks summarized the staff report to Council.

Mayor Lewis noted that she looks forward to getting started on the work assigned to the CCAC. Lewis added that the effort to plan for and build a new center might serve to bring community members together on common ground.

City Council Members were each given an official ballot to vote for seven of 13 candidates. Council came to a consensus on 7 candidates in the first round. Candidates appointed to the Community Center Advisory Committee (CCAC) are:

Rick DeGolia
Steve Dostart
Didi Fisher
Rose Hau
Phil Lively
Clive Merredew
Paul Tonelli

ADJOURN

MOTION by Widmer, second by Dobbie to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 3:35 p.m.

Respectfully submitted,

Theresa DellaSanta
City Clerk

TOWN OF ATHERTON
CLAIMS LIST MARCH 2013

	<u>Amount</u>
A/P Checks (#14930-15039)	\$ 461,863
Payroll Checks (#368)	221
Direct Deposit - Payroll	212,591
Electronic Transfer - A/P & Payroll	242,770
MARCH 2013 Total	917,445

I, George Rodericks, City Manager of the Town of Atherton, do hereby certify that the demand listed above, check numbers 368 (payroll), and 14930-15039 (accounts payable), and electronic transfers for employees direct deposits, federal payroll taxes and fees, inclusive, amount to \$917,445 are true and correct based on the information provided to me and that there are sufficient funds for payment.

George Rodericks
City Manager

The above claims, check numbers 368 (payroll), and 14930-15039 (accounts payable), and electronic transfers for employees direct deposits, federal payroll taxes and fees, inclusive, amount to \$917,445 are true and correct and are authorized for payment.

Elizabeth Lewis
Mayor, Town of Atherton

SOURCE OF FUNDS

101	General	\$ 744,021
105	Tennis	676
201	Special Tax	2,861
202	Measure A	17,379
204	Measure M	293
210	Road Construction Impact	27,615
213	Library	1,913
215	Evan Creative Design	3,350
610	Equipment Replacement	31,216
614	Worker's Comp	43,587
616	Employee Benefits	44,534
	TOTAL	917,445

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14930	A-A LOCK & ALARM INC	3/7/2013	231725	Library Fund	Non-Dept	Locksmith service to open & deactivate cabinet lock Library	275.00
14930 Total							275.00
14931	ACCOUNTTEMPS	3/7/2013	37391625	General Fund	Finance	Temp Phonpradith, Noy 2/19/13 - 2/21/13	964.32
14931 Total							964.32
14932	ADVANCED BUSINESS FORMS	3/7/2013	18263	General Fund	Police	(1000) 2-pt warning citation PD	261.16
14932	ADVANCED BUSINESS FORMS	3/7/2013	18264	General Fund	Police	(1000) 3-pt Moving citations PD	261.92
14932 Total							523.08
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Accident (Pre-Tax)	166.91
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Cancer Ins(Pre-Tax)	170.64
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Dental Plan (Pre-Tax)	65.22
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Hosp. Conf. Id (Pre-Tax)	23.36
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Hosp.Int Care (Pre-Tax)	16.26
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Life (Pre-Tax)	5.63
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac STD (After-Tax)	56.12
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac STD (Pre-Tax)	21.46
14933	AFLAC	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Aflac Speci Health (Pre-Tax)	52.68
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Accident (Pre-Tax)	166.91
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Cancer Ins(Pre-Tax)	170.64
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Dental Plan (Pre-Tax)	65.22
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Hosp. Conf. Id (Pre-Tax)	23.36
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Hosp.Int Care (Pre-Tax)	16.26
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Life (Pre-Tax)	5.63
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac STD (After-Tax)	56.12
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac STD (Pre-Tax)	21.46
14933	AFLAC	3/7/2013	502-02-2013	General Fund		PR Batch 502 2 2013 Aflac Speci Health (Pre-Tax)	52.68
14933 Total							1,156.56
14934	AT&T CALNET 2	3/7/2013	000004120450	General Fund	Police	1053 Teleminder loop line PD 1/20/13 - 2/19/13	84.78
14934	AT&T CALNET 2	3/7/2013	000004120451	General Fund	Police	1953 Circuit# PD to 590 Hamilton 1/20/13 - 2/19/13	97.73
14934	AT&T CALNET 2	3/7/2013	000004120452	General Fund	Police	8343 83 Ashfield/KCEA radio PD 1/20/13 - 2/19/13	57.44
14934	AT&T CALNET 2	3/7/2013	000004120453	General Fund	Police	5840 83 Ashfield/Industrial PD 1/20/13 - 2/19/13	267.66
14934	AT&T CALNET 2	3/7/2013	000004120454	General Fund	Police	7360 Circuit date line PD 1/20/13 - 2/19/13	362.28
14934	AT&T CALNET 2	3/7/2013	000004120455	General Fund	Police	6689 MP fire to PD voter 1/20/13 - 2/19/13	66.79
14934	AT&T CALNET 2	3/7/2013	000004120456	General Fund	Police	6690 MP police to PD voter 1/20/13 - 2/19/13	66.79
14934	AT&T CALNET 2	3/7/2013	000004120457	General Fund	Police	6691 Cal water/Bear gulch voter PD 1/20/13 - 2/19/13	77.16
14934 Total							1,080.63
14935	BARRON III ROBERT	3/7/2013	Feb 2013	General Fund	Finance	(2) USB Flash Drive	26.03
14935 Total							26.03
14936	BIGGS CARDOSA ASSOCIATE, INC	3/7/2013	62229	Special Tax	DPW-Engineering	Marsh road retaining wall- phase 1 Jan 2013	1,447.50
14936 Total							1,447.50

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14937	CA EMPLOYMENT DEV DEPT (UI)	3/7/2013	L1940010880	Employee Benefits Funds	Finance	UI benefit charge C. Colliau 10/1/12 - 12/31/12	613.00
14937	CA EMPLOYMENT DEV DEPT (UI)	3/7/2013	L1940010880	Employee Benefits Funds	Police	UI benefit charge J. Thomas-Smith 10/1/12 - 12/31/12	9,684.00
14937	CA EMPLOYMENT DEV DEPT (UI)	3/7/2013	L1940010880	Employee Benefits Funds	DPW-Park Program	UI benefit charge V. Valencia 10/1/12 - 12/31/12	(66.00)
14937 Total							10,231.00
14938	CALLAWAY DEBRA	3/7/2013	BP12-00776	General Fund		Refund recycling dep BP12-00776, 68 Walnut Ave	1,000.00
14938 Total							1,000.00
14939	CDW GOVERNMENT	3/7/2013	Z145271	General Fund	Non-Dept	Drobo 12TB B800I 8 Bay hard drive	3,626.02
14939	CDW GOVERNMENT	3/7/2013	Z145271	General Fund	Non-Dept	Sale tax - Drobo 12TB B800I 8 Bay hard drive	308.21
14939 Total							3,934.23
14940	COMMUNICATION STRATEGIES	3/7/2013	13129	Equipment Replacement	Non-Dept	Telecommunication Consulting Services Feb 2013	1,618.75
14940 Total							1,618.75
14941	CONTRACT SWEEPING SERVICES	3/7/2013	INV130000369	General Fund	DPW-Street Maint.	Contract Sweeping Service Feb 2013	1,091.97
14941 Total							1,091.97
14942	COPWARE, INC.	3/7/2013	81920	General Fund	Police	CA Peace Officers legal sourcebook-site license	300.00
14942	COPWARE, INC.	3/7/2013	81920	General Fund	Police	CA Peace Officers legal sourcebook & CA code-mobile license	100.00
14942 Total							400.00
14943	DE LARGE FINANCIAL SERVICES,INC	3/7/2013	17058764	General Fund	Planning	Lease sharp MXM453N copier Planning 2/15/13 - 3/14/13	50.62
14943	DE LARGE FINANCIAL SERVICES,INC	3/7/2013	17058764	General Fund	Building	Lease sharp MXM453N copier Bldg 2/15/13 - 3/14/13	50.62
14943	DE LARGE FINANCIAL SERVICES,INC	3/7/2013	17058764	General Fund	DPW-Engineering	Lease sharp MXM453N copier DPW 2/15/13 - 3/14/13	50.61
14943 Total							151.85
14944	ERNST DEVELOPMENT, INC.	3/7/2013	BP10-00947	General Fund		Refund 2nd utility dep BP10-00947, 57 Broadacres Rd	5,000.00
14944 Total							5,000.00
14945	EXACT BUILDERS	3/7/2013	BP12-00671	General Fund		Refund recycling dep BP12-00671, 38 Sutherland Dr.	1,042.50
14945 Total							1,042.50
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund		Sale tax - Air compressor- range equipment	(20.32)
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund		Sale tax - Copy Exit Trays Dispatch	(5.44)
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund		Sale tax - Mobile wireless patrol car	(40.12)
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	4960/02-22-13TD	General Fund	City Council	8x10 Photo (lobby photo) Council C. Wiest	5.41

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	4960/02-22-13TD	General Fund	Finance	Recruitment ad for Account Tech position	150.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Non-Dept	(1) Quantum IT tapes	147.19
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Motor jacket T. Mark	270.48
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Motor jacket C. Vigil	270.47
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Motorcycle oil PD	19.45
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Car wash PD Dec 2012	70.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Car wash Jan 2013	100.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(2) Copy Exit Trays Dispatch	80.39
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Sergeant's applicant recruiting lunch	32.67
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Job posting for sergeant position CPCA website	300.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	DeWalt mobile lock fee PD Feb 2013	19.95
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Lunch Arson Investigators training J. Wade 2/11/13	11.77
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Parking fee Arson Investigators training J. Wade 2/11/13	4.75
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Mental Illness Awareness training K. Pronske 4/25/13	109.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Mental Illness Awareness training B. Lane 4/25/13	109.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Mental Illness Awareness training G. Dere 4/4/13	109.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Mental Illness Awareness training D. Gomez 4/4/13	109.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Traffic Collision Investigation training A. Barron 4/29 -5/3/13	235.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Traffic Collision Investigation training K. Pronske 4/29 -5/3/13	235.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Lodging Field Training Officer update 2/10/13 - 2/12/13	283.20
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Armorers training B. Lane 3/18/13 - 3/19/13	400.00

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Name badges for PD training 1/29/13	28.20
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) ct Copier paper PD	35.79
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Motor boots C. Vigil	433.41
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Camera for investigations unit PD	206.14
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	2431/02-22-13JW	General Fund	Police	Sim cards camera for investigations unit PD	14.11
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(10) Public Safety Officers Procedural Bill of Right Act books	206.22
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	Police training video -Excited Delirium responses	117.13
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(2) Alarm sign PD	55.88
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Air compressor- range equipment	259.32
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(1) Coupler/plug kit -range equipment	43.27
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5432/02-22-13JF	General Fund	Police	(2) Mobile wireless patrol car	517.05
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5424/02-22-13KR	General Fund	DPW-Engineering	Managing Mult Prior, Proj & Deadlines seminar Robertson 2/28/13	49.00
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5408/02-22-13ST	General Fund	DPW-Park Program	Internet fee HP Park Feb 2013	77.55
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5408/02-22-13ST	Tennis Fund	DPW-Park Program	(2) Court dryer roller Tennis court	165.02
14946	IMPAC. GOVERNMENT SERVICES	3/7/2013	5408/02-22-13ST	Tennis Fund	DPW-Park Program	(2) Court dryer hanger/covers Tennis court	210.53
14946 Total							5,424.47
14947	J & N PRINTING	3/7/2013	10913	General Fund	City Council	(250) Business cards Mayor E. Lewis	22.79
14947	J & N PRINTING	3/7/2013	10913	General Fund	City Council	(250) Business cards Council B. Widmer	22.79
14947	J & N PRINTING	3/7/2013	10913	General Fund	City Council	(250) Business cards Council C. Wiest	22.78
14947	J & N PRINTING	3/7/2013	10913	General Fund	Administration	(250) Business cards J. Herren	22.78
14947 Total							91.14
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Lodging - Legal update training PD 1/29/13	162.20
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Car Rental - Legal update training PD 1/29/13	155.56
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Per diem meal - Legal update training PD 1/29/13	30.06
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Airport Parking - Legal update training PD 1/29/13	34.00
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Marty Mayer - Legal update training PD 1/29/13	2,100.00
14948	JONES & MAYER	3/7/2013	62503	General Fund	Police	Airfare - Legal update training PD 1/29/13	337.80

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Checks by Date - Detail by Check Number							
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Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14948 Total							2,819.62
14949	KEER MICHAEL	3/7/2013	319	General Fund		Refund park dep Inv#319, 3/2/13	250.00
14949 Total							250.00
14950	LONG BEACH BMW M/C	3/7/2013	1002	Equipment Replacement	Police	2012 BMW Motorcycle PD	27,221.03
14950	LONG BEACH BMW M/C	3/7/2013	1002	Equipment Replacement	Police	Document Fee PD	55.00
14950	LONG BEACH BMW M/C	3/7/2013	1002	Equipment Replacement	Police	Sale Tax PD	2,318.46
14950	LONG BEACH BMW M/C	3/7/2013	1002	Equipment Replacement	Police	Tire Fee PD	3.50
14950 Total							29,597.99
14951	MUNISERVICES LLC	3/7/2013	FFFRoofing	General Fund		Bus Lic. FFF Roofing Specialist	126.00
14951 Total							126.00
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) ea Receipt book Admin	5.41
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) ea Received stamp Admin	21.69
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) ca Copier paper Admin	42.70
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) pk Refill black ink Admin	3.03
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(2) pk Scissors Admin	7.96
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) dz Pad Admin	8.62
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Administration	(1) ea Calendar Admin	23.86
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Planning	(2) rm Paper (green) Planning	24.76
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Planning	(2) ca Copier paper Bldg/Planning/DPW	28.46
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Planning	(2) pk Tissue Bldg/Planning/DPW	4.02
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Planning	(1) ea Air refresher Bldg/Planning/DPW	1.36
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(2) dz Blue pen Bldg	4.15
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(1) dz Highlighter Bldg	7.82
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(1) ea Stapler Bldg	21.83
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(2) ca Copier paper Bldg/Planning/DPW	28.46
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(2) pk Tissue Bldg/Planning/DPW	4.02
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Building	(1) ea Air refresher Bldg/Planning/DPW	1.36
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Police	(1) ca Copier paper PD	42.69
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Police	(1) dz Pen PD	2.92
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Police	(1) dz Pen PD	4.76
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Police	(1) dz Pad PD	5.33
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	Police	(1) pk CD PD	11.92
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	DPW-Engineering	(2) bx 1/4" Staple DPW	0.72
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	DPW-Engineering	(2) ca Copier paper Bldg/Planning/DPW	28.47
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	DPW-Engineering	(2) pk Tissue Bldg/Planning/DPW	4.03
14952	OFFICE DEPOT	3/7/2013	643937656001	General Fund	DPW-Engineering	(1) ea Air refresher Bldg/Planning/DPW	1.36
14952	OFFICE DEPOT	3/7/2013	646478959001	General Fund	DPW-Engineering	(1) ea USB Drive DPW	10.84
14952 Total							352.55
14953	PENINSULA MOTORSPORTS	3/7/2013	1062	General Fund	Police	Replace front wheel bearing 2007 Honda	130.00
14953 Total							130.00
14954	PG & E	3/7/2013	86713555828/213	General Fund	DPW-Street Maint.	Signal Middlefield/Encinal 1/25/13 - 2/25/13	42.42
14954	PG & E	3/7/2013	92913025489/213	General Fund	DPW-Street Maint.	Corp office/Storage 1/23/13 - 2/21/13	72.90

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14954	PG & E	3/7/2013	95313129439/213	General Fund	DPW-Street Maint.	93 Dinkelspiel station Ln 1/23/13 - 2/21/13	177.57
14954	PG & E	3/7/2013	34579695882/213	General Fund	DPW-Street Maint.	Signal El Camino/Atherton 1/24/13 - 2/22/13	79.03
14954	PG & E	3/7/2013	08963023620/213	General Fund	DPW-Park Maint.	160 Watkins (CM House) 1/24/13 - 2/24/13	29.32
14954	PG & E	3/7/2013	91663025566/213	Library Fund	Non-Dept	Atherton library 1/23/13 - 2/21/13	394.35
14954 Total							795.59
14955	PLUTYNSKI MARK A.	3/7/2013	011-Feb 2013	General Fund	City Council	Videotaping Planning Commission Meetings 2/27/13	350.00
14955	PLUTYNSKI MARK A.	3/7/2013	011-Feb 2013	General Fund	City Council	Videotaping Council Meetings 2/20/13	350.00
14955	PLUTYNSKI MARK A.	3/7/2013	011-Feb 2013	General Fund	City Council	Videotaping special Council Meetings 2/12/13	350.00
14955 Total							1,050.00
14956	SACRED HEART SCHOOLS	3/7/2013	BP10-00806 Rec	General Fund		Refund recycling dep BP10-00806, 150 Valparaiso	6,190.00
14956	SACRED HEART SCHOOLS	3/7/2013	BP10-00806 Tem	General Fund		Refund Temp Occ dep BP10-00806, 150 Valparaiso	5,000.00
14956 Total							11,190.00
14957	SAN MATEO CNTY SHERIFF'S OFFIC	3/7/2013	9423	General Fund	Police	(9) hrs Coyote point range service 2nd Qtr FY12-13	450.00
14957 Total							450.00
14958	SPRINT	3/7/2013	130538811-063	General Fund	Police	Mobile data communication PD 1/26/13 - 2/25/13	427.02
14958 Total							427.02
14959	STEAM SYSTEM	3/7/2013	Feb 2013 Pav	General Fund	DPW-Park Program	Carpet cleaning Jennings Pavilion Feb 2013	290.00
14959	STEAM SYSTEM	3/7/2013	Feb 2013 MainH	General Fund	DPW-Park Program	Carpet cleaning Main House Feb 2013	290.00
14959	STEAM SYSTEM	3/7/2013	Feb 2013 Adm	General Fund	DPW-Building Maint.	Carpet cleaning Adm Office Feb 2013	225.00
14959 Total							805.00
14960	TEAMSTERS LOCAL 856 H & W	3/7/2013	513-01-2013	General Fund		PR Batch 513 1 2013 Dental Insurance	144.00
14960	TEAMSTERS LOCAL 856 H & W	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Dental Insurance	4,320.00
14960 Total							4,464.00
14961	TOWNE FORD SALES	3/7/2013	FOCS211692	General Fund	Police	Labor - repair 2009 Crown Victoria PD	3,064.00
14961	TOWNE FORD SALES	3/7/2013	FOCS211692	General Fund	Police	Parts - repair 2009 Crown Victoria PD	2,919.16
14961	TOWNE FORD SALES	3/7/2013	FOCS211692	General Fund	Police	Tax - repair 2009 Crown Victoria PD	287.20
14961 Total							6,270.36
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Doc Fees	80.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Convenience Fee	10.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Tire Recycling/Handling Fee	6.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Sale Tax	223.05
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	5 x 8 Loadrunner Single Axle	2,349.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Lock Hitch Coupler - Universal	35.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	Tool Lug Wrench - Hub cover	15.00
14962	TRAILERS PLUS GILROY	3/7/2013	TRPL35-7947	General Fund	Police	5 Hole Radial 205-75R15C	125.00
14962 Total							2,843.05
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	5 x 8 Single Axle Loadrunner	2,299.00
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Lock hitch Coupler - Universal	35.00
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Tool Lug Wrench/Hub Cover	15.00

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Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	5 hole radial 205/75R	143.75
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Doc Fees	80.00
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Convenience Fee	60.00
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Tire Recycling/Handling fee	6.00
14963	TRAILERS PLUS LIVE OAK	3/7/2013	TRPL07-16915	General Fund	Police	Sales Tax	220.90
14963 Total							2,859.65
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	5 x 8 loadrunner trailer	2,359.00
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	Lock Hitch Coupler - Universal	35.00
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	Tool Lug Wrench - Hub Cover	15.00
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	5 hole radial 205/75R	143.75
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	Doc Fees	80.00
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	Tire recycling/handling fee	6.00
14964	TRAILERS PLUS LODI	3/7/2013	TRPL44-6185	General Fund	Police	Sales Tax	222.90
14964 Total							2,861.65
14965	VISION SERVICE PLAN	3/7/2013	513-01-2013	General Fund		PR Batch 513 1 2013 Vision Insurance	15.77
14965	VISION SERVICE PLAN	3/7/2013	501-02-2013	General Fund		PR Batch 501 2 2013 Vision Insurance	546.04
14965	VISION SERVICE PLAN	3/7/2013	Mar 2013	General Fund	Police	Vision K. Lopez Mar 2013	(15.77)
14965	VISION SERVICE PLAN	3/7/2013	Mar 2013	General Fund	DPW-Street Maint.	Vision cobra M. Rubalcava Mar 2013	10.88
14965 Total							556.92
14966	VOYAGER FLEET SYSTEMS INC.	3/7/2013	869016477309	General Fund	Police	Motorcycle fuel PD Feb 2013	61.21
14966 Total							61.21
14967	WITMER-TYSON IMPORTS INC	3/7/2013	T9662	General Fund	Police	K-9 Maintenance training Feb 2013	500.00
14967	WITMER-TYSON IMPORTS INC	3/7/2013	T9662	General Fund	Police	Dog foods Feb 2013	179.03
14967	WITMER-TYSON IMPORTS INC	3/7/2013	T9662	General Fund	Police	Dog boarding, walking, bathing Karli Feb 2013	100.00
14967 Total							779.03
14968	YOAKUM JASON	3/7/2013	Feb 11-13, 2013	General Fund	Police	Breakfast Field Training Officer update Yoakum 2/11/13	12.04
14968	YOAKUM JASON	3/7/2013	Feb 11-13, 2013	General Fund	Police	Lunch Field Training Officer update Yoakum 2/11/13	13.80
14968	YOAKUM JASON	3/7/2013	Feb 11-13, 2013	General Fund	Police	Dinner Field Training Officer update Yoakum 2/11/13	25.46
14968	YOAKUM JASON	3/7/2013	Feb 11-13, 2013	General Fund	Police	Dinner Field Training Officer update Yoakum 2/12/13	16.86
14968 Total							68.16
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	Administration	91 Ashfield Admin 1/24/13 - 2/22/13	28.64
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	Planning	Station Lane Planning 1/24/13 - 2/22/13	8.90
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	Building	Station Lane Bldg 1/24/13 - 2/22/13	53.41
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	Police	91 Ashfield PD 1/24/13 - 2/22/13	48.77

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14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	DPW-Engineering	Station Lane DPW 1/24/13 - 2/22/13	26.71
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	DPW-Street Maint.	99 Dinkenspiel/Corp Office 1/23/13 - 2/22/13	59.15
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	General Fund	DPW-Park Program	150 Watkins HP Activity Bldg 1/25/13 - 2/24/13	16.10
14969	ABAG POWER PURCHASING POOL	3/14/2013	8005422	Library Fund	Non-Dept	2 Dinkenspiel/Station Ln Library 1/24/13 - 2/22/13	71.04
14969 Total							312.72
14970	ACCONTEMPS	3/14/2013	37437906	General Fund	Finance	Temp Phonpradith, Noy 2/25/13 - 2/28/13	1,285.76
14970 Total							1,285.76
14971	AT&T CALNET 2	3/14/2013	000004137246	General Fund	Non-Dept	8099 Town Hall main line 1/27/13 - 2/26/13	343.68
14971	AT&T CALNET 2	3/14/2013	000004137245	General Fund	Non-Dept	0600 PBX switch board line 1/27/13 - 2/26/13	113.81
14971	AT&T CALNET 2	3/14/2013	000004152363	General Fund	Non-Dept	4866 Fax credit card post office 2/1/13 - 2/28/13	15.96
14971	AT&T CALNET 2	3/14/2013	000004149561	General Fund	Police	5396 ESL service line PD 2/1/13 - 2/28/13	75.95
14971	AT&T CALNET 2	3/14/2013	000004137244	General Fund	Police	0280 Disaster line PD 1/27/13 - 2/26/13	215.44
14971	AT&T CALNET 2	3/14/2013	000004137243	General Fund	Police	0686 Alarm line -police shed 1/27/13 - 2/26/13	15.96
14971	AT&T CALNET 2	3/14/2013	000004149563	General Fund	DPW-Park Program	4859 HP Main house 2/1/13 - 2/28/13	75.64
14971 Total							856.44
14972	ATTHOWE FINE ART SERVICES	3/14/2013	14692	Evan Creative Design	Non-Dept	Move and install sculptures from Hillsborough	3,250.00
14972	ATTHOWE FINE ART SERVICES	3/14/2013	14692	Evan Creative Design	Non-Dept	Move and install sculptures from Hillsborough	100.00
14972 Total							3,350.00
14973	BARAJAS LUZ	3/14/2013	325-Fee	General Fund		Refund fee - event canceled 4/13/13	375.00
14973 Total							375.00
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	City Council	94 Ashfield Council 1/8/13 - 2/5/13	13.41
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	Administration	91 Ashfield Admin 1/8/13 - 2/5/13	19.37
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	Planning	Station Lane Planning 1/8/13 - 2/5/13	2.54
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	Building	Station Lane Bldg 1/8/13 - 2/5/13	15.22
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	Police	83 Ashfield 1/8/13 - 2/5/13	31.30
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Engineering	Station Lane DPW 1/8/13 - 2/5/13	7.60
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Street Maint.	Alameda/Atherton 1/8/13 - 2/5/13	115.77
14974	CAL WATER SERVICE	3/14/2013	9293092658/213	General Fund	DPW-Street Maint.	99 Ashfield/Corp yard 2/6/13 - 3/6/13	54.47
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Street Maint.	El Camino Real (M#62051499) 1/8/13 - 2/5/13	73.98
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Street Maint.	El Camino Real (m#97947324) 1/30/13 - 2/27/13	73.98
14974	CAL WATER SERVICE	3/14/2013	0686127445/213	General Fund	DPW-Street Maint.	Station Lane/Amtrak 2/6/13 - 3/6/13	13.45
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Park Program	150 Watkins 1/30/13 - 2/27/13	133.67
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	General Fund	DPW-Park Program	150 Watkins (Fire Protection) 2/1/13 - 2/28/13	28.35
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	Library Fund	Non-Dept	2 Station Lane Library 1/8/13 - 2/5/13	67.13
14974	CAL WATER SERVICE	3/14/2013	4726166666/213	Library Fund	Non-Dept	Maple Library 1/8/13 - 2/5/13	32.54
14974 Total							682.78
14975	CDW GOVERNMENT	3/14/2013	Z372403	General Fund	Non-Dept	Drobo unit B800FS/I rack mount kit	181.87
14975	CDW GOVERNMENT	3/14/2013	Z372403	General Fund	Non-Dept	Sale tax - Drobo unit B800FS/I rack mount kit	15.46

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14975 Total							197.33
14976	CENTRAL MAINTENANCE COMPANY	3/14/2013	3152-0313	General Fund	DPW-Park Maint.	Janitorial Services Park Mar 2013	560.00
14976	CENTRAL MAINTENANCE COMPANY	3/14/2013	3152-0313	General Fund	DPW-Building Maint.	Janitorial Services Facilities Mar 2013	1,152.85
14976	CENTRAL MAINTENANCE COMPANY	3/14/2013	3152-0313	Library Fund	Non-Dept	Janitorial Services Library Mar 2013	342.00
14976 Total							2,054.85
14977	CITIES GROUP THE	3/14/2013	Jan-Jun 2013	General Fund		Group life/ADD and WI program 1/1/13 - 6/30/13	3,410.20
14977	CITIES GROUP THE	3/14/2013	Jan-Jun 2013	General Fund		LTD Program assessment 1/1/13 - 6/30/13	10,650.95
14977	CITIES GROUP THE	3/14/2013	Jan-Mar 2013	Worker's Comp Insurance	Non-Dept	Workers' compensation assessment 1/1/13 - 3/31/13	42,371.03
14977	CITIES GROUP THE	3/14/2013	Jan-Mar 2013	Worker's Comp Insurance	Non-Dept	Safety/compliance program assessment 1/1/13 - 3/31/13	1,215.58
14977 Total							57,647.76
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Repair/replace new battery/head lamp/power port Crwn Vic (AT79)	625.65
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Maintenance services Crwn Victoria (AT79)	262.46
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Replace power steering hose switch Command unit (AT73)	197.28
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Replace new c series battery Command unit (AT73)	164.64
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Maintenance services Crwn Victoria (AT36)	266.25
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Replace new front brake pads & rotors Crwn Victoria (AT78)	413.60
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	Police	Maintenance services Crwn Victoria (AT78)	494.73
14978	CITY OF REDWOOD CITY	3/14/2013	BR28820	General Fund	DPW-Engineering	Brakes inspection services Dakota (AT49) DPW Eng	119.49
14978 Total							2,544.10
14979	CITY OF REDWOOD CITY	3/14/2013	BR28885	General Fund	Police	Fuel charge PD 1/15/13 - 2/15/13	4,753.24
14979	CITY OF REDWOOD CITY	3/14/2013	BR28885	General Fund	Police	Fuel charge (new vehicle AT 79 in svc June12) PD 6/6/12 - 1/15/1	3,552.15
14979	CITY OF REDWOOD CITY	3/14/2013	BR28885	General Fund	DPW-Engineering	Fuel charge DPW Eng 1/15/13 - 2/15/13	56.91
14979	CITY OF REDWOOD CITY	3/14/2013	BR28885	General Fund	DPW-Street Maint.	Fuel charge DPW Street 1/15/13 - 2/15/13	151.95
14979 Total							8,514.25
14980	CIVICPLUS	3/14/2013	131972	General Fund	Non-Dept	Website Design Setup Fees -Year 1	7,626.00
14980 Total							7,626.00
14981	DUNBAR ARMORED INC	3/14/2013	3205446	General Fund	Finance	Armored car service fee Mar 2013	107.14
14981	DUNBAR ARMORED INC	3/14/2013	3205446	General Fund	Finance	Armored car fuel surcharge fee Mar 2013	17.73
14981 Total							124.87
14982	FLUHARTY BETH	3/14/2013	328	General Fund		Refund park dep Inv#328, 3/9/13	250.00
14982 Total							250.00

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14983	GRAINGER INC	3/14/2013	9074330235	General Fund	DPW-Building Maint.	(6) Concrete/masonry sealant repair concrete crack Carriage hous	91.81
14983	GRAINGER INC	3/14/2013	9074330235	General Fund	DPW-Building Maint.	(1) 5/8x5/8x240 Caulk backer rod repair concrete crack Carriage	12.52
14983	GRAINGER INC	3/14/2013	9074330235	General Fund	DPW-Building Maint.	(1) 1/2x1/2x240 Caulk backer rod repair concrete crack Carriage	10.32
14983 Total							114.65
14984	KIELTY KEVIN R.	3/14/2013	2554	General Fund	Planning	Contract Arborist Services- 23% Planning Feb 2013	2,173.50
14984	KIELTY KEVIN R.	3/14/2013	2554	General Fund	Building	Contract Arborist Service - 77% Bldg Feb 2013	7,276.50
14984 Total							9,450.00
14985	KOFF & ASSOCIATES, INC.	3/14/2013	1669	General Fund	Administration	Prof HR services Employee Manual	1,507.70
14985 Total							1,507.70
14986	LONG LAYNE	3/14/2013	Sept 2012	General Fund	Administration	Airfare reimbursement for City Manager recruitment	369.20
14986 Total							369.20
14987	MCE CORPORATION	3/14/2013	1302105	General Fund	DPW-Street Maint.	Contract maintenance services Street Feb 2013	19,160.83
14987	MCE CORPORATION	3/14/2013	1302105	General Fund	DPW-Park Maint.	Contract maintenance services Park Feb 2013	12,141.99
14987	MCE CORPORATION	3/14/2013	1302105	General Fund	DPW-Park Program	Contract maintenance services Park Program Feb 2013	817.17
14987	MCE CORPORATION	3/14/2013	1302105	General Fund	DPW-Building Maint.	Contract maintenance services Facilities Feb 2013	5,041.47
14987	MCE CORPORATION	3/14/2013	1302105	Tennis Fund	DPW-Park Program	Contract maintenance services Tennis court Feb 2013	300.32
14987	MCE CORPORATION	3/14/2013	1302105	Library Fund	Non-Dept	Contract maintenance services Library Feb 2013	730.99
14987 Total							38,192.77
14988	MID-PENINSULA ANIMAL HOSPITAL	3/14/2013	508659	General Fund	Police	Hospital visit K-9 police dog -Karli/Annual exam/vaccines	349.20
14988 Total							349.20
14989	MUNISERVICES LLC	3/14/2013	Emily&Jakelino	General Fund		Bus Lic. Emily & Jakelino Plastering	76.00
14989 Total							76.00
14990	PACIFIC NURSERIES	3/14/2013	SI-267501	General Fund	DPW-Street Maint.	(5) Arbor day trees	257.69
14990 Total							257.69
14991	PENINSULA UNIFORMS & EQUIPMENT	3/14/2013	84126	General Fund	Police	(2) Name plate K. Pronske/Name change - Haselbach	21.59
14991	PENINSULA UNIFORMS & EQUIPMENT	3/14/2013	84126	General Fund	Police	(4) Name patch K. Pronske	43.18
14991 Total							64.77
14992	PG & E	3/14/2013	56788311910/213	General Fund	Administration	91 Ashfield/Town Hall 1/24/13 - 2/22/13	468.50
14992	PG & E	3/14/2013	56788311910/213	General Fund	Planning	Station Lane Planning 1/30/13 - 2/28/13	14.32
14992	PG & E	3/14/2013	56788311910/213	General Fund	Building	Station Lane Bldg 1/30/13 - 2/28/13	85.90
14992	PG & E	3/14/2013	74579693321/213	General Fund	Police	83 Ashfield 1/24/13 - 2/22/13	1,424.20

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Engineering	Station Lane DPW 1/30/13 - 2/28/13	42.94
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Street Maint.	Signal E/S Middlefield 1/25/13 - 2/25/13	61.62
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Street Maint.	Signal Marsh/Middlefield 1/25/13 - 2/25/13	10.51
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Street Maint.	Street lights 1/31/13 - 3/1/13	4,121.51
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Street Maint.	Signal Middlefield/Oak Grove 1/25/13 - 2/25/13	40.69
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Park Maint.	Pump-150 Watkins 1/30/13 - 2/28/13	156.71
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Park Program	Activity Bldg -150 Watkins 1/30/13 - 2/28/13	224.65
14992	PG & E	3/14/2013	56788311910/213	General Fund	DPW-Park Program	Modular Bldg -150 Watkins 1/30/13 - 2/28/13	464.91
14992 Total							7,116.46
14993	PITNEY BOWES INC	3/14/2013	815053	General Fund	Non-Dept	(4) Red ink cartridge	379.92
14993	PITNEY BOWES INC	3/14/2013	815053	General Fund	Non-Dept	(2) Roll tape (3 per box)	153.07
14993	PITNEY BOWES INC	3/14/2013	682964	General Fund	Non-Dept	Equip maint S#0000011659 (base) 4/1/13 - 3/31/14	425.00
14993	PITNEY BOWES INC	3/14/2013	682966	General Fund	Non-Dept	Equip maint S#0000023776 (Weighing platform) 4/1/13 - 3/31/14	257.00
14993	PITNEY BOWES INC	3/14/2013	682965	General Fund	Non-Dept	Equip maint S#0000004197 (Feeder) 4/1/13 - 3/31/14	818.00
14993 Total							2,032.99
14994	RECALL SECURE DESTRUCTION SERV	3/14/2013	2303040273	General Fund	Police	Shred document services PD 2/8/13	41.45
14994	RECALL SECURE DESTRUCTION SERV	3/14/2013	2303040273	General Fund	Police	Shred document services PD 1/25/13	41.45
14994 Total							82.90
14995	SAN MATEO CNTY ASSESSOR	3/14/2013	1213007	General Fund	Non-Dept	Presidential General Election 11/6/12	11,046.60
14995 Total							11,046.60
14996	SAN MATEO CNTY CONTROLLERS OFFICE	3/14/2013	Feb 2013	General Fund		Allocation of parking penalties Feb 2013	493.90
14996 Total							493.90
14997	THE ALMANAC	3/14/2013	Feb 2013	Special Tax	DPW-Engineering	Legal advertising -bids for 2013 Spring patching	696.00
14997	THE ALMANAC	3/14/2013	Feb 2013	Special Tax	DPW-Engineering	Legal advertising -bids for 2013 Cape seal project	696.00
14997 Total							1,392.00
14998	US BANCORP EQUIPMENT FINANCE INC.	3/14/2013	223348293	General Fund	Police	Lease Sharp MXM283N copier PD 2/25/13 - 3/25/13	239.79
14998 Total							239.79
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	Building	Wireless services Bldg 1/22/13 - 2/21/13	0.34
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	Police	Wireless services PD 1/22/13 - 2/21/13	82.56
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	DPW-Engineering	Wireless services DPW Eng 1/22/13 - 2/21/13	4.17
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	DPW-Street Maint.	Wireless services DPW Street 1/22/13 - 2/21/13	5.69
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	DPW-Park Maint.	Wireless services DPW Park Maint 1/22/13 - 2/21/13	0.17
14999	VERIZON WIRELESS	3/14/2013	9700317921	General Fund	DPW-Park Program	Wireless services DPW Park Program 1/22/13 - 2/21/13	0.34
14999 Total							93.27
15000	ACCONTEMPPS	3/21/2013	37485503	General Fund	Finance	Temp Phonpradith, Noy 3/4/13 - 3/7/13	1,285.76

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
15000 Total							1,285.76
15001	AT&T CALNET 2	3/21/2013	000004172648	General Fund	Police	9297 Dinkelspiel alarm line PD 2/10/13 - 3/9/13	15.96
15001	AT&T CALNET 2	3/21/2013	000004173281	General Fund	Police	6131 Emergency line PD 2/10/13 - 3/9/13	105.26
15001	AT&T CALNET 2	3/21/2013	000004173282	General Fund	Police	6452 Voice print-911 PD 2/10/13 - 3/9/13	15.96
15001	AT&T CALNET 2	3/21/2013	000004173283	General Fund	Police	7653 Fax request service PD 2/10/13 - 3/9/13	14.70
15001	AT&T CALNET 2	3/21/2013	000004173284	General Fund	Police	2801 Trailer PD 2/10/13 - 3/9/13	155.60
15001	AT&T CALNET 2	3/21/2013	000004173285	General Fund	Police	3220 Fax Admin PD 2/10/13 - 3/9/13	16.03
15001	AT&T CALNET 2	3/21/2013	000004173286	General Fund	Police	9743 Direct connect fax line PD 2/10/13 - 3/9/13	16.44
15001	AT&T CALNET 2	3/21/2013	000004173287	General Fund	Police	6500 Main line PD 2/10/13 - 3/9/13	447.89
15001	AT&T CALNET 2	3/21/2013	000004174813	General Fund	Police	1804 Dispatch fax PD 2/10/13 - 3/9/13	15.32
15001 Total							803.16
15002	BRENNAN JANICE	3/21/2013	SSR12-00003	General Fund		Refund SSR dep SSR12-00003, 62 Lloyd Dr.	2,000.00
15002 Total							2,000.00
15003	CAPITAL ACCOUNTING PARTNERS, LLC.	3/21/2013	80276	General Fund	Non-Dept	Update master fee schedule, cost allocation plan Feb 2013	870.00
15003 Total							870.00
15004	CASERA, INC.	3/21/2013	BP11-00798	General Fund		Refund recycling dep BP11-00798, 73 Hawthorne Dr.	1,000.00
15004 Total							1,000.00
15005	CSG CONSULTANTS INC	3/21/2013	024005	General Fund	Building	Code enforcement services 1/26/13 - 2/22/13	5,665.00
15005 Total							5,665.00
15006	DESAI GAURANG	3/21/2013	BP10-00096	General Fund		Refund 2nd utility dep BP10-00096, 49 James Ave.	5,000.00
15006	DESAI GAURANG	3/21/2013	BP10-00114	General Fund		Refund grading & drainage dep BP10-00096, 49 James Ave.	1,500.00
15006 Total							6,500.00
15007	GRAHAM CONTRACTORS INC	3/21/2013	12-040-RET	Measure A		10% Retention 2012 Cape/Slurry seal project	17,379.00
15007	GRAHAM CONTRACTORS INC	3/21/2013	12-040-RET	Measure M		10% Retention 2012 Cape/Slurry seal project	293.06
15007	GRAHAM CONTRACTORS INC	3/21/2013	12-040-RET	Road Const. Impact Fee		10% Retention 2012 Cape/Slurry seal project	24,118.18
15007	GRAHAM CONTRACTORS INC	3/21/2013	12-040-RET	Road Const. Impact Fee		10% Retention 2012 Cape/Slurry seal project	3,496.72
15007 Total							45,286.96
15008	INTERWEST CONSULTING GROUP, INC	3/21/2013	14130	General Fund	Building	Inspection service for permits issued prior 8/22/11	2,000.00
15008	INTERWEST CONSULTING GROUP, INC	3/21/2013	14130	General Fund	Building	58% Total revenue Bldg Feb 2013	62,007.00
15008	INTERWEST CONSULTING GROUP, INC	3/21/2013	14129	General Fund	DPW-Engineering	Interim Public Works Director Feb 2013	14,500.00
15008 Total							78,507.00
15009	J & N PRINTING	3/21/2013	10956	General Fund	Building	(250) Business cards B. Hale Bldg	28.21
15009	J & N PRINTING	3/21/2013	10956	General Fund	Building	(250) Business cards K. Kielty Bldg	28.21
15009 Total							56.42
15010	MARDERY MELODY	3/21/2013	BP10-00947	General Fund		Refund recycling dep BP10-00947, 57 Broadacres Dr.	1,000.00

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
15010 Total							1,000.00
15011	OFFICE DEPOT	3/21/2013	648423628001	General Fund	Administration	(1) ca Copier paper Admin	42.70
15011	OFFICE DEPOT	3/21/2013	648423628001	General Fund	Administration	(1) ct File Admin	20.05
15011	OFFICE DEPOT	3/21/2013	648423628001	General Fund	Administration	(1) bx Folder Admin	30.42
15011 Total							93.17
15012	PLEMONS CONSTRUCTION	3/21/2013	BP12-00819	General Fund		Refund recycling dep BP12-00819, 97 Leon Way	1,000.00
15012 Total							1,000.00
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Essay cash prizes	400.00
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Fabric for money prizes	10.12
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Display board	8.33
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Lamination/class teacher gifts/poster board	32.55
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	(18) DARE Prizes/stress balls	55.20
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Graduation/balloons	8.67
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Helium	98.68
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Winner 5x7 picture	7.19
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	DARE Winner Karli party/ice-cream	23.94
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	St Joe's DARE Papers	8.43
15013	POTTS BRUCE	3/21/2013	Mar 2013-DARE	General Fund	Police	St Joe's DARE Homework prizes	40.48
15013 Total							693.59
15014	REBUILD GREEN	3/21/2013	BP13-00049	General Fund		Refund recycling dep BP13-00049, 333 Fletcher Dr.	2,595.00
15014 Total							2,595.00
15015	SAN MATEO CNTY FORENSIC LAB	3/21/2013	CL03537	General Fund	Police	Phlebotomy/RCFL cost allocation service Feb 2013	175.43
15015 Total							175.43
15016	SAN MATEO CNTY INFO SERV DEPT	3/21/2013	1YAT11302	General Fund	Police	MessageSwitch lines Feb 2013	1,154.08
15016	SAN MATEO CNTY INFO SERV DEPT	3/21/2013	1YAT11302	General Fund	Police	Microwave micro channel Feb 2013	152.00
15016 Total							1,306.08
15017	SAN MATEO REGIONAL NETWORK INC	3/21/2013	20568	General Fund	Police	Network monthly access fee T-1 service Mar 2013	385.00
15017 Total							385.00
15018	SHELTON ROOFING COMPANY INC	3/21/2013	BP13-00087	General Fund		Refund recycling dep BP13-00087, 67 Orchard Hills St.	500.00
15018 Total							500.00
15019	SMITH KIM MARIE	3/21/2013	010	General Fund	City Council	(3.25) hrs iPad training Council	386.00
15019 Total							386.00
15020	TAPIA CONSTRUCTION AND RESTORATION	3/21/2013	BP10-00232	General Fund		Refund 2nd utility dep BP10-00232, 61 Selby Ln	5,000.00
15020	TAPIA CONSTRUCTION AND RESTORATION	3/21/2013	BP10-00244	General Fund		Refund grading & drainage dep BP10-00244, 61 Selby Ln	1,500.00
15020 Total							6,500.00

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
15021	TELECOMMUNICATIONS ENGINEERING	3/21/2013	42342	General Fund	Police	Facilities Mgmt & maint for public safety comm center	934.00
15021	TELECOMMUNICATIONS ENGINEERING	3/21/2013	42342	General Fund	Police	Facilities Mgmt & maint for public safety comm center	292.00
15021 Total							1,226.00
15022	TURBO DATA SYSTEMS INC	3/21/2013	19954	General Fund	Police	Citation processing Feb 2013	60.97
15022 Total							60.97
15023	WILLIAMS SCOTSMAN, INC	3/21/2013	96892648	General Fund	Police	Trailer rental PD 3/1/13 - 3/28/13	728.40
15023 Total							728.40
15024	ACCONTEMPS	3/28/2013	37533192	General Fund	Finance	Temp Phonpradith, Noy 3/11/13 - 3/14/13	1,285.76
15024 Total							1,285.76
15025	AT&T CALNET 2	3/28/2013	000004203612	General Fund	Police	1053 Teleminder loop line PD 2/20/13 - 3/19/13	84.78
15025	AT&T CALNET 2	3/28/2013	000004203614	General Fund	Police	8343 83 Ashfield/KCEA radio PD 2/20/13 - 3/19/13	57.33
15025	AT&T CALNET 2	3/28/2013	000004203615	General Fund	Police	5840 83 Ashfield/Industrial PD 2/20/13 - 3/19/13	228.09
15025	AT&T CALNET 2	3/28/2013	000004203616	General Fund	Police	7360 Circuit data line PD 2/20/13 - 3/19/13	362.28
15025	AT&T CALNET 2	3/28/2013	000004203617	General Fund	Police	6689 MP fire to PD voter 2/20/13 - 3/19/13	66.79
15025	AT&T CALNET 2	3/28/2013	000004203618	General Fund	Police	6690 MP police to PD voter 2/20/13 - 3/19/13	66.79
15025	AT&T CALNET 2	3/28/2013	000004203619	General Fund	Police	6691 Cal water/Bear gulch voter PD 2/20/13 - 3/19/13	77.16
15025	AT&T CALNET 2	3/28/2013	000004176396	General Fund	DPW-Street Maint.	1470 PW Corp yard 2/11/13 - 3/10/13	23.07
15025 Total							966.29
15026	BIGGS CARDOSA ASSOCIATE, INC	3/28/2013	62406	Special Tax	DPW-Engineering	Marsh road retaining wall -phase1 Feb 2013	21.62
15026 Total							21.62
15027	CONNERS WILLIAM B.	3/28/2013	Mar 2013	General Fund	City Attorney	City Attorney Retainer Mar 2013	12,800.00
15027 Total							12,800.00
15028	CUTWATER INVESTOR SERVICES CORP.	3/28/2013	17381A	General Fund	Finance	Investment advisory svc Feb 2013	1,000.00
15028 Total							1,000.00
15029	DISCOUNT PLUMBING & ROOTER CO	3/28/2013	APW13-00021	General Fund		Refund road bond dep APW13-00021, 58 Southgate St.	2,500.00
15029 Total							2,500.00
15030	ESPLANA MARGARET	3/28/2013	339	General Fund		Refund park dep Inv#339, 3/23/13	250.00
15030 Total							250.00
15031	FRANCHISE TAX BOARD	3/28/2013	502-03-2013	General Fund		PR Batch 502 3 2013 FTB-Earning withholding order	344.00
15031 Total							344.00
15032	LIEBERT CASSIDY WHITMORE	3/28/2013	161725	General Fund	Administration	Professional services regarding notice of intent Feb 2013	336.00
15032 Total							336.00
15033	MUNISERVICES LLC	3/28/2013	ElCompadre	General Fund		Bus Lic. El Compadre	51.00
15033	MUNISERVICES LLC	3/28/2013	AllInOneFloors	General Fund		Bus Lic. All In One Floors, Inc.	151.00

Town of Atherton							
Checks by Date - Detail by Check Number							
For the Month of March 2013							
Check#	Vendor Name	Check Date	Invoice#	Fund	Dept	Description	Amount
15033	MUNISERVICES LLC	3/28/2013	MetalRoofSystem	General Fund		Bus Lic. Metal Roof Systems, Inc	76.00
15033 Total							278.00
15034	NEAL MARTIN & ASSOCIATES	3/28/2013	1293	General Fund	Pass thru	Cartan Field deposit Feb 2013	954.25
15034	NEAL MARTIN & ASSOCIATES	3/28/2013	1293	General Fund	Pass thru	Sacred Heart deposit Feb 2013	1,030.88
15034	NEAL MARTIN & ASSOCIATES	3/28/2013	1293	General Fund	Pass thru	Menlo school deposit Feb 2013	112.88
15034	NEAL MARTIN & ASSOCIATES	3/28/2013	1293	General Fund	Planning	Contract planning services Feb 2013	11,975.39
15034	NEAL MARTIN & ASSOCIATES	3/28/2013	1294	General Fund	Planning	Housing planning services Feb 2013	112.88
15034 Total							14,186.28
15035	NICOLAY CONSULTING & ACTUARIES	3/28/2013	447-2013-03	General Fund	Finance	Consulting service regarding postemployment healthcare program	3,875.00
15035 Total							3,875.00
15036	OFFICE PRODUCTS SUPPLIERS, INC.	3/28/2013	342	General Fund		Refund park dep Inv#342, 3/18/13	225.00
15036 Total							225.00
15037	R & S ERECTION S.M. INC	3/28/2013	23029R	General Fund	DPW-Building Maint.	Reattached cable and serviced both doors PD	114.00
15037 Total							114.00
15038	URS CORP	3/28/2013	5457408	General Fund		Project prep draft -Sacred Heart practice gym	1,763.84
15038 Total							1,763.84
15039	USPS	3/28/2013	Mar 2013	General Fund	Administration	Bulk mailing- Athertonian	375.00
15039 Total							375.00
Grand Total							461,863.31



Item 10 Town of Atherton

CITY COUNCIL STAFF REPORT - CONSENT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GEORGE RODERICKS, CITY MANAGER
THERESA N. DELLASANTA, CITY CLERK

DATE: APRIL 17, 2013

SUBJECT: APPROVAL OF CONTRACT WITH CMS SOLUTIONS TO
IMPLEMENT THE INSTALLATION OF SHORETEL VOIP
TELECOMMUNICATIONS SYSTEMS

RECOMMENDATION:

Approve contract with CMS Solutions to implement the installation of Shoretel VoIP telecommunications systems.

BACKGROUND

The Town's telephony system is based on an older NEC telecom platform. Recent system outages have caused extensive service interruptions and the possibility of additional outages could result in extended downtime.

In early November staff advertised a request for quote for consulting services to help the Town build a Needs Analysis, a budget estimate and create an RFP to replace the Town's phone system. Communication Strategies (CommStrat) was selected to examine the current telephony and IT infrastructure, and worked in partnership with Town staff and IT support staff to gather the necessary information for the study. Multiple design scenarios were identified which included upgrading the current system and replacing it entirely with a Voice over Internet Protocol (VoIP) option.

CommStrat recommended a cost-effective method of developing VoIP by utilizing current Cat 3 technology with upgrades to existing infrastructure. It is a cheaper method because we wouldn't be replacing all of our cables and switches. Staff agreed with CommStrat and an RFP was developed. Council approved the RFP at their January meeting.

An RFP was distributed to a list of vendors on February 4th. Submittals were due on February 22nd. A total of four proposals were received, and they are as follows:

<u>Vendor</u>	<u>Manufacturer</u>
CMS Solutions	Shoretel
Vox Networks	Avaya
KIS	Mitel
Packet Fusion	Shoretel

A complete analysis of the 4 proposals is included as attachment A.

Staff invited the three lowest bidders (CMS, VoX, and KIS) back to present demos. Evaluations substantiated that CMS Solutions scored highest in all categories including technology platform, voicemail/unified messaging, system administration tools, vendor support and project management. Staff agreed that Shoretel VoIP telecommunications system would best fit the needs of Atherton.

FISCAL IMPACT

The 2012-13 equipment replacement fund includes \$60,000, which is sufficient funding to cover the cost of the contract.

Attachments: A – Additional Information/Research since last Council meeting
B- Proposal Analysis
C- Vendor Statement of Work
D- Contract

Reference Checks

SAN RAMON, CA

The City of San Ramon has been working with CMS for approximately two years. They did not install our current phone system so I can't speak to that part of your question. As for their support I have been happy with them. The technician assigned to us has been very responsive and is very capable. The few times that I asked for information from my sales team, they have also been very responsive. From the service and support perspective I would recommend CMS Solutions.

Rick Maria, IT Manager

GALT, CA

Worth every penny! They have excellent customer service and are there when you need them. Our installation (Waste water Department only) was a bit unique as we have a Gb wireless connection between our Shoretel implementation and our old NEC system. So, they had their work cut out in getting the system to work. But, they did it with a smile. We're actually going out to bid on the replacement of our NEC system between now June and are hoping they also win that project. Unfortunately, the cost is too high and there are too many providers to be able to justify sole source. But if it could be done, they would definitely be the choice. Their implementation/installation team is very knowledgeable and efficient at what they do. So, you can trust they won't waste your time and you'll get what you're paying for. Ive been in IT business for 20+ years and CMS is by far the best.

Matthew Marcotte, IT Coordinator

Additional Research

In August 2012 Shoretel earned high marks from Gartner (independent tech advisory firm).(Attachment#1)

<http://www.tmcnet.com/topics/articles/2012/08/17/303804-shoretel-earns-top-marks-from-gartner.htm>

We did not conduct an evaluation of any of the company financials. However, here is a recent article on Shoretel's 2nd Quarter results. (Attachment #2)

<http://www.equities.com/news/headline-story?dt=2013-01-30&val=985373&cat=telecom>

It notes revenues up by 29% from the 2nd QTR of the prior year. Here's a daily finance article noting investor sentiment:

"Investor sentiment

The stock has a five-star rating (out of five) at Motley Fool CAPS, with 133 members out of 141 rating the stock outperform, and eight members rating it underperform. Among 31 CAPS All-Star picks (recommendations by the highest-ranked CAPS members), 31 give ShoreTel a green thumbs-up, and give it a red thumbs-down.

Of Wall Street recommendations tracked by S&P Capital IQ, the average opinion on ShoreTel is outperform, with an average price target of \$6.86." (Attachment #3)

<http://www.dailyfinance.com/2013/01/31/the-gory-details-on-shoretels-double-miss/>

It's stock price is trading higher than average: (Attachment #4)

https://www.google.com/finance/historical?q=NASDAQ%3ASHOR&ei=6LVPUaCcAa_IiQLOOw

Attachment #1

August 17, 2012

ShoreTel Earns Top Marks from Gartner

By [Robbie Pleasant](#), TMCnet Contributor

ShoreTel is on the top of its game, as it's received high marks from Gartner's report "MarketScope for Unified Communications ([News - Alert](#)) for the SMB Market, North America." With a "Strong Positive" rating (the highest given), it seems ShoreTel's SMB offerings are the ones to buy, or beat if you're a competitor.

The ratings from Gartner's ([News - Alert](#)) MarketScope range from Strong Positive to Strong Negative, with variations of positive, negative, and neutral in-between. ShoreTel's "Strong Positive" is a sign for current customers to stick with ShoreTel ([News - Alert](#)), and essentially a letter of recommendation for potential customers looking for a good strategic investment. MarketScope provides advice and guidance for users looking to deploy certain products or services – in this case, Unified Communications services for SMBs.

This report was focused on the premise or infrastructure-based Unified Communications market for small and mid-sized businesses, defined in this case as anywhere from 20 to 499 employees. That doesn't mean that ShoreTel's services aren't useful once you hit 500 employees, of course, just that it's the business size they focused on. A business's needs can and will vary depending on its size and reach, but for business of that size, it seems ShoreTel is a safe bet.

According to ShoreTel CEO, Peter Blackmore ([News - Alert](#)): "What makes ShoreTel successful is our focus on clear product differentiation, low total cost of ownership and our dedicated commitment to customer satisfaction. Our SMB customers around the world are already reaping the benefits of ShoreTel's brilliantly simple unified communications solution. We believe receiving Gartner's highest rating possible, 'Strong Positive,' confirms our continued growth position in the market and shows our focus on delivering a brilliant simplicity experience is working."

This is a testament to ShoreTel's quality solutions and service, and is certain to work in the company's favor. ShoreTel has always provided top-notch UC solutions, and Gartner seems to have recognized that. As a trusted source, Gartner's report will undoubtedly encourage several SMBs to turn to ShoreTel for its Unified Communications needs, but other companies needn't despair – Gartner's top marks aren't reserved for a single business. The game is on, but not yet won.

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Attachment # 2

Telecommunications News

- AT&T Recognized for Cyber Security Lead
- Pledge in MTS lawsuit against Altimo raised
- TPO PAYM Launch, April 2013
- AT&T 4G LTE Coming To New Iberia This
- Akron fund awards money to startups, Inci
- DiNapoli Reaches Agreement with Five C
- Gilat to Showcase Field Proven Cellular B
- VolPRReview.org Reveals the Top 5 Cheap
- AT&T 4G LTE Coming To Champaign Thi
- France : China Telecom and Alcatel-Luce

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Telecommunications

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ShoreTel Reports Financial Results for Second Quarter of Fiscal Year 2013

Cloud Division Growth Drives 29 Percent Year Over Year Revenue Improvement PR Newswire SUNNYVALE, Calif., Jan. 30, 2013 /PRNewswire/ -- ShoreTel (NASDAQ: SHOR), the leading provider of brilliantly simple unified communications platforms, including business phone systems, applications and mobile UC solutions, today announced financial results for the second quarter of fiscal year 2013, which ended December 31, 2012.

Revenue of \$74.6 million for the second quarter of fiscal year 2013 was up 29 percent from the second quarter of fiscal year 2012. The non-GAAP net loss for the second quarter was \$(2.6) million, or \$(0.04) per share, which excludes stock-based compensation charges, amortization of acquisition-related intangibles, other charges and related tax adjustments. This compares with non-GAAP net income of \$1.4 million, or \$0.03 per share, in the second quarter of fiscal 2012.

"Our ShoreTel Sky business continues to be very strong with December marking our best month of cloud bookings in our history," said Peter Blackmore, president and CEO of ShoreTel. "We were also pleased to sign a record number of new cloud customers, which together with a strong backlog and low churn, drove 9 percent sequential cloud revenue growth in the quarter and has driven our recurring revenue base up to 35 percent of our total revenue."

Blackmore added, "In early January, we took meaningful action to reorganize our global sales organization to drive improved sales productivity. I am confident these changes will yield improved results over the long term and put ShoreTel on a solid path to profitability."

Second Quarter of Fiscal 2013 Financial Highlights

GAAP gross margin for the second quarter of fiscal year 2013 was 58.8 percent, compared with 65.4 percent in the second quarter of fiscal year 2012. The decline in gross margin percentage from last year is the result of the addition of the ShoreTel cloud division including the amortization of acquisition related intangibles, which were not included in the prior year's results.

Non-GAAP gross margin for the second quarter of fiscal year 2013, which excludes stock-based compensation charges, amortization of acquisition-related intangibles, other charges and related tax adjustments, was 61.8 percent, compared with 66.1 percent in the year-ago quarter. GAAP net loss was \$(10.4) million, or \$(0.18) per share, in the second quarter of fiscal year 2013, compared with a GAAP net loss of \$(2.5) million, or \$(0.05) per share, in the second quarter of fiscal 2012. The GAAP net loss in the second quarter of fiscal year 2013 includes a \$1.9 million charge for a change in estimates for sales, telecom taxes and regulatory fees related to prior periods.

As of December 31, 2012, the company had \$52.1 million in cash, cash equivalents and short-term investments, and generated \$1.1 million in cash flow from operations in the quarter.

Line of Business Results

Cloud

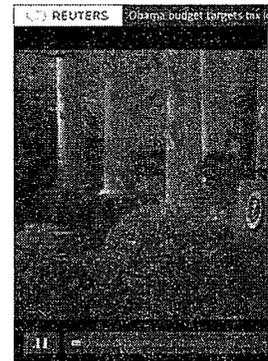
The cloud division continued to deliver strong revenue growth of 9 percent sequentially over the first fiscal quarter, with revenues of \$17.1 million. Monthly recurring revenue grew by 25 percent from the second fiscal quarter of 2012, and the total number of installed customer seats increased 38 percent over the same period. Partnerships with previously premise-only channel partners continued to develop and there is a strong pipeline of new partners waiting to become certified cloud business partners.

Premise

The company's premise-business revenues were \$57.5 million for the second quarter of fiscal 2013, down 1 percent from the prior year. Revenue from the company's international locations was up 8 percent over the year-ago quarter and represented 13 percent of its premise revenue in the quarter. The company's typical second quarter seasonal growth was muted due to an increase in deals being delayed beyond the end of the quarter.

Select Operational Metrics

Quarter Ended	
Quarter Ended	
Quarter Ended	
12/31/12	
09/30/12	
06/30/12	
Cloud Monthly Average Revenue Per User (ARPU)	\$ 60
	\$ 61
	\$ 62
Cloud Average # of Seats per Subscriber	36
	35
	34



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- Merck: FDA reviewing pill form of anti-infl...
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Attachment #3

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The Gory Details on ShoreTel's Double Miss

by Seth Jayson, The Motley Fool, Jan 31st 2013 9:03AM

ShoreTel (NAS: SHOR) reported earnings on Jan. 30. Here are the numbers you need to know.

The 10-second takeaway

For the quarter ended Dec. 31 (Q2), ShoreTel missed estimates on revenues and missed expectations on earnings per share.

Compared to the prior-year quarter, revenue increased significantly and GAAP loss per share grew.

Margins dropped across the board.

Revenue details

ShoreTel logged revenue of \$74.6 million. The eight analysts polled by S&P Capital IQ foresaw sales of \$77.9 million on the same basis. GAAP reported sales were 29% higher than the prior-year quarter's \$58.0 million.

Source: S&P Capital IQ. Quarterly periods. Dollar amounts in millions. Non-GAAP figures may vary to maintain comparability with estimates.

EPS details

EPS came in at $-\$0.04$. The seven earnings estimates compiled by S&P Capital IQ forecast $-\$0.03$ per share. GAAP EPS were $-\$0.18$ for Q2 versus $-\$0.05$ per share for the prior-year quarter.

Source: S&P Capital IQ. Quarterly periods. Non-GAAP figures may vary to maintain comparability with estimates.

Margin details

For the quarter, gross margin was 58.8%, 660 basis points worse than the prior-year quarter. Operating margin was -12.5%, 950 basis points worse than the prior-year quarter. Net margin was -13.9%, 950 basis points worse than the prior-year quarter.

Looking ahead

Next quarter's average estimate for revenue is \$78.0 million. On the bottom line, the average EPS estimate is $-\$0.01$.

Next year's average estimate for revenue is \$317.0 million. The average EPS estimate is $-\$0.02$.

Investor sentiment

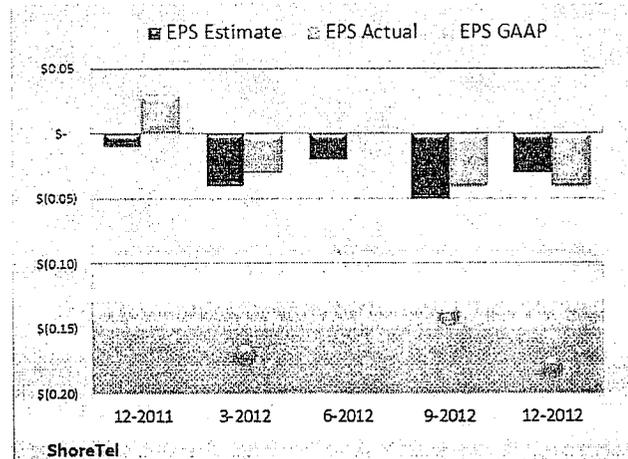
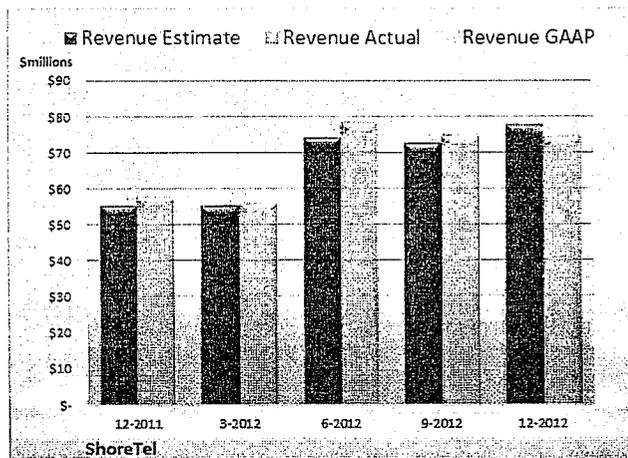
The stock has a five-star rating (out of five) at Motley Fool CAPS, with 133 members out of 141 rating the stock outperform, and eight members rating it underperform. Among 31 CAPS All-Star picks (recommendations by the highest-ranked CAPS members), 31 give ShoreTel a green thumbs-up, and give it a red thumbs-down.

Of Wall Street recommendations tracked by S&P Capital IQ, the average opinion on ShoreTel is outperform, with an average price target of \$6.86.

Internet software and services are being consumed in radically different ways, on increasingly mobile devices. Does ShoreTel fit in anymore? Check out the company that Motley Fool analysts expect to lead the pack in "The Next Trillion-dollar Revolution." Click here for instant access to this free report.

- Add ShoreTel to My Watchlist.

The article The Gory Details on ShoreTel's Double Miss originally appeared on Fool.com.



Attachment #4

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ShoreTel, Inc. (NASDAQ:SHOR)

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Company

- Summary
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- Related companies
- Historical prices
- Financials
- Markets
- News
- Portfolios
- Stock screener
- Google Domestic Trends
- Recent Quotes (1 day)
- You have no recent quotes

Daily prices Apr 11, 2012 - Apr 10, 2013

Date	Open	High	Low	Close	Volume
Apr 9, 2013	3.56	3.71	3.56	3.69	179,406
Apr 8, 2013	3.62	3.62	3.52	3.56	180,233
Apr 5, 2013	3.53	3.63	3.53	3.61	153,726
Apr 4, 2013	3.64	3.65	3.58	3.62	144,595
Apr 3, 2013	3.59	3.68	3.55	3.62	157,888
Apr 2, 2013	3.53	3.68	3.53	3.59	419,008
Apr 1, 2013	3.63	3.67	3.47	3.50	311,969
Mar 28, 2013	3.59	3.66	3.53	3.63	1,418,671
Mar 27, 2013	3.51	3.58	3.51	3.57	85,462
Mar 26, 2013	3.74	3.74	3.53	3.55	715,764
Mar 25, 2013	3.77	3.81	3.67	3.70	135,163
Mar 22, 2013	3.77	3.77	3.73	3.76	144,591
Mar 21, 2013	3.77	3.80	3.72	3.74	159,627
Mar 20, 2013	3.80	3.82	3.69	3.81	213,440
Mar 19, 2013	3.77	3.84	3.75	3.78	134,541
Mar 18, 2013	3.81	3.82	3.72	3.72	203,278
Mar 15, 2013	3.87	3.91	3.84	3.89	298,671
Mar 14, 2013	3.73	3.88	3.71	3.87	144,900
Mar 13, 2013	3.74	3.78	3.67	3.70	664,064
Mar 12, 2013	3.75	3.84	3.70	3.73	237,402
Mar 11, 2013	3.98	3.98	3.82	3.85	334,563
Mar 8, 2013	4.05	4.05	3.98	3.98	182,104
Mar 7, 2013	3.99	4.01	3.95	4.00	134,623
Mar 6, 2013	4.03	4.09	3.97	4.00	173,726
Mar 5, 2013	4.05	4.16	3.99	4.00	191,815
Mar 4, 2013	3.98	4.08	3.89	4.03	253,619
Mar 1, 2013	4.01	4.09	3.96	4.01	667,185
Feb 28, 2013	4.07	4.16	4.05	4.06	150,391
Feb 27, 2013	4.16	4.18	4.01	4.07	249,872
Feb 26, 2013	4.14	4.19	4.06	4.14	71,820

Show rows: 1 - 30 of 248 rows

Historical chart



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722 Goddard Ave.
Chesterfield, MO 63005
636-530-1320
www.cmssc-solutions.com

EQUIPMENT AND WARRANTY SALE AGREEMENT

This Equipment Sale Agreement (“Agreement”) is entered into by **CMS Solutions a division of CMS Communications, Inc.** (“CMS”) and **Town of Atherton** (“Purchaser”) and is effective as of **March 18, 2013**. This Agreement includes any schedules attached hereto and the parties expressly agree to the terms of the attached schedules.

1. **PURCHASE** - Purchaser promises and agrees to purchase, and CMS agrees to sell, the equipment (“Equipment”) listed in Schedule A which is attached and incorporated into this Agreement. This Agreement is for the sale of Equipment and installation services shall be provided by CMS (the services and/or installation set forth in Schedule B to this Agreement shall be referred to herein as the “Services”). The price for such Services will be included in the purchase price for the Equipment. CMS may assign its rights and obligations under this Agreement. Purchaser can assign its rights and obligations under this Agreement only with the prior written consent of CMS (which consent shall not unreasonably be withheld). Unless expressly accepted by both parties in writing, no terms on any Purchaser-issued purchase order or other Purchaser-issued documentation shall be binding on CMS or become a part of this Agreement.

2. **DELIVERY**- CMS will ship the Equipment to Purchaser at **91 Ashfield Rd, Atherton, CA 94027** (“Premises”). Title to the Equipment and the risk of loss to the Equipment passes to Purchaser once the Equipment is delivered to the address listed in this paragraph. Purchaser accepts the Equipment and is obligated to pay for the Equipment upon delivery of the Equipment to the Premises. If any Services are to be provided as set forth in Schedule A, Purchaser shall have four (4) days to test and/or assess the quality and effectiveness of the Services. In the event Purchaser does not reject the Services in writing within such four (4) day period, Purchaser will be deemed to have accepted such Services.

Shipping dates are approximate and CMS will, in good faith, endeavor to ship by the estimated shipping date but shall incur no liability to Purchaser or otherwise for any delay or any damage arising therefrom.

3. **TAXES AND FREIGHT** - Any tax, duty, tariff or other governmental charge upon the production, sale, shipment or use of the Equipment (collectively, the “Taxes”) shall be paid by Purchaser, including, without limitation, any sales and/or use taxes. Purchaser shall also be responsible for all freight and shipping costs for the Equipment. An estimate of the freight and shipping costs is included in the purchase price set forth in this Agreement. An estimate of the sales and use taxes is not included in the prices set forth in the Agreement. Purchaser agrees that it will pay the Taxes and any increment of the shipping costs which are above the amounts set forth in this Agreement within 15 days of the dispatch from CMS of an invoice for the Taxes and extra shipping costs. CMS agrees that it will credit or refund any overpayment of Taxes or shipping costs by Purchaser. Purchaser will be solely responsible to pay Taxes in those jurisdictions in which CMS does not have sufficient “nexus” for CMS to be required to collect such Taxes.

4. **PRICE** - Purchaser agrees and promises to pay a total price to CMS for the Equipment of **\$49,264.73**, which shall be paid as follows:

A. \$12,316.18 (25%) shall be paid by Purchaser upon execution by of this Agreement;

B. \$12,316.18 (25%) shall be paid by Purchaser within seven days following the date (“Delivery Date”) the majority of the equipment is delivered to the Premises; and,

C. \$19,705.89 (40%) shall be paid by Purchaser as a progress payment after installation and user acceptance testing of the phases delineated in the Schedule A and schedule of events.

D. \$4,926.48 (10%) shall be paid at the 30 days from date of delivery and final acceptance of installation which date shall be solely determined by CMS.

5. **INTEREST** - All payments due to CMS under this Agreement shall bear interest, from the date the payment became overdue, at the rate of 1-1/2% per month or at a minimum of \$10.00 per month, whichever is greater, until paid in full; provided, however, that in no event shall CMS charge interest higher than the maximum rate allowed by applicable law.

6. **SECURITY INTEREST** - Purchaser hereby grants to CMS a purchase money security interest in the Equipment. Purchaser agrees to give CMS the right to immediately file any Uniform Commercial Code ("UCC") financing statements, continuation statements, and any such other instruments or documents regarding or relating to such security interest, and Purchaser hereby irrevocably appoints CMS as Purchaser's attorney-in-fact to execute, as well as sign Purchaser's name to any such filings CMS makes. Such security interest shall be released by CMS upon receipt of payment in full of the purchase price and all Taxes, and any late charges and/or interest due with respect to the purchase price.

7. **CANCELLATION** - Purchaser may, before the earlier of, thirty days after execution of this Agreement or prior to the delivery of any item of Equipment, cancel its order for all or any particular item of Equipment, provided Purchaser gives CMS written notice of its cancellation. CMS shall credit the Purchaser with 80% of the purchase price (in this Agreement) for the particular equipment returned. Purchaser is responsible for paying all costs of freight and deinstallation for returned equipment.

8. **WARRANTIES** - CMS warrants that (i) all Equipment whether new or used will be free from defects in materials and workmanship for a period of thirteen (13) months after the date such Equipment is shipped from the Manufacturer, (ii) all Services performed hereunder by CMS shall be performed in a good and workmanlike manner. **THE WARRANTY AND TERMS OF THIS PARAGRAPH SHALL BE IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, AND CMS AND PURCHASER EXPRESSLY DISCLAIM ANY EXPRESS WARRANTY OR IMPLIED WARRANTY INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE.**

Notwithstanding the foregoing, no warranty is made with respect to: (a) any Equipment which has been repaired or altered in such a way, in CMS' judgment, as to affect the Equipment adversely; (b) any Equipment which has, in CMS' judgment, been subject to negligence, misuse, abuse, accident or improper storage; or (c) any Equipment which has not, in CMS' judgment, been installed, operated or maintained in accordance with normal practice and in conformity with recommendations and published specifications of CMS or the applicable manufacturer.

(d) Exclusions.

(i) CMS does not warrant that the Equipment will run uninterrupted or error free.

(ii) The foregoing warranty shall be void to the extent the Equipment has been damaged due to: (A) relocation without CMS's written consent, such consent not to be unreasonably withheld, conditioned, or delayed (other than telephone instruments relocated in accordance with the manufacturer's specifications); (B) Purchaser's failure to promptly advise CMS of a malfunction which delay materially exacerbates the malfunction; (C) operation beyond the Equipment's design range or improper testing conducted by Purchaser; (D) failures or changes required by the local exchange company interexchange carrier, the power company or the transmission providers; and/or (E) malfunctions of third party equipment including batteries and auxiliary equipment and equipment owned by the public telephone network.

(iii) The above limited warranty does not extend to, and CMS does not warrant, products or Equipment normally consumed in operation or which have a normal life shorter than twelve (12) months. With respect to such products or Equipment, CMS conveys to Purchaser the warranty, if any, of CMS's supplier, to the extent that such warranty can be conveyed.

(iv) Although the Equipment is designed to be reasonably secure, CMS makes no express or implied warranty that Equipment is immune from or, will prevent fraudulent intrusion, unauthorized use or disclosure or loss of proprietary information. When enabled, certain Software features, including silent monitoring features, could be used improperly in violation of privacy laws. CMS prohibits the use of Software in any improper manner or for any illegal use. Notwithstanding anything contained in this Agreement to the contrary, CMS shall not be liable for any improper or unlawful use of such features and Purchaser shall indemnify, defend and hold CMS harmless from any losses, claims, liabilities or damages to the extent due to any improper or illegal use of the Equipment or any of its components by or for Purchaser.]

CMS shall not be liable nor responsible for defects or problems with Purchaser's telephone service (both local or long distance), power or alternate or emergency power supplies, toll fraud, or the E911 system operation of the Equipment.

9. **REMEDIES** – Upon discovery of a defect, Purchaser shall notify CMS in writing within ten (10) days of such discovery of any claim whatsoever that Purchaser may have with respect to the Equipment or Services, and failure to give such notice within the specified time shall constitute an unqualified acceptance and waiver of all claims with respect to the Equipment and Services. Upon receipt of notice from Purchaser claiming non-conforming Equipment or Services, CMS may inspect such Equipment or Services at Purchaser's location or require that the Equipment be returned to CMS on a freight collect basis for inspection. In the event CMS determines that the Equipment or Services are non-conforming, CMS shall, in its sole discretion, take one of the following actions:

- A. Repair and replace the components of Equipment, or re-perform the Services, as applicable, which fail to meet the express warranty set forth in Section 8 of this Agreement; or
- B. Refund to Purchaser the purchase price (less a reasonable allowance for use, damage, or obsolescence) for Equipment or Services failing to meet the express warranty set forth in Section 8 of this Agreement.

This Section 9 sets forth CMS' exclusive obligation and the full extent of its liability, and Purchaser's exclusive remedy under this Agreement. No other remedy is authorized or allowed. This remedy shall not be deemed to fail of its essential purpose as long as CMS remains willing and able to undertake repair, replacement, re-performance, or refund of the purchase price (less a reasonable allowance for use, damage, or obsolescence) of the Equipment and Services. Purchaser agrees and waives any rights it may have for any damages above and beyond the return of the purchase price (less a reasonable allowance for use, damage, or obsolescence) for the defective components of the Equipment or Services and Purchaser expressly waives and releases any right to consequential, incidental, lost profits, exemplary damages, punitive damages, or lost revenue damages.

10. **COSTS** - If CMS or Purchaser prevails in any claim, action, or proceeding arising out of or related to this Agreement, including any appeal, trial, mediation, or arbitration, then the prevailing party is entitled to and shall be awarded its reasonable legal costs and expenses, including but not limited to reasonable accounting, paralegal, expert witness, and attorneys' fees whether incurred prior to, in preparation for, in contemplation of, or during any such claim, action, proceeding, or any appeal thereof.

11. **AUTHORITY** - Purchaser agrees and warrants that the person signing this Agreement on behalf of Purchaser is authorized and has the authority to do so and that Purchaser has read and understands this Agreement.

12. **INTEGRATION** - The entire agreement of CMS and Purchaser for Equipment and Services is embodied in this writing including schedules and attachments attached to this Agreement. This Agreement including schedules and attachments constitutes the final expression of the parties' agreement and is a complete and exclusive statement of the terms of the agreement. This Agreement supersedes all prior understandings or agreements of the parties, if any, relating to the subject matter of this Agreement. Any change, modification, supplement or addition to this Agreement must be in writing and signed by CMS.

13. **INSTALLATION** - CMS agrees to provide installation services on the Purchasers' Premise. CMS installation services include the following (but are not limited to): System Design, Programming, Installation, an assigned Project Manager and End-User Training. Purchaser agrees to provide CMS full, free, and safe access to the Premises during Purchaser's normal business hours and at such other times as CMS shall reasonably request. Purchaser represents and warrants that, except as disclosed previously in writing to CMS, there is no asbestos, or asbestos containing material, or dangerous chemicals or materials, on or around the Premises. Purchaser agrees to immediately notify CMS if any asbestos, or asbestos containing material, or dangerous chemicals or materials, is found on the Premises. If Purchaser breaches the warranty set forth in this Section 13, CMS may immediately suspend performance until Purchaser has corrected such condition(s). If Purchaser does not correct such condition(s) within a reasonable time, CMS may elect, at its sole discretion, to recommence performance or terminate the applicable order with respect to such Premises without liability. Furthermore, Purchaser shall indemnify, defend, and hold CMS, and its officers, directors, shareholders, employees, agents, successors and assigns harmless from and against any and all claims, suits, actions, demands, proceedings, settlements, losses, damages, liabilities, costs and expenses (including without limitation reasonable attorneys' fees and court costs)

arising from or related to any asbestos, or asbestos containing material, or dangerous chemicals or materials, on or around the Premises. CMS is not liable for any claims relating to or arising from (i) the presence of any material, including asbestos, or asbestos containing material, or dangerous chemicals or materials, existing prior to CMS' installation; or (ii) increased levels of asbestos or other dangerous chemicals arising from any work performed by or for CMS.

CMS' obligation to install the Equipment shall be satisfied when all of the Equipment has been installed at the Premises and is functioning in a good manner.

14. **EQUIPMENT SOFTWARE** - The Equipment provided includes software, which is licensed and not sold and the software has a manufacturer's software license agreement which, among other things limits use and transferability of the software.

Purchaser's use of the software is at Purchaser's sole risk and CMS disclaims all liability associated therewith. EXCEPT FOR ANY WARRANTIES THAT MAY BE PROVIDED DIRECTLY BY THE MANUFACTURER OF THE SOFTWARE, THE SOFTWARE IS PROVIDED ON AN "AS IS" BASIS, WITH ALL FAULTS. CMS MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND THE WARRANTY OF FITNESS FOR PARTICULAR PURPOSE, AS TO THE OPERATION OF THE SOFTWARE OR THE NATURE OR ACCURACY OF THE INFORMATION INCLUDED IN THE SOFTWARE OR AS TO ANY OTHER MATTER. CMS WILL NOT BE LIABLE FOR ANY DAMAGES OF ANY KIND ARISING FROM THE USE OF THE SOFTWARE OR ARISING FROM THE USE OF THE INFORMATION AND OPINIONS PROVIDED THEREIN INCLUDING BUT NOT LIMITED TO DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, AND CONSEQUENTIAL DAMAGES.

PURCHASER HEREBY RELEASES AND FOREVER DISCHARGES CMS AND ITS OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUBSIDIARIES AND AFFILIATES, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, FROM ANY AND ALL MANNER OF LIABILITY, CLAIMS, COUNTERCLAIMS, DEMANDS, SETOFFS, DAMAGES, OR CAUSES OF ACTION, WHICH PURCHASER NOW HAS OR WHICH MAY HEREAFTER ACCRUE, WHETHER HERETOFORE ASSERTED OR UNASSERTED, KNOWN OR UNKNOWN, ARISING OUT OF, OR IN ANY WAY RELATING TO THE SOFTWARE OR PURCHASER'S USE OF THE SOFTWARE OR THE INFORMATION PROVIDED THEREIN.

SOFTWARE LICENSE.

(a) General. All Software licensed hereunder is proprietary and confidential, having been developed by or for CMS or a third party provider. All such software and all copies or modifications thereof are or shall become the property of CMS or its third party provider. Only one right of use of the Software is being licensed herein. Each piece of Software is licensed to Purchaser solely for Purchaser's use only with the specific piece of Equipment to which it relates. Purchaser shall ensure that anyone who uses the Software does so only in compliance with the terms of this Agreement. Purchaser shall not reverse engineer or decompile any of the Software. Purchaser shall use such Software only as stated herein, shall not use the Software with any other equipment or item and shall not disclose or transfer the Software, or any part of it, to any other party except with the express written permission of CMS, which permission to transfer may be granted by the specific software license furnished with or for the Equipment herein if applicable provided the transferee agrees in writing to be bound by these provisions. This Software protection will be supplemented by the provisions of any software license furnished with or for the Equipment.

(b) Grant of License. Purchaser is granted a Software license directly from the manufacturer pursuant to the terms of this Agreement and/or the software license agreement attached to this Agreement, the Order Form or delivered with the Equipment. Any such license agreement shall be deemed incorporated into this Agreement and shall exclusively and independently govern the licensing of such Software; provided, however, Purchaser acknowledges and agrees: (i) to be bound by the terms of any software license agreement of the manufacturer; (ii) that the manufacturer shall be a third party beneficiary of the license(s) granted to Purchaser; (iii) that the manufacturer may enforce its rights directly against Purchaser for any breach thereof; (iv) that the manufacturer may cancel any license to Purchaser for failure to comply with any provision of any software license agreement provided in connection with the Equipment and/or provided by or through the manufacturer; (v) not to modify any Software provided in connection with Equipment and/or provided by or through the manufacturer; and (vi) to cooperate with and to permit CMS and/or the manufacturer to audit (including via remote access) the system configuration containing the Equipment in order to verify compliance with the license(s) granted to Purchaser.

(c) Copies. If the Software contains documentation that is provided only in electronic form, then Purchaser is authorized to print only one copy of the documentation per licensed copy of the Software program. If the Software is provided as a program upgrade, then authorization to use the Software from which Purchaser is being upgraded shall be limited to use in connection with the upgrade, and shall be limited to the total number of Purchaser's authorized or licensed copies of the Software.

(d) Restricted Rights. The Software and related documentation is provided to the United States Government ("Government") with RESTRICTED RIGHTS. Use, duplication, or disclosure by the Government is subject to restrictions as set forth in subparagraph c)(1) (ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs c)(1) and (2) of the Commercial Computer Software - Restricted Rights at 48 CFR 52.227-19, as applicable. Distributor is CMS Communications, Inc., or its licensor.

(e) Export. Purchaser agrees not to export or re-export directly or indirectly any Software (including source code), technology, or direct products of Software or technology to any countries or nationals of any countries except in compliance with the U.S. Export Administration Regulations. In conjunction therewith, and in conformity with the United States Export Administration Act and regulations promulgated thereunder, Purchaser represents and warrants that Purchaser shall not disclose, export or re-export, directly or indirectly, any Equipment or technical data (or direct products thereof) provided under this Agreement to destinations in Country Groups Q, S, W, Y and Z as modified from time to time by the U.S. Department of Commerce, or that are otherwise controlled under said Act and regulations. Without limiting the foregoing, Purchaser shall comply with all applicable export control, import control and trade embargo laws, rules and regulations, whether foreign or domestic. Purchaser shall not resell, export, import, re-export, distribute, transfer or dispose of Equipment or technical data, directly or indirectly, without first obtaining all necessary written consents, permits and authorizations and completing such formalities as may be required by any such laws, rules and regulations. Failure by Purchaser to comply with such laws, rules and regulations shall constitute a material breach of this Agreement which is incapable of being cured. Purchaser shall ensure that its employees, agents, partners, customers, and the like also comply with such laws, rules and regulations. Purchaser shall not do anything which would cause CMS, or its suppliers or licensors to be in breach of such laws, rules and regulations, and shall protect, indemnify and hold harmless CMS and its suppliers and licensors from any fines, damages, costs, losses, liabilities, penalties and expenses incurred by CMS or its affiliates, suppliers or licensors as a result of the errors, mistakes, failures or omissions of Purchaser, or any third party under agreement with Purchaser, including without limitation any failure by Purchaser to comply with these terms and conditions.

(f) Breach of License. Purchaser acknowledges that the Software is proprietary and confidential, and is the property of CMS or a third party licensor. Notwithstanding any other provision of this Agreement, Purchaser's failure to comply with the terms of this Section 14 shall be deemed a material breach of this Agreement. Accordingly, CMS shall be entitled to terminate this Agreement and all of Purchaser's rights and privileges to the Software to which the breach relates (provided such breach is not cured by Purchaser within 30 days after Purchaser's receipt of notice from CMS), and to obtain injunctive and other relief as necessary to protect CMS from any potential damage resulting from such breach.]

15. **UNCONTROLLABLE CIRCUMSTANCES** - CMS shall not be liable or responsible for its failure to timely, completely, correctly, or adequately perform its obligations under this Agreement if such failure is due, wholly or in part, to causes beyond CMS's reasonable control including but not limited to labor disputes, strikes, adverse actions of the weather, floods, lightning, hurricanes, storms, tornadoes, shortage of materials, rationing, utilities, service network providers, telephone companies, communication failures, earthquakes, casualty, crime, war, acts of the public enemy, riots, insurrections, embargoes, epidemics, blockages, government orders, government restrictions, government requirements, quarantines, or any laws or regulations concerning the "911" calls. If any of the preceding events occur, CMS's performance will be deferred, delayed, or excused at the option of CMS.

16. **GOVERNING LAW** - This Agreement and the relationship between the parties to this Agreement shall be governed by the laws of the State of California. This Agreement shall be deemed to be entered into and performed in the State of California. The parties to this Agreement consent to the jurisdiction and venue of the San Mateo County Court, State of California, or to the United States District Court for the Northern District of California. Any dispute between the parties to this Agreement or any dispute concerning this Agreement shall be adjudicated in one of these two courts.

17. **COMMUNICATIONS** - All notices and other communications which are required or permitted by this Agreement, shall be in writing and shall be deemed to have been duly given and received when sent via any of the following methods: (i) by hand delivery, (ii) by first class U.S. Mail postage prepaid, (iii) by certified mail by the U.S. Postal service return receipt requested postage prepaid, (iv) by Federal Express overnight delivery, or (v) by telecopy to the telecopy number listed in this Agreement, to the parties at the addresses and telephone numbers listed beneath their signatures below.

18. **INDEPENDENT CONTRACTOR** - CMS is an independent contractor and neither party to this Agreement is an employee of the other. Nothing in this Agreement is intended to create or to be construed as the existence of a partnership, joint venture, or agency relationship between the parties.

19. **CONFIDENTIAL INFORMATION** - Purchaser shall not disclose to CMS any confidential information which Purchaser possesses unless CMS has, prior to such disclosure, agreed in writing to accept such information as confidential under clearly defined obligations of confidence. Purchaser represents and agrees that all information disclosed to CMS by Purchaser (except such information as is specifically subject to a confidentiality agreement signed by CMS prior to such disclosure) is non-confidential, and that CMS is free to use and disclose any or all of such information without accounting to Purchaser therefor, notices on Purchaser's drawings, proposals, specifications and other documents to the contrary notwithstanding.

20. **LIMITATIONS** - IN NO EVENT SHALL CMS BE LIABLE (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, INCLUDING NEGLIGENCE) FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES BY WHOMEVER INCURRED OF WHATEVER NATURE, INCLUDING DAMAGES FOR LOST PROFITS, DATA, TIME, REVENUES OR THE LIKE, EVEN IF CMS IS ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. FURTHER, IN NO EVENT SHALL CMS'S TOTAL LIABILITY (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, INCLUDING NEGLIGENCE) FOR ANY CLAIMS OR DAMAGES ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE MANUFACTURE, SALE, DELIVERY OR USE OF THE EQUIPMENT AND/OR THE PERFORMANCE OF THE SERVICES EXCEED THE PURCHASE PRICE PAID BY PURCHASER FOR THE APPLICABLE EQUIPMENT AND/OR SERVICES GIVING RISE TO SUCH CLAIM OR DAMAGES. THIS SECTION 20 SHALL SURVIVE FAILURE OF AN EXCLUSIVE REMEDY.

21. **INDEMNIFICATION** - Purchaser shall defend, indemnify and hold harmless CMS, and its officers, directors, shareholders, employees, agents, successors and assigns harmless from and against any and all claims, suits, actions, demands, proceedings, settlements, losses, damages, liabilities, costs and expenses (including without limitation reasonable attorneys' fees and court costs), for injury to or illness or death of any person or any property damage (including loss of income, profits, sales or "down time") arising from or related to the Equipment, including such claims and demands brought by any employee, agent or subcontractor of Purchaser for Purchaser's failure to comply with CMS' published instructions and specifications concerning the operation, use and maintenance of the Equipment, except any claim, demand, liability, damage or expense proven to be the result of the negligence of CMS and not contributed to by the negligence of Purchaser, its agents, employees, officers or directors or other third parties.

22. **SEVERABILITY**. If any provision or provisions of this Agreement, or parts thereof, shall be held to be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

23. **DEFAULT**. Either party shall be entitled to terminate this Agreement and/or any outstanding order of Equipment and pursue its remedies in law or equity, except as otherwise limited by this Agreement, in the event that: (i) the other party fails to make any payment when due and fails to cure the nonpayment within ten (10) days of written notice; (ii) the other party commits a material breach of this Agreement (other than a payment breach) and fails to cure that breach within thirty (30) days of written notice describing the breach; (iii) a party files bankruptcy

or fails to discharge an involuntary petition within sixty (60) days; or (iv) a party ceases doing business or commences dissolution or liquidation.

24. **SUBCONTRACTORS.** CMS may subcontract Services under this Agreement with or without notice to Purchaser.

CMS Solutions, a division of
CMS Communications, Inc.

Town of Atherton - Purchaser

BY: _____

BY: _____

722 Goddard Avenue
Chesterfield, Missouri 63005-1106
636-530-2799 Facsimile

Print Name: _____

Address: **91 Ashfield Rd**
Atherton, CA 94027

Date: _____

Facsimile: _____

Date: _____

CMS Salesperson: *Robert Flansburg (RCF)*



722 Goddard Ave.
 Chesterfield, MO 63005
 636-530-1320
www.cmsc-solutions.com

SCHEDULE B
5 YEAR SERVICE GOLD PLAN DESCRIPTION

Description	Gold 8X5 Remote and On-Site Labor Support - Excludes Sets
Advanced Replacement of Hardware Components:	
ShoreGear Appliances	Same Business Day
IP Telephone Sets	Not Included
Applications Server(s) – if supplied by CMS Solutions	3-5 Business Days
LAN or PhyBridge Switches - if supplied by CMS Solutions	Same Business Day
ShoreTel Software Components:	
New Releases/Upgrades - excludes hardware and/or firmware upgrades or additions	Included with Labor if Performed during Regular Business Hours
New Features	Included
Bug Fixes	Included
Service Patches	Included
Applications Server(s) - OS Upgrades	Not Included
Applications Server(s) - Virus Protection	Customer Responsibility
Labor Services:	
On-Site - Monday - Friday 8AM to 5PM	Included
On-Site - After Regular Business Hours	Not Included
Remote - Monday - Friday 8AM to 5PM	Included
Remote - After Regular Business Hours	Not Included
Coverage Hours:	
Regular Business Hours - Monday - Friday 8AM to 5PM	Included
After Regular Business Hours - Weekend & Holidays	Not Included
Labor Rates - Monday-Friday 8AM-5PM:	
Hourly Rate	\$105.00
Minimum Hours	0
Trip Charge	\$0.00
Remote Transaction Fee	\$0.00
Labor Rates - After Hours, Weekends & Holidays:	
Hourly Rate	\$157.50
Minimum Hours	4
Trip Charge	\$0.00
Remote Transaction Fee	\$0.00
Response Times - Critical Service Requests:	
Regular Business Hours - Monday - Friday 8AM to 5PM	2 Hours
After Regular Business Hours - Weekend & Holidays	4 Hours
Response Times - Non-Critical Service Requests:	
Regular Business Hours - Monday - Friday 8AM to 5PM	4 Hours
After Regular Business Hours - Weekend & Holidays	Next Business Day

Response Times - On-Site MAC:	
Regular Business Hours - Monday - Friday 8AM to 5PM	3-5 Business Days
After Regular Business Hours - Weekend & Holidays	3-5 Business Days
Response Times - Remote MAC:	
Regular Business Hours - Monday - Friday 8AM to 5PM	Next Business Day
After Regular Business Hours - Weekend & Holidays	Next Business Day
Other Services:	
Preventative Maintenance - Onsite or Remote	Once per Year
Remote Moves and Changes	Unlimited if 15 minutes or less during Regular Business Hours
Access to ShoreTel Technical Support Center	Included
Dedicated CMS Team - Sales and Operations	Included
No Trouble Found Calls	Included - First Occurrence Only
Outages caused by Telco or Data Network Carrier	Included - First Occurrence Only

Schedule A Town of Atherton



03/08/13



Presented by:
Robert Flansburg
866-288-3556

System Configuration	Quantity
Analog Voice Ports	8
Central Office Trunk Ports	4
T1/PRI Trunk Ports to Telco	24
Mailbox Only Licenses	3
Extension Only Licenses	8
Extension & Mailbox Licenses	57
Personal Access Licenses	50
Operator Access Licenses	1

ShoreTel System	Qty	Unit	Customer Price Total
ShoreTel 13.1 Software (General Release)	1	\$0.00	\$0.00
Kit, rack mounting tray, for ShoreGear Switch 1U half width, holds two 1U half width switches	1	\$64.46	\$64.46
ShoreGear 220T1A - 1U half width, Max Capacities - 1 T1, 220 IP phones, 4 Analog exts, 2 LS trunks, 0 Universal ports. When digital trunk capacity is reached, IP phone capacity is still 70. Requires one Tray (SKU 10223) for every two units.	1	\$3,659.93	\$3,659.93
ShoreGear 90 - 1U half width, Max Capacities - 90 IP phones, 4 Analog exts, 8 LS trunks, 0 Universal ports. Not all maximum capacities can be reached at the same time. Requires one Tray (SKU 10223) for every two units.	1	\$1,687.68	\$1,687.68
Personal Access License	50	\$0.00	\$0.00
Operator Access License	1	\$335.28	\$335.28
ShorePhone IP230 - Black (6.1 or later)	45	\$145.95	\$6,567.59
ShorePhone IP265 - Black (7.5 or later)	4	\$207.93	\$831.73
ShoreTel Voice Mail Quick Reference, Doc. Pack, Qty 25	2	\$6.33	\$12.65
ShoreTel 265 IP Phone Quick Reference, Doc. Pack, Qty 25	1	\$7.48	\$7.48
ShoreTel 230/230G IP Phone Quick Reference, Doc. Pack, Qty 25	2	\$7.48	\$14.95
Extension & Mailbox License	57	\$112.70	\$6,423.90
Mailbox-only License (requires ShoreTel 5.2 or higher)	3	\$50.72	\$152.15
5-Year Gold Support - 8X5 Coverage - ShoreGear Appliances Covered by CMS Advanced Replacement Warranty - Phone Sets Covered by ShoreTel Mail in Repair-Return Warranty for 13 Months from factory ship date	1	\$7,769.87	\$7,769.87
Other Hardware and Software Components			
Director Server - 1U Rack Mount w/ 4GB RAM, 3.06GHz, RAID1 & Redundant Power Supply	1	\$2,760.00	\$2,760.00
1-Hour UPS (for ShoreGear 220T1A, Shoregear 90 & Director Server)	1	\$589.95	\$589.95
Phybridge Ethernet PoE Switches			
24-Port UniPhyer	1	\$1,609.08	\$1,609.08
48-Port UniPhyer	1	\$2,487.98	\$2,487.98
PhyAdapter	49	\$55.95	\$2,741.43
HP Procurve 16-Port V1910-16G	1	\$307.10	\$307.10
Investment Summary			
ShoreTel System			\$27,527.67
Other Hardware and Software Components			\$3,349.95
Phybridge Ethernet PoE Switches			\$7,145.58
Professional Services - Design, Installation, Programming, Training & Project Management			\$8,670.00
Total Price (excluding tax & freight)			\$46,693.20
Sales Tax @ 8.5%			\$2,571.53
Ground Freight			Included
Total Price (including tax & freight)			\$49,264.73

Schedule A

Items not included in this Proposal:

- 1) Overtime - Labor pricing is based on After Hours cutover of Telco Services and sets
- 2) Telco Coordination - If requested CMS will perform at current hourly rates and invoice separately.
- 3) Routers - Interoffice Network connections over the WAN requires MPLS service and QoS Routers.
- 4) DHCP - IP Sets require DHCP addressing to log onto the LAN.
- 5) Cat 5 patch cords for IP Sets - Sets include a 6 foot patch cord. Longer cords are available for an additional charge.
- 6) Feeder Cabling (from Telco entrance to Customer Equipment Room or Old Equipment location to New Equipment locati
- 7) Monitor, Keyboard & Mouse for Server.
- 8) Patch Panel.

Customer Responsibilities:

- 1) Rack or Backboard Space suitable for mounting Equipment.
- 2) Air Conditioning and Power per Manufacturers Specifications.
- 3) UPS to provide power backup for ShoreTel equipment, LAN Switches and Routers.
- 3) DHCP addressing.
- 4) Suitable LAN and WAN infrastructure to support IP Telephony.
- 5) Labor has been included to load and train (1) user on a customer-provided PC for a Communicator Access License.
- 6) Provide CMS with remote access to perform diagnostics and system changes.

Signature

Print Name

Print Title

Date



Town of Atherton

CITY COUNCIL STAFF REPORT - CONSENT

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: THERESA DELLASANTA, CITY CLERK

DATE: APRIL 17, 2013

**SUBJECT: ADOPTION OF A RESOLUTION REVISING THE APPOINTMENT OF
DIRECTORS TO REPRESENT THE TOWN OF ATHERTON TO ABAG
PLAN CORPORATON BOARD OF DIRECTORS**

RECOMMENDATION

Adopt resolution revising the appointment of directors to represent the Town of Atherton to ABAG PLAN Corporation Board of Directors.

DISCUSSION

The Town of Atherton entered into a Liability Risk Coverage Agreement with the Association of Bay Area Governments (ABAG) in 1986 for ABAG to provide liability insurance coverage, claims management, and risk management to cities that are members. The change in board representation is being presented to the City Council for ratification due to the hiring of a permanent City Manager.

FISCAL IMPACT

None.

Prepared by:

Approved by:

Theresa DellaSanta, City Clerk

George Rodericks, City Manager

Attachment: Resolution

RESOLUTION 13-

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
REVISING THE APPOINTMENT OF DIRECTORS TO REPRESENT THE TOWN OF
ATHERTON TO ABAG PLAN CORPORATION BOARD OF DIRECTORS**

WHEREAS, the Town of Atherton has been a member agency of ABAG PLAN Corporation since 1986; and

WHEREAS, ABAG PLAN Corporation is now providing the Town with general liability insurance, excess liability insurance, public official bond, and property insurance; and

WHEREAS, the operations of these programs are governed by a Board of Directors consisting of one representative from each member agency; and

WHEREAS, the Assistant City Manager is no longer employed by the Town; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the Town of Atherton does hereby revise the designees to ABAG PLAN Corporation Board of Directors and appoint the following Town employees to represent the Town of Atherton to the ABAG PLAN Board of Directors:

City Manager, Voting Director
Finance Director, Voting Alternate

BE IT FURTHER RESOLVED, that these appointments shall be in accordance with ABAG PLAN Corporation Bylaws.

* * * * *

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 17th day of April, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Elizabeth Lewis, Mayor

ATTEST:

Theresa N. DellaSanta
City Clerk

APPROVED TO FORM:

William B. Connors, City Attorney



Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: MICHAEL KASHIWAGI, COMMUNITY SERVICES DIRECTOR

DATE: APRIL 17, 2013

**SUBJECT: CONSIDERATION TO SEND LETTER OF SUPPORT FOR SENATE
BILL 557**

RECOMMENDATION

Consider sending letter of support for Senate Bill (SB) 557.

BACKGROUND

In February 2013, State Senator Jerry Hill (D-San Mateo) introduced SB 557, the “Peninsula Protections” Act. SB 557 would:

- Clarify that of the \$1.1 billion appropriated for early high-speed rail improvement projects in the Budget Act of 2012, \$600 million shall be allocated for Northern California and \$500 million shall be allocated for Southern California.
- Limit the ability to transfer funds from the Peninsula segment to other segments of the high-speed rail project and clarify that those funds are used for a blended system that is contained substantially within the existing Caltrain right-of-way.
- Require any track expansion beyond the blended system approach on the San Francisco to San Jose segment to be approved by all parties of the nine-party MOU.

Agencies included in the referenced nine-party MOU include:

High Speed Rail Authority
Metropolitan Transportation Commission
Peninsula Corridor Joint Powers Board
San Francisco County Transportation Authority
San Mateo County Transportation Authority

Staff Report
April 17, 2013
Page 2 of 2

Santa Clara County Valley Transportation Authority
City of San Jose
City and County of San Francisco
Transbay Joint Powers Authority

A copy of SB 557 is included as an attachment to this report.

DISCUSSION

The San Mateo County Transportation Authority Board is encouraging all cities along the peninsula corridor to support this legislation. This item was discussed at the April 2, 2013 meeting of the Atherton Rail Committee and the Committee recommends that the City Council send a letter of support for SB 557.

FISCAL IMPACTS

No impacts.

Prepared By:

Approved:

Michael Kashiwagi, P.E.
Community Services Director

George Rodericks
City Manager

Attachment: Senate Bill 557

AUTHOR'S COPY

LEGISLATIVE COUNSEL'S DIGEST

Bill No. **557**

as introduced, Hill.

General Subject: High-speed rail.

Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable, High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. Existing law appropriates specified funds from the High-Speed Passenger Train Bond Fund and from federal funds for high-speed rail and connecting rail projects.

This bill would add detail to provisions governing the expenditure of certain of those appropriated funds. The bill would specify that of the \$1,100,000,000 appropriated for early high-speed rail improvement projects in the Budget Act of 2012, \$600,000,000 and \$500,000,000 shall be allocated solely for purposes of specified memoranda of understanding approved by the High-Speed Rail Authority for the Metropolitan



130904455078BILL

Transportation Commission region and the southern California region, respectively. The bill would limit fund transfer authority between certain appropriations to temporary transfers for account management purposes. The bill would restrict use of certain appropriated funds, to the extent they are allocated to the San Francisco-San Jose segment of the high-speed rail system, to implement a rail system in that segment that primarily consists of a 2-track blended system to be used jointly by high-speed trains and Caltrain commuter trains, with the system to be contained substantially within the existing Caltrain right-of-way.

This bill would also require any track expansion for the San Francisco to San Jose segment beyond the blended system approach to be approved by all 9 parties to the Bay Area High-Speed Rail Early Investment Strategy Memorandum of Understanding, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.



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AUTHOR'S COPY

An act to add Sections 2704.76 and 2704.77 to the Streets and Highways
Code, relating to transportation.



130904455078BILL

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 2704.76 is added to the Streets and Highways Code, to read:

2704.76. (a) (1) Of the one billion one hundred million dollars (\$1,100,000,000) appropriated pursuant to Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012, six hundred million dollars (\$600,000,000) shall be allocated solely for purposes of the Metropolitan Transportation Commission Memorandum of Understanding, as approved by the High-Speed Rail Authority on April 12, 2012, in High-Speed Rail Authority Resolution 12-11, and five hundred million dollars (\$500,000,000) shall be allocated for purposes of the Southern California Memorandum of Understanding, as approved by the High-Speed Rail Authority on April 12, 2012, in High-Speed Rail Authority Resolution 12-10.

(2) Transfers from Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012 pursuant to Provision 2 of that item to Item 2665-004-6043 or Item 2665-306-6043 shall be limited to temporary transfers for account management purposes. Funds appropriated by Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012 shall not otherwise be used in high-speed rail project segments other than the segments that are the subjects of the two memoranda of understanding referenced in paragraph (1).

(b) Funds appropriated pursuant to Items 2660-104-6043, 2660-304-6043, and 2665-104-6043 of Section 2.00 of the Budget Act of 2012, to the extent those funds are allocated to projects in the San Francisco to San Jose segment, shall be used solely to implement a rail system in that segment that primarily consists of a two-track blended system to be used jointly by high-speed rail trains and Peninsula Joint Powers Board



commuter trains (Caltrain), with the system to be contained substantially within the existing Caltrain right-of-way.

SEC. 2. Section 2704.77 is added to the Streets and Highways Code, to read:

2704.77. Any track expansion for the San Francisco to San Jose segment of the high-speed rail system beyond the blended system approach identified in the April 2012 California High-Speed Rail Program Revised 2012 Business Plan and approved by the High-Speed Rail Authority in April 2012 shall require approval from all nine parties to the Bay Area High-Speed Rail Early Investment Strategy Memorandum of Understanding, as follows:

- (a) The High-Speed Rail Authority.
- (b) The Metropolitan Transportation Commission.
- (c) The Peninsula Corridor Joint Powers Board.
- (d) The San Francisco County Transportation Authority.
- (e) The San Mateo County Transportation Authority.
- (f) The Santa Clara County Valley Transportation Authority.
- (g) The City of San Jose.
- (h) The City and County of San Francisco.
- (i) The Transbay Joint Powers Authority.





Town of Atherton

CITY COUNCIL STAFF REPORT - CONSENT

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: MICHAEL KASHIWAGI, COMMUNITY SERVICES DIRECTOR

DATE: APRIL 17, 2013

SUBJECT: AWARD OF CONTRACT FOR THE 2013 CAPE SEAL PROJECT

RECOMMENDATION:

Award the contract for 2013 Cape Seal Project, project number 56056 to Intermountain Slurry Seal, the lowest responsive and responsible bidder, in the amount of \$308,072, and authorize the City Manager to execute the contract.

INTRODUCTION:

The FY 2012-2013 adopted Capital Improvement Program includes funds for street maintenance. This project entails performing a Cape Seal and Micro-slurry along various streets in Atherton. It also includes replacement of all striping, raised pavement markers and other associated pavement markings within the project boundaries.

A Cape Seal is a treatment process where a heated polymer modified asphalt emulsion (oil) is applied to a cleaned street and scrubbed in with brooms. A 1/4" aggregate (chip) is immediately applied over the oil and is rolled into place with a rubber tired roller. The excess rock is then swept away. The next process follows a few days later. A micro-surface (oil and sand mixture) is applied over the top of the chips, and once again rolled into place with rubber tired rollers. Upon curing, the result is a street that is impervious to water as well as having about 1/2" of new wearing surface added to the top. This surface will remain flexible for years, and as cracks, if any, work their way up from the sub-base of the road they are filled by the pliable material. Cape seals last from five to ten years depending on the preventative maintenance treatment and the traffic impact on each street. As time passes, the micro-surface layer of the chip seal will wear off due to the wear and tear of the traffic on the roadway, leaving the exposed aggregate. The street drainage pattern will not change by this chip seal application; storm-water runoff will continue to flow off the crown of the road to the edge of pavement and from there flow

downstream. Where the runoff crosses the roadway by design, the chip seal follows the contours of the existing elevations or a concrete valley gutter will allow the runoff to continue across the roadway.

This project is a major component of the Town's preventative maintenance program, which assures that good streets (streets with a pavement condition index of 60+) receive treatments, which will greatly lengthen their lifespan. These treatments, when used on streets rated good or better can prolong the street's useful life and preclude the need for more costly and disruptive street rehabilitation projects almost indefinitely.

The 2013 Cape Seal project is budgeted for construction in FY 2012-13. The project is expected to begin construction by June 2013 and be completed by August 2013.

In response to concerns regarding road closure notification from City Council, staff will widely publicize the chip seal program and will also require the contractor to significantly enhance their notification efforts. In addition to the contractor's door hanger notifications, which were used in previous years, the contractor will place barricades at 100 foot maximum intervals on each street at least forty-eight hours prior to work being performed. All barricades will have No Parking signs and every other barricade will contain Road Closure schedules and contact information should residents or other motorists have questions. Staffs efforts will include, for the first time, advance notifications to residents of the impacted streets via US Mail; will place the construction schedule and notification on the Town's website under "Announcements" and provide an email to all Atherton residents.

By taking these enhanced actions, staffs goal is to eliminate complaints and also eliminate damage to vehicles and the Town's streets caused by vehicles driving through freshly installed slurry seals.

ANALYSIS:

Five (5) bids were received for the 2013 Cape Seal Project as follows:

<u>CONTRACTOR</u>	<u>LOCATION</u>	<u>BID</u>
Intermountain Slurry Seal	Sparks, NV	\$308,072.00
Windsor Fuel Company	Pittsburg, CA	\$322,000.00
Graham Contractors, Inc.	San Jose, CA	\$323,537.40
American Asphalt Repair and Resurfacing	Hayward, CA	\$389,186.90
Valley Slurry Seal, Inc.	W. Sacramento, CA	\$422,887.00

Intermountain Slurry Seal, the low bidder, chose to provide an oil-based product that is an "as equal" substitute to the Town's bid specifications. The Special Provisions required that the contractor use a product called Polymer Asphalt Surface Sealer (PASS CR), an asphalt emulsion with a latex polymer, rejuvenating agent and asphalt.

Staff has reviewed laboratory test reports that shows that the alternate product meets specifications, interviewed three references provided by the Contractor that state the product is an equal product or better, and have visually inspected streets that used the product specified by the Contractor. Staff feels confident that the product known as PMRE performs “as equal” or better than PASS CR and therefore that Intermountain’s bid is responsive to the bid documents.

FISCAL IMPACT:

Funds (Parcel Tax funds and Road Impact Fees) in the amount of \$380,000 are budgeted for this project in FY 2012-13. The Engineer’s Estimate for the 2013 Cape Seal Project is \$365,000.

Prepared By:

Approved:

Michael Kashiwagi, P.E.
Community Service Director

George Rodericks
City Manager

Attachments: Attachment A – List of streets to be sealed/striped
Attachment B – Map of streets to be sealed (project Title Sheet)

ATTACHMENT A

CAPE SEAL WORK SHEET

STREET	FROM	TO
ALTA VISTA DR	RIDGEVIEW	FLETCHER
IRVING AV	HEATHER DR	MAGNOLIA DR
SURREY LN	MIDDLEFIELD RD	END
ACACIA DR	FLOOD CIRCLE	CATALPA DR
FAIR OAKS LN	N/O 81 FAIR OAKS LN	WEST END
FAIRVIEW AV	ATHERTON AV	CAMINO AL LAGO
HOWARD WAY	MACBAIN AV	END
ORCHARD HILLS	POLHEMUS AV	END
RALSTON RD	STOCKBRIDGE AV	ALMENDRAL AV
HERITAGE CT	MIDDLEFIELD RD	END
ISABELLA AV	BRITTON AV	SPENCER LN
MELANIE LN	STOCKBRIDGE	END
STOCKBRIDGE AV	SHEARER DR	EL CAMINO REAL
BELBROOK WY	WALSH RD	END
CAMINO POR LOS ARBOLES	CAMINO DE LOS ROBLES	VALPARAISO AV
IRVING AV	MAGNOLIA DR	JAMES AV
KILROY WY	POLHEMUS AV	END
LEON WY	VICTORIA DR	END
MULBERRY LN	INTERSECTION @ MULBERR	EAST END
ROBLEDA DR	SERRANO DR	AUSTIN AV
WALNUT AV	EL CAMINO REAL	STATION LN
WALSH RD	END	RESERVOIR RD
WISTERIA WY	ROSEWOOD DR	END
FLETCHER DR	FLETCHER DR	END

Striping Only streets (2 Coats)

Encinal Ave	Pavement change	Middle of Laurel
Middlefield Rd	Redwood City City Limit	Menlo Park City Limit

NO.	DATE	DESCRIPTION	BY
1		PLANS FOR BID	DSH

REGISTERED CIVIL ENGINEER	DATE
TOWN OF ATHERTON DEPARTMENT OF PUBLIC WORKS 1111 ATHERTON, CA 95027	

THIS PLAN WAS PREPARED UNDER MY DIRECTION
 APPROVED BY: MICHAEL KASHIWAGI
 DIRECTOR OF PUBLIC WORKS R.C.E. 33176

DRAWN	DESIGN	QUANTITIES
By: D. HUYNH	By: D. HUYNH	By: M. KASHIWAGI
Checked: M. KASHIWAGI	Checked: M. KASHIWAGI	Checked: M. KASHIWAGI

TOWN OF ATHERTON
 DEPARTMENT OF PUBLIC WORKS

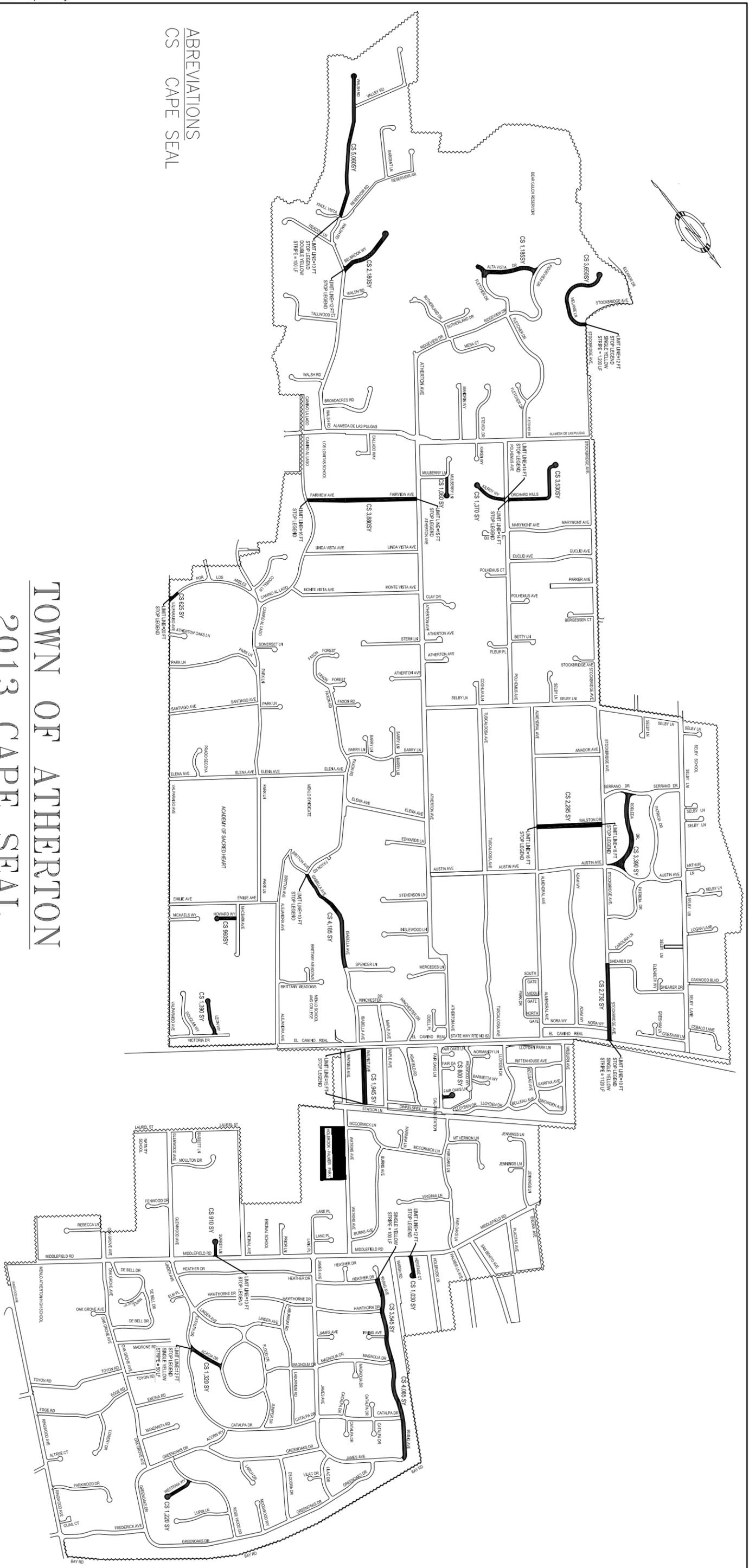


2013 CAPE SEAL PROJECT
 TITLE SHEET

DISSEMINATE PRINTS BEARING EARLIER PLOT DATES	DATE PLOTTED	SHEET	OF
	01/25/13	1	1

ABBREVIATIONS
 CS CAPE SEAL

TOWN OF ATHERTON 2013 CAPE SEAL PROJECT #56056





Town of Atherton

CITY COUNCIL STAFF REPORT - CONSENT

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: THERESA DELLASANTA, CITY CLERK

DATE: APRIL 17, 2013

**SUBJECT: ADOPT RESOLUTION APPROVING DESTRUCTION OF RECORDS
RETAINED BY ADMINISTRATION**

RECOMMENDATION

Adopt resolution authorizing the destruction of certain records retained by the Administration Department.

DISCUSSION

Section 34090 of the Government Code of the State of California provides a procedure whereby any City records which has served its purpose and is no longer required may be destroyed. Resolution 10-26, approved by City Council on May 19, 2010 established a records retention policy for the following Departments:

City Manager
City Attorney
City Clerk
Police Department
Human Resources
Planning Department

The retention policy is based on guidelines adopted by the State of California for the retention period for various government records.

The Administration Department has identified records that exceed the retention periods established by Resolution 10-26, as shown on exhibit A to attachment 1. As required by the Resolution and State Law, the City Clerk and the City Attorney have approved the identified records for destruction.

FISCAL IMPACT

None.

Prepared by:

Approved by:

Theresa DellaSanta, City Clerk

George Rodericks, City Manager

Attachment: Resolution including exhibit listing records for destruction

RESOLUTION NO. 13-XX

**RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AUTHORIZING THE DESTRUCTION OF CERTAIN RECORDS RETAINED
BY THE ADMINISTRATION DEPARTMENT**

WHEREAS, On May 19, 2010, the City Council approved Resolution No. 10-26 establishing a policy for retention of records; and,

WHEREAS, after review of several files, certain records became eligible for retention review and were audited by the City Clerk; and,

WHEREAS, these certain records, as identified on the attached Exhibit, have been reviewed and determined to hold no administrative or historical value; and,

WHEREAS, The City Clerk and the City Attorney have filed written consent to the destruction of the records identified on Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the Town of the that the records identified on Exhibit A are no longer required for storage, and having written consent of the City Attorney, the destruction of these records is hereby authorized.

PASSED AND ADOPTED at a meeting of the City Council of the Town of Atherton held on the 17th day of April, 2013 by the following vote:

<i>AYES:</i>	<i>COUNCILMEMBERS:</i>
<i>NOES:</i>	<i>COUNCILMEMBERS:</i>
<i>ABSENT:</i>	<i>COUNCILMEMBERS:</i>
<i>ABSTAIN:</i>	<i>COUNCILMEMBERS:</i>

Elizabeth Lewis, MAYOR
Town of Atherton

ATTEST:

Theresa DellaSanta, City Clerk

APPROVED AS TO FORM:

William B. Conners, City Attorney

LIST OF RECORDS FOR DESTRUCTION

Request to destroy the following lists if records pursuant to Town of Atherton Resolution No. 10-26

Special Event Applications 2004-2009
Commission Handbooks
Town Rosters
2011 Atherton Library Architect proposals
2011 Atherton library project management services proposals
2011 Building and Life Safety Proposals
2011 City Attorney Proposals
2011 Proposals for an updated master fee schedule
2011 Proposals for property tax audit
2009 Proposals to provide annual audit
2008 Proposals to conduct cost allocation and master fee schedule
1998 Cities Group Administrative memos
1998 Godbe Research on public opinion
San Mateo County Elected Officials handbooks
1989 City Clerks Master Index of Files
2000-2003 summaries of election law booklets
2007 Actions/Interface at 370/384 Atherton Avenue
Menlo-Atherton High School Performing Arts Center Programming Book

Claims:

Grass B v. Town of Atherton – 1993 violation of Civil Rights
1997 Chin Family – Fatality at El Camino Real
2002 Systems Business Machines
1998 Joyce Bloomquist
2002 Jeff Reyes
2008 Pilar Ortiz-Buckley
2006 Mele Genaro
2002 Richard Lemmon
2002 Mark Spencer
2002 Nevin Speiker
2002 MSI Insurance
2002 Hartford Insurance
2003 Sean Sundland
2005 Redwood Fire & Casualty Insurance
2005 Patricia Crass
2003 Jacqueline Peterson
2006 Albert Feaster
2009 Penske Truck Leasing
2009 Tiffany Telles



Town of Atherton

CITY COUNCIL STAFF REPORT - REGULAR

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: FOR THE MEETING OF APRIL 17 2013

SUBJECT: ACCEPTANCE OF FISCAL YEAR 2011-2012 BASIC FINANCIAL STATEMENTS, REPORT ON COMPLIANCE WITH THE AGREEMENT FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE A FUNDS FOR LOCAL TRANSPORTATION PURPOSE, AGREED UPON PROCEDURES REPORT ON COMPLIANCE WITH THE PROPOSITION 111 APPROPRIATIONS LIMIT, AND MEMORANDUM ON INTERNAL CONTROL AND REQUIRED COMMUNICATIONS

RECOMMENDATION

Accept FY 2011-2012 Basic Financial Statements, Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds, Agreed Upon Procedures Report on Compliance with the Proposition 111 Appropriations Limit, and the Memorandum on Internal Control and Required Communications.

DISCUSSION

The Town received an "unqualified" or "clean" opinion from Maze & Associates. The General Fund had a Net Change in Fund Balance of (\$13,681) compared to a Net Change in FY 10/11 of (\$412,575).

The Finance Committee reviewed and discussed Basic Financial Statements and Memorandum of Internal Controls with Mark Wong audit partner of Maze & Associates on April 9, 2013. The Committee is recommending that the City Council accept the reports.

FISCAL IMPACT

None

Prepared by:

Approved by:

Robert Barron III, Finance Director

George Rodericks, City Manager

Attachment:

1. FY 2011-2012 Basic Financial Statements
2. FY 2011-2012 Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes
3. Agreed Upon Procedures Report on Compliance with the Proposition 111 Appropriations Limit
4. Memorandum on Internal Control and Required Communications

TOWN OF ATHERTON, CALIFORNIA
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

Prepared by
FINANCE DEPARTMENT

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TOWN OF ATHERTON
Basic Financial Statements
For the Year Ended June 30, 2012

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TOWN OF ATHERTON
Basic Financial Statements
For the Year Ended June 30, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Atherton, California

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Atherton (Town) as of and for the year ended June 30, 2012, as listed in the Table of Contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards for financial audits contained in *Governmental Auditing Standards* issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Atherton at June 30, 2012, and the results of its operations and the cash flows of its proprietary fund types where applicable thereof, and budgetary comparisons for major general and special revenue funds for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2012 on our consideration of the Town of Atherton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to this information in accordance with generally accepted auditing standards in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that comprise the Town of Atherton's financial statements as a whole. The Supplemental Information is presented for purposes of additional analysis and is not a required part of the financial statements. The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards in the United States of America. In our opinion, the Supplemental Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mare & Associates

October 12, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Atherton, we offer readers of the Town of Atherton's financial statements this narrative overview and analysis of the financial activities of the Town of Atherton for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Atherton exceeded its liabilities at the close of the most recent fiscal year by \$46,349,504 (*net assets*). Of this amount, \$6,880,530 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$685,406. The increase is due to higher property tax, sales tax, and other taxes revenues and savings from reorganization.
- As of the close of the current fiscal year, the Town of Atherton's governmental funds reported combined ending fund balances of \$16,853,542, a decrease of \$106,020 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$3,520,405, or 30.3 percent of total general fund expenditures. The Town adopted a fund balance policy of not dropping the unassigned fund balance below 20% of the actual annual operating expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town of Atherton's basic financial statements. The Town of Atherton's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Atherton's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* presents information on all of the Town of Atherton's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Atherton is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Atherton that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Town of Atherton include general government, planning, building, public safety (Police), and public works.

The government-wide financial statements can be found on pages 12-13 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Atherton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Atherton can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Atherton maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Tax Special Revenue Fund, and Library Special Revenue Fund, all of which are considered to be major funds. The Town of Atherton also elected to include Facilities Construction Capital Projects Fund as major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town of Atherton adopts an annual appropriated budget for its General Fund, Special Tax Special Revenue Fund, and Library Special Revenue Fund. A budgetary comparison statement has been provided for the General Fund, Special Tax Special Revenue Fund, and Library Special Revenue Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on **pages 16-23** of this report.

Proprietary funds. The Town of Atherton maintains one type of proprietary funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town of Atherton various functions. The Town of Atherton uses internal service funds to account for its fleet of vehicles and equipment, workers' compensation liability, general and employment liabilities, and employee benefits including compensated absences and other post-employment benefits other than pension. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on **pages 26-28** of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town of Atherton's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on **page 30** of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on **pages 31-54** of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* providing a budgetary comparison statement for General Fund, Special Tax Special Revenue Fund, Library Special Revenue Fund, and Road Construction Special Revenue Fund. Required supplementary information can be found on **pages 20-23** of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on **pages 56-68** of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Atherton, assets exceeded liabilities by \$46,349,504 at the close of the most recent fiscal year.

By far the largest portion of the Town of Atherton's net assets (62 percent) reflects its investment in capital assets (e.g., land, buildings, vehicles, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of Atherton uses capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town of Atherton's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town's of Atherton Net Assets

	Governmental activities	
	2012	2011
Current and other assets	\$ 21,652,560	\$ 21,732,408
Capital assets	28,835,793	28,865,421
Total assets	50,488,353	50,597,829
Current liabilities	2,287,495	3,060,462
Noncurrent liabilities	1,851,354	1,873,269
Total liabilities	4,138,849	4,933,731
Net Assets:		
Invested in capital assets, net of related debt	28,835,793	28,785,929
Restricted	10,633,181	10,725,520
Unrestricted	6,880,530	6,152,649
Total net assets	\$ 46,349,504	\$ 45,664,098

An additional portion of the Town of Atherton net assets (23 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$6,880,530 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Atherton is able to report positive balances for all three categories of net assets related to governmental activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased the Town of Atherton's net assets by \$685,406. The increase was due to higher property tax, sales tax, building department revenues and other taxes revenues and reorganization during the fiscal year which led to a decrease in internal service fund accruals.

Town of Atherton's Changes in Net Assets

	Governmental activities	
	2012	2011
Revenues:		
Program revenues:		
Charges for services	\$ 2,111,785	\$ 2,895,492
Operating grants and contributions	727,577	677,424
Capital Grants and Contributions	-	506,273
General revenues:		
Taxes	11,124,655	10,502,924
Investment earnings	129,185	114,324
Other revenues	194,616	308,289
Total revenues	14,287,818	15,004,726
Expenses:		
General government	3,162,128	3,069,974
Public works	3,608,614	5,176,720
Police	5,322,561	5,089,329
Building	1,321,818	1,169,139
Planning	187,291	185,471
Total expenses	13,602,412	14,690,633
Change in Net Assets	685,406	314,093
Transfers	-	-
Net assets - Beginning	45,664,098	45,350,005
Net assets - Ending	46,349,504	45,664,098

- Charges for services decreased by \$783,707 (31 percent) during the year. The decrease was primarily due to lower public work department revenues of \$902,354 primarily from the prior year reimbursement Road Construction impact fee.
- Operating grants and contribution increased by \$50,153 (7 percent) during the year. The increase was primarily due to higher San Mateo County Measure A revenue of \$23,129 and \$ 34,982 of Gas Tax revenue.
- Capital grants and contributions decreased by \$506,273 (100 percent) during the year. The decrease was primarily due to the Town's decision to stop collecting road impact fees and no new projects reimbursements grants from local and state agencies.
- Taxes increased by \$621,731 (6 percent) during the year. The increase was primarily due to \$323,712 of property tax, a one time increase \$79,749 in sales tax, \$104,059 increase in garbage tax, and \$79,558 increase in document transfer tax.
- Investment earnings increased by \$14,861 (13 percent) during the year. The increase was primarily due to reimbursement from Lehman brother settlement \$33,311, without this amount, the investment income actually decreased. Other revenues decreased by \$113,673 (46 percent) during the year. The decreased was primarily due to one-time

reimbursement of \$64,087 for public works repairs and \$75,655 for unclaimed property escheated.

- Total Government Activities expenses decreased by \$1,088,221 (8 percent) during the year. The decrease was primarily due to reorganization of Public Works and Building department and unfilled department head positions.

Financial Analysis of the Government's Funds

As noted earlier, the Town of Atherton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

From FY 2011, The Town adopted the provision of Governmental Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. Additional information can be found in Note 7 on pages 43 through 46 in the financial statements.

Governmental funds:

The focus of the Town of Atherton's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Atherton's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund The general fund is the chief operating fund of the Town of Atherton. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,520,405 while total fund balance reached \$6,220,361. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30.3 percent of the total general fund expenditures, While total fund balance represents 53.7 percent of that same amount.

The fund balance of the Town of Atherton's general fund decreased by \$13,681 during the current fiscal year.

Special Tax Special Revenue Fund has a total fund balance of \$875,110, all of which is reserved for the street and drainage facility maintenance and polices services. Revenue in the fund showed no significant variation from prior year. Expenditure decreased by \$817,446.

Library Special Revenue Fund has a total fund balance of \$6,229,427, all of which is reserved for the library operation. Revenue was higher than prior year due to return of excess donor city fund.

General Fund Budgetary Highlights

During the year there was a \$2,110,324 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$1,224,321 to pay off CalPERS safety side fund.
- \$252,996 to cover additional contribution for solid waste. \$473,687 building department increase that tied to revenue.

During the year, the revenue budget increased by \$605,900. Followings are the main components of the increase:

- \$99,050 higher secured property tax
- \$118,000 higher ERAF revenue.
- \$75,000 higher sales and use tax
- \$75,000 higher franchise tax garnage
- \$40,000 higher document transfer tax
- \$321,500 higher building department revenue.

Capital Assets and Debt Administration

Capital assets. The Town of Atherton's investment in capital assets for its governmental activities as of June 30, 2012, amounts to \$28,835,793 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings, furniture and fixtures, machinery and equipment, vehicles, streets, drainage systems, and construction in progress. Construction in progress decreased by \$1,629,371. This is mainly due to completion of the Fletcher Ridgeview drainage project,

Town of Atherton's Capital Assets (net of depreciation)

	Governmental activities	
	2012	2011
Land	690,884	690,884
Construction in progress	433,394	2,062,765
Building	1,042,051	1,092,615
Other Improvements	449,224	491,177
Vehicles	368,439	363,923
Computer Equipment/Software	77,363	172,236
Furniture & Fixture	7,411	10,376
Machinery & Equipment	84,772	111,400
Infrastructure	25,682,255	23,870,045
Total Fixed Assets	28,835,793	28,865,421

Additional information about the Town's capital assets can be found in Note 5 on pages 40 through 42 in the financial statements.

Long-term debt. At the end of the current fiscal year, the Town of Atherton has total debt outstanding of \$238,330.

Town of Atherton's Outstanding Debt

	Governmental activities	
	2012	2011
Software capital lease	24,330	48,660
Workers' compensation assessment	214,000	321,000
Total Debt	238,330	369,660

The Town of Atherton's reported \$238,330 of total debt during the current fiscal year.

- \$24,330 in capital lease with Springbrook Software for financial software licensing
- \$214,000 in assessment due to The Cities Group to cover negative workers' compensation reserve.

Additional information on the Town of Atherton's outstanding debt can be found in note 6 on page 42-43 of this report.

Economic Factors and Next Year's Budgets

At the date of publication of this report, there is continuing uncertainty regarding Town revenues for the coming fiscal year and beyond. Property taxes comprise 63% of the General Fund revenues and it appears that this will remain a stable source of revenue into the coming year. However, due to the slower than anticipated recovery in the economy, the property tax revenue is projected to increase by 2%.

The Town of Atherton expects to monitor property tax values and development, as well as reform to pension obligations and other post -employment benefits, Analysis on future costs will continue to be a focus as we intend to meet long term obligations and Town operating expenditures. The goal is to continue to provide current level of services to the community.

Requests for Information

This financial report is designed to provide a general overview of the Town of Atherton's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 91 Ashfield Road, Atherton, CA 94027 or www.ci.atherton.ca.us.

TOWN OF ATHERTON

**STATEMENT OF NET ASSETS AND
STATEMENT OF ACTIVITIES**

The Statement of Net Assets and the Statement of Activities summarize all of the Town's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the Town's assets and liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the Town's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between Town funds have been eliminated.

The Statement of Net Assets reports the difference between the Town's total assets and the Town's total liabilities, including all the Town's capital assets. The Statement of Net Assets presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the Town's net assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all the Town's Governmental Activities in a single column, and the financial position of all the Town's Business-Type Activities in a single column. These columns are followed by a Total column that presents the financial position of the entire Town.

The Town's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, and Capital Projects Funds.

The Statement of Activities reports increases and decreases in the Town's net assets. It is also prepared on the full accrual basis, which means it includes all the Town's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities presents the Town's expenses, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of governmental program. The Town's general revenues are then listed in the Governmental Activities column, as appropriate, and the Change in Net Assets is computed and reconciled with the Statement of Net Assets.

These financial statements, along with the fund financial statements and footnotes, are called *Basic Financial Statements*.

TOWN OF ATHERTON
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities
ASSETS	
Cash and investments (Note 3)	\$20,438,585
Receivables:	
Taxes	1,080,055
Grants	5,441
Interest	9,453
Other	111,030
Prepaid expenses	7,996
Capital assets (Note 5):	
Non-depreciable	1,124,278
Depreciable, net	27,711,515
Total Capital assets	28,835,793
Total Assets	50,488,353
LIABILITIES	
Accounts payable	830,889
Accrued liabilities	265,006
Deposits payable	819,267
Compensated absences (Note 1F)	
Due in less than one year	241,003
Due in more than one year	159,274
Long-term debt (Note 6)	
Due within one year	131,330
Due in more than one year	107,000
Net OPEB obligation (Note 9)	
Due in more than one year	1,585,080
Total Liabilities	4,138,849
NET ASSETS (Note 7)	
Investment in capital assets	28,835,793
Restricted for:	
Streets and drainage maintenance and police services	875,110
Library operations	6,229,427
Public facilities constructions	2,095,385
Special revenue projects	1,101,896
Capital projects	331,363
Unrestricted	6,880,530
Total Net Assets	\$46,349,504

See accompanying notes to financial statements

TOWN OF ATHERTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Primary Government:				
General government	\$3,162,128	\$943	\$19,660	(\$3,141,525)
Public works	3,608,614	399,477	482,824	(2,726,313)
Police	5,322,561	88,347	225,093	(5,009,121)
Building	1,321,818	1,458,444		136,626
Planning	187,291	164,574		(22,717)
	<u>\$13,602,412</u>	<u>\$2,111,785</u>	<u>\$727,577</u>	<u>(10,763,050)</u>
General revenues:				
Taxes:				
Property taxes				9,651,970
Sales taxes				220,647
Other taxes				1,252,038
				<u>11,124,655</u>
Total Taxes				<u>11,124,655</u>
Investment earnings				129,185
Miscellaneous				194,616
				<u>11,448,456</u>
Total General Revenues				<u>11,448,456</u>
Change in Net Assets				<u>685,406</u>
Net Assets-Beginning				<u>45,664,098</u>
Net Assets-Ending				<u>\$46,349,504</u>

See accompanying notes to financial statements

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MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the Town in fiscal 2012. Individual non-major funds may be found in the Supplemental Section.

GENERAL FUND

The General Fund accounts for all the general revenues and financial resources of the Town not specifically levied or collected for the other Town funds, as well as the related expenditures.

SPECIAL TAX SPECIAL REVENUE FUND

Accounts for parcel tax assessments received from property owners to be used for maintenance of streets drainage and police services.

LIBRARY SPECIAL REVENUE FUND

Accounts for the property tax funds dedicated to the Town's library operations.

ROAD CONSTRUCTION SPECIAL REVENUE FUND

Accounts for costs recovered from applicants for accelerated wear and tear to the Town's road as a result of construction projects.

FACILITIES CONSTRUCTION CAPITAL PROJECTS FUND

Accounts for the funds dedicated to facilities construction.

TOWN OF ATHERTON
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012

	Major Funds						Total Governmental Funds
	General Fund	Special Tax Special Revenue Fund	Library Special Revenue Fund	Road Construction Special Revenue Fund	Facilities Construction Capital Projects Fund	Other Governmental Funds	
ASSETS							
Cash and investments (Note 3)	\$7,314,597	\$875,113	\$5,312,173	\$1,045,597	\$2,095,385	\$793,511	\$17,436,376
Receivables:							
Taxes	75,872		969,986			34,197	1,080,055
Grants	5,441						5,441
Interest	9,453						9,453
Other	111,030						111,030
Prepays	6,535						6,535
Total Assets	\$7,522,928	\$875,113	\$6,282,159	\$1,045,597	\$2,095,385	\$827,708	\$18,648,890
LIABILITIES							
Accounts payable	\$343,368		\$52,732	\$241,182		\$193,607	\$830,889
Accrued liabilities	103,811						103,811
Deposits payable	819,264	\$3					819,267
Claims payable	26,863						26,863
Deferred revenue	9,261					5,257	14,518
Total Liabilities	1,302,567	3	52,732	241,182		198,864	1,795,348
FUND BALANCES							
Fund balance (Note 7):							
Nonspendable	6,535						6,535
Restricted		875,110	6,229,427	804,415		373,381	8,282,333
Committed	1,738,519						1,738,519
Assigned	954,902				2,095,385	255,463	3,305,750
Unassigned	3,520,405						3,520,405
Total Fund Balances	6,220,361	875,110	6,229,427	804,415	2,095,385	628,844	16,853,542
Total Liabilities and Fund Balances	\$7,522,928	\$875,113	\$6,282,159	\$1,045,597	\$2,095,385	\$827,708	\$18,648,890

See accompanying notes to financial statements

TOWN OF ATHERTON
Reconciliation of the
GOVERNMENTAL FUNDS -- BALANCE SHEET
with the
STATEMENT OF NET ASSETS
JUNE 30, 2012

Total fund balances reported on the governmental funds balance sheet \$16,853,542

Amounts reported for Governmental Activities in the Statement of Net Assets
are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and
therefore are not reported in the Governmental Funds. 28,474,041

ALLOCATION OF INTERNAL SERVICE FUND NET ASSETS

Internal service funds are not governmental funds. However they used by management to
change the costs of certain activities, such as insurance and central services and maintenance
to individual governmental funds. The net current assets of the Internal Service Funds are therefore
included in the Governmental Activities in the following line items in the Statement of Net Assets.

Cash and investments	3,002,209
Prepays	1,461
Capital assets, net	361,752
Accounts payable and other liabilities / contracts payable	
Compensated absences	(400,277)
Claims payable	(50,000)
Net OPEB Obligation	(1,585,080)
Long term debt	(238,330)

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are deferred on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	14,518
Accrued liabilities	(84,332)

NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$46,349,504
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See accompanying notes to financial statements

TOWN OF ATHERTON
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	Major Funds						Total Governmental Funds
	General Fund	Special Tax Special Revenue Fund	Library Special Revenue Fund	Road Construction Special Revenue Fund	Facilities Construction Capital Projects Fund	Other Governmental Funds	
REVENUES							
Property taxes	\$6,732,067		\$969,986			\$80,232	\$7,782,285
Special assessments		\$1,869,685					1,869,685
Sales taxes	289,801						289,801
Other taxes	1,068,951						1,068,951
Measure A grants						287,712	287,712
From other governmental agencies	78,126					362,675	440,801
Permit and licenses	183,087						183,087
Fines and forfeitures	60,734						60,734
Service charges	1,970,960						1,970,960
Use of money and property	169,966	5,810	35,761	7,000	\$13,565	4,404	236,506
Miscellaneous	60,108	23,933				148	84,189
Total Revenues	10,613,800	1,899,428	1,005,747	7,000	13,565	735,171	14,274,711
EXPENDITURES							
Current:							
General government	3,146,894	5,186					3,152,080
Planning	187,291						187,291
Building	1,344,338						1,344,338
Police	5,371,944					109,880	5,481,824
Public Works	1,478,110	116,579		303,530		344,471	2,242,690
Non-departmental			350,583			16,974	367,557
Capital outlay	61,548	1,279,184				264,219	1,604,951
Total Expenditures	11,590,125	1,400,949	350,583	303,530		735,544	14,380,731
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(976,325)	498,479	655,164	(296,530)	13,565	(373)	(106,020)
Other Financing Sources (uses):							
Transfer in (Note 4)	1,116,000				153,356		1,269,356
Transfer (out) (Note 4)	(153,356)	(1,116,000)					(1,269,356)
Total Other Financing Sources (uses)	962,644	(1,116,000)			153,356		
Net change in fund balances	(13,681)	(617,521)	655,164	(296,530)	166,921	(373)	(106,020)
BEGINNING FUND BALANCES	6,234,042	1,492,631	5,574,263	1,100,945	1,928,464	629,217	16,959,562
ENDING FUND BALANCES	\$6,220,361	\$875,110	\$6,229,427	\$804,415	\$2,095,385	\$628,844	\$16,853,542

See accompanying notes to financial statements

TOWN OF ATHERTON
 Reconciliation of the
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2012

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (\$106,020)

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay expenditures are therefore added back to fund balance	1,890,614
Retirements, net, are deducted from fund balance	(223,127)
Depreciation expense is deducted from the fund balance	(1,627,108)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Deferred Revenue	(36,572)
Accrued liabilities	283,300

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities such as equipment acquisition, maintenance, and insurance to individual funds.

The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Asset - All Internal Service Funds	504,319
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$685,406
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See accompanying notes to financial statements

TOWN OF ATHERTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$6,424,450	\$6,643,500	\$6,732,067	\$88,567
Sales taxes	175,500	250,500	289,801	39,301
Other taxes	822,000	967,500	1,068,951	101,451
Permits and licenses	150,000	160,000	183,087	23,087
Fines and forfeitures	47,000	55,000	60,734	5,734
From other governmental agencies	39,035	37,035	78,126	41,091
Service charges	1,547,300	1,705,550	1,970,960	265,410
Use of money and property	179,282	171,882	169,966	(1,916)
Other	38,200	37,700	60,108	22,408
Total Revenues	9,422,767	10,028,667	10,613,800	585,133
EXPENDITURES:				
Current:				
General government				
City council	21,328	26,728	16,555	10,173
Administration	816,617	622,561	469,675	152,886
City attorney	282,000	230,000	150,630	79,370
Finance	651,548	673,688	557,493	116,195
Non-departmental	480,304	2,033,634	1,952,541	81,093
General government total	2,251,797	3,586,611	3,146,894	439,717
Planning	192,647	227,647	187,291	40,356
Building	871,437	1,345,124	1,344,338	786
Public works	1,726,570	1,773,026	1,478,110	294,916
Police	5,302,197	5,434,414	5,371,944	62,470
Capital outlay	138,630	226,780	61,548	165,232
Total Expenditures	10,483,278	12,593,602	11,590,125	563,760
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,060,511)	(2,564,935)	(976,325)	1,588,610
OTHER FINANCING SOURCES USES				
Transfer in (Note 4)	(1,116,000)	1,116,000	1,116,000	
Transfer (out) (Note 4)	(153,356)	(153,356)	(153,356)	
NET CHANGE IN FUND BALANCE	(\$2,329,867)	(\$1,602,291)	(13,681)	\$1,588,610
Fund balance, beginning of year			6,234,042	
Fund balance, end of year			\$6,220,361	

See accompanying notes to financial statements

TOWN OF ATHERTON
SPECIAL TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Special assessments	\$1,860,000	\$1,860,000	\$1,869,685	\$9,685
Use of money and property			5,810	5,810
From other governmental agencies			23,933	23,933
			<u>1,899,428</u>	<u>39,428</u>
Total Revenues	<u>1,860,000</u>	<u>1,860,000</u>	<u>1,899,428</u>	<u>39,428</u>
EXPENDITURES:				
Current:				
General government	1,550	1,550	5,186	(3,636)
Public works	116,580	116,580	116,579	1
Capital outlay	136,745	1,359,352	1,279,184	80,168
			<u>1,400,949</u>	<u>76,533</u>
Total Expenditures	<u>254,875</u>	<u>1,477,482</u>	<u>1,400,949</u>	<u>76,533</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out) (Note 4)	(1,116,000)	(1,116,000)	(1,116,000)	
			<u>(1,116,000)</u>	
Total Other Financing Sources (Uses)	<u>(1,116,000)</u>	<u>(1,116,000)</u>	<u>(1,116,000)</u>	
Net change in fund balance	<u>\$489,125</u>	<u>(\$733,482)</u>	(617,521)	<u>(\$115,961)</u>
Fund Balance, beginning of year			<u>1,492,631</u>	
Fund Balance, end of year			<u>\$875,110</u>	

See accompanying notes to financial statements

TOWN OF ATHERTON
LIBRARY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Property taxes	\$750,000	\$750,000	\$969,986	\$219,986
Use of money and property	40,000	40,000	35,761	(4,239)
Total Revenues	<u>790,000</u>	<u>790,000</u>	<u>1,005,747</u>	<u>215,747</u>
EXPENDITURES:				
Library Maintenance	<u>321,694</u>	<u>321,695</u>	<u>350,583</u>	<u>(28,888)</u>
Total Expenditures	<u>321,694</u>	<u>321,695</u>	<u>350,583</u>	<u>(28,888)</u>
NET CHANGES IN FUND BALANCE	<u>\$468,306</u>	<u>\$468,305</u>	655,164	<u>\$186,859</u>
BEGINNING FUND BALANCE			<u>5,574,263</u>	
ENDING FUND BALANCE			<u>\$6,229,427</u>	

See accompanying notes to financial statements

TOWN OF ATHERTON
ROAD CONSTRUCTION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Service charges				
Use of money and property			\$7,000	\$7,000
Total Revenues			7,000	7,000
EXPENDITURES:				
Public works	\$276,214	\$276,214	303,530	(27,316)
Total Expenditures	276,214	276,214	303,530	(27,316)
NET CHANGES IN FUND BALANCE	<u>(\$276,214)</u>	<u>(\$276,214)</u>	(296,530)	<u>(\$20,316)</u>
BEGINNING FUND BALANCE			1,100,945	
ENDING FUND BALANCE			<u>\$804,415</u>	

See accompanying notes to financial statements

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PROPRIETARY FUNDS

Proprietary funds account for Town operations financed and operated in a manner similar to a private business enterprise. The intent of the Town is that the cost of providing goods and services be financed primarily through user charges.

INTERNAL SERVICE FUND

Accounts for special activities and services performed by a designated Town department on a cost reimbursement basis.

TOWN OF ATHERTON
 PROPRIETARY FUND
 STATEMENT OF NET ASSETS
 JUNE 30, 2012

	Governmental Activities - Internal Service Funds
ASSETS	
Current assets	
Cash and investments (Note 3)	\$3,002,209
Prepays	1,461
Noncurrent Assets:	
Capital assets (Note 5):	
Depreciable	1,028,884
Less accumulated depreciation	(667,132)
Total capital assets	361,752
Total noncurrent assets	361,752
Total Assets	3,365,422
LIABILITIES	
Current liabilities:	
Accounts payable	
Compensated absences (Note 1F)	241,003
Long term debt (Note 6)	131,330
Total current liabilities	372,333
Non-current liabilities:	
Compensated absences (Note 1F)	159,274
Long term debt (Note 6)	107,000
Net OPEB obligation (Note 9)	1,585,080
Claims payable (Note 10)	50,000
Total noncurrent liabilities	1,901,354
Total Liabilities	2,273,687
NET ASSETS (Note 7)	
Invested in capital assets	361,752
Unrestricted	729,983
Total Net Assets	\$1,091,735

See accompanying notes to financial statements

TOWN OF ATHERTON
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2012

	Governmental Activities- Internal Service Funds
OPERATING REVENUES	
Charges for services	<u>\$1,541,161</u>
Total Operating Revenues	<u>1,541,161</u>
OPERATING EXPENSES	
Insurance	241,665
OPEB expense	623,161
Supplies and maintenance	45,919
Employee benefits earned	
Depreciation	<u>145,472</u>
Total Operating Expenses	<u>1,056,217</u>
Operating Income	<u>484,944</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	<u>19,375</u>
Total Nonoperating Revenues	<u>19,375</u>
Change in net assets	504,319
BEGINNING NET ASSETS	<u>587,416</u>
ENDING NET ASSETS	<u><u>\$1,091,735</u></u>

See accompanying notes to financial statements

TOWN OF ATHERTON
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012

	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Interdepartmental charges	\$1,541,161
Payments to suppliers	(880,494)
Cash Flows from Operating Activities	660,667
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets, net	(75,465)
Principal payments on long term debt	(131,330)
Cash Flow (used) for Capital and Related Financing Activities	(206,795)
 CASH FLOWS FORM INVESTING ACTIVITIES	
Interest Income	19,375
Cash Flow from Investing Activities	19,375
Net Cash Flow	473,247
Cash and investments at beginning of period	2,528,962
Cash and investment at end of period	\$3,002,209
 Reconciliation of Operating Income to Cash Flows	
from Operating Activities	
Operating income	\$484,944
Adjustments to reconcile operating income to cash flows	
from operating activities:	
Depreciation	145,472
Compensated absences	(266,735)
Changes in assets and liabilities:	
Prepays	(1,461)
Accounts payable	(5,850)
Accrued liabilities	9,225
Net OPEB obligation	295,072
Cash Flows from Operating Activities	\$660,667

See accompanying notes to financial statements

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

TOWN OF ATHERTON
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012

	<u>Agency Funds</u>
ASSETS	
Cash and investments (Note 3)	<u>\$30,584</u>
Total Assets	<u><u>\$30,584</u></u>
LIABILITIES	
Deposits payable	<u>\$30,584</u>
Total Liabilities	<u><u>\$30,584</u></u>

See accompanying notes to financial statements

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Atherton (the Town) was incorporated as a general law City in 1923 and is situated between the cities of Menlo Park and Redwood City on the Peninsula of the San Francisco Bay Area. The Town operates under the Mayor-Council-Manager form of government. There are five Council Members who serve overlapping terms of four years, and the Council, in turn, elects one of the Council Members to serve as Mayor for one year. The Town provides the following services: public safety (police), public works and streets, park, building and planning, and general administration services.

The financial statements and accounting policies of the Town conform with generally accepted accounting principles applicable to governments. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. *Reporting Entity*

The financial statements of the Town of Atherton include the financial activities of the Town, as well as the Atherton Channel District, which are controlled by and dependent on the Town. Its financial activities has been aggregated and merged (termed “blended”) with those of the town in the accompanying financial statements.

The Atherton Channel District was established to assist in the maintenance and rehabilitation of the areas within the Town determined to be in the flood plain of the local stream. The District has all accounting and administrative functions performed by Town staff and the District receives advances from the Town to finance operations. The financial activities of the District have been included in the Atherton Channel District Capital Projects Fund in the accompanying basic financial statements.

B. *Basis of Presentation*

The Town’s Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

These Statements require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Assets and the Statement of Activities display information about the primary government (the Town). These statements include the financial activities of the overall Town government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, except where interfund services have been received or provided. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as investment earnings, result from nonexchange transactions or ancillary activities.

C. Major Funds

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The Town may also select other funds it believes should be presented as major funds.

The Town reported the following major governmental funds in the accompanying financial statements:

General Fund - Accounts for all the general revenues and financial resources of the Town not specifically levied or collected for the other Town funds, as well as the related expenditures.

Special Tax Special Revenue Fund – Accounts for parcel tax assessments received from property owners to be used for the maintenance of streets and drainage, and police services.

Library Special Revenue Fund - Accounts for property tax funds dedicated to the Town's library operations.

Road Construction Special Revenue Fund - Accounts for costs recovered from applicants for accelerated wear and tear to the Town's road as a result of construction projects.

Facilities Construction Capital Projects Fund - Accounts for the funds dedicated to facilities construction.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Town also reports the following fund types:

Internal Service Fund - Accounts for special activities and services performed by a designated Town department for other departments on a cost reimbursement basis.

Fiduciary Funds. Agency Funds are used to account for assets held by the Town as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

D. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are sales taxes, gas taxes, charges for services, and interest revenue. Fines, licenses and permits are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Town may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The Town's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certain indirect costs are included in program expenses reported for individual functions and activities.

The Town follows Statements and Interpretations of the Financial Accounting Standards Board and its predecessors that were issued on or before November 30, 1989, in accounting for its business-type activities, unless they conflict with Government Accounting Standards Board pronouncements.

E. Property Tax

Revenue is recognized in the period for which the tax and assessment is levied. The County of San Mateo levies, bills and collects property taxes and sewer charges for the Town; the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on January 1 and becomes delinquent on August 31.

The term “unsecured” refers to taxes not secured by real property. These taxes are liens on the person or company named on the tax bill. Property tax revenues are recognized by the Town in the fiscal year they are assessed provided they become available as defined above.

San Mateo County distributes property taxes to jurisdictions according to the “alternate method of property tax distribution” known as the Teeter Plan. Under this plan, the County remits 100% of the levied taxes to the appropriate jurisdictions by June 30 each year, pursuing delinquencies and keeping related late penalties to cover their costs.

F. Compensated Absences

Compensated absences comprise accrued compensated time-off, vacation and holiday pay for all regular employees; vacation and holiday pay for management employees. The Town’s liability for compensated absences is recorded in Governmental Activities. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be permanently liquidated (matured due to termination) are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Assets.

The changes of the compensated absences were as follows:

Beginning Balance	\$667,012
Additions	329,231
Payments	<u>(595,966)</u>
Ending Balance	<u>\$400,277</u>
Current Portion	<u>\$241,003</u>

The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Expenditures in Excess of Budget

The funds below incurred expenditures in excess of their budgets in the amounts below for the year ended June 30, 2012:

Fund Name	Amount
Special Tax Special Revenue Fund - General Government	\$3,636
Library Special Revenue Fund - Library Maintenance	28,888
Supplemental Law Enforcement Services / COPS Grants Special Revenue Fund - Police	9,880
County Measure A Special Revenue Fund	550
Capital Improvement Capital Projects Fund	11,705

H. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

A. Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- By June 30, the City Manager submits to the Town Council a proposed operating and capital budget for the year commencing July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Continuing appropriations are rebudgeted by the Town Council as part of the adoption of subsequent year's budget.
- Public hearings are conducted to obtain taxpayer comments.
- The budget is legally enacted through passage of resolution during a Town Council meeting in the month of June.
- The City Manager is authorized to transfer budget appropriations within departments in conformance with the adopted policies set by the Town Council. All other transfers must be approved by the Town Council. Any revisions that alter the total expenditures of any department must be approved by the Town Council. Expenditures are budgeted at, and may not legally exceed, the department level for the General Fund and the fund level for Special Revenue and Capital Projects Funds. Budgeted amounts shown are as originally adopted, or as amended by the Town Council during the year.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING (Continued)

- Formal budgeting is employed as a management control device during the year for the general and certain special revenue funds.
- Budgets for the general and certain special revenue are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- Budgets for capital projects are adopted on a project life basis.

The following fund was not budgeted for:

- Facilities Construction Capital Projects Fund

NOTE 3 - CASH AND INVESTMENTS

The Town's dependence on property tax receipts requires it to maintain significant cash reserves to finance operations during the remainder of the year. The Town receives property tax in November (5%), December (45%), March (5%), April (35%), May (5%) and June (5%). The Town pools cash from all sources and all funds except Cash with Fiscal Agents so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Town's cash on deposit or first trust deed mortgage notes with a value of 150% of the Town's cash on deposit as collateral for these deposits. Under California Law, this collateral is held in an investment pool by an independent financial institution in the Town's name and places the Town ahead of general creditors of the institution pledging the collateral.

The Town's investments are carried at fair value, as required by generally accepted accounting principles. The Town adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year. In the Town's case, fair value equals fair market value, since all of the Town's investments are readily marketable.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

B. Classification

Cash and investments are classified in the financial statements as shown below.

Statement of Net Assets

Cash and investments available for operations \$20,438,585

Fiduciary Funds

Cash and investments available for operations 30,584

Total Cash and Investments \$20,469,169

Cash and investments as of June 30, 2012 consist of the following:

Cash on hand	\$873
Cash in Bank	423,339
Investments	<u>20,044,957</u>
Total Cash and Investments	<u><u>\$20,469,169</u></u>

Cash and investments are used in preparing the Proprietary Fund statement of cash flows since that fund participates in the Town-wide cash and investment pool. That fund's equity in the pool is in substance a demand deposit which may be drawn down at any time.

C. Investments Authorized by the California Government Code and the Town's Investment Policy

The Town's Investment Policy and the California Government Code allow the Town to invest in the following provided the credit ratings of the issuers are acceptable to the Town; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the Town's Investment Policy where it is more restrictive:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	N/A	No Limit	No Limit
U.S. Agency Securities	5 years	N/A	No Limit	No Limit
Repurchase Agreements	30 days	A / A-1	No Limit	No Limit
Commercial Paper	270 days	A / A-1	25%	5%
Medium Term Notes	5 years	AAA	5%	No Limit
Local Agency Investment Fund	N/A	N/A	50%	No Limit
Money Market Mutual Funds	N/A	AAAm	20%	No Limit

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the Town's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity or earliest call date:

Investment Type	12 Months or less	13 to 24 Months	24 to 60 Months	Total
U.S. Treasury Obligations	\$1,101,821		\$518,010	\$1,619,831
U.S. Agency Securities	505,355	\$500,120	5,516,445	6,521,920
Commercial Paper	1,996,230			1,996,230
California Local Agency Investment Fund	9,809,828			9,809,828
Money Market Mutual Fund	97,148			97,148
Total Investments	<u>\$13,510,382</u>	<u>\$500,120</u>	<u>\$6,034,455</u>	<u>20,044,957</u>
Cash in Banks				423,339
Petty Cash				873
Total Cash				<u>424,212</u>
Total Cash and Investments				<u>\$20,469,169</u>

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Standard and Poor's investment ratings as of June 30, 2012 are as follows:

Investment Type	AAA	A-1	AAAm	Not Rated	Total
U.S. Agency Securities	\$6,521,920				\$6,521,920
U.S. Treasury Obligations				\$1,619,831	1,619,831
Commercial Paper		\$1,996,230			1,996,230
California Local Agency Investment Fund				9,809,828	9,809,828
Money Market Mutual Fund			\$97,148		97,148
Total Investments	<u>\$6,521,920</u>	<u>\$1,996,230</u>	<u>\$97,148</u>	<u>\$11,429,659</u>	<u>\$20,044,957</u>

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

F. Concentration of Credit Risk

Investments in the securities of any individual issuer, other than U. S. Treasury securities, mutual funds, and external investment fund that represent 5% or more of total Entity-wide investments are as follows at June 30, 2012:

Major Fund	Issuer	Investment Type	Reported Amount
General Fund	Federal National Mortgage Association	Federal Agency Securities	\$2,006,315
General Fund	Federal Home Loan Mortgage Corporation	Federal Agency Securities	3,515,390

G. Local Agency Investment Fund

The Town is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Town reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporation. At June 30, 2012, these investments matured in an average of 268 days.

NOTE 4 - INTERFUND TRANSACTIONS

Transfers Between Funds

With Town Council approval, resources may be transferred from one Town fund to another. The purpose of the majority of transfers is to reimburse a fund, which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the fiscal year ended June 30, 2012 were as follows:

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred
General Fund	Special Tax Revenue Fund	\$1,116,000 (A)
Facilities Construction Capital Projects Fund	General Fund	<u>153,356 (B)</u>
		<u>\$1,269,356</u>

(A) Transfer was used to fund General Fund activities

(B) Transfer was used to fund Capital projects

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 5 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

The Town has recorded all its public domain (infrastructure) capital assets, which include streets and roads, curbs and gutters, traffic control devices, drainage systems and street lighting systems.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

The Town has set the capitalization threshold for reporting capital assets at \$5,000 and \$100,000 for infrastructure and a half year of depreciation is recorded in the year of acquisition. Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Town has assigned the useful lives listed below to capital assets:

Buildings	40 years
Other improvements	20 years
Vehicles	5 to 10 years
Computer Equipment & Software	3 years
Machinery and Equipment	5 to 20 years
Infrastructure	20 to 50 years

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 5 - CAPITAL ASSETS (Continued)

A. Current Year Capital Asset Activities

<i>Governmental activities</i>	Balance July 1, 2011	Additions	Retirements	Transfers	Balance June 30, 2012
General Capital Assets					
Capital assets not being depreciated:					
Land	\$690,884				\$690,884
Construction in progress	2,062,765	\$1,786,819	(\$223,127)	(\$3,193,063)	433,394
Total non-depreciable capital assets	<u>2,753,649</u>	<u>1,786,819</u>	<u>(223,127)</u>	<u>(3,193,063)</u>	<u>1,124,278</u>
Capital assets being depreciated:					
Buildings	1,934,299				1,934,299
Other improvements	1,125,668				1,125,668
Computer equipment and software	247,585				247,585
Furniture and Fixtures	34,798				34,798
Vehicle	32,067	28,089			60,156
Machinery and Equipment	415,994				415,994
Infrastructure	52,414,710	75,706		3,193,063	55,683,479
Total capital assets being depreciated	<u>56,205,121</u>	<u>103,795</u>		<u>3,193,063</u>	<u>59,501,979</u>
Less accumulated depreciation for:					
Buildings	841,684	50,564			892,248
Other improvements	634,491	41,953			676,444
Computer equipment and software	159,181	41,060			200,241
Furniture and Fixture	24,422	2,965			27,387
Vehicles	9,620	9,222			18,842
Machinery and Equipment	311,045	24,785			335,830
Infrastructure	28,544,665	1,456,559			30,001,224
Total accumulated depreciation	<u>30,525,108</u>	<u>1,627,108</u>			<u>32,152,216</u>
Net capital assets being depreciated	<u>25,680,013</u>	<u>(1,523,313)</u>		<u>3,193,063</u>	<u>27,349,763</u>
General capital assets, net	<u>\$28,433,662</u>	<u>\$263,506</u>	<u>(\$223,127)</u>		<u>\$28,474,041</u>
Internal Service Funds					
Depreciable capital assets:					
Vehicles	\$824,692	\$75,465	(\$93,674)		\$806,483
Computer Equipment	183,470				183,470
Other Equipment	38,931				38,931
Total depreciable capital assets	<u>1,047,093</u>	<u>75,465</u>	<u>(93,674)</u>		<u>1,028,884</u>
Less: accumulated depreciation for					
Vehicles	483,216	89,816	(93,674)		479,358
Computer Equipment	99,638	53,813			153,451
Other Equipment	32,480	1,843			34,323
Total accumulated depreciation	<u>615,334</u>	<u>145,472</u>	<u>(93,674)</u>		<u>667,132</u>
Internal Service Funds capital assets, net	<u>431,759</u>	<u>(70,007)</u>			<u>361,752</u>
Governmental capital assets, net	<u>\$28,865,421</u>	<u>\$193,499</u>	<u>(\$223,127)</u>		<u>\$28,835,793</u>

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 5 - CAPITAL ASSETS (Continued)

B. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. These contributions are accounted for as revenues at the time the capital assets are contributed.

C. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or programs are as follows:

General government	\$27,312
Public Works	1,528,063
Building	18,455
Police	<u>53,278</u>
Governmental activities subtotal	1,627,108
Internal Service Fund	<u>145,472</u>
Total	<u><u>\$1,772,580</u></u>

NOTE 6 – LONG TERM DEBT

A. Long Term Obligations

	Balance June 30, 2011	Retirements	Balance June 30, 2012	Current Portion
<i>Governmental Activity Debt:</i>				
Software capital lease	\$48,660	\$24,330	\$24,330	\$24,330
Workers' compensation assessment	<u>321,000</u>	<u>107,000</u>	<u>214,000</u>	<u>107,000</u>
Total Governmental Activity Debt	<u><u>\$369,660</u></u>	<u><u>\$131,330</u></u>	<u><u>\$238,330</u></u>	<u><u>\$131,330</u></u>

B. Software capital lease

In fiscal year 2009, the Town began preparation to install a new accounting software system. As part of the software license agreement, the Town agreed to pay \$24,330 per year, for five years which commenced in fiscal year 2009.

C. Workers' Compensation Assessment

During fiscal year 2010, the Town was informed that its workers' compensation insurance reserve with the JPA Group was drawn to a negative. As a result, the Town has agreed to a special assessment in which the Town would make payments over the next four fiscal years to replenish the reserve.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 6 – LONG TERM DEBT (Continued)

D. Debt Service Requirements

At June 30, 2012, the Software capital lease along with the Workers' compensation assessment payments to maturity were as follows:

Year ending June 30,	Amount
2013	\$131,330
2014	107,000
Total	<u>\$238,330</u>

NOTE 7 - FUND BALANCES AND NET ASSETS

A. Net Assets

Net Assets is the excess of all the Town's assets over all its liabilities, regardless of fund. Net Assets are divided into three captions under GASB Statement 34. These captions apply only to Net Assets, which is determined only at the Government-wide level, and are described below:

Invested in Capital Assets describes the portion of Net Assets which is represented by the current net book value of the Town's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Town cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and Federal and State grant funds.

Unrestricted describes the portion of Net Assets which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The Town's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Town to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Town prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 7 - FUND BALANCES AND NET ASSETS (Continued)

B. Fund Balances (Continued)

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as permanent funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the Town Council which may be altered only by formal action of the Town Council. Encumbrances and nonspendable amounts subject to Council commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the Town's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Town Council or its designee and may be changed at the discretion of the Town Council or its designee. This category includes encumbrances; nonspendables, when it is the Town's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 7 - FUND BALANCES AND NET ASSETS (Continued)

B. Fund Balances (Continued)

Detailed classifications of the Town's Fund Balances, as of June 30, 2012, are below:

	General Fund	Major Special Revenue Funds			Facilities Construction Capital Project Funds	Other Governmental Funds	Total
		Special Tax	Library	Road Construction			
Fund balances:							
Nonspendable:							
Prepays	\$6,535						\$6,535
Total Nonspendable	6,535						6,535
Restricted for:							
Special tax special revenue fund		\$875,110					875,110
Library operations			\$6,229,427				6,229,427
Measure A						\$88,630	88,630
Gas tax						120,542	120,542
Supplemental law enforcement services / COPS Grant						8,759	8,759
Road impact fee				\$804,415			804,415
Evans Creative Design						79,550	79,550
Channel Drainage District						75,900	75,900
Total Restricted		875,110	6,229,427	804,415		373,381	8,282,333
Committed to:							
Emergency Disaster	1,738,519						1,738,519
Total Committed	1,738,519						1,738,519
Assigned to:							
Tennis program/General Fund	954,902						954,902
Capital projects					\$2,095,385	255,463	2,350,848
Total Assigned	954,902				2,095,385	255,463	3,305,750
Unassigned:							
General fund	3,520,405						3,520,405
Total Unassigned	3,520,405						3,520,405
Total Fund Balances	\$6,220,361	\$875,110	\$6,229,427	\$804,415	\$2,095,385	\$628,844	\$16,853,542

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 7 - FUND BALANCES AND NET ASSETS (Continued)

C. General Fund Committed Fund Balance for Emergency Disaster

The Town Council has committed to set aside 15 percent of the actual annual General Fund operating expenditures specifically for emergency contingencies defined as a state of Federal and/or State of emergency or declaration of a local emergency as defined in Atherton's Municipal Code Section 2.44.010.

D. General Fund Unassigned Fund Balance Policy

The Town Council established the General Fund unassigned fund policy such that in no circumstances shall the total General Fund unassigned fund balance drop below 20% of the actual annual operating expenditures.

NOTE 8 – PENSION PLAN

A. CALPERS Safety and Miscellaneous Employees Plans

The Town participates in pension plans offered by California Public Employees Retirement System (CALPERS), an agent multiple employer defined benefit cost-sharing pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The Town's employees participate in the separate Safety (police - sworn) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and Town resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CALPERS; the Town contributes these amounts. The Plans' provisions and benefits in effect at June 30, 2012 are summarized below:

	<u>Safety (Police)</u>	<u>Miscellaneous</u>
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly allowance	monthly allowance
Retirement age	50	55
Monthly benefits, as a % of annual salary	3%	2%
Required employee contribution rates	9%	7%
Required employer contribution rates	38.853%	13.815%

Town's labor contracts (MOU) require the town to pay the employees' contributions as well as employer's portion, except for the sworn officers, who is responsible for 2% of 9% after the Town makes 7% contribution for them.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 8 – PENSION PLAN (Continued)

A. CALPERS Safety and Miscellaneous Employees Plans (Continued)

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the Town’s total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this Method is the level amount the employer pays annually to fund an employee’s projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability. The Town uses the actuarially determined percentages of payroll to calculate and pay contributions to CALPERS. The Town does not have a net pension obligation since it pays the actuarially required liability. Annual Pension Costs, representing the payment of all contributions required by CALPERS, for the last three fiscal years were as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<i>Safety & Miscellaneous Plan</i>			
June 30, 2010	\$1,416,695	100%	\$0
June 30, 2011	1,322,447	100%	0
June 30, 2012	1,191,680	100%	0

CALPERS uses the market related value method of valuing the Plan’s assets. An investment rate of return of 7.75% is assumed, including inflation at 3.00%. Annual salary increases are assumed to vary by duration of service, and annual retirement benefit increases are assumed to be 3.25%.

As required by State law, effective July 1, 2005, the Town’s Miscellaneous and Safety Plans were terminated, and the employees in those plans were required by CALPERS to join new State-wide pools. One of the conditions of entry to these pools was that the Town true-up any unfunded liabilities in the former Plans, either by paying cash or by increasing its future contribution rates through a Side Fund offered by CALPERS. The Town satisfied its Miscellaneous and Safety Plans unfunded liabilities by agreeing to contribute to the Side Fund through an addition to its normal contribution rates. The balance of the Miscellaneous Plan’s Side Fund was \$793,507 at June 30, 2012, which will be repaid over the next 8 years. The balance of the Safety Plan’s Side Fund of \$1,224,321 was paid off as of June 30, 2012.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 8 – PENSION PLAN (Continued)

The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The latest available actuarial values of the above State-wide pools (which differs from market value) and funding progress were set forth as follow. The information presented below relates to the State-wide pools as a whole, of which the Town is one of the participating employers.

State-Wide Safety Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2008	\$8,700,467,733	\$7,464,927,716	\$1,235,540,017	85.8%	\$914,840,596	135.1%
2009	9,721,675,347	8,027,158,724	1,694,516,623	82.6%	973,814,168	174.0%
2010	10,165,475,166	8,470,235,152	1,695,240,014	83.3%	955,980,815	177.3%

The Town's Safety Plan represents approximately 0.19%, 0.23%, and 0.24%, of the State-wide pool for the years ended June 30, 2010, 2009, and 2008, respectively, based on covered projected payroll of \$2,053,560; \$2,283,199 and \$2,220,450 for those years.

State-Wide Miscellaneous Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2008	\$2,780,280,768	\$2,547,323,278	\$232,957,490	91.6%	\$688,606,681	33.8%
2009	3,104,798,222	2,758,511,101	346,287,121	88.8%	742,981,488	46.6%
2010	3,309,064,934	2,946,408,106	362,656,828	89.0%	748,401,352	48.5%

The Town's Miscellaneous Plan represents approximately 0.35% 0.35%, and 0.37%, of the State-wide pool for the years ended June 30, 2010, 2009, and 2008, respectively, based on covered projected payroll of \$2,943,836; \$2,600,243; and \$2,572,293 for those years.

Audited annual financial statements and ten year trend information are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 9 – POSTEMPLOYMENT HEALTH CARE BENEFITS

During fiscal year 2010, the Town implemented the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes uniform financial reporting standards for employers providing other postemployment benefits (OPEB). The provisions of this statement are applied prospectively and do not affect prior years financial statements. Required disclosures are presented below. The Town's Employee Benefits Fund holds assets set aside for the payment of Town's OPEB obligations.

By Town Council resolution, the Town provides certain medical benefits for employees and dependents who retire directly from the Town at fifty years or older and who are vested in the California Public Employees Retirement System (CalPERS). The Town participates in the CalPERS health care plan which is governed under the California Public Employees Health and Medical Care Act (PEMCHA). Required retiree medical plan contributions are also governed by PEMCHA for member agencies.

The Town of Atherton participates in the CalPERS medical program. Retirees who qualify for a CalPERS pension are entitled to employer paid CalPERS medical benefits as described below. The Town does not pay for dental, vision or other health and welfare benefits for retirees. Employees who retire from the Town, receive a PERS pension and continue their CalPERS medical coverage if eligible to receive the benefit described below. This benefit continues throughout the life of the retiree, surviving spouse, and eligible dependents.

Management employees - For management employees, the Town pays 100% of premiums for any medical coverage and any family status. This is subject to a phase-in over four calendar years (2009 through 2012) from 85% to 100%.

Police officers - For police officers, the Town pays 100% of premiums for any medical coverage and any family status. However, this is subject to a maximum monthly benefit of \$1,247.06. Any increase will be subject to Town Council approval.

Miscellaneous employees - The Town pays up to a maximum of 95% of Blue Shield basic/supplemental premiums. The same four years phase-in applies for management retirees,

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 9 – POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

A. Funding Policy and Actuarial Assumptions

The annual required contribution (ARC) was determined as part of a July 1, 2011 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included 6.00% investment rate of return, 3.25% projected annual salary increase, and 5.5% to 8.2% health cost inflation increases. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. During fiscal year ended June 30, 2012, the Town joined the Public Agencies Post-Retirement Health Care Plan, a multiple employer trust administered by Public Agency Retirement Services (PARS). The irrevocable trust is administered by PARS, and managed by an appointed board not under the control of the Town Council. The trust is not considered a component unit by the Town and has been excluded from these financial statements. Separately issued financial statements for PARS may be obtained from PARS at 4350 Von Karman Ave., Suite 200, Newport Beach, CA 92660.

The following annual healthcare trend rates were used in the valuation, assuming that there will not be any significant changes in the medical plan design:

**Annual CalPERS Medical Premium Rate
Trend Rate Assumption**

Plan Year Beginning	
January 1, 2012	7.6%
January 1, 2013	7.3%
January 1, 2014	7.0%
January 1, 2015	6.7%
January 1, 2016	6.4%
January 1, 2017	6.1%
January 1, 2018	5.8%
January 1, 2019 and thereafter	5.5%

Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually as results are compared to past expectations and new estimates are made about the future. This valuation is based on a closed 30-year amortization of the Unfunded Actuarial Accrued Liability as a level percentage of payroll; increasing each year as payroll increases.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 9 – POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

B. Funding Progress and Funded Status

In fiscal year 2012, the Town made contributions toward the ARC and amortized its net OPEB obligation as presented below:

Annual required contribution (ARC) and Annual OPEB cost	\$613,854
Interest on the net OPEB obligation	77,400
Adjustment to annual required contribution	<u>(68,092)</u>
Annual OPEB Cost	<u>623,162</u>
Contributions made:	
Town's portion of current year premiums paid	<u>328,090</u>
Contributions less than the ARC	<u>295,072</u>
Net OPEB Obligation June 30, 2011	<u>1,290,008</u>
Net OPEB Obligation June 30, 2012	<u><u>\$1,585,080</u></u>

The Plan's annual required contributions and actual contributions for the last three fiscal years are set forth below:

Fiscal Year	Annual Required Contribution (ARC)	Actual Contribution	Percentage of ARC Contributed	Net OPEB Obligation
6/30/2010	\$813,147	\$173,474	21%	\$639,673
6/30/2011	878,596	228,508	26%	1,290,008
6/30/2012	613,854	328,090	53%	1,585,080

The Schedule of Funding Progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the January 1, 2009 and July 1, 2011 actuarial study is presented below:

Actuarial Valuation Date	Value of Assets	Accrued Liability	Unfunded Accrued Liability	Funded Ratio
January 1, 2009	\$0	\$7,599,453	(\$7,599,453)	0%
July 1, 2011	0	7,599,453	(7,599,453)	0%

<p>Town of Atherton Notes to Basic Financial Statements For the year ended June 30, 2012</p>

<p>NOTE 10 - RISK MANAGEMENT</p>

A. Coverage

The Town is a member of the Association of Bay Area Governments (ABAG), which provides general liability coverage of \$5,000,000 above the Town's deductible of \$25,000 per occurrence, risk property insurance of \$100,000 above the Town's deductible of \$10,000 for property damage and \$10,000 for auto / vehicle damage. ABAG is governed by a board consisting of representatives from member municipalities. The board controls the operations of ABAG, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

Audited financial statements may be obtained from ABAG Services, P.O. Box 2050, Oakland, CA 94604-2050.

Alliant Insurance Services covers employment theft up to \$1,000,000 for each claim and in the aggregate and the Town's deductible is \$5,000 per claim.

The Cities Group covers workers' compensation claims up to \$1,000,000 each for miscellaneous employees, up to \$1,500,000 each for safety officers, and has coverage above that limit to a maximum of \$10,000,000. The Town has no deductible for the claims.

Audited financial statements may be obtained from Cities Group, address, P.O. Box 111, Burlingame, CA 94011-0111.

B. Uninsured Claims

The Town's liability for uninsured claims, including estimated claims incurred but not reported, was estimated by management based on prior years claims experience and was computed as follows as of June 30:

	2012	2011
Beginning balance	\$40,775	\$44,504
Net change in claims liabilities	72,232	27,016
Claims paid	(18,543)	(58,263)
Ending balance	\$50,000	\$40,775
Claims liabilities due within a year	\$50,000	\$40,775

For the years ended June 30, 2012, 2011, and 2010, the amount of settlements did not exceed insurance coverage.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 11 – JOINT POWERS AUTHORITIES

The Town participates in joint ventures discussed below through separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these joint ventures are not the Town's responsibility and the Town does not have an equity interest in the assets of each joint venture except upon dissolution of the joint venture.

A. *Town/County Association of Governments of San Mateo County (C/CAG)*

Town/County Association of Governments of San Mateo County was formed in 1990 between the various cities in San Mateo County to prepare, adopt, monitor and enforce state mandated plans for the management of traffic congestion, integrated solid waste, airport land use and hazardous waste. The Town's contribution to C/CAG was \$36,469 for the year ended June 30, 2012. Financial statements may be obtained by mailing a request to the City San Carlos, 600 Elm Street, San Carlos, CA 94070.

B. *South Bayside Waste Management Authority (Authority)*

The Authority is a joint powers agreement formed on October 13, 1999 for the purpose of joint ownership, financing and administration of the San Carlos Transfer Station and the San Mateo Recyclery; and the planning, administration, review, monitoring, enforcement and reporting of solid waste and recyclable material within the Authority service area. Members of Authority include 11 municipalities located on the mid and lower Peninsula as well as certain unincorporated areas within the County. The Authority is controlled by a 12-member board consisting of one representative from each community. Through the operation of franchise agreements, Recology San Mateo County provides refuse and recyclable materials collection and disposal services for the benefit of residents and business of each member agency.

C. *Alcohol Violation Temporary Housing Authority (AVTHA)*

AVTHA was established between the County and most of the cities and towns in the County to provide temporary housing and counseling to persons accused of alcohol related law violations. AVTHA contracts with an operator to provide such services. The costs of operating the temporary housing are allocated to each member based on alcohol related arrests occurring within each member's jurisdiction. Financial statements for AVTHA may be obtained by mailing a request to Redwood City, 801 Marshall Street, Suite 600, Redwood City, California 94063.

D. *Library Joint Powers Agreement*

In 1999, the Town joined with the County and ten other municipalities in the County to coordinate and expand library services throughout the County, including those in the Town.

Town of Atherton
Notes to Basic Financial Statements
For the year ended June 30, 2012

NOTE 11 – JOINT POWERS AUTHORITIES (Continued)

Property tax revenues in excess of the JPA's costs of maintaining the library are remitted to the Town and are deposited into the Library Special Revenue Fund. Expenditures of this fund are subject to the approval of the Library JPA.

NOTE 12 - CONTINGENT LIABILITIES

The Town is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the Town.

The Town participates in Federal and State grant programs. These programs have been audited by the Town's independent accountants in accordance with the provisions of the Federal Single Audit Act as amended in 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors, and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The Town expects such amounts, if any, to be immaterial.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

COUNTY MEASURE A FUND accounts for funds received from the County of San Mateo Measure A funds for local transportation purposes.

GAS TAX FUND accounts for funds received from the State of California for road improvement.

SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND/COPS GRANT FUND accounts for grant funds for police services.

EVANS CREATIVE DESIGN FUND accounts for funds received from the Evans estate.

CAPITAL PROJECTS FUNDS

CAPITAL IMPROVEMENT FUND accounts for capital improvement construction costs and financing sources.

STORM DRAINAGE FUND accounts for the operation and maintenance costs of drainage systems in the Town.

CHANNEL DRAINAGE DISTRICT accounts for tax revenues collected and channel maintenance costs.

TOWN OF ATHERTON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2012

	SPECIAL REVENUE FUNDS			
	County Measure A	Gas Tax	Supplemental Law Enforcement Services/ COPS Grant	Evans Creative Design
ASSETS				
Cash and investment	\$233,626	\$137,561	\$8,759	\$79,550
Receivables:				
Taxes	28,794			
Total Assets	\$262,420	\$137,561	\$8,759	\$79,550
LIABILITIES				
Accounts payable	\$173,790	\$17,019		
Deferred revenue				
Total Liabilities	173,790	17,019		
FUND EQUITY				
Fund balances				
Restricted	88,630	120,542	\$8,759	\$79,550
Assigned				
Total Fund Balances	88,630	120,542	8,759	79,550
Total Liabilities and Fund Balances	\$262,420	\$137,561	\$8,759	\$79,550

CAPITAL PROJECT FUNDS

<u>Capital Improvement</u>	<u>Storm Drainage</u>	<u>Channel Drainage District</u>	<u>Total Nonmajor Governmental Funds</u>
\$228,886	\$29,375	\$75,754	\$793,511
		5,403	34,197
<u>\$228,886</u>	<u>\$29,375</u>	<u>\$81,157</u>	<u>\$827,708</u>
\$2,798			\$193,607
		\$5,257	5,257
<u>2,798</u>		<u>5,257</u>	<u>198,864</u>
226,088	\$29,375	75,900	373,381
			255,463
<u>226,088</u>	<u>29,375</u>	<u>75,900</u>	<u>628,844</u>
<u>\$228,886</u>	<u>\$29,375</u>	<u>\$81,157</u>	<u>\$827,708</u>

TOWN OF ATHERTON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	SPECIAL REVENUE FUNDS			
	County Measure A	Gas Tax	Supplemental Law Enforcement Services/ COPS Grant	Evans Creative Design
REVENUES				
Property taxes				
Measure A Grants	\$287,712			
From other agencies		\$220,198	\$109,315	
Use of money and property	1,101	1,495	565	\$547
Other revenues				148
Total Revenues	288,813	221,693	109,880	695
EXPENDITURES				
Current:				
Police			109,880	
Public Works	200,550	5,457		
Non-Departmental				16,974
Capital Outlay		236,241		
Total Expenditures	200,550	241,698	109,880	16,974
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	88,263	(20,005)		(16,279)
NET CHANGE IN FUND BALANCES	88,263	(20,005)		(16,279)
BEGINNING FUND BALANCES	367	140,547	8,759	95,829
ENDING FUND BALANCES	\$88,630	\$120,542	\$8,759	\$79,550

CAPITAL PROJECT FUNDS

<u>Capital Improvement</u>	<u>Storm Drainage</u>	<u>Channel Drainage District</u>	<u>Total Nonmajor Governmental Funds</u>
		\$80,232	\$80,232
			287,712
\$33,162			362,675
	\$194	502	4,404
			148
<u>33,162</u>	<u>194</u>	<u>80,734</u>	<u>735,171</u>
			109,880
		138,464	344,471
			16,974
<u>27,978</u>			<u>264,219</u>
<u>27,978</u>		<u>138,464</u>	<u>735,544</u>
<u>5,184</u>	<u>194</u>	<u>(57,730)</u>	<u>(373)</u>
5,184	194	(57,730)	(373)
<u>220,904</u>	<u>29,181</u>	<u>133,630</u>	<u>629,217</u>
<u>\$226,088</u>	<u>\$29,375</u>	<u>\$75,900</u>	<u>\$628,844</u>

TOWN OF ATHERTON
 BUDGETED NON-MAJOR GOVERNMENTAL FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	SPECIAL REVENUE FUNDS					
	County Measure A			Gas Tax		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes						
Measure A grants	\$200,000	\$287,712	\$87,712			
From other agencies				\$211,166	\$220,198	\$9,032
Use of money and property		1,101	1,101		1,495	1,495
Other revenue						
Total Revenues	<u>200,000</u>	<u>288,813</u>	<u>88,813</u>	<u>211,166</u>	<u>221,693</u>	<u>10,527</u>
EXPENDITURES						
Current:						
Police						
Public Works	200,000	200,550	(550)	6,170	5,457	713
Non-departmental						
Capital Outlay				<u>317,896</u>	<u>236,241</u>	<u>81,655</u>
Total Expenditures	<u>200,000</u>	<u>200,550</u>	<u>(550)</u>	<u>324,066</u>	<u>241,698</u>	<u>82,368</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES		<u>88,263</u>	<u>89,363</u>	<u>(112,900)</u>	<u>(20,005)</u>	<u>(71,841)</u>
NET CHANGE IN FUND BALANCES		<u>88,263</u>	<u>\$88,263</u>	<u>(\$112,900)</u>	<u>(20,005)</u>	<u>\$92,895</u>
BEGINNING FUND BALANCES		<u>367</u>			<u>140,547</u>	
ENDING FUND BALANCES		<u><u>\$88,630</u></u>			<u><u>\$120,542</u></u>	

SPECIAL REVENUE FUNDS

CAPITAL PROJECTS FUND

Supplemental Law Enforcement Services / COPS Grants			Evans Creative Design Fund			Capital Improvement		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$100,000	\$109,315 565	\$9,315 565	\$800 100	\$547 148	(\$253) 48	\$16,273	\$33,162	\$16,889
100,000	109,880	9,880	900	695	(205)	16,273	33,162	16,889
100,000	109,880	(9,880)						
			17,965	16,974	991	16,273	27,978	(11,705)
100,000	109,880	(9,880)	17,965	16,974	991	16,273	27,978	(11,705)
		19,760	(17,065)	(16,279)	(1,196)		5,184	28,594
		\$19,760	(\$17,065)	(16,279)	(\$1,196)		5,184	\$28,594
	8,759			95,829			220,904	
	<u>\$8,759</u>			<u>\$79,550</u>			<u>\$226,088</u>	

(Continued)

TOWN OF ATHERTON
 BUDGETED NON-MAJOR GOVERNMENTAL FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

CAPITAL PROJECTS FUND

	Storm Drainage Fund			Channel Drainage District		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes				\$81,820	\$80,232	(\$1,588)
Measure A grants						
From other agencies						
Use of money and property		\$194	\$194		502	502
Other revenue						
Total Revenues		<u>194</u>	<u>194</u>	<u>81,820</u>	<u>80,734</u>	<u>(1,086)</u>
EXPENDITURES						
Current:						
Police						
Public Works				147,913	138,464	9,449
Non-departmental						
Capital Outlay						
Total Expenditures				<u>147,913</u>	<u>138,464</u>	<u>9,449</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES		<u>194</u>	<u>194</u>	<u>(66,093)</u>	<u>(57,730)</u>	<u>(10,535)</u>
NET CHANGE IN FUND BALANCES		<u>194</u>	<u>\$194</u>	<u>(\$66,093)</u>	<u>(57,730)</u>	<u>(\$10,535)</u>
BEGINNING FUND BALANCES		<u>29,181</u>			<u>133,630</u>	
ENDING FUND BALANCES		<u>\$29,375</u>			<u>\$75,900</u>	

INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the Town on a cost reimbursement basis.

The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of each internal service fund is eliminated by netting them against operations of the other Town departments, which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Assets.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

EQUIPMENT REPLACEMENT FUND accounts for the financing of replacement equipment within the Town such as vehicles and computer software.

WORKERS' COMPENSATION INSURANCE FUND accounts for the financing of the Town's outstanding worker's compensation liability.

GENERAL LIABILITY FUND accounts for other liabilities including employment liabilities.

EMPLOYEE BENEFITS FUND accounts for financing the liabilities for compensated absences and other post-employment benefits other than pension for Town General Fund departments.

TOWN OF ATHERTON
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF NET ASSETS
JUNE 30, 2012

	Equipment Replacement	Workers' Compensation Insurance	General Liability	Employee Benefits	Total
ASSETS					
Current Assets:					
Cash and investments	\$416,326	\$302,365	\$219,688	\$2,063,830	\$3,002,209
Prepays			1,461		1,461
Total Current Assets	<u>416,326</u>	<u>302,365</u>	<u>221,149</u>	<u>2,063,830</u>	<u>3,003,670</u>
Non-Current Assets:					
Capital assets:					
Depreciable	1,028,884				1,028,884
Less: accumulated depreciation	(667,132)				(667,132)
Net Capital Asset	<u>361,752</u>				<u>361,752</u>
Total noncurrent assets	<u>361,752</u>				<u>361,752</u>
Total Assets	<u>778,078</u>	<u>302,365</u>	<u>221,149</u>	<u>2,063,830</u>	<u>3,365,422</u>
LIABILITIES					
Current liabilities					
Claims payable			50,000		50,000
Compensated absences				241,003	241,003
Long-term debt - due within one year	24,330	107,000			131,330
Total current liabilities	<u>24,330</u>	<u>107,000</u>	<u>50,000</u>	<u>241,003</u>	<u>422,333</u>
Noncurrent liabilities					
Compensated absences				159,274	159,274
Long-term debt		107,000			107,000
Net OPEB obligations				1,585,080	1,585,080
Total noncurrent liabilities		<u>107,000</u>		<u>1,744,354</u>	<u>1,851,354</u>
Total Liabilities	<u>24,330</u>	<u>214,000</u>	<u>50,000</u>	<u>1,985,357</u>	<u>2,273,687</u>
NET ASSETS					
Invested in capital assets	361,752				361,752
Unrestricted	391,996	88,365	171,149	78,473	729,983
Total Net Assets	<u>\$753,748</u>	<u>\$88,365</u>	<u>\$171,149</u>	<u>\$78,473</u>	<u>\$1,091,735</u>

TOWN OF ATHERTON
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	Equipment Replacement	Workers' Compensation Insurance	General Liability	Employee Benefits	Total
OPERATING REVENUES					
Charges for services	\$79,810	\$57,218	\$269,384	\$1,134,749	\$1,541,161
Total Operating Revenues	79,810	57,218	269,384	1,134,749	1,541,161
OPERATING EXPENSES					
Insurance		56,210	185,455		241,665
OPEB expense				623,161	623,161
Supplies and maintenance	45,919				45,919
Employee benefits earned					
Depreciation	145,472				145,472
Total Operating Expenses	191,391	56,210	185,455	623,161	1,056,217
Operating Income (Loss)	(111,581)	1,008	83,929	511,588	484,944
NONOPERATING REVENUES (EXPENSES)					
Interest income	2,917	2,394	1,453	12,611	19,375
Total Nonoperating Revenues (Expenses)	2,917	2,394	1,453	12,611	19,375
Change in Net Assets	(108,664)	3,402	85,382	524,199	504,319
BEGINNING NET ASSETS (DEFICIT)	862,412	84,963	85,767	(445,726)	587,416
ENDING NET ASSETS	<u>\$753,748</u>	<u>\$88,365</u>	<u>\$171,149</u>	<u>\$78,473</u>	<u>\$1,091,735</u>

TOWN OF ATHERTON
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

	Equipment Replacement	Workers' Compensation Insurance	General Liability	Employee Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from other funds	\$79,810	\$57,218	\$269,384	\$1,134,749	\$1,541,161
Payments to vendors	(45,919)	(56,210)	(181,909)	(596,456)	(880,494)
Cash Flows from Operating Activities	33,891	1,008	87,475	538,293	660,667
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets, net	(75,465)				(75,465)
Principal payments on long term debt	(24,330)	(107,000)			(131,330)
Cash Flows (used for) Capital and Related Financing Activities	(99,795)	(107,000)			(206,795)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	2,917	2,394	1,453	12,611	19,375
Cash Flows from Investing Activities	2,917	2,394	1,453	12,611	19,375
Net Cash Flows	(62,987)	(103,598)	88,928	550,904	473,247
Cash and investments at beginning of period	479,313	405,963	130,760	1,512,926	2,528,962
Cash and investments at end of period	<u>\$416,326</u>	<u>\$302,365</u>	<u>\$219,688</u>	<u>\$2,063,830</u>	<u>\$3,002,209</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income	(\$111,581)	\$1,008	\$83,929	\$511,588	\$484,944
Adjustments to reconcile operating income to net cash flows from operating activities:					
Depreciation	145,472				145,472
Compensated absences				(266,735)	(266,735)
Change in assets and liabilities:					
Prepays			(1,461)		(1,461)
Accounts payable			(4,218)	(1,632)	(5,850)
Accrued liability			9,225		9,225
Net OPEB obligation				295,072	295,072
Cash Flows from Operating Activities	<u>\$33,891</u>	<u>\$1,008</u>	<u>\$87,475</u>	<u>\$538,293</u>	<u>\$660,667</u>

AGENCY FUNDS

Agency Funds account for assets held by a governmental unit in the capacity of agent for individuals, governmental entities, and non-public organizations.

The Agency Funds used to account for monies held by the Town in a fiduciary capacity are as follows:

H-P PARK IMPROVEMENT FUND – Fund donated for Holbrook-Palmer Park improvement.

TREE COMMITTEE – Fund maintained for the Tree Committee.

TOWN OF ATHERTON
 AGENCY FUNDS
 STATEMENTS OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
<hr/>				
H-P Park Improvement Fund				
<hr/>				
ASSETS				
Cash and investments	\$5,919	\$39		\$5,958
Total assets	<u>\$5,919</u>	<u>\$39</u>		<u>\$5,958</u>
LIABILITIES				
Deposits payable	\$5,919	\$39		\$5,958
Total liabilities	<u>\$5,919</u>	<u>\$39</u>		<u>\$5,958</u>
<hr/>				
Tree Committee				
<hr/>				
ASSETS				
Cash and investments	\$24,463	\$163		\$24,626
Total assets	<u>\$24,463</u>	<u>\$163</u>		<u>\$24,626</u>
LIABILITIES				
Accounts payable				
Deposits payable	\$24,463	\$163		\$24,626
Total liabilities	<u>\$24,463</u>	<u>\$163</u>		<u>\$24,626</u>
<hr/>				
All Agency Funds				
<hr/>				
ASSET				
Cash and investments	\$30,382	\$202		\$30,584
Total assets	<u>\$30,382</u>	<u>\$202</u>		<u>\$30,584</u>
LIABILITIES				
Accounts payable				
Deposits payable	\$30,382	\$202		\$30,584
Total liabilities	<u>\$30,382</u>	<u>\$202</u>		<u>\$30,584</u>

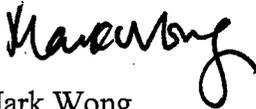
January 7, 2013

Robert Barron
Finance Director
Town of Atherton
91 Ashfield
Atherton, CA 94027

Dear Robert:

We are pleased to enclose one copy of the Agreed Upon Procedures Report on Compliance with the Proposition 111 Fiscal Year 2012-2013 Appropriations Limit Increment for the Town of Atherton.

Yours very truly,



Mark Wong

MW:mb

Enclosures

**TOWN OF ATHERTON
INDEPENDENT ACCOUNTANT'S
AGREED UPON PROCEDURES REPORT ON
COMPLIANCE WITH THE PROPOSITION 111
FISCAL YEAR 2012-2013 APPROPRIATIONS LIMIT INCREMENT**

Honorable Mayor and Members of the City Council
Town of Atherton, California

We have applied the procedures below to the Gann Appropriations Limit History (Worksheet) for the Town of Atherton, California, for the year ended June 30, 2012. These procedures, which were suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitation Uniform Guidelines were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. Management is responsible for the Appropriations Limit Worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Town. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures you requested us to perform and our findings were as follows:

- A. We obtained the Appropriations Limitation Worksheet and determined that the 2012-2013 Appropriations Limit amounting to \$10,764,282 and annual adjustment factors were adopted by resolution of the Town Council. We also determined that the population and inflation options were selected by a recorded vote of the Town Council.
- B. We recomputed the Appropriations Limit by multiplying the 2011-2012 Prior Year Appropriations Limit by the Total Growth Factor and added in the parcel tax revenue adjustment of \$2,797,500.
- C. For the Appropriations Limitation Worksheet, we agreed the Per Capita Income and Town Population Factors to California State Department of Finance Worksheets.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Appropriations Limit Worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the City Council; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

October 12, 2012

TOWN OF ATHERTON
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED
JUNE 30, 2012

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**TOWN OF ATHERTON
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS**

For the Year Ended June 30, 2012

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MEMORANDUM ON INTERNAL CONTROL

October 12, 2012

To the City Council of
the Town of Atherton

We have audited the financial statements of the Town of Atherton (the Town) for the year ended June 30, 2012 and have issued our report thereon dated October 12, 2012. In planning and performing our audit of the financial statements of the Town of Atherton as of and for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe to be of potential benefit to the Town.

The Town's written responses included in this report have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, City Council, others within the organization, and agencies and pass-through entities requiring compliance with generally accepted government auditing standards, and is not intended to be and should not be used by anyone other than these specified parties.

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**TOWN OF ATHERTON
MEMORANDUM ON INTERNAL CONTROL**

**CURRENT STATUS OF PRIOR YEAR SCHEDULE OF OTHER MATTERS
Prepared by Management**

2011-01 Bidding Process for Awarding Service Contracts Exceeding \$15,000

Criteria: Per the Town's municipal code, professional/consultant service contracts over \$15,000 are required to go through the bidding process unless the service qualifies for certain exceptions. The exceptions are listed as follows: **"3.16.110 Bids required—Exception"**

A. Bidding may be dispensed with only when:

1. An emergency requires that an order be placed with the nearest source of supply;
2. When the amount of the purchase involved is less than seven hundred fifty dollars;
3. When the commodity or service can be obtained from only one vendor;
4. When used equipment can be acquired which meets the Town's needs at less cost than new equipment;
5. When participating in state and county cooperative contracts or utilizing other municipal government's competitive bids;
6. When the services of attorneys, engineers, accountants or other specialized professionals are sought as approved by the city manager;
7. When the public interest may otherwise require that bidding be dispensed with; provided, that the city council shall approve of the purchase by majority vote and indicate the reasons bidding was dispensed with;
8. When the city manager makes similar findings for contracts with a value of less than fifteen thousand dollars.

B. In no event shall bidding be dispensed with when required by federal or state law. (Ord. 483 § 2 (part), 1994)

Condition: Disbursements to CSG Consultants, Inc. (CSG) were selected as part of our samples for testing. Per review of the staff report dated May 19, 2010, the Town approved CSG for code enforcement services on a part-time basis in the amount of \$56,925 for the fiscal year 2010-2011. We understand that subsequent to this contract award for code enforcement services, CSG was also approved to provide commercial plan check services. We also understand that although the additional commercial plan check services provided by CSG was approved by the City Council, it did not go through a bidding process. It appears to satisfy exception items #6 and #7 above, whereby bidding was not carried out.

We understand that, to address our recommendation below, the Town has drafted a new purchasing policy (Chapter 3.16 and Chapter 3.17) which is pending the City Attorney's review.

Recommendation:

- The Town should adopt and implement the new purchasing policy as soon as possible.
- For Request for Proposals (RFPs) that are \$15,000 or more, the Town should consider having these RFPs reviewed and approved by the City Council.
- As a business best practice, since CSG is providing substantial amount of services to the Town, the Town should reconsider whether contract for such professional/consulting services should go through the bidding process to ensure that the Town is receiving the best quality professional service with the best pricing.

Current Status (prepared by management): The Town of Atherton adopted a Purchase Ordinance May 16, 2012 amending Chapter 3.16 of the Atherton Municipal Code and it establishes the process and purchasing amount limits.

**TOWN OF ATHERTON
MEMORANDUM ON INTERNAL CONTROL**

**CURRENT STATUS OF PRIOR YEAR SCHEDULE OF OTHER MATTERS
Prepared by Management**

2011-02 Maximum Vacation Accrual for Management Employees

Criteria: Employees should not be able to accrue vacation time over the maximum amount agreed upon in the employee's bargaining unit, Memorandum of Understanding (MOU).

Condition: We reviewed the vacation accrual balances for each employee for the current fiscal year from July 2010 to June 2011. We noted that there were approximately seven employees whose accrued vacation had exceeded their maximum limit. These employees' hours exceeding the limit had not yet been reduced by either cash out payment or using up the accrued vacation time.

Effect: The amount of Town's liability will continue to accrue and grow if the accrued vacation time is not reduced to the maximum limit.

Recommendation: The Town should make sure that all employees liquidate or reduce any excess accrued vacation on an annual basis.

Current Status (prepared by management): In August 2011 the Town of Atherton had a reorganization of the Building and Public Works departments and 5 of the 7 employees are no longer with the Town. They were paid out their accruals. In December 2011 the remaining employees accruals were reduced through time off and/or cash paid out. Going forward accruals are within range and enforced each month.

2011-03: Outstanding Building Permit Deposits Close Out (This item was discussed in prior fiscal year 2010 Memorandum Internal on Internal Control)

Criteria: Procedures should be established to close out old building permit deposits that are still outstanding.

Condition: As of June 30, 2011, a reconciliation of detail records with the general ledger was partially completed.

In fiscal year 2010, the Town spent a significant amount of time and effort to reconcile the detail records with its general ledger. As of June 30, 2010, the amount of building deposits payable was \$674,703. Of this amount, about \$273,000 of building permit deposits were from calendar year 2000 to 2007, which were more than 2 years old. In the current fiscal year 2011, the former Interim Building Official was requested by the Audit Committee to implement our prior year recommendation. As of June 2011, the building deposits payable amount was \$563,000; a reduction of \$112,000.

Recommendation: The Town should continue the process and complete the reconciliation of detail records with the general ledger.

Current Status (prepared by management): The Town is currently working to continue to follow and update the permit deposit process and return deposits to building contractors. Part of the reason deposits are kept so long is due to the fact that some building permit projects take more than one year before completion. We have a report from the building permit system and we reconcile it monthly and do a formal reconciliation twice a year between the general ledger and the report schedule.

TOWN OF ATHERTON
MEMORANDUM ON INTERNAL CONTROL

CURRENT STATUS OF PRIOR YEAR SCHEDULE OF OTHER MATTERS
Prepared by Management

2011-04: Implementation of Human Resources Module in the Springbrook Accounting Software
(This item was discussed in FY 2010 Memorandum on Internal Control)

Criteria: To improve internal control, the Town should implement the Human Resources module in Springbrook accounting software so that there will be segregation of duties between payroll and human resources.

Condition: The Town had purchase the Human Resources Module in the Springbrook accounting software. Currently, the employee who runs payroll and prints payroll checks can also adjust the employee database information including employee information and pay rates. We understand that to date as of May 2011, the module has not been implemented.

Recommendation: To improve internal control, the Town should implement the Human Resources module in Springbrook accounting software. Duties to make adjustments in the Human Resource module should be segregated from duties to run payroll.

Current Status (prepared by management): The Town is in the process of implementing the Human Resources Module control. Currently and going forward we have controls in place where the Finance Director and City Manager sign off on biweekly payroll. Also monthly the Finance Director signs off on the Employee History Report from the Human Resource module to verify all changes if any are correct. Currently we also have a Human Resources designate, which is the City Clerk.

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REQUIRED COMMUNICATIONS

October 12, 2012

To the City Council of
the Town of Atherton, California

We have audited the financial statements of the Town of Atherton (the Town) as of and for the year ended June 30, 2012 and have issued our report thereon dated October 12, 2012. Professional standards require that we advise you of the following matters relating to our audit.

Financial Statement Audit Assurance: Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit in accordance with generally accepted auditing standards does not provide absolute assurance about, or guarantee the accuracy of, the financial statements. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is an inherent risk that material errors, fraud, or illegal acts may exist and not be detected by us.

Other Information Included with the Audited Financial Statements: Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Town's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. Our responsibility also includes communicating to you any information that we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements. This other information and the extent of our procedures is explained in our audit report.

Accounting Policies: Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in Note 1 to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2012.

Unusual Transactions, Controversial or Emerging Areas: No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2012.

Estimates: Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are depreciation and compensated absences.

Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 5 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Accrued compensated absences which are comprised of accrued vacation and compensated time-off and holiday pay is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disagreements with Management: For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the Town's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Retention Issues: We did not discuss any major issues with management regarding the application of accounting principles and auditing standards that resulted in a condition to our retention as the Town's auditors.

Difficulties: We encountered no serious difficulties in dealing with management relating to the performance of the audit.

Audit Adjustments: For purposes of this communication, professional standards define an audit adjustment, whether or not recorded by the Town, as a proposed correction of the financial statements that, in our judgment, may not have been detected except through the audit procedures performed. These adjustments may include those proposed by us but not recorded by the Town that could potentially cause future financial statements to be materially misstated, even though we have concluded that the adjustments are not material to the current financial statements.

We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the Town's financial reporting process.

Uncorrected Misstatements: Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Council.

This report is intended solely for the information and use of the audit committee, City Council, and management and is not intended to be and should not be used by anyone other than these specified parties.

Mare & Associates

**Town of Atherton
Measure A Special Revenue Fund**

**Report on Compliance with the
*Agreement for Distribution of San Mateo County
Measure A Funds for Local Transportation Purposes***

For the Year Ended June 30, 2012

INDEPENDENT AUDITOR'S REPORT ON MANAGEMENT'S ASSERTION

Honorable Mayor and Members of City Council of the
Town of Atherton, California

We have examined management's assertion, included in accompanying Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes (the Agreement)* between the Town of Atherton (the Town) and the San Mateo County Transportation Authority dated January 21, 2009 that the Town of Atherton complied with the requirements of the Agreement during the year ended June 30, 2012. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Town's compliance based upon our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide legal determination of the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2012.

This report is intended solely for the information and use of the City Council and Management and the San Mateo County Transportation Authority Board and Management. However, this report is a matter of public record and its distribution is not limited.

Maze & Associates

October 12, 2012

TOWN OF ATHERTON
 SCHEDULE OF MEASURE A FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

BALANCE SHEET

Assets:	
Cash	\$233,626
Accounts receivable	<u>28,794</u>
Total Assets	<u><u>\$262,420</u></u>
Liabilities:	
Accounts Payable	<u>\$173,790</u>
Total Liabilities	<u>173,790</u>
Fund Balance:	
Restricted	<u>88,630</u>
Total Fund Balance	<u>88,630</u>
Total Liabilities and Fund Balance	<u><u>\$262,420</u></u>

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE

Revenues:	
Measure A Sales Tax	\$287,712
Use of Money & Property	<u>1,101</u>
Total Revenues	<u>288,813</u>
Expenditures:	
Street Seal Project	173,790
C/CAG Membership Dues and Audit Fee	<u>26,760</u>
Total Expenditures	<u>200,550</u>
Excess of Revenues over Expenditures	88,263
Fund Balance - beginning	<u>367</u>
Fund Balance - ending	<u><u>\$88,630</u></u>



Town of Atherton
91 Ashfield Road
Atherton, California 94027
Phone: (650) 752-0500
Fax: (650) 688-6528

October 12, 2012

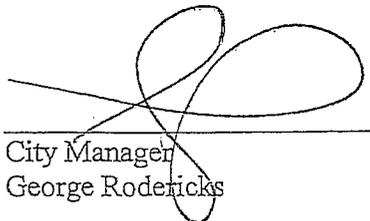
San Mateo County Transportation Authority
120 San Carlos Avenue
San Carlos, California 94070

Management's Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purpose

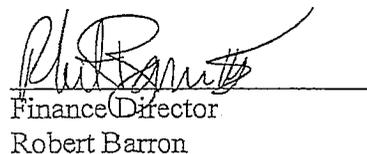
The Town of Atherton is responsible for complying with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes* (the Agreement) between the Town and the San Mateo County Transportation Authority entered into on January 21, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transactions and use tax approved by *Measure A – San Mateo County Transportation Expenditure Plan* (the Measure), the Town, agrees that funds, “shall not be used to replace funds previously provided by property tax or other local revenues for public transportation purposes, and that Town will limit the use of Funds Provided Pursuant to this Agreement to the improvement and maintenance of local transportation, including streets and road improvements.”

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2012:

- Management is responsible for establishing and maintaining an effective internal control structure with respect to compliance with the Agreement;
- Management is responsible for complying with the Agreement;
- Management has evaluated the Town's compliance with the requirements of the Agreement;
- All Transactions, as summarized in the attached Statement of Revenues and Expenditures for the Year Ended June 30, 2012, are in compliance with the Agreement.



City Manager
George Rodehicks



Finance Director
Robert Barron



Item No. 16

TOWN OF ATHERTON

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: EDWIN F. FLINT, CHIEF OF POLICE

DATE: APRIL 17, 2013

SUBJECT: SPECIAL EVENT ROAD CLOSURES

RECOMMENDATION

Staff recommends that Council adopt a Resolution requiring that requests for road closures for Special Events on the following streets be approved by staff only after a public meeting before the City Council to gather input:

1. Middlefield Road
2. Atherton Avenue
3. Alameda De Las Pulgas
4. Selby Lane
5. Watkins Avenue
6. Valparaiso Avenue
7. Encinal Avenue

Should the Council decide to adopt such resolution, staff requests that Council review the attached Special Event Application from the Atherton Dames for a fun run which will require a temporary closure of Middlefield Road.

BACKGROUND

It is not uncommon for Towns and Cities to receive requests from special event applicants that may require the closure of a street or roadway to accommodate the special event. National Night Out, community block parties, neighborhood association meetings, and fun runs are but a few events that may require limited road closures. In most cases, staff can accommodate such requests with little or no disruption to the flow of traffic, and can minimize other inconveniences to our residents, provided such road closures do not involve major thoroughfares.

ANALYSIS

The closing of a major thoroughfare in the Town of Atherton for a special event, especially during weekdays, could result in a serious disruption to the flow of traffic, and cause significant inconveniences

to motorists and our residents alike. Additionally, such road closures involved significant staff time and other resources to accommodate. Staff believes that the decision to close a major thoroughfare for a special event should require additional community awareness and input via a City Council meeting. As a matter of Council policy, all special event requests that would require the closure of a major thoroughfare should be brought before City Council at a public meeting for input before approval by staff. Staff has carefully reviewed the Town's streets and roadways and has identified the following 7 major thoroughfares that should trigger this level of review:

1. Middlefield Road
2. Atherton Avenue
3. Alameda De Las Pulgas
4. Selby Lane
5. Watkins Avenue
6. Valparaiso Avenue
7. Encinal Avenue

FISCAL IMPACT

The actual adoption of the Resolution does not in itself involve a fiscal impact to the Town. However, the closure of a major thoroughfare requires significant staff time, which may also necessitate overtime compensation, unless such expenses are charged back to the event applicant. It is current policy that such costs are charged to the event organizer(s).

Prepared by:

Approved by:

Edwin F. Flint
Police Chief

George Rodericks
City Manager

RESOLUTION NO. 13-xx

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF
REQUIRING COUNCIL APPROVAL FOR CLOSURE OF MAJOR
THOROUGHFARES IN ATHERTON**

WHEREAS, it is common for the Town to receive requests from special event applicants that may require the closure of a street or roadway to accommodate the special event.

WHEREAS, The closing of a major thoroughfare in the Town of Atherton for a special event, especially during weekdays, could result in a serious disruption to the flow of traffic, and cause significant inconveniences to motorists and our residents alike. Additionally, such road closures involved significant Staff time and other resources to accommodate.

WHEREAS, the following seven (7) major thoroughfares should require Council approval for special event closure:

1. Middlefield Road
2. Atherton Avenue
3. Alameda De Las Pulgas
4. Selby Lane
5. Watkins Avenue
6. Valparaiso Avenue
7. Encinal Avenue

NOW, THEREFORE, BE IT RESOLVED, as a matter of Council policy, all special event requests that would require the closure of any of the major thoroughfares listed above shall be brought before Council for review and approval.

PASSED AND ADOPTED at a meeting of the City Council of the Town of Atherton held on the 17TH day of April, 2013 by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:

Elizabeth Lewis, MAYOR
Town of Atherton

ATTEST:

Theresa N. DellaSanta, City Clerk

APPROVED AS TO FORM:

William B. Conners, City Attorney



Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GEORGE RODERICKS, CITY MANAGER

DATE: APRIL 17, 2013

**SUBJECT: RESPONSE TO GRAND JURY REPORT
“WATER RECYCLING – AN IMPORTANT COMPONENT OF WISE
WATER MANAGEMENT”**

RECOMMENDATION

Consider the attached response to the San Mateo Grand Jury on their report entitled “Water Recycling – An Important Component of Wise Water Management.”

BACKGROUND

The San Mateo Grand Jury released the attached report entitled “Water Recycling – An Important Component of Wise Water Management.” California Penal Code Section 933.05 requires any agency that is the subject of such a report to reply in writing and to consider such a reply at a public meeting.

The City Manager has prepared the attached reply in consultation with the Mayor. The reply is presented here for Council consideration and approval.

FINDINGS

Atherton’s water issues are handled by three agencies: CalWater, West Bay Sanitary District, and South Bayside System Authority. The Town is supportive of environmental issues and has an Environmental Programs Committee that works under the direction of the City Council.

The Grand Jury has asked that Atherton:

- 1) Engage in an active dialogue with water purveyors and wastewater treatment providers, as applicable, about the feasibility of developing a program for producing and distributing recycled water; and
- 2) Conduct any studies that may be required to develop a program for recycling water.

The proposed response advises that the Town will task its Environmental Programs Committee to begin such discussions with local water purveyors and wastewater treatment providers and present alternatives to the City Council for consideration. If studies are required, the City Council will consider development of such studies in support of water recycling programs as budget and priorities allow.

FISCAL IMPACT

None at this time.

ATTACHMENTS

- Response to Grand Jury Report
- Cover Letter

RESPONSE TO GRAND JURY REPORT

Report Title: *Water Recycling – An Important Component of Wise Water Management*

Report Date: March 6, 2013

Response by: Town of Atherton

By: Elizabeth Lewis, Mayor

FINDINGS:

- I (we) agree with the findings numbered: n/a
- I (we) disagree wholly or partially with the findings numbered: n/a

RECOMMENDATIONS:

- Recommendations numbered n/a have been implemented.
(Attach a summary describing implemented actions.)
- Recommendations numbered R6 & R7 have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for implementation.)
- Recommendations numbered n/a require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered n/a will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: _____ Signed: _____

FINDINGS

RECOMMENDATIONS

R6: Engage in active dialogue with water purveyors and wastewater treatment providers, as applicable, about the feasibility of developing a program for producing and distributing recycled water.

The Town has an active Environmental Programs Committee. This Committee will be tasked to engage active discussions with local water purveyors and wastewater treatment providers and present alternatives to the City Council for consideration. If studies are required, the City Council will consider development of such studies in support of water recycling programs as budget and priorities allow.

As suggested by the Grand Jury Report, such discussions will begin on or before June 30, 2015.

R7: Conduct any studies that may be required to develop a program for recycling water.

If studies are required, the City Council will consider development of such studies in support of water recycling programs as budget and priorities allow.



**Town of Atherton
Office of the Mayor
91 Ashfield Road
Atherton, California 94027
Phone: (650) 752-0500
Fax: (650) 614-1212**

April 18, 2013

Grand Jury Foreperson
c/o Court Executive Office
400 County Center
Redwood City, CA 94063-1655

**SUBJECT: GRAND JURY REPORT
“WATER RECYCLING – AN IMPORTANT COMPONENT OF WISE
WATER MANAGEMENT”**

Attention Jury Foreperson:

Attached please find the Town of Atherton’s response to the above noted Grand Jury Report. Pursuant to California Penal Code Section 933.05, the response was considered by the City Council at a public meeting on April 17, 2013.

Should you have any questions concerning this response, please contact City Manager George Rodericks at (650) 752-0504.

Sincerely,

TOWN OF ATHERTON

Elizabeth Lewis
Mayor



Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GEORGE RODERICKS, CITY MANAGER

DATE: APRIL 17, 2013

SUBJECT: DISSOLUTION OF THE ARTS COMMITTEE

RECOMMENDATION

Consider dissolution of the Arts Committee, and, if supported, move the disbandment of the Arts Committee and direct staff to amend the appropriate Resolution for Council consideration.

BACKGROUND

The Atherton Arts Foundation (AAF) was founded in 2009 to promote arts for the benefit of the Atherton community. It is a 501(c)3 public benefit non-profit organization that engages in distinctive programming, promotes art awareness, facilitates communication, enhances life-long learning and recognizes cultural diversity. The Atherton City Council formed the Atherton Arts Committee (AAC) in 1996. The AAC has orchestrated a variety of public projects, musical performances, lectures, museum trips, demonstrations and visits to theatrical events over the years. Most recently, the AAC arranged for the donation of two sculptures to the Town of Atherton.

The AAC currently meets on a monthly basis and as a formal Town Committee is subject to California Open Meeting laws (the Brown Act), Town purchasing policies, AB1234 training, and conflict of interest rules promulgated by the Fair Political Practices Commission. On February 26, 2013 staff met with the AAC to discuss the issue. *At that time, the AAC recommended that the activities of the Committee may be best served through the Atherton Arts Foundation non-profit organization rather than as a formal Town committee.*

In March 2013, staff presented a recommendation for dissolution. Following discussion by the Council it was suggested that the City Manager return to the AAC to ensure that they fully understood the

impacts of dissolution. On March 26, 2013 the City Manager met again with the AAC to outline the impacts of dissolution. *At that time, the AAC supported their original recommendation for dissolution.*

Following the March 26, 2013 meeting, the City Manager was contacted by Ted Ullman, member of the AAC, who had spoken with a member of the City Council concerning dissolution. Mr. Ullman and the City Manager engaged in an email exchange discussing the dissolution. A copy of that discussion is included for the Council's reference.

Also attached is an updated memorandum on Designated Groups. The AAF has been added as a designated group.

The Town would continue to work with and support the AAF on an annual basis as a "designated group" for the purposes of public outreach through the Town's website, quarterly newsletters and email distribution lists. In addition, the AAF would produce an annual Report to the Council of its efforts along with an annual fundraising request. The City Council would not appoint members to the AAF nor would the Council or Town policies govern its activity. The AAF would be an outside entity to which the Town could contribute funds based on an annual fundraising request from the Town's existing arts fund. Requests such as these should be considered annually as part of the Town's budget process.

Currently, the AAC meets every 4th Tuesday of the month in the Garden Room in the Main House or the City Council Chambers. Upon dissolution, the AAF would continue to have access to meeting and storage space, including but not limited to the Council Chambers, Main House/Garden Room, Pavilion, and any other available spaces within Town facilities.

As part of the Park Master Plan and the Community Center Project, staff will ultimately develop/update a Facility Use Policy to be approved by the Council that will govern group usage of meeting rooms and other gathering spaces. Groups that are considered "designated" with the Town would be governed by the attached use memorandum until such a Policy is created.

FISCAL IMPACT

There is no fiscal impact.

ATTACHMENTS

- Email exchange between Ted Ullman and City Manager
- Designated Group Memorandum

Theresa DellaSanta <tdellasanta@ci.atherton.ca.us>

April 2, 2013 4:42 PM



To: "Betty Ullman (betzu@earthlink.net)" <betzu@earthlink.net>, Edwin F ullman <tullman@earthlink.net>, Larry Calof <lcalof@earthlink.net>, "ipieslak@att.net" <ipieslak@att.net>, "deb@debblackmore.com" <deb@debblackmore.com>, Joan Sanders <jsan156@comcast.net>, "swatiadvani@gm" <swatiadvani@gmail.com>, "John Siambis (john.siambis@sbcglobal.net)" <john.siambis@sbcglobal.net>

Cc: George Rodericks <grodericks@ci.atherton.ca.us>

FW: Documentation required for AAC dissolution

Arts Committee Members,

See email thread below. The information will be included with the staff report for the April City Council meeting.

This message is for informational purposes only. **Please do not reply ALL.** Doing so may be a violation of the Brown Act.

Thank you,

Theresa

From: "Edwin F. Ullman" <tullman@earthlink.net>

Subject: Re: Documentation required for AAC dissolution

Date: April 2, 2013 1:48:56 PM PDT

To: George Rodericks <grodericks@ci.atherton.ca.us>

George,

Thank you much for these comments which go a long way toward documenting the thoughts that you provided verbally to the AAC. If you were to share this message, or at least the final two paragraphs, with the AAC members you would likely get strong support from the committee members. I suggest that you forward this message to them with assurance that you will share it with the Town Council prior to its final consideration of this matter. If there is no negative feedback perhaps we can avoid calling a special meeting.

Please understand that I greatly appreciate your desire to simplify our operations. However a number of us are concerned that if the Town Council does not have a clear written statement such as you sent me, it will not fully understand the implications of your dissolution proposal and may not abide by your suggested funding procedure.

Hopefully we are now in full agreement. Please let me know.

Regards,

Ted

On Apr 2, 2013, at 9:52 AM, George Rodericks <grodericks@ci.atherton.ca.us> wrote:

Ted,

I will pass along your desire for a special meeting to Theresa but the Chair of the Committee is the member that needs to call the meeting. The Chair should contact Theresa to do so.

I don't believe I'm ignoring the main point. I have expressed that it is unlikely that the Council and it may run afoul of the Trust itself to "bind" the expenditure of funds under the Trust solely to any specific organization.

Presently, the AAC sends a budget request to the Council. The Council reviews, comments, modifies, and/or approves the request. The Town retains control over the funds. The Town can prevent expenditure of the funds budgeted. The Town can approve or deny any event. The Town can expend funds from the Trust in other areas as desired. The AAC is required to complete Form 700s. The AAC is required to following the Town's purchasing policies and submit potential expenditures for review and approval prior to expenditure. The AAC is required to obtain special event insurance for events. The AAC will likely be required to provide independent insurance for art stored on Town facilities. The AAC is required to abide by the Brown Act. The AAC is required to abide by the FPPC Conflicts of Interest rules.

Presently, the Town does not have an agreement for storage with the Dames or the HPP Foundation yet they have events and storage as designated groups. Perhaps we should?

As the AAF, the AAF would submit a budget to the Council each year. The Council reviews, comments, and/or approves the request. The Town disburses funds to the AAF upon approval. That's it. The AAF is now responsible for its budget and the funds. The Town can approve or deny any special event just as before but does not have authority over the funds once disbursed to the AAF. The AAF maintains its storage and meeting space as a designated group. Just like the Dames or HPP Foundation. There are no Brown Act requirements. There are no Form 700s. There are no purchasing policy requirements. There are no FPPC Conflicts of Interest rules. The AAF would be required to obtain special event insurance for events. The AAF would be required to provide independent insurance for art stored on Town facilities.

If the AAF would like a formal agreement in place with respect to storage space and meeting space that can be done without a problem and in fact should be done for all groups to which the Town provides such opportunity (Dames/Foundation). But again, it is unlikely that the Town would tie its hands with respect to funding.

George

George Rodericks
City Manager
Town of Atherton
(650) 752-0504 - Office
grodericks@ci.atherton.ca.us

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On Apr 1, 2013, at 11:28 PM, Edwin F. Ullman <tullman@earthlink.net> wrote:

George, You seem to be ignoring the main point. The Policy Document says nothing about funding by the Town or how such funds would be provided. If every AAC expenditure requires approval as is now the case there is little advantage in dissolution. At a bare minimum the AAC needs a clear picture of whether the Council is prepared to fund the AAF, how such funds are to be handled, and what reporting is required. It also needs assurance that it will have a place to meet, arrange shows, and store equipment required for its activities. Without such assurances there will likely be few if any members who will support this proposal.

As you point out the Council does not require our concurrence, but they do require participation of our members. I therefore suspect that our agreement or lack thereof is an important consideration assuming that the Council wishes to continue an arts program. For this reason I am requesting Theresa to call a special meeting prior to the next council meeting with the intention of making these issues clear to all of our members and voting on a recommendation. This will give you the opportunity to convey to the Council not just my reservations or your enthusiasm but the sentiments of the full Committee.

Ted

On Apr 1, 2013, at 4:56 PM, George Rodericks <grodericks@ci.atherton.ca.us> wrote:

Ted,

The Policy Document could suffice as an agreement if it were signed in acknowledgement by both parties.

As noted previously, if the Town needs the Garden Room for any alternative purpose, it could choose to advise the Arts Committee of that need and Committee would be forced to move from the space. The current funding is not guaranteed to the Arts Committee. There is no agreement in place presently. The Arts Committee is not a designated group under the current policy. These are negatives, but I believe the positives far outweigh the negatives.

There may be opportunities in the future whereby the Town considers "permanent" space for the Arts. In this instance, a formalized agreement might be in order as we would be talking about real property versus storage space. A Town Committee cannot take title to real property. As I mentioned it is highly unlikely that the Council would enter into a formal agreement to restrict the use of the Art Fund solely to the AAF. I'm not sure the Trust itself would allow that either. At the end of the day, the Arts Committee

does not have to agree to its dissolution. That is a Council decision.

I understand the mission and focus of the Arts Committee and am a dedicated supporter (my daughter's an artist). I believe that the best way for the Arts Committee to truly serve its mission is through activity as a non-profit foundation. Regulatory restrictions are too great and cumbersome to allow the Arts to flourish in the manner this community desires it to. If the Committee continues as a Committee it will be required to meet the Federal, State, and local regulatory requirements as are all other Town Committees.

I will advise the Council at the April 17 meeting of your comments.

George

George Rodericks
City Manager
Town of Atherton
(650) 752-0504 - Office
grodericks@ci.atherton.ca.us

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On Apr 1, 2013, at 4:33 PM, "Edwin F. Ullman" <tullman@earthlink.net> wrote:

Hi George,

Until an agreement is in writing I suspect that the AAC is unlikely to agree to dissolution because your proposed policy on Designated Groups has no provision for funding and uncertain provision for space. The prior AAC vote accepting its dissolution was predicated on your assurance that funding and space would be made available. I urge that no further action be taken until an agreement can be written and approved by the AAC. Perhaps you have some work-around for these problems in which case the full Committee should have an opportunity to consider it.

Sorry to throw sand in the gears of progress but this is obviously a very important consideration for all of us who have worked hard to benefit our community. If our funding is cut off at the end of June it is unlikely that the AAF will raise sufficient funds rapidly enough to offer our annual art show, and it will be uncertain if we will be able to continue with our concerts, new art in the park and other events.

I note your comment that I am not allowed to send communications to our entire committee. I am therefore copying only Joan Sanders who was former chair (Marjory Wilson has resigned), and my wife and Larry Calof who have assisted me in formulating the suggestions that I sent to you.

Best regards,

Ted

On Apr 1, 2013, at 11:40 AM, George Rodericks <grodericks@ci.atherton.ca.us> wrote:

Ted,

Thanks for the feedback. I think an agreement between the Town and the AAF would be a beneficial idea. Until something like that is developed, what the Council would use is its policy on Designated Groups. The Policy, as planned to revise looks like this:

"The purpose of this memorandum is to memorialize the City Council's direction with respect to designated groups. In a memorandum dated April 2, 2012 the City Council confirmed practices for event bookings at Holbrook Palmer Park and confirmed the groups within the community qualifying as "Designated Groups."

This memorandum expands the information on that memorandum associated with "designated groups" to include the Atherton Arts Foundation.

- Designated Community Groups include:
 - o The Park Foundation
 - o Atherton Dames
 - o Friends of the Library
 - o Atherton Arts Foundation
 - o Other Similar Groups as approved by the City Manager
- Fees are not charged to Designated Groups; however, the groups are obligated to pay any direct Town costs associated with their event.
- All events hosted by Designated Groups must meet the insurance requirements as determined by the City Manager and the Town's Risk Liability Insurance Carrier (ABAG).
- All event organizers and/or sponsors are required to complete event applications stating the specific details of the proposed event as required by the City Manager. Applications must reviewed and approved by the City Manager.
- Designated groups may utilize Town facilities, such as meeting rooms and storage space without fee, but even in the use of these areas, continue to be responsible for any direct costs incurred by the Town connected with their use.
- Designated groups may utilize storage and/or activity space on a regular basis. Use of such space is by approval only and may be revoked at any time. Town uses and needs take priority over any uses by designated groups."

It is unlikely that the Council would enter into an agreement that would bind them to using the AAF as the sole vehicle for expenditure of funds from the Trust. They are not bound to that now and likely would not bind the hands of future Councils to that. Everything else in your list looks doable and is covered by the Policy above but could be separately written into an agreement between the Town and AAF. All designated groups are obligated to pay any "direct" costs connected with their events at the Park but do not pay fees for rental of rooms or storage. The Arts Committee has been the only Town committee that actually hosts significant events. When they do so, the cost of the event (any Town costs) would be drawn against the Arts Fund. In the case of future events, the AAF would be responsible for any direct Town costs as part of the budgeted costs for the event. In essence, the funds for payment of the direct costs would come from the same.

As an aside, it violates the law to send emails such as the one you sent below to the Committee. While the Committee remains a Town Committee please refrain from communicating issues that are within the purview of the Committee to the entirety of the Committee unless it is at a noticed public meeting.

Regards,

George

d

George Rodericks
City Manager
Town of Atherton
(650) 752-0504 - Office
grodericks@ci.atherton.ca.us

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On Mar 30, 2013, at 11:43 AM, Edwin F. Ullman <tullman@earthlink.net> wrote:

Dear George,

Thank you for spending the time to meet with the Arts Committee (AAC) last Tuesday. At that meeting you reassured us that replacement of the Committee by the Atherton Arts Foundation (AAF) would have minimal impact on our activities and would allow us to function without having to operate by the rules

and procedures required by the Brown Act. As I indicated at the meeting, I am concerned that despite the best of intentions, we may lose privileges in the future if there is no clear written understanding between the Town and the AAF. I understand that you intend to create a document that provides such assurance. I believe this should be in the form of an agreement between the AAF and the Town. Here is a list of major items that should be in that document:

As has been the case since the inception of the AAC, the AAF will be the sole vehicle for expenditure of funds from the Evans Trust.

The AAF will incorporate the current AAC charter into its charter.

An AAF budget together with an accounting of expenditures in the prior year will be presented annually to the Council. Following approval of the budget the budgeted funds will be transferred to an AAF bank account. No further approval of budgeted projects will be required. Projects not paid for by the Town will not be subject to approval by the Council.

As is currently the case for the AAC, the basement of the Main House known as the Garden Room, or an equivalent space, will be available for exclusive use by the AAF.

Access to and use of all other Town facilities and services including any associated charges and means for resolving scheduling conflicts will be identical to that afforded to Town committees and commissions.

Publicity through the Athertonian, banners, email, and other Town resources will be made accessible as though the AAF were a Town committee.

Outside money raised by the AAF may be used in any manner consistent with the AAF charter.

Membership in the AAF will be solicited from among Atherton residents, but residents of neighboring communities may be accepted.

Thanks for your support.

Ted

RESOLUTION 13-08
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A Resolution of the City Council of the Town of Atherton Establishing and
Governing Town Committees and Commissions

Revised:

August 15, 2012

February 12, 2013

April 17, 2013

The City Council of the Town of Atherton hereby resolves as follows:

Section 1. Establishment of Committees.

The following committees and commissions are established for the Town of Atherton:

- ~~1. Arts Committee~~
2. Audit/Finance Committee
3. Community Center Advisory Committee
4. Environmental Programs Committee
5. Park and Recreation Commission
6. Rail Committee
7. Transportation Committee

Section 2. Committee and Commission Principles and Rules of Procedure

Principles: All committees and commissions shall follow the City Council Rules of Procedure, the Atherton Municipal Code and the provisions of the California Open Public Meeting Law (Brown Act).

The responsibility and accountability for all work necessary to efficiently and cost effectively carry out the advisory functions of each committee/commission shall rest exclusively with the Chairman or Council Member assigned to the committee.

A Town Department is assigned to each Committee. Each Department Manager is responsible for providing the necessary staff (in the most cost effective manner) to prepare for, and attend committee/commission meetings. This includes but is not limited to creating an agenda and agenda packet, taking minutes and conducting follow up from meetings.

Agenda Preparation: The agenda shall be prepared in accordance with the following guidelines. One of the following methods may be applied for placing an item on a Committee/Commission agenda:

1. Council: A majority vote of the Council may direct staff to add an item to a Committee or Commission agenda.
2. City Manager: The City Manager may receive requests for agenda items from the public, staff, a committee member or a Council Member. The City Manager will review the request with the Committee Chair. The City Manager shall have sole discretion to refer

the Committee request to place an item on an agenda to the City Council at the next available meeting.

3. Staff and Committees: There may be a need for agenda items which may arise out of committee meeting discussion, and are requested and agreed on by a majority of the Committee; or created from staff follow up of previous meetings. The City Manager shall place the item on the Council agenda within the next two regular meetings. If it is going to take longer, staff shall acknowledge that to the Committee Chair.
4. Colleagues' Memorandum: If at least two committee members prepare a colleagues' memo, the City Manager shall place the item on the Committee's agenda under the Future Agenda Items Section. A colleague's memo is a written request, no more than two pages in length, presenting an item to be added to the following Agenda. The item can be added to the next Agenda by a majority vote of the Committee.

The City Clerk has overall responsibility for posting committee/commission agendas.

Advocate: Members of committees and commissions are encouraged to advocate positions to the City Council on matters under the purview of their committee or commission. Otherwise, no committee or commission or any of its members shall represent itself or themselves as speaking on behalf of the Town, City Council, and/or committee or commission without prior approval of the City Council. Statements of previously approved City Council policy may be made without additional City Council approval. When there is a question a committee/commission member shall consult the City Attorney for advice. Members of committees or commissions may attend meetings of other committees or commissions and the City Council; however, members shall not present opinions of their own committee or commission at such meeting unless the position is previously approved by their committee. A quorum of a committee or commission may attend such a meeting, but they may not discuss among themselves Town business, including making comments that would amount to a discussion of the matter under consideration by a quorum of their own committee or commission.

Educational Materials: Committees and commissions may provide approved educational materials to the public regarding the functions and actions of the committee or commission, but shall not engage in advocating to the public any particular position which is contrary to City Council policy. Any educational materials sent to the public shall be approved by the City Manager, and shall follow the Towns procurement process. It shall be the City Manager's discretion on whether or not the educational materials need Council approval beforehand.

Meetings: Changes in the dates or time of meetings from the established schedule may be made by majority vote of the committee or commission

Minutes: All committees and commissions shall prepare action minutes. *Action* minutes shall be presented to the City Clerk within 7 days following the meeting or as soon as feasible if there is a reason not to produce them within that timeframe. Finalized minutes should be sent electronically to the City Clerk for posting, *after* the Committee has approved them. The City Clerk will share appropriate information received from the minutes with the City Manager and City Council.

Reports: An annual report shall be created and approved by the Committee and provided to the City Manager, City Clerk and City Council of committee and commission activities for the preceding year.

Special Meetings: The Chair or a majority of the Committee may call a special meeting at any time in accordance with the Brown Act.

Website: Any website created by a Committee must be approved by the City Manager and monitored by the appropriate staff in terms of discourse. Websites need to be developed in accordance with the “advocate” section of this resolution.

Section 3: Appointment of Voting Members to Committees and Commissions.

Appointment: Members other than City Council Members shall be appointed following recruitment process set forth by the City Clerk and approved by the City Council. All appointed members shall be registered voters in the Town. Members shall serve at the pleasure of the City Council, or until the expiration of their terms set out below. Vacancies in any committee or commission arising from any reason, including expiration of term, shall be filled by temporary appointment of the City Council, or by annual recruitment. The Committee Chairperson or staff assigned shall notify the City Clerk of resignations and vacancies. Each Committee which cannot fill at least 50% of its seats shall be postponed until the Town can recruit at least a quorum (50%+1). During that time, Council shall continually recruit qualified individuals and town staff shall continue to advertise periodically.

Term expiration dates shall end on June 30th. Appointed committee/commission members shall serve no more than two full consecutive terms on the committee or commission to which they are appointed. A member may be reappointed to the committee or commission following a minimum two (2) year hiatus. However, if a seat is vacant and no one applies, City Council may grant an exemption.

City Council representatives and any alternates on committees are selected by the Mayor and approved by the City Council to serve a one (1) year term. Alternates will participate on committees in the absence of the appointed Council Members.

Members who intend to be absent from a meeting shall alert the chairperson and/or staff person assigned. The Chairperson shall state during the meeting, under roll call whether the member is excused (notification was given) or absent (no notification was given). Unexcused absences of members, other than City Council Members, from two or more consecutively scheduled meetings shall result in the automatic vacation of the member’s office. The staff person assigned to the Committee shall work with the Chairperson to alert the City Clerk of consecutive absences. The City Clerk shall alert the City Manager who shall decide how to inform City Council. City Council has the authority to override this rule based on the information received.

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Chairperson and Staff: Each committee or commission shall have a Chairperson. The Committee shall select its Chair on an annual basis in February. The Department assigned to the committee shall have the authority to appoint staff member(s) to serve Town committees and commissions. Any requests by a committee or commission for staff work, information, or assistance from Town staff shall be made to the City Manager.

Section 4: Funding for Committees and Commissions.

In the event funding for committees or commissions is desired, a budget shall be prepared and presented to the City Council for review and approval as part of the Town's regular budget process. The committee/commission shall follow the guidelines set forth by the purchasing policy approved by City Council through Ordinance 595 and any expenditure policies developed and approved by the City Council. No Committee member shall use his or her own personal credit card. For items under \$150 a committee member may request a cash advance and then come back to the Town with itemized receipts. For items over \$150, a committee member shall complete a check request from the Town or have the Town purchase the goods/services.

Section 5: Committees and Commissions Composition, Powers and Duties.

1. Arts Committee.

~~The Arts Committee shall have the following powers and duties:~~

~~Act in an advisory capacity and make recommendations to the City Council upon request in matters regarding art awareness including, without limitation, the following goals and objectives:~~

- ~~a. Fulfill the requirements of the Rita Corbett Evans estate;~~
- ~~b. Develop a unique arts program specific to the needs of Atherton and the surrounding community;~~
- ~~c. Provide a base and focal point for arts programs in Atherton;~~
- ~~d. Include a multi-disciplinary range of artistic endeavors including fine, performing, and literary arts as well as crafts.~~

~~The Arts Committee consists of up to ten (10) appointed members. The term of office shall be as follows: Five (5) of the members shall be appointed to a four (4) year term and the remaining five members' terms shall be three (3) year terms. Thereafter, each term of office shall be four (4) years. The Committee meets on the 4th Tuesday of each month at 1:00 p.m. in the Holbrook-Palmer Park Garden Room unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair. Periodic meetings will be held in the Council Chambers.~~

~~The City Clerk will act as the staff liaison with the Arts Committee to ensure the procedures are properly followed and adhered to.~~

2.1. Audit/Finance Committee

The Audit/Finance Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to Town finances;
- b. Consult with the City Manager on matters pertaining to the budget, capital spending plan and the long range financial plan for the Town;
- c. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to the Town's annual audit;
- d. Provide oversight of the annual audit and present and explain the audit to the City Council with recommendations as to acceptance;
- e. Advise City Council regarding appointment of outside auditors for annual audit;

- f. Review proposed audit scope with outside auditors prior to commencement of annual audit.

The Audit/Finance Committee shall have the following composition and terms:

Consists of two (2) Council Members and five (5) appointed, qualified resident members. Two terms shall be for one year and three terms shall be for two (2) years. Thereafter terms shall be for two (2) years ending on June 30th. The committee meets on an as needed basis typically in the Council Chambers or the Town Administrative Conference room. Pursuant to Council action on June 20, 2012 the Committee shall establish a regular schedule of meetings.

The Finance Department is assigned overall responsibility of the Audit/Finance Committee.

3.2. Community Center Advisory Committee (CCAC)

The Community Center Advisory Committee (CCAC) shall have the following powers and duties:

- a. Assist staff in the development of a master planning process to determine the key issues that need to be addressed by the community as well as a process for keeping the community at large informed and involved.
- b. Work with staff to solicit feedback through tools such as surveys, community gatherings, and workshops to disseminate information regarding the key issues and questions involved in the development of a Master Plan for the proposed new Community Center.
- c. Engage in public outreach to solicit substantive feedback and opinions on the Master Plan and the Community Center project and provide Council with a summary of findings for consideration. Support staff with updates for the Town website and periodic updates for residents.
- d. The CCAC may form Ad Hoc Subcommittees and/or host community workshops to involve a broader base of residents for the purposes of information gathering on specific issues, thus creating more community involvement and more in-depth visioning.
- e. Once the Council adopts a Master Plan, the CCAC will continue to work with staff to coordinate public outreach and collect resident input during the design phase of the Community Center project.
- f. Assist in discussion about the short-term improvements needed for the Library and Town Center facilities.

The Community Center Advisory Committee consists of up to seven (7) members including two Council members. The Committee is setup for specific purposes listed above and when the purposes are accomplished the Committee will disband. The Community Center Project consists of the Town's Administrative Offices, Police Department, Public Works, Building and Planning Departments, Council Chambers, Library, community meeting rooms and associated outdoor facilities. The Committee meets on an as needed basis typically in the Council Chambers or the Town Administrative Conference Room.

4.3. Environmental Programs Committee.

The Environmental Programs Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations (programmatic and legislative) to the City Council upon request on all matters pertaining to the Town's natural and built environment and the Town's regional role and responsibilities as one of the communities on the San Francisco Bay Peninsula.

- b. Create pro-active community engagement programs for residents, commercial and public enterprises active within the Town's jurisdiction for presentation to and consideration and approval by, the City Council.

The Environmental Programs Committee consists of up to twelve (12) members including two (2) Council Members and ten (10) residents of the Town. The term of office shall be as follows: Appointed members shall be appointed to four-year terms. Thereafter, each term of office shall be four (4) years. The committee meets quarterly on the first Wednesday of the month at 10:00 a.m. in the Conference Room of the Town Administrative Offices unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

The Planning Department is assigned overall responsibility of the Environmental Programs Committee.

5.4. Park and Recreation Commission.

The Park and Recreation Commission shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to parks and public recreation and to cooperate with other governmental agencies and public and private groups in the advancement of park and recreation planning and programming;
- b. Develop and maintain a master plan for parks within the Town and, annually, in the month of April, present a report to the City Council.
- c. Review the annual budget for parks and recreation during the process of its preparation and make recommendations with respect thereto to the City Council. This includes recommendations regarding the setting of fees. The budget should contain estimates and recommendations for such long-term capital outlay projects as may be necessary to provide for orderly development of park and recreation areas, buildings and facilities;
- d. Study and make recommendations on the acquisition and development of recreation areas, activities and facilities such as playgrounds, buildings, parks, open space and other centers of recreation;
- e. Assist Town staff in the planning of recreation programs for the community.

The Park and Recreation Commission consists of seven (7) appointed members. One member shall be a representative of the Holbrook-Palmer Park Foundation. One member shall be a representative of the Atherton Dames. Each of the foregoing representatives shall serve a term of two (2) years. Terms shall be staggered so that the term of office for two (2) members shall be four (4) years, and the term of office for the remaining members shall be four (4) years. Thereafter, each term of office shall be four (4) years. The Park and Recreation Commission meets on the first Wednesday of each month at 6:30 p.m. in Holbrook-Palmer Park unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

The Public Works Department is assigned overall responsibility of the Park & Recreation Commission.

6.5. Rail Committee.

The Atherton Rail Committee shall have the following powers and duties:

- a. Act in an advisory capacity to the City Council on all matters pertaining to High Speed Rail (HSR), the Rail Corridor and Caltrain.
- b. With the assistance of appropriate Town staff, research and address specific impacts HSR and other rail infrastructure and services may have on the Rail Corridor and the Town.
- c. Perform active outreach and cooperative efforts with groups and organizations opposing HSR.
- d. Rail Committee members are authorized to act as spokespersons to articulate and advocate the Town's Rail Related Policy Positions as they pertain to rail committee matters to legislatures, HSR and Caltrain board of directors, regional organizations, press and other interested parties.

The Atherton Rail Committee shall have the following composition and terms: Consists of twelve (12) members including two (2) Council Members and up to ten (10) appointed members. There are no term expirations for Rail Committee members. The committee meets on the first Tuesday of every other month at 6:00 p.m. in the Council Chambers. There are no term expirations.

Additionally, by action of approval of this Resolution the City Council approves Exhibit A titled, "Rail Related Policy Positions."

The Public Works Department is assigned overall authority of the Rail Committee.

7-6. Transportation Committee.

The Transportation Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to transportation within the Town.

The Transportation Committee consists of seven (7) members including two (2) Council Members and five (5) appointed members. The term of office shall be four (4) years. The committee meets on the second Tuesday of every other month at 6:00 p.m. in the Council Chambers unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

The Police Department shall have overall responsibility of the Transportation Committee. The Chief of Police will coordinate with the Public Works Department when public works staff is needed.

Section 6. Advice.

Appointed members of committees and commissions are encouraged to seek advice from Town staff when they are uncertain of the foregoing rules.

This Resolution shall be effective immediately upon adoption. All previous resolutions governing Town committees and commissions including Resolution No. 10-13 are hereby superseded and rescinded on June 20, 2012.

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 12th day of February, 2013, by the following vote.

AYES: 5 *Council Members:* Lewis, Carlson, Dobbie, Widmer, Wiest
NOES: 0 *Council Members:*
ABSENT: *Council Members:*
ABSTAIN: *Council Members:*

Elizabeth Lewis, MAYOR
Town of Atherton

ATTEST:

Theresa DellaSanta, City Clerk

APPROVED AS TO FORM:

William B. Conners, City Attorney



Item 19
Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER

FROM: MICHAEL KASHIWAGI, COMMUNITY SERVICES DIRECTOR

DATE: APRIL 17, 2013

SUBJECT: APPROVAL OF DRAINAGE STUDY RFP

RECOMMENDATION:

1. Approve the Request for Proposal (RFP) for preparation of the Drainage Study
2. Authorize staff to advertise and distribute the Drainage Study RFP

BACKGROUND

A Townwide Drainage Study was performed by an engineering consultant in 2001. Since that time, significant changes have occurred which impact drainage, including Federal and State regulations under the National Pollutant Discharge Elimination System (NPDES), Regional Water Quality Control Board (RWQCB) permitting, updated Town drainage standards, changes in Building Codes, changes in development of numerous private properties and completion of many public drainage improvements through the Capital Improvement Program.

FINDINGS

Due to the numerous changes in conditions and regulations which impact stormwater drainage, it would be appropriate to engage professional engineering consulting services to analyze the impacts of these changes on the Town's stormwater drainage systems and recommend actions which the Town should take. The expected outcome of the study would be an updated list of capital projects which should be considered for construction. Because of the potential impacts on public health and safety from stormwater drainage, it is recommended that a comprehensive analysis be conducted so that Council may subsequently set priorities for future capital projects based on the study's findings and recommendations, which will include identification of and recommendations for mitigating localized flooding.

A schedule for the consultant's selection is as follows:

- Council authorize distribution of a Drainage Study RFP April 17
- Staff distributes RFP April 18
- Pre-proposal meeting (optional attendance) April 25
- Proposals due May 16
- P&R review of proposals and recommendation of a preferred consultant June 5
- Council selection of Park Master Plan consultant June 19

FISCAL IMPACT

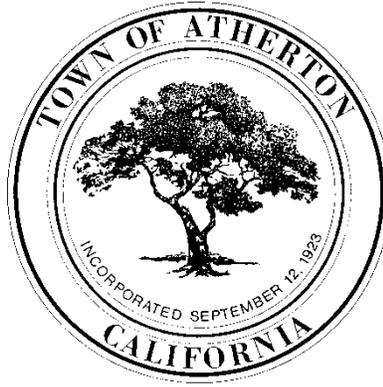
The 2012-13 Capital Improvement Program includes funding for improvements necessary to alleviate localized ponding and/or flooding. It also includes funding each year through FY 2016-17 to implement projects.

Prepared By:

Approved:

Mike Kashiwagi
Director of Community Services

George Rodericks
City Manager



**DRAFT
REQUEST FOR PROPOSAL**

for

**Municipal Engineering Services
for
Storm Drainage Study Updates and Related Services**

**Office of the City Clerk
91 Ashfield Road
Atherton, CA 94027**

Proposals Due by 3:00 pm on May 16, 2013

Project Overview

The Town of Atherton invites proposals from Civil Engineering firms with expertise in hydrology. The purpose of this RFP is to select a Consultant with the capability and experience to efficiently and cost-effectively satisfy and deliver the requirements described in this RFP.

Town Background

The Town of Atherton is a California municipal corporation, located approximately 30 miles south of San Francisco. The Town extends from slightly west of the Bayshore Freeway (US 101) up to I-280 and is approximately 4.5 miles long and 1.5 miles wide. Its' municipal neighbors include Menlo Park to the south, Woodside to the west and Redwood City to the north. Incorporated in 1923, the Town is a community known for being entirely residential with its beautiful tree-studded estates, traditional architecture, and a number of excellent private as well as public schools.

Town Demographics

The 2010 Census Bureau Statistics indicate the following demographics:

- Population – 6,914
- Average Household Size - 2.80
- Median Age - 48.2
- Households – 2,330
- Median Family Income - \$200,000+
- Median Home Value - \$4,010,200

PROJECT BACKGROUND

Nolte Associates prepared a drainage study in 2001

- Nolte identified a number of deficient locations where there are drainage issues.
- Town of Atherton constructed a number of projects to remediate the drainage issues.
- Since 2001, numerous residential developments have been built, potentially altering previously identified drainage issues.
- Nolte report and relevant Town project summaries will be available in PDF form.

A Municipal Regional Stormwater Permit, R2-2009-0074, adopted October 14, 2009, implements NPDES requirements and needs to be consulted in order to make compliance recommendations. More information is available at www.flowstobay.org.

In January 2013, the Town adopted Drainage Criteria which are designed to reduce peak storm water flows and to also improve water quality.

PART A – Scope of Work

Purpose

To provide engineering design and related services determined to be reasonably necessary in analyzing the existing drainage patterns, identifying deficient locations where drainage issues may occur, remediating identified drainage issues while complying with NPDES water quality requirements.

Project Description

Phase 1 –

1. Research, collect, and review existing studies/reports/as-builts/records (from County, City and other public/government entities) relevant to storm water and drainage within the Town study, including, but not limited to, previous storm drainage master plans, storm drainage collection and conveyance facilities maps, LIDAR files, GIS files and CAD files of permitted private drainage detention facilities which are in the Town's files.
2. Prepare hydrology exhibits for impacted, individual sub-areas.
3. Investigate field conditions of local conditions relevant to the storm drainage study, as needed to assess site parameters of existing studies/reports/as-builts/records.
4. Identify stormwater management areas to be addressed such as water quality, water quantity, infrastructure management/replacement, and infrastructure improvements as they pertain to the impacted sub-areas.
5. Conduct hydraulic modeling, as needed, to provide a precise and accurate tool for evaluating storm drainage infrastructure and decision-making for future recommendations.
6. Recommend stormwater management, policy and infrastructure improvements, including recommendations to address deficiencies identified during the study.
7. Develop a list of projects in priority order and propose a schedule based on public health and safety needs.

After field verification of work, the consultant shall submit the following to the Town:

- 3 bound sets of the report
- Copies of all necessary reports/calculations
- Electronic copies of above items on a CD/thumb drive

PART B - Pre-Submittal Process

1. Applicant questions: All questions regarding the RFP shall be submitted in writing

to Gordon Siebert, City Engineer by the schedule deadline, to: gsiebert@ci.atherton.ca.us. Questions and responses will be posted on the Atherton Town website.

2. Submittal Deadline: Late submittals will not be accepted. Format and Delivery: Submit three (3) letter-sized copies with one (1) unbound copy of the technical proposal to:

Theresa DellaSanta
Atherton City Clerk
Town Of Atherton
91 Ashfield Road
Atherton, CA 94027

and e-mail a PDF copy to Theresa Della Santa at tdellasanta@ci.atherton.ca.us .

Submittals will not be returned. **One (1) copy of the cost proposal shall be submitted in a separate sealed envelope at the same time as submittal of the technical proposal.**

Proposals submitted after the deadline will not be accepted for consideration.

The Town reserves the right to accept or reject any or all proposals, or to alter the selection process in any lawful way, to postpone the selection process for its own convenience at any time, and to waive any non-substantive defects in this RFP or the proposals.

The Town is seeking to engage the most qualified person or firm. The Town reserves the right to negotiate with other qualified persons or firms, or to solicit additional statements of qualifications at any point in the project should it fail to negotiate a reasonable fee with the initially selected person or firm. The Town reserves the right to modify the scope of work during negotiations with the consultant, subject to mutual agreement.

PART C – Proposed Timeline

April 18, 2013	RFP available on Town of Atherton website
May 7, 2013	4 pm Submission deadline for written questions
May 9, 2013	Responses to written questions available on Town of Atherton website
May 16, 2013, 3 pm	Technical and Cost Proposals due
Week of May 27, 2013	Interviews with highest ranked proposers (if necessary)
June 19, 2013	Recommendation to City Council

PART D – Proposal Content

The proposal should include the following:

1. FIRM OR PERSON INTRODUCTION: including information such as length of time in business, office location(s), number of staff and a general summary of

qualifications documenting the strengths of the firm or person, areas of expertise and licensing.

2. APPROACH: the person or firm's project management practices, methodologies and processes.
3. PROJECT EXPERIENCE: listing specific project management experience that is related to the type of service required by the Atherton Library project. Project experience should list the type of work provided with the client contact information for each project.
4. GRAPHICS: Examples of graphics in prior studies
5. WORK PLAN: Detailed work plans with estimated hours by task or project phase.
6. KEY STAFF: including the identification of the Principal-in-Charge and key staff. This section should identify the qualifications and related experience of key staff assigned to the project; and includes their resume showing experience in project management services.
7. LITIGATION: - A list of any current litigation to which the firm or person are parties by virtue of their professional service, in addition to a list of any such litigation from the past ten years.
8. DISCLOSURE: of any past, ongoing, or potential conflicts of interest that the firm or person may have as a result of performing the anticipated work.

PART E – Selection Criteria

Selection will be based on the following evaluation criteria:

1. Project understanding, as demonstrated by work plan and approach. (15%)
2. Qualifications and experience of key personnel and other team members, including sub-consultants. (35%)
3. Recent experience in performing similar studies. (20%)
4. Recent past performance in quality and completeness of work and delivery on time and within budget. (20%)
5. Feedback from references given. (10%)

After reviewing proposals, the Town may either directly enter into negotiations with the firm it finds best qualified or select a short list of firms to be interviewed by a selection panel. After reviewing proposals, the Town may either directly enter into negotiations with the firm it finds best qualified or select a short list of firms to be interviewed by a selection panel. If the Town is unable to negotiate a satisfactory agreement with its first choice it will enter into negotiations with the next choice. Final approval of the firms recommended by Town staff, the fee and the contract must be reviewed and approved by the Atherton City Council.

For additional information, contact Gordon Siebert, Atherton City Engineer, at (650) 752-0532.



Item 20
Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER

FROM: MICHAEL KASHIWAGI, COMMUNITY SERVICES DIRECTOR

DATE: APRIL 17, 2013

SUBJECT: APPROVAL OF PARK MASTER PLAN RFP

RECOMMENDATION:

1. Approve the Request for Proposal (RFP) for preparation of the Holbrook-Palmer Park Master Plan
2. Authorize staff to advertise and distribute the Park Master Plan RFP

BACKGROUND

A Schematic Landscape Master Plan was adopted for Holbrook-Palmer Park in 2005. The 2012-13 Capital Improvement Program includes funding for a Master Plan update and expansion for Holbrook-Palmer Park. In March 2013, the Parks and Recreation Commission (P&R) was asked to provide input regarding elements to be included in the Master Plan and to determine which should be priority elements. At the April 3 P&R meeting, the Commission endorsed the draft RFP, with a number of changes which have subsequently been incorporated and recommended that it should be forwarded to City Council.

FINDINGS

Since there is an existing Master Plan which is focused on landscaping, the proposed update will focus on the following elements:

- Primary customers and activities served at the park
- Sustainability of the park;
- User circulation;
- Land/Space utilization;

- Policy recommendations on programs, uses and fees.

A schedule for the consultant's selection is as follows:

- Council authorize distribution of a Park Master Plan RFP April 17
- Staff distributes RFP April 18
- Pre-proposal meeting (optional attendance) April 25
- Proposals due May 16
- P&R review of proposals and recommendation of a preferred consultant June 5
- Council selection of Park Master Plan consultant June 19

FISCAL IMPACT

The 2012-13 Capital Improvement Program includes funding for a Park Master Plan.

Prepared By:

Approved:

Mike Kashiwagi
Director of Community Services

George Rodericks
City Manager

TOWN OF ATHERTON



DRAFT

REQUEST FOR PROPOSAL

**for
Master Plan Services
for
Holbrook-Palmer Park**

**Office of the City Clerk
91 Ashfield Road
Atherton, CA 94027**

Proposals Due by 4:00 pm on May 16, 2013

Project Overview

The Town of Atherton (“Town”) is seeking professional services relating to the development and preparation of a cohesive yet flexible Master Plan which will guide use and any future redevelopment of Holbrook-Palmer Park. The Town’s goal is to maintain the Town’s only Park through the implementation of such a Master Plan so that the Park retains its utility for community activities and events while remaining a tranquil haven for Park visitors. Its use will balance the varying needs of the community in a way that maintains the historic, small town character that is uniquely Atherton.

Town and Park Background

The Town of Atherton is a California municipal corporation, located approximately 30 miles south of San Francisco. The Town extends from slightly west of the Bayshore Freeway (US 101) up to I-280 and is approximately 4.5 miles long and 1.5 miles wide. Its municipal neighbors include Menlo Park to the south, Woodside to the west and Redwood City to the north. Incorporated in 1923, the Town is a community known for being entirely residential with its beautiful tree-studded estates, traditional architecture, and a number of excellent private as well as public schools. The Park is located at 150 Watkins Avenue, slightly east of El Camino Real, along SPRR tracks, and is adjacent to the Atherton Channel, which drains much of the Town. Olive Holbrook-Palmer left the 22 acre park to the Town in 1958.

Town Demographics

The 2010 Census Bureau Statistics indicate the following demographics:

- Population – 6,914
- Average Household Size - 2.80
- Median Age - 48.2
- Households – 2,330
- Median Family Income - \$200,000+
- Median Home Value - \$4,010,200

Project Background

The Town of Atherton has only one public recreation area, Holbrook-Palmer Park. As such, it serves a variety of community needs including a meeting location, including City Council meetings, an events venue, including private events reserving the Main House or Pavilion, a

Playschool, arts programs, dog training, Menlo-Atherton Little League, lacrosse games, and passive recreation. Facilities in the Park are as follows:

- Two-story Main House with meeting rooms and kitchen on the upper floor and arts program space on the lower floor, with an adjacent Event Garden
- The Pavilion, a large room suitable for community events, such as the City Council and Planning Commission meetings
- The Carriage House, used for various programs and for storage of Town records and various program materials
- The Water Tower
- Knox Playschool, comprised of two modular buildings and outdoor play yard
- Little League field, soon to be upgraded to include a grandstand and storage space
- Town-owned House, most recently used as a residence for the City Manager
- Park Corporation Yard
- Tennis Courts.

A schematic plan of the Park is shown on page 4 of the Holbrook-Palmer Park Schematic Landscape Master Plan, dated April 15, 2005. This Plan focuses on Park landscape and should form the basis for updating the Park Master Plan.

The Consultant will develop and manage a process that is responsive to the needs of the community to ensure a plan that meets current and future community needs. The work must address and respond to a rigorous public process.

PART A - Scope of Work

The Scope of Work includes three main phases: site analysis and assessment, public outreach and input and Master Plan development. The Town's Parks and Recreation Committee identified five aspects on which to focus, as follows:

- Primary customers and activities served at the park;
- User circulation;
- Land/Space utilization;
- Sustainability of the park
- Policy recommendations on programs, uses and fees.

The Master Plan should incorporate the Schematic Landscape Master Plan from 2005 and should be expanded to include in the aspects cited above, public input collected from the community outreach effort and professional expertise of the consultant team.

SITE ANALYSIS/ASSESSMENT

This phase will include a site analysis of the property to consider existing site conditions, opportunities and constraints, along with neighborhood and civic interests. Additional

information will be needed to evaluate use of existing buildings, potential additional uses, sustainability options, and alternative landscape options for the purpose of any further development of the site.

General tasks/milestones:

- Review existing documents and relevant background materials relating to the project, including building condition inspections;
- Conduct meetings and/or interviews with City representatives and key stakeholders (Park & Recreation Commission, Public Works, Planning, Park Foundation, Atherton Dames, Menlo-Atherton Little League, Lacrosse Club, Soccer organizations, Tennis Club, Knox Playschool);
- Complete CEQA Initial Study and develop a work plan if there are any mitigation requirements

Deliverables:

- Graphic and written documents summarizing project issues, site opportunities and constraints
- CEQA Initial Study Checklist and mitigation requirements

COMMUNITY OUTREACH AND PUBLIC PARTICIPATION

This phase embarks on the community outreach process, builds support for the park project and solicits community comment on how the park should be designed to meet the needs of residents and park users. The community outreach and public input process will be integral to the park planning and design process.

General tasks/milestones:

- Prepare a community outreach strategy and conduct the community outreach process
- Engage Town, community groups, stakeholders and individuals/residents
- Prepare project information and work with Town Clerk on distribution
- Conduct focus groups and attend meetings of local community-based organizations
- Conduct stakeholder interviews

Deliverables:

- Develop work plan detailing the community outreach strategy and timeline;
- Graphic and written information (fliers, surveys, questionnaires, press releases, etc.) to support the public outreach efforts;
- Presentations to Park and Recreation Commission and Town Council

MASTER PLAN

In this phase, based on needs assessment and community outreach, a master plan will be developed. This master plan will reflect the needs and interests identified by the community, the Town's officials, stakeholder groups, casual users and other key partners.

General tasks/milestones:

- Conduct master plan process
- Engage City staff, P&R Commission, community groups, stakeholders, residents and users
- Hold at least one workshop to assess needs and solicit community input on schematic design
- Develop master plan
- Develop cost estimates
- Present master plan to City agencies and public throughout process

Deliverables:

- Master Plan
- Cost Estimates
- Recommended Implementation Plan
- CEQA Initial Study Checklist
- All written and graphic materials to conduct community engagement, workshops, and presentations

PART B - Pre-Submittal Process

1. A pre-proposal meeting will be held per the attached schedule.
2. Applicant questions: All questions regarding the RFP shall be submitted in writing no later than 4:00 p.m. per the attached schedule to Gordon Siebert, Public Works Director, at gsiebert@ci.atherton.ca.us. Questions and responses will be posted by April 30 on the Atherton Town website.
3. Submittal Deadline: Thursday, May 16, 2013, at 4:00 p.m. Late submittals will not be accepted. Format and Delivery: Submit five (5) letter-sized copies with one (1) unbound copy of the technical proposal to:

Atherton City Clerk
Town Of Atherton
91 Ashfield Road
Atherton, CA 94027

and e-mail a PDF copy to Theresa Della Santa at tdellasanta@ci.atherton.ca.us.

Submittals will not be returned. **One (1) copy of the cost proposal shall be submitted in a separate sealed envelope at the same time as submittal of the technical proposal.**

Proposals submitted after the deadline will not be accepted for consideration.

The Town reserves the right to accept or reject any or all proposals, or to alter the selection process in any lawful way, to postpone the selection process for its own convenience at any time, and to waive any non-substantive defects in this RFP or the proposals.

The Town is seeking to engage the most qualified person or firm. The Town reserves the right to negotiate with other qualified persons or firms, or to solicit additional statements of qualifications at any point in the project should it fail to negotiate a reasonable fee with the initially selected person or firm.

PART C - Proposed Timeline

April 18, 2013	RFP available on Town of Atherton website
April 25, 2013, 11 am	Pre-proposal meeting (non-mandatory)
April 23, 2013, 4 pm	Submission deadline for written questions
April 30, 2013	Responses to written questions available on Town of Atherton website
May 16, 2013, 4 pm	Technical and Cost Proposals due
Week of June 3, 2013	Interviews with highest ranked proposers (if necessary)
June 19, 2013	Recommendation to City Council

PART D - Proposal Content

The proposal should include the following:

1. FIRM OR PERSON INTRODUCTION: including information such as length of time in business, office location(s), number of staff and a general summary of qualifications documenting the strengths of the firm or person, areas of expertise and licensing.
2. APPROACH: the person or firm's project management practices, methodologies and processes.
3. PROJECT EXPERIENCE: listing specific project management experience that is related to the type of service required by the Master Plan project. Project experience should list the type of work provided with the client contact information for each project.
4. GRAPHICS: Examples of graphics in prior Master Plans
5. WORK PLAN: Detailed work plans with estimated hours by task or project phase.
6. KEY STAFF: including the identification of the Principal-in-Charge and key staff. This section should identify the qualifications and related experience of key staff assigned to the project; and includes their resume showing experience in project management services.

7. LITIGATION: - A list of any current litigation to which the firm or person are parties by virtue of their professional service, in addition to a list of any such litigation from the past ten years.
8. DISCLOSURE: of any past, ongoing, or potential conflicts of interest that the firm or person may have as a result of performing the anticipated work.

PART E Selection Criteria

Selection will be based on the following evaluation criteria:

1. Project understanding, as demonstrated by work plan and approach. (15%)
2. Qualifications and experience of key personnel and other team members, including sub-consultants. (35%)
3. Recent experience in performing similar studies. (20%)
4. Recent past performance in quality and completeness of work and delivery on time and within budget. (20%)
5. Feedback from references given. (10%)

After reviewing proposals, the Town may either directly enter into negotiations with the firm it finds best qualified or select a short list of firms to be interviewed by a selection panel. The Town reserves the right to modify the scope of work during negotiations, subject to mutual approval. If the Town is unable to negotiate a satisfactory agreement with its first choice it will enter into negotiations with the next choice. Final approval of the firm recommended by Town staff, the fee and the contract must be reviewed and approved by the Atherton City Council.

For additional information, contact Gordon Siebert, Atherton City Engineer, at (650) 752-0532. Site Plans

Site Plan for Holbrook-Palmer Park – Holbrook-Palmer Park Landscape Master Plan 2005

<http://www.ci.atherton.ca.us/documents/HPParkMasterPlan.pdf>



Item 21
Town of Atherton

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER

FROM: GORDON SIEBERT, CITY ENGINEER

DATE: APRIL 17, 2013

SUBJECT: AGREEMENT AMENDMENT WITH BIGGS CARDOSA
ASSOCIATES, INC. FOR MARSH ROAD CHANNEL REPAIRS
ADDITIONAL SERVICES

RECOMMENDATION:

Authorize the City Manager to execute an amendment to the agreement with Biggs Cardosa Associates, Inc. in the amount of \$8,200 for additional consulting services to analyze two additional repair options and to analyze additional issues raised during a the March 2013 workshop.

BACKGROUND

In March, 2013, City Council received a presentation from Biggs Cardosa Associates, Inc. on four options for repair of the open portion of the Atherton Channel. During the presentation, City Council asked for additional information regarding a number of issues, focused on the concept of covering the open channel.

FINDINGS

BCA analyzed for options to repair the Marsh Road portion of the Atherton Channel. Two of the four repair options for the west bank, a cast-in-place wall and a soil nail wall, were determined to be superior, based on their lowest cost of approximately \$2.1 million. Council requested analysis of a fifth option, a steel pipe, as well as the addition of a cast-in-place cover. Council also requested further analysis on life cycle costs for the various options. In addition, Council asked about deferring action on a more extensive repair in favor of a shorter-term option. BCA submitted a proposal for the additional services to add two more options and to perform the additional analysis. Staff negotiated several expansions to the proposed scope. BCA's proposed cost, including the expanded scope, has a not-to-exceed fee of \$8,200.

FISCAL IMPACT:

The FY 2012-13 Capital Improvement Program includes sufficient funding to pay for the additional services and to subsequently complete design of the option to be selected by City Council. Funds for remaining design, construction and construction management are included in the FY 2013-14 and FY 2014-15 CIP and total \$2,450,000 in all three fiscal years.

Prepared By:

Approved:

Michael Kashiwagi, PE
Director of Community Services

George Rodericks
City Manager

Council Report – April 2013
Elizabeth Lewis

March 15, 2013

Council of Cities Dinner – San Mateo

Meeting was held at the VAULT 164 Restaurant in San Mateo hosted by City of San Mateo. Pedro Gonzalez, Mayor South San Francisco spoke about the new Bay Ferry from South San Francisco to Oakland; Helen Fisicaro, Council Member Colma, spoke about the upcoming May 6, 2012 HEART Fund Raiser luncheon.

Next Meeting Date is April 26, 2013 and will be hosted by San Bruno.

Program: Community Crime Prevention panel led by San Mateo Chief Susan Manheimer with San Mateo County DA Steve Wagstaffe, Assistant San Mateo County Sheriff Deputy, Trisha Sanchez and Foster City Council Member. Because of State's re-alignment of the jail system and requiring local jurisdictions to house more offenders of lesser crimes such as "burglaries versus robberies" our County Jail is receiving more prisoners than ever before. Also, because a burglary does not carry a stiffer sentence in the State jail, our county is experiencing a marked increase in home burglaries.

April 1, 2013

Interview with Neal Kupchin – Management & Training Consultant

Neal spent all day at the Town's offices interviewing every Council Member and Department Head in preparation for Team-Building Workshop.

April 3, 2013

Special Council Meeting – Civic Center Advisory Committee Selection

All Council Members were present. 7 residents from a pool of 13 were selected by Council vote.

April 4, 2013

President Barak Obama – Circus Club landing

Although we were not invited to officially greet the President upon his arrival at the Circus Club, a letter of welcome was prepared and signed by the Mayor and mailed to the White House. It is attached.

April 9, 2013

Finance Committee

All Members were present: Lewis, Carlson, Conlon, Beymer-Sandhu, Enthoven, Massey, Polito as well as Nicolay Consulting and Maze & Associates representatives. Vice Mayor Carlson suggested that future Minutes also include the list of discussed "expectations" or future action items. Chair Conlon suggested that future agenda include an item for "Member Comments." Committee members unanimously agreed.

Reviewed Nicolay Consulting's updated Actuarial assumptions from July 1, 2011 to date. The result of lower CalPERS premiums and reduction in Atherton permanent employees have resulted in 12% (about \$80k) reduction in liability exposure. Discussion by committee to begin to disclose on financial statements in a notation form the total estimated pension and health benefit liabilities that the Town of Atherton is facing. It is estimated that \$7 million is for Safety plus \$3 million for Miscellaneous and then plus the \$6.3 for Medical Retirees for an estimated total of \$16 million to be listed on financial statements as a footnote. All members agreed.

Finance Director distributed the attached OPEB Comparison chart showing Atherton's unfunded actuarial accrued liabilities as compared with neighboring cities with the discussion that the amount listed of \$7,599,453 is actually only \$6.3 million because of our \$1.2million contribution. There was discussion about why we haven't actually written this distribution check yet. Finance Director said the funds have been set aside.

Grand Boulevard Initiative

Filled in for Mayor Lewis at the March 27th meeting. Corinne Goodrich, SamTrans staff member, offered to write an agency letter of support for Atherton's planning grant request to Caltrans for El Camino improvements.

Consultants presented an approach for costing and funding projects planned along the El Camino Real corridor, extending to one-half mile on each side of the road. Projection for El Camino roadway improvements are estimated to cost about \$8 million per mile. (These projects are related to cities that are planning to add high density housing along ECR and don't have a direct affect on Atherton.) Estimates were made for each city's project infra structure improvements for water, sewage, electricity and gas were estimated and presented on a per person cost in 2012 dollars. An ABAG representative explained the difference between their population growth number of 2.1 million and the Dept. of Finance 1.3 million, the latter which is suppose to be the official population estimator for the state. ABAG said the base years used by included the economic down turn and underestimate future growth. n.

The relinquishment of El Camino segments to corridor cities, such as was done in San Jose are being studied. Atherton could get caught in a future squeeze if both Menlo Park and Redwood City opted to go that way. Caltrain would not want to end up with isolated segments to support between relinquished sections of the road.

The Highway Design Manual is being updated by Caltrans to reflect current thinking about the El Camino corridor to include more than the current two classifications of freeway or conventional road to also include a third definition for city center, etc. situations that are being developed by several cities.

A developer member of the group challenged Menlo Park to be more consistent in picking a development plan and sticking with it.

Caltrain Modernization Policy Group

Meeting was Chaired by Supervisor Tissier, with Caltrain Modernization Mgr. Marian Lee providing the reports and information. We were given an update on the Positive Train Control CBOSS program which is estimated to cost \$231 million. Improved communication using fiber optic cable along the right-of-way (ROW) will allow shorter head way times and help to prevent train collisions. At the next meeting there will be more details as to what will actually will be occurring along the ROW to implement the project. Most of the components of the system are available off-the-shelf, which Caltrain then will modify to adapt their special requirements into the system.

The EIR scoping comments will be available on line, next month, on the Caltrain web site. San Francisco may have thrown some sand in the gears over its desire to develop the Caltrain 230 acre rail site around 4th and King. More information promised at the May meeting. It was obvious this was an unexpected development for Caltrain staff to have to deal with. Depending on the magnitude of the solution, it could have a delaying effect on the EIR process

Caltrain is asking for city support for Jerry Hill's SB557 that would guarantee the \$600 million designated for the Caltrain electrification project couldn't be redirected elsewhere; calls for all nine MOU signing member agencies to agree to any future changes to the corridor to accommodate high speed rail (HSR); and

Finance and Audit Committee Meeting

Chaired by Greg Conlon the committee reviewed updated the long term liability data for health care costs, as of the end of the last fiscal year, which took into account the reduction in force. The estimated liability as of July 1, 2012 was \$7,724,868, of which only \$1,585,080 will

show on the year-end balance sheet. Currently, government account rules only require that which is deemed the 'legal liability' by Calpers needs to be included, however the, during the next 27 years the town will have to come up with the entire outstanding liability. This liability will fluctuate depending on yields earned on investment and the changes in coverage offered to employees and the demographic profile of retired and current employees. At the end of this fiscal year the expected long term liability is estimated to be around \$6.3 million since the town will have paid on a 'side fund' balance which lowers the outstanding amount.

In addition, the July 1, 2012 balance sheet will not show approximately \$10 million in unfunded pension costs attributed to the Atherton account by Calpers. The omission of these two long term liabilities from the balance sheets of cities and other governmental agencies mean they are out of sight and have been out of mind. As they begin to become visible, a number of agencies are realizing they are technically bankrupt – most recently the City of Stockton. Atherton is in much better shape but more needs to be done to make certain the town has a sustainable long term financial plan. The July 1, 2012 balance sheet will show net assets of \$46 million but if you take into account the \$7,724,868 + \$10,000,000 non shown liabilities, net assets are estimated to be about \$28 million as of that date.

The committee is reviewing the underlying assumptions used to come up with the liability estimates in order to look at how a range of values could affect the town's financial position. A five to ten year financial plan will be developed to help guide the council and educate residents as to what will be required in the way of resources to meet on-going service levels and to meet our long term obligations. It is anticipated a financial plan will be part of the approval process for next year's budget (2013-2014) process.

The committee plans to meet May 9th to review underlying pension assumptions, a five year financial plan and the proposed budget for next year. The committee also requested a means for monitoring the overall trend in overtime hours by department.

C/CAG Legislative Report

The report from the C/CAG lobbying firm is attached to these comments to provide you with their insight as to what Sacramento may do particularly in the area of transportation this next year. The C/CAG Board meeting is scheduled to hear about the One Bay Area Plan which integrates housing and transportation planning by pushing for high density construction near public transportation nodes. One of several things not addressed in this plan is where will be get the additional water needed for 2 million more bay area residents?

Atherton Rail Committee

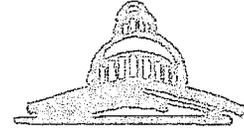
Paul Jones was elected as Vice Chair of the committee while I was 'railroaded' into staying as chair for one additional stint. The committee heard the Caltrain consultant's report on the progress of the EIR for the modernization program. Jack Ringham reminded him that a 'Plan B' would be a good idea as a backup if the money from High Speed Rail (\$600 million) for some reason doesn't come through. There was a split vote in favor of the Jerry Hill bill (SB 557) which would 'guarantee' the \$600 million couldn't be used for other segments of the HSR project; the bill requires that the 'blended system' (sharing of two tracks by Caltrain and HSR) will be required staying 'substantially' in the present right-of-way – unless all 9 members who signed the latest MOU all agreed to the future changes.

Peninsula Cities Consortium

Meeting in Belmont, the committee heard a general update of corridor and HSR along with city actions. Burlingame and Belmont have contributed funds to the Central Valley law suit, along with Atherton, challenging HSR is not following Prop. 1A in its design of the high speed rail line as promised to voters.



ADVOCATION



SHAW/YODER/ANTWIH, inc.
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

March 26, 2013

TO: Board Members, City/County Association of Governments, San Mateo County
FROM: Advocation, Inc. – Shaw / Yoder / Antwih, Inc.

RE: STATE LEGISLATIVE UPDATE-GOVERNOR'S PROPOSED 2013-14 BUDGET

Given the bill introduction date of February 25, the myriad of amended bills, and the Spring Recess (March 22-March 31), the month of March proved to be fairly quiet. Nevertheless, your advocacy has been monitoring and referring bills of potential interest to C/CAG staff. We have also been working to identify state funding opportunities for transportation given the maturation of Proposition 1B and inability of the gas tax to keep up with demand. Please see below for a summary of potential options and prospects of success for each.

Securing New Funding

The Governor's budget had some language that acknowledged the need to continue the state's investment in transportation infrastructure given that existing resources are dwindling and will soon expire. Acting Business, Transportation and Housing Secretary Brian Kelly has stated that he intends to convene a working group beginning on April 9 to discuss the prospects of creating a pay-as-you-go funding stream for the future. Your advocacy team will be at the table to provide input and shape that conversation in order to help position STA to acquire prospective funding.

As a result, your advocacy team has already spent a considerable amount of time trying to shape and figure out what will happen in transportation this year. We have met with the Speaker, Senate President pro Tempore, Committee Chairs and members, California Air Resources Board, Business Transportation & Housing Agency, and California Transportation Commission on a number of issues.

Here's a menu of options thus far and the prospect for each item this year:

1. Lowering the vote threshold:

Thanks to the 2/3 majority in both houses, many non-self-help counties are hoping that the legislature will consider passing a constitutional amendment to allow for the vote threshold to be reduced from 66% to 55% for transportation sales tax measures. There are currently, 19 counties that have a sales tax dedicated to transportation, which represents nearly 70% of available resources for transportation financing.

The Self-Help Counties Coalition will sponsor legislation on this issue. Our caution would be that such a proposal should be part of a package (such as a redo of Proposition 1B) that still requires the state to remain as funding partner rather than further placing the burden on counties to make improvements to state assets. Think realignment 2.0. Another problem is each county's taxing capacity. Would we need a Bradley-Burns waiver (10%)? How much do you tax folks in the county?

Senators Carol Liu (D-Glendale) and Ellen Corbett (D-Alameda) have introduced SCA 4 and SCA 8, respectively, for purposes of lowering threshold to 55% for local transportation sales tax measures. Senator Hancock (D-Berkeley) has also introduced SCA 11, which would allow the threshold to be lowered for all sectors. STA has taken a support position on both bills.

Early Prediction: There is a good chance that a proposal could make it through the process yet the Governor is asking legislators to hold off for now given that voters just approved Proposition 30 last November. If a proposal is approved (the Governor's signature is not required on a Constitutional amendment), the question is whether an accommodation will also be made for other sectors such as public safety.

2. Bonds: Proposition 1B Version 2.0?

Given that transportation funding falls off of a cliff after the exhaustion of key Proposition 1B programs, several transportation stakeholders have discussed pursuing an additional bond measure that could be recalibrated to focus more intently on programs such as the State Highway Operations and Protection Program which focuses on highway rehabilitation and safety, public transportation, grade separations, etc. Proposition 1B was approved by over 61% of the voters in 2006 and over \$1.5 billion of the nearly \$20 billion bond has been recycled to improve the state's transportation infrastructure. The Governor and more specifically the Department of Finance are not interested in accruing additional bond debt service, which stands at 14% of the General Fund. The Treasurer has repeatedly advised that we should not be over 6% because it hurts the state's credit rating and costs more to borrow as a result.

The General Fund no longer funds transportation in California. The gas tax (18 cents motorists pay at the pump), has not been indexed since 1990, and bonds, which were originally intended to supplement traditional resources, have buoyed funding. Cars are more fuel efficient and the system has gotten bigger, which means that we cannot stretch our dollar as far to maintain what we have, let alone expand. Furthermore, 13% of all transportation revenue goes to pay for bond debt service. Proposition 1A, the high-speed rail bond, adds pressure especially after last year's nearly \$8 billion appropriation in SB 1029.

Lastly, there is a school facilities and water bond to compete with so no dice on a transportation bond.

Early Prediction: Not going to happen.

3. Cap and Trade:

The Budget acknowledged that transportation is the single largest contributor to greenhouse gas emissions (GHGs) in California (38 percent), and reducing transportation emissions should be a top priority (including mass transit, high speed rail, electrification of heavy duty and light duty vehicles, sustainable communities, and electrification and energy projects that complement high speed rail). The Budget recognizes that the first Cap and Trade auction resulted in \$55.8 million in proceeds to the state, while the second produced just over \$50 million (one more auction will occur on May 16, 2013); therefore the Budget only addresses the expenditure of auction proceeds of \$200 million in 2012-13 and \$400 million in 2013-14. Total revenues from the auctions may not exceed these amounts.

Cap and Trade continues to be a high priority issue this legislative session because it is one of the few viable revenue sources that may go to transportation. The Transportation Coalition for Livable Communities (made up of the California Alliance for Jobs, California Transit association, California State association of Counties, League of Cities, and several regional

transportation planning agencies), continues to grow its membership and meet with the Administration, Air Resources Board, legislators and their staff, and other key stakeholders. We've specifically been meeting with members of the legislature to promote the plan to invest all of the fuels-related Cap and Trade auction revenue in GHG-reducing transportation projects. In the meantime, the Air Resources Board is responsible for developing an investment plan which will be submitted to the Department of Finance this spring.

We also working to provide relief to transit systems through a legislative fix to the enacted SB 1018 (Committee on Budget) [Chapter 39, Statutes of 2012], which allows for only residential, small business, and emission-intensive trade exposed customers to be considered for a credit against the rate increase that would be passed through by investor-owned utilities (IOUs) resulting from the IOUs's suppliers purchasing Cap and Trade allowances administered by the PUC.

The legislative fix the Association will pursue this Session will be aimed at acquiring rebates or offsets from the PUC Cap and Trade revenue source, or appropriate cost exemptions, to mitigate increased electricity costs to transit systems. Association staff is currently reaching out to other public agency stakeholders as we work to craft this legislation and strategize for the best outcome.

Early Prediction: Good chance that transportation, specifically transit will benefit from auction proceeds in 2015, if not from fiscal year revenue.

4. Vehicle License Fee Proposal

Senator Ted Lieu (D-Torrance) agreed then quickly retracted on his commitment to introduce legislation to increase that the state's vehicle license fee (VLF) from .65% to 2% in order to fund transportation infrastructure projects. The Senator received pressure from several interest groups in education, and public safety among others, before decided not to introduce the bill. Transportation unions will attempt to shop the proposal to other members as Session progresses.

Many have cited that the reduction of this revenue stream, which used to go towards General Fund purposes has created anywhere from a \$4 to \$6 billion hole in the state's budget. Governor Schwarzenegger famously reduced the VLF as his first act as Governor after the recall of Governor Davis in 2003.

It was raised to 1.15% in 2009 with public safety being the beneficiary of the additional increment. The proposal was allowed to sunset however in 2011.

There is a revised proposal that is been circulated which would impose a Transportation User Fee, essentially a 1% add-on to the current VLF.

Early Prediction: Seems like a tough sell.

Holbrook Palmer Park Foundation –

My apologies to the Council, I had a discrepancy on my calendar related to the start time, and missed a portion of the meeting. I did my best to catch up with the Chair Shirley Carlson after the meeting. The most pressing topic is the Reception being held on Sunday, April 21, 2013 (3:30 to 5:30), honoring long term loyal supports of HPPF. The foundation would like to have all Atherton Town Council members attend, please R.S.V.P by April 15 to 752-0536 or pattiathethepark@yahoo.com. Questions were raised about tennis court keys, maintenance and resurfacing costs. In addition, there were questions about the status of the little league's proposed improvements. The Easter Event held in the park was reported as a success with an estimated 700 attendees. As the race announcer for the day, I can say participants were extremely pleased that this event was available for young children. The annual Board of Directors meeting will be on May 6th, 2013. MaryLue Timpson, Treasurer, reported the HPPF fund balance is currently \$197,179.87

Menlo Park Fire Protection District –

Chief Frank Fraone was awarded State Fire Trainer of the Year. The Fire Board also presented an award of appreciation to Deanna Riding, Clerk of the Board. Deanna will be leaving and the board will be seeking a replacement. The Board approved the 2013-2014 debt service budget submitted by staff. Some HIGHLIGHTS of the Fire Chief's Report: 1) The City of East Palo Alto as agreed to allow the Fire District to use the shot spotter technology for situational awareness with incidents of gun fire; 2) the Chief sat down with the City Manager of Menlo Park, Alex McLntyre, to discuss the potential purchase of the land for fire station 77 and other pressing issues in town; 3) the Board held interviews for the Clerk of the Board position ; 4) Chief sat down with representation from Congresswoman Speier's office to discuss veteran's housing issues in/off Federal property. ; 5)he and Director Silano attended the funeral services for the Santa Cruz Police officers at the HP Pavilion ; 6) NET 6 – Joint Powers Communication Board Meeting occurred; 7) the Chief met with the Milpitas Fire Chief to discuss lateral transfers; and 8)he met with Palo Alto Fire Chief Nickel to discuss automatic aid and phased deployment. The Directors had 13 items on the regular agenda all agenda item were approved. It was interesting to note that on several occasions board members recused themselves from voting do to potential or the appearance of conflicts. The Directors discussed the Redevelopment Agency's successor agencies oversight board. 2012-2013 revenue budget of \$1,217,700 with \$681,011 of those funds have been received.

In addition to the regular Menlo Fire Protection District meeting, I had a meeting with Chairman of the Board Stephen Nachtsheim. We discussed an overview of the MPFPD and what if any some concerns exist related to service levels. We can always do better when we prepare for any disasters. Mr. Nachtsheim advised that Scott Barnum is the lead for A.D.A.P.T (Atherton Disaster and Preparedness Team) program; I connected with Scott. With Theresa's assistance, we have added the link to A.D.A.P.T to the town's website so that residents can be informed on what to do in case of a disaster. It was important to add this link now so that we ensure the link to A.D.A.P.T is part of our new web design.

Transportation Committee –

William Grindley spoke to the committee related to various issues concerning HSR. Some of the points were as follows: 1) Trial date has been set for May 31, 2013; 2) Madera County has dropped their EIR lawsuit to HSR. 3) GAO Report (Government Accountability Office) Congress in Washington DC thinks everything in California is “Honky Dory”; 4) Ridership forecasted numbers are due in 2014; 5) HSR filed a lawsuit against the People of California – basically saying “Speak now or forever hold your peace”; 6) Senate is under Democrat control and in the Transportation Budget - No money is available for California; 7) there was some discussion about the type of HSR tracks (Class 9) that can apparently be used up to 229 MPH. HSR has not released the details related to the specifications or actual track type. (Train speed will affect the track types). Rich Walter a Principle with ICP is consulting for HSR in an environmental perspective. Casey Fromson from CalTran External Affairs was also in attendance.

The group discussed SB 557 proposed by Jerry Hill which limits the transfer of funds for HSR away from the Peninsula and requires a vote of 7 bay area agencies to make changes. The majority of the committee supported this bill and recommended sending it to council for support. Rosemary made comments related to the revised tree survey. She was pleased that Port Sciences was hired as the consultant to do the current tree survey along the right of way. This consultant was the same as previously used and reports reflected accuracy. It was also reflected, weekday service will return to Atherton in 2019. The Brady lawsuit update - With help from Atherton, Brady was able to raise \$100,000 to help cover costs.

ITEM 23A

April 17, 2013 Council Meeting

Dear Council Colleague,

We respectfully request an agenda item be added to the May meeting dealing with the relationship between the Town of Atherton and the San Mateo County Library System (JPA).

We propose discussion and possible action of the following items:

1. Instructing staff to look at all feasible options available for maintaining and enhancing library services to town residents compared to the costs of such services being provided by the JPA.
2. Instruct the City representative to the JPA to advocate for the return of Donor funds to the Town of Atherton, at the end of each fiscal year.
3. Instruct the City Attorney to undertake any and all means to ensure the ownership of donor funds lies with the city and that, in the event, if Atherton elects to withdraw from the JPA, Atherton library property tax money will be allocated to the town for providing library services.
4. Instruct the Civic Center Task Force to study the size of the town library as a high agenda item with a recommendation to the town council by the July council meeting.

The town has continued to ask questions concerning the handling and charging of expenses against revenues collected from Atherton properties. Answers have been very slow in coming. Even after many months, there are still questions concerning cost allocation methods being used by the county in charges for Atherton library services. There is a severe lack of detailed transparency in the annual budget which is not presented to our council before it is approved by the JPA. There is not an equal balance between the JPA's role, and the town's, in making decisions about concerning the budget and where actual transactions are charged. For all these reasons the town should investigate other options, whereby, it would have more direct control over the costs and management of the town's library.

Without the council's knowledge or approval, the JPA approved retaining future donor funds on their books rather than transferring them to the town as had been the previous procedure. The then council rep did not alert the council as to the proposed change and, in fact, voted in favor of the change, without appropriate council policy action.

Council, with staff support, should consider its fiduciary responsibility for the safeguarding of Donor funds. These funds should be included on the town's financial statements, as the library building is, to give a truer accounting of the town's net assets. The expenditure and use of these funds would be greatly more transparent than the information provided by the JPA based on past performance. Local control would greatly add to the level of assurance that the JPA could not undertake using these funds without the council's concurrence.

The JPA's counsel is disputing the ownership of Donor funds and future library taxes collected from Atherton properties. Staff needs to have clear answers for council and residents on this matter by whatever means is necessary.

The range for library size was greatly influenced by the JPA, particularly its assignment of 16,000+ people to the Atherton library, including 9,000+ living in four unincorporated areas outside of our community. Most people in the unincorporated areas live closer to the Menlo Park, or other public libraries. The square footage used to calculate core library services was, to a large extent, based on the JPA's 16,000+ people per square foot numbers. In addition, community meeting space alternatives needs to take into account the amount of space that will be provided by the library facility in the town's Civic plan. Since money is already available for undertaking a library project, this portion of the overall project should be given a high priority since it will help to determine the size and financial requirements for the other project elements of the Civic plan.

Respectively submitted,

/s/ Jerry Carlson

Jerry Carlson, Vice Mayor

/s/ Cary Wiest

Cary Wiest, Councilmember