



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT

January 18, 2006

6:00 P.M.

Meeting Room
Town Administrative Offices

91 Ashfield Road
Atherton, California

Special Meeting

- 6:00 P.M. ROLL CALL Janz, Carlson, Marsala, McKeithen**
- 6:02 P.M. PUBLIC COMMENTS**
- 6:05 P.M. CLOSED SESSION**
- 6:05 P.M. A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED
LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9(c):

2 potential case**
- B. CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations
pursuant to Government Code Section 54957.6**
- Agency Negotiators: James H. Robinson, City Manager; Craig Jory,
Jory HR
Employee Organization: Atherton Police Officers Association (APOA)**

RECONVENE TO OPEN SESSION

Report of action taken.

ADJOURN

*Agendas and staff reports may be accessed on the Town website at: www.ci.atherton.ca.us
☛ Please contact the City Clerk's Office at 650.752.0500 with any questions*

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the City Clerk at (650) 752-0500. Notification of 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting. (29 CRF 35.104 ADA Title II)



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON
CHANNEL DRAINAGE DISTRICT
January 18, 2006
7:00 p.m.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

REGULAR MEETING

PLEASE NOTE: *Times listed on the Agenda are an approximation and not a time certain. The Council may take up items out of order. Please arrive well in advance of the time listed for any item in which you are interested.*

- 7:00 P.M. 1. **PLEDGE OF ALLEGIANCE**
- 7:03 P.M. 2. **ROLL CALL** Janz, Carlson, Marsala, McKeithen
- 7:05 P.M. 3. **PRESENTATION**
- A. Stacey Wagner – BFI/Allied – Collection Day Changes
Presentation
- B. Jim Granucci – County Crime Lab – Award of Certificate to
Officer Anthony Kockler – AFIS Hit
- 7:10 P.M. 4. **COUNCIL REPORTS**
- 7:20 P.M. 5. **PUBLIC COMMENTS** (only for items which are not on the agenda –
limit of three minutes per person)
- 7:30 P.M. 6. **STAFF REPORTS**
- 7:40 P.M. 7. **COMMUNITY ORGANIZATION ROUNDTABLE REPORT**
(Directed by Resolution Nos. 99-6 and 02-31)
None
- 7:50 P.M. **CONSENT CALENDAR** (Items 8 - 13)

(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 MINUTES OF THE SPECIAL CLOSED SESSION AND SPECIAL MEETING OF DECEMBER 14, 2005
9. APPROVAL OF BILLS AND CLAIMS FOR DECEMBER 2005 IN THE AMOUNT OF \$ 880,447
10. ACCEPTANCE OF MONTHLY FINANCIAL REPORT FOR DECEMBER 2005
11. RENEWAL OF AGREEMENT WITH LIEBERT, CASSIDY, WHITMORE FOR LABOR RELATIONS LEGAL SERVICES

Recommendation: Approve the agreement with Liebert, Cassidy, Whitmore, A Professional Law Corporation, for legal services and authorize the Mayor to sign the agreement

12. TOWN OF ATHERTON FRAUD POLICY

Recommendation: Approve the Town of Atherton Fraud Policy as modified pursuant to Council direction on December 14, 2005.

13. ADOPTION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE FREIGHT CHECKERS, CLERICAL EMPLOYEES AND HELPERS, LOCAL UNION NO. 856 (TEAMSTERS REPRESENTING MISCELLANEOUS TOWN EMPLOYEES) AND THE TOWN OF ATHERTON FOR THE PERIOD OF JULY 1, 2005 THROUGH JUNE 30, 2008

Recommendation: Adopt the attached Memorandum of Understanding between the Town of Atherton and the Teamsters Local No. 856, for the period of July 1, 2005 through June 30, 2008, and authorize the Mayor to execute the agreement on behalf of the Town.

PUBLIC HEARINGS NONE

REGULAR AGENDA (Items 14 - 19)

- | | |
|-----------|--|
| 8:00 P.M. | 14. UPDATE ON APPOINTMENT PROCESS TO FILL COUNCIL VACANCY |
| 8:15 P.M. | 15. CONSIDERATION OF A PROPOSED AGREEMENT BETWEEN THE TOWN OF ATHERTON AND LAW AND ASSOCIATES TO DEVELOP A SENIOR HOUSING PROJECT WITHIN THE TOWN OF ATHERTON'S OFFICE FACILITIES SITE |

Recommendation: Consider attached agreement related to possible senior housing project between Linda and James Law of Law & Associates and the Town of Atherton. (91 Ashfield Road)

- 8:45 P.M. 16. CONSIDERATION OF PARKING LIMITATIONS ALONG PARK LANE PURSUANT TO ATHERTON MUNICIPAL CODE TITLES 10 AND 15 AS REFERRED BY THE GENERAL PLAN COMMITTEE**

Recommendation: Provide direction to staff.

- 9:15 P.M. 17. MID-YEAR BUDGET REVIEW FISCAL YEAR 2005-2006**

Recommendation: Receive and file staff's mid-year budget review report and provide appropriate direction to staff.

- 9:30 P.M. 18. REVIEW AND DISCUSS REQUEST FOR PROPOSALS FOR A CONSULTANT STUDY REGARDING TOWN OF ATHERTON DRAINAGE POLICY**

Recommendation: Provide direction to staff regarding scope of work in RFP for Town-wide drainage study.

- 9:50 P.M. 19. APPROVAL OF MAYOR'S 2006 CITY COUNCIL COMMITTEE ASSIGNMENTS**

- 9:55 P.M. 20. PUBLIC COMMENTS**

- 10:00 P.M. 22. ADJOURNMENT**

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Routing Presentation



(Formerly BFI)

Collection Schedule Change

- Re-route of residential service area (approximately 90,000 customers)
- Effective week of Monday, February 6, 2006
- Recycling and yard waste bi-weekly on same day as *new* garbage day
- Collection service provided in most cities M-F, replacing present North-to-South routing

Why Change Service Days?

- To provide better customer service
- More efficient and faster response for extra, missed and special pick-ups
- Ability to provide localized city services (neighborhood clean-ups, automation)
- Cost management and control missed pick-ups (crew remains in designated area)
- Balance number of homes on yard waste and recycling routes

Outreach

Residents will receive:

- First direct mail postcard/recycling calendar (week of Jan 16th)
- Press release issued (Wed, Jan 25th)
- First 30-second automated voice message to residential customers (Jan 25th)

Outreach

Residents will receive (continued):

- Second direct mail postcard/recycling calendar (week of Jan 30th)
- Second 30-second automated voice message (Thurs, Feb 2nd)
- Third direct-mail recycling poster/calendar (week of Feb 20th)
- Evaluate fourth direct-mail postcard if needed

Outreach

Each city/jurisdiction/SBWMA will receive:

- PDF's of new service area, alphabetical by city and street address (on Allied website & URL link to cities)
- Samples of all residential outreach
- SBWMA offered to distribute outreach material to City Halls, Libraries, Etc.

First Direct Mail Piece-Sample



225 Shoreway Road
San Carlos, CA 94070-1068
650-592-2411
alliedwastesanmateocounty.com

FORMERLY



In partnership
with the
SBWMA



RethinkWaste.org
South Bay Area Waste Management Authority

2006 GARBAGE, RECYCLING
AND YARD TRIMMINGS SCHEDULE B

**YOUR NEW
PICKUP DAY
IS GOING TO BE
MONDAY
STARTING THE WEEK
OF FEBRUARY 6TH**

*Su nuevo día para recoger la basura será el Lunes.
Toda información está disponible en español.
Favor de llamar servicio al cliente al 650-592-2411.
Printed on recycled paper.*

PRESORT
FIRST CLASS MAIL
U.S. POSTAGE
PAID
PERMIT #90
SANTA CLARA

IMPORTANT GARBAGE SERVICE DAY CHANGE!

SAMPLE

First Direct Mail Piece - Sample

Sample

2006 GARBAGE, RECYCLING AND YARD TRIMMINGS CALENDAR

Your new garbage & recycling pickup day will be **Mondays**, starting February 6th

 = Garbage pickup

 = Garbage, Recycling and Yard Trimmings is every other week as shown in the shaded areas.

The week of February 6th, residents may set out up to double the normal amount of garbage. No bulky items or electronics. Please have your containers ready for service by 6 a.m. on your service day. Your collection time may change.

JANUARY	FEBRUARY	MARCH	APRIL
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
	1 2 3 4	1 2 3 4	1
No service day change until February 6th	5  6 7 8 9 10 11	5  6 7 8 9 10 11	2  3 4 5 6 7 8
	12  13 14 15 16 17 18	12  13 14 15 16 17 18	9  10 11 12 13 14 15
	19  20 21 22 23 24 25	19  20 21 22 23 24 25	16  17 18 19 20 21 22
	26  27 28	26  27 28 29 30 31	23  24 25 26 27 28 29
			30
MAY	JUNE	JULY	AUGUST
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
 1 2 3 4 5 6			1 2 3 4 5
7  8 9 10 11 12 13	4  5 6 7 8 9 10	2  3 4 5 6 7 8	6  7 8 9 10 11 12
14  15 16 17 18 19 20	11  12 13 14 15 16 17	9  10 11 12 13 14 15	13  14 15 16 17 18 19
21  22 23 24 25 26 27	18  19 20 21 22 23 24	16  17 18 19 20 21 22	20  21 22 23 24 25 26
28  29 30 31	25  26 27 28 29 30	23  24 25 26 27 28 29	27  28 29 30 31
		30  31	
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
S M T W T F S	S M T W T F S	S M T W T F S	S M T W T F S
	1 2 3 4 5 6 7	1 2 3 4	1 2
3  4 5 6 7 8 9	8  9 10 11 12 13 14	5  6 7 8 9 10 11	3  4 5 6 7 8 9
10  11 12 13 14 15 16	15  16 17 18 19 20 21	12  13 14 15 16 17 18	10  11 12 13 14 15 16
17  18 19 20 21 22 23	22  23 24 25 26 27 28	19  20 21 22 23 24 25	17  18 19 20 21 22 23
24  25 26 27 28 29 30	29  30 31	26  27 28 29 30	24 25  26 27 28 29 30
			31

For information about these changes visit the website at alliedwastesanmateocounty.com or call 650-592-2411

MONDAY SCHEDULE **B**

Questions?





DRAFT MINUTES
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT

December 14, 2005

6:00 P.M.

Meeting Room
Town Administrative Offices

91 Ashfield Road
Atherton, California

Special Meeting

The meeting was called to order at 6:00 p.m.

ROLL CALL

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

ABSENT: William R. Conwell (excused)

PUBLIC COMMENTS

None

CLOSED SESSION

A. CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations pursuant to Government Code Section 54957.6

Agency Negotiators: James H. Robinson, City Manager; Craig Jory, Jory HR

Employee Organization: Atherton Police Officers Association (APOA)

Agency Negotiator: James H. Robinson, City Manager; Craig Jory, Jory HR

Employee Organization: Teamsters Local Union 856

Non-management Miscellaneous Employees

RECONVENE TO OPEN SESSION

Report of action taken.

City Attorney Marc Hynes reported that directions were given to the agency negotiator with regards to both of the Employee Organizations, the Atherton Police Officers Association and Teamsters Local Union 856.

ADJOURN

The meeting was adjourned at 6:30 p.m.

Respectfully submitted,

Charles E. Marsala
Vice Mayor

Minutes Prepared by:
Kathi Hamilton



DRAFT MINUTES
Town of Atherton
CITY COUNCIL/ATHERTON
CHANNEL DRAINAGE DISTRICT
December 14, 2005
7:00 p.m.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

SPECIAL MEETING

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

1. **PLEDGE OF ALLEGIANCE**

ROLL CALL

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

ABSENT: William R. Conwell (Excused)

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

3. **PRESENTATIONS**

Presentation to Outgoing Mayor William R. Conwell

Mayor Conwell was not present at the meeting. A presentation would be made at a future meeting.

4. **CITY COUNCIL REORGANIZATION**

Selection of Mayor and Vice Mayor

Nominations for the Office of Mayor and Vice Mayor were conducted by Acting City Clerk Linda Kelly.

Council Member McKeithen nominated Vice Mayor Marsala for the office of Mayor. Council Member Carlson seconded the nomination.

6. PUBLIC COMMENTS

Jerry Carlson, Atherton, spoke regarding the following issues: 1) the status of the Police Department independent survey; 2) the presence of concrete pipe and a sand pile on Selby Lane in front of the school; 3) the bike and walking path on the north side of Selby Lane; 4) offered that the ACIL would help with the disaster preparedness training in January; 5) the related issue of looting in an emergency situation; and 6) the plan for the reserves from last year. On behalf of the Selby Education Foundation Board/ACIL Board, he offered best wishes to Linda Kelly in her new position and thanked her for all her hard work.

7. STAFF REPORTS

- **City Manager Jim Robinson said the Town would advertise the January disaster preparedness training session and extend an invitation to the Menlo Park Fire Protection District, as well as to committees/commissions, residents of the Town, and neighborhood associations. Council Member McKeithen requested a copy of the list of CERT-trained residents in next week’s Council mail packets. The Council would be receiving a list of committee assignments to enable the mayor to appoint Council Members to those committees. The mid-year budget review would take place at the January meeting. A proclamation was prepared in recognition of Linda Kelly. City Manager Robinson thanked Ms. Kelly for her hard work and dedication to the staff and residents of the Town.**
- **Mayor Marsala presented the proclamation to Linda Kelly.**
- **Linda Kelly thanked the Mayor, Council, City Manager, and community for their support and that she enjoyed her work in the Town, which would serve her well in the Town of Fairfax.**
- **City Attorney Marc Hynes reported out of the Closed Session as follows:**

CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations pursuant to Government Code Section 54957.6

**Agency Negotiators: James H. Robinson, City Manager; Craig Jory, Jory HR
Employee Organization: Atherton Police Officers Association (APOA)**

Directions were given to the Agency Negotiator.

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

Directions were given to the Agency Negotiator.

14. AGREEMENT FOR ARTWORK DISPLAY IN TOWN OFFICES AND LIBRARY

Approved the art exhibition agreement with Pacific Scribes for a display of calligraphy art in the Town Offices and Atherton Library for the period of February 1, 2006 through February 28, 2006.

PUBLIC HEARINGS NONE

REGULAR AGENDA (Items 15 - 20)

15. DISCUSSION AND POSSIBLE DIRECTION TO STAFF RELATED TO MENLO COLLEGE FIELD USE ISSUES (Continued from the City Council Meeting of November 16, 2005)

Recommendation: Continue to the City Council Meeting of January 18, 2006.

MOTION – to not continue the item to the January 18, 2006, Council meeting and to request the item be placed on a future agenda when all parties were available to meet

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

16. PROPOSAL FOR WELL WATER IN HOLBROOK-PALMER PARK

Recommendation: Provide staff direction regarding emergency water supply in Holbrook-Palmer Park.

Public Works Director Duncan Jones presented the staff report. At Council's direction, staff looked into filtration systems and emergency electricity to make the irrigation well at Holbrook-Palmer Park operational during an emergency for drinking water. The electricity element was quite expensive and required a 50 KW generator. Staff proposed two low-cost alternatives: 1) install water storage tanks in the corporation yard that would hold 5,000 to 10,000 gallons of water and provide a number of days of emergency water supply; or 2) install an additional well with a small-capacity pump with a filtration system which would give an unlimited supply of water. The advantage of installing storage tanks was they would be an additional irrigation source for the park. However, a serious limitation would be when the tanks went dry, there would be no water. Staff believed the second alternative was the better of the lower-cost alternatives.

Council Member McKeithen believed the \$80,000 expenditure to supply an unlimited amount of water in case of an emergency, along with the ability to use the buildings as a command center, did not seem too high a price.

Discussion centered on the merits of drilling a new well with a 50 KW pump vs. the advantages of having a 100 KW generator which could supply electricity to other buildings in case of an emergency.

19. ADOPTION OF AN AMENDED RESOLUTION ESTABLISHING A PERMIT PARKING AREA IN THE VICTORIA MANOR NEIGHBORHOOD

Recommendation: Approve an amended resolution establishing a permit parking area in the Victoria Manor neighborhood for installation of four signs at the entrance to the neighborhood, Douglass Way, Leon Way, and the north end of Victoria Drive at the fire gate.

Police Chief Bob Brennan presented the staff report. He had worked with the residents of Victoria Manor over the past several months to find a solution to the parking problem, which included college and event parking. The residents indicated they preferred the residential permit parking alternative which was consistent with other areas surrounding the campus.

MOTION – to adopt Resolution No. 05-50, “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AMENDING RESOLUTION NO. 00-30 GOVERNING TRAFFIC AND PARKING PURSUANT TO ATHERTON MUNICIPAL CODE, SECTION 10.04.010,” establishing a permit parking area in the Victoria Manor neighborhood and authorizing the installation of four signs at the entrance to the neighborhood, Douglass Way, Leon Way, and the north end of Victoria Drive at the fire gate.

M/S McKeithen/Janz

Ayes: 4 Noes: 0 Absent: 1 (Conwell) Abstain: 0

20. CONSIDERATION AND ADOPTION OF TOWN OF ATHERTON FRAUD POLICY

Recommendation: Approve the attached policy pertaining to fraud as recommended by Town auditor and Atherton Audit Committee.

Finance Director John Johns presented the staff report. A Fraud Policy was recommended by the auditors as part of their Management Letter recommendations. Nothing had changed with the Town’s internal control structure to prompt the recommendation but represented an increased expectation on the part of the auditors to perform their due diligence. Auditing standards had evolved as a result of audit failures in recent years. The Fraud Policy did specify what behaviors/actions by employees were prohibited or constituted a violation, but it did not represent a change in expectations for employees since these behaviors/actions had always been prohibited. Staff worked with the Audit Committee and the City Attorney to ensure that the Fraud Policy met the needs of the Town not only in providing a degree of transparency in the investigation and reporting of fraudulent activity, but also in providing some protections to the employees who were the subject of or were reporting alleged fraudulent activity.

Council Member Carlson suggested adding a provision to Section III Procedures, Item C, Employees Responsibilities, that if an employee believed the city manager was engaged in fraud, that the complaint be directed to the City Attorney.

Council Member Janz suggested in Section III Procedures, Item B, Management Responsibilities, that No. 8 be placed after No. 3 and become No. 4 since that was the order of progression for notification. No. 10 should be clarified to include the words “provide to the internal auditor” full and unrestricted access to all records and personnel... Section D, Internal Auditor Responsibilities, No. 6, needed to include reporting the results of the investigation to the City Council even when the allegations were unfounded.

Council Member McKeithen asked that the word “incorrect” be deleted from “incorrect accusations” in No. 11a.

Jerry Carlson, Atherton, wanted assurance that the internal auditor was qualified to handle an investigation.

City Manager Jim Robinson said depending upon the type of fraudulent activity, the Finance Director or the Town’s auditor could conduct an investigation or evaluate a situation for the purpose of obtaining an outside auditor. He would confer with the City Council in obtaining an outside auditor.

MOTION – to continue the item to the City Council Meeting of January 18, 2006, to allow staff to redraft the Fraud Policy consistent with the comments articulated by the City Council and to be placed on the Consent Calendar

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

Mayor Marsala called for a recess at 8:19 p.m. The meeting was reconvened at 8:29 p.m.

17. DISCUSSION AND DIRECTION TO STAFF REGARDING REQUEST FOR PROPOSALS FOR A CONSULTANT REGARDING TOWN OF ATHERTON DRAINAGE POLICY

Recommendation: Staff recommends that the City Council give direction to staff regarding scope of work in RFP for Town-wide drainage study.

Building Official Mike Hood presented the staff report. A draft Request for Proposals (RFP) to review the Town Drainage Policy was before the Council. The current policy was to require new construction to take the storm waters that were generated onsite and keep them onsite for a while to reduce peak flows that go to the Atherton Channel or to the Redwood Creek Channel. The draft RFP was prepared as a guide document for the Council to review and suggest modifications. The RFP contained an evaluation of the drainage channels through Town, percolation tests, and an evaluation of the current policy based upon doing groundwater tests to see if there were any measurable trends.

Discussion took place on the timing of the RFP, receiving responses, making a decision on a consultant, and whether the process would be returned to the Council.

Council Member Janz was concerned with key point No. 10, Collect construction standards for incorporation into the Town's Storm Drainage Design Criteria, because it seemed more like a solution and went further than the study was expected to go. Additionally, he suggested adding an item to quantify the impact of the addition of impervious surfaces to a parcel.

Council Member McKeithen said with regard to key point No. 6, Inventory detention facilities and evaluate their effectiveness, she suggested an inventory of who was pumping water into the Atherton Channel and the pros and cons of doing that. She also requested recommendations of optimum solutions for the drainage issues, a map of the land affected by rising groundwater west of the Alameda, and what the cause was. She requested if a resident came forward with a question/problem, that it be brought to the Council's attention outside of a regular meeting for consideration and possible inclusion in the proposal.

Mayor Marsala, with regard to Task 3, asked to add the possible effect of groundwater on vegetation (oak trees) and adjoining properties. On Task 6a, the County Health Department said the Town was unable to clear its dry wells. He suggested taking into account the long-term effects if the wells were totally closed, including the Water Quality Resources Board's view. On Task 11, he suggested adding an item to take into consideration the possible impact of the runoff from the County's land above the Town, e.g., Sharon Heights Golf Course.

Council Member Carlson's understanding was that the Town currently had a town-wide drainage requirement for houses being built that did not vary from locale to locale. Conditions greatly varied across the Town so that what was effective in one part of Town might not be effective in another. He asked whether the study would provide the necessary information, such as west of the Alameda conditions were "x," and what the solution was to meet the fundamental Town policy.

Building Official Hood suggested the need for some rational basis for departing from the current policy. If water was going to be delivered to the right-of-way, i.e., pumping water west of the Alameda, the study would provide the empirical data to show what conditions would allow for that so as to not exacerbate the situation.

Casey McClure, Atherton, lived west of the Alameda, did not want the study limited to the type of soil. Houses were being built larger, with huge basements, and used a great deal of the soil originally intended for onsite detention.

Council Member Carlson suggested that staff include real life cases including what caused the change. Three properties came to mind: Ms. McClure's, Mr. Johnson's, and 397 Stevick Drive.

City Manager Robinson said staff would take Council's comments and send them to Mr. Bocacci to modify the RFP and, if Council so directed, return the RFP to Council for final approval.

Council gave direction to staff to make changes to the Request for Proposals (RFP) as follows: 1) additional impact on impervious surfaces; 2) impact of runoff from County land uphill; 3) effect of large basements and reduction of water containment area; 4) prepare a localized drainage plan west of the Alameda; 5) provide case studies documenting what caused the change; 6) recommend optimum solutions for drainage issues; and 7) replace key point No. 10 with an inventory of who is pumping water into the Atherton Channel and the pros and cons of doing that. Return the RFP to the Council at its January 18, 2006, meeting.

18. DISCUSSION AND DIRECTION TO STAFF REGARDING DRAINAGE ISSUES ON STEVICK DRIVE AND MANDARIN WAY (Oral Report)

Recommendation: Staff recommends that the Council hear and consider issues related to drainage on Stevick Drive and Mandarin Way.

Building Official Mike Hood said a concern was raised regarding the current drainage policy on Stevick Drive and Mandarin Way, hillside properties. The issue was the downhill property owner was negatively affected by the runoff. Council was asked to consider a short-term solution to pump the water into a detention trench and then slowly pump the storm water into the right-of-way (street) which would flow to the Alameda and then flow to Redwood City.

Council Member Carlson suggested a possible solution would be to simply enact an emergency ordinance that said if lot is higher than “x” feet above an adjoining property, a site-specific plan should be developed that addressed the issue to be brought before the Planning Commission.

Council Member McKeithen proposed creating a drainage bond to hire an outside expert to assess the problem and provide a solution.

Council Member Janz suggested developing criteria based on elevation/slope for an emergency ordinance; and if the property fell under the criteria, a study by a hydrologist would be required that pertains to the particular situation and evaluates the impact on adjacent properties, subject to review by the Building Official and paid for by the Town.

City Attorney Marc Hynes said rather than an emergency ordinance, a drainage policy could be developed specifically for anything over an “x” elevation.

Council Member Carlson agreed. He favored doing something on a short-term basis while waiting for the long-term solution.

Council Member McKeithen said there were three issues: 1) the long-term study; 2) the interim situations; and 3) the immediate problems (those already permitted). At the January meeting, she requested staff to come back with a recommendation to establish criteria for new projects.

Council gave direction to staff to return to Council at the January 18, 2006, meeting with a recommendation on how to deal with steep slope issues with future permits. Additionally, staff was directed to meet with the neighbors and property owner of 397 Stevick Drive to perhaps work out a solution outside of the Town policy and report to Council on any progress.

21. PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Mayor Marsala adjourned the meeting at 9:38 p.m.

Respectfully submitted,

**Kathi Hamilton
Acting City Clerk**

TOWN OF ATHERTON
CLAIMS LIST
 December 2005

Payroll Checks	7037 - 7115	\$ 30,874
Electronic Transfers		310,577
A/P Checks	20941 – 21077	538,996
TOTAL		\$ 880,447

I, James H. Robinson, City Manager of the Town of Atherton, do hereby certify under penalty of perjury that the demands listed above, check numbers 7037 - 7115 (payroll) and 20941 - 21077 (accounts payable), and electronic transfers for employees federal payroll taxes and fees, inclusive, amount to \$880,447; are true and correct, and that there are sufficient funds for payment.

James H. Robinson
City Manager

The above claims, check numbers 7037 - 7115 (payroll) and 20941 - 21077 (accounts payable), and electronic transfers for employees federal payroll taxes and fees, inclusive, amount to \$880,447; are true and correct, and are authorized for payment.

Charles Marsala
Mayor, Town of Atherton

SOURCE OF FUNDS

101	General Fund	\$680,646
105	Tennis Fund	67
201	Special Parcel Tax	167,793
202	Transportation	
203	Gas Tax Fund	
210	Road Construction Impact Fees	306
211	Park Grants Fund	
213	Library Special Revenue Fund	4,700
401	General Capital Projects	
402	Storm Drainage	
403	Atherton Channel District	7,188
406	Facilities Construction	
610	Vehicle Replacement	
611	Computer Maint. & Replacement	16,139
612	Administrative Services	3,233
715	Evans Estate	375
740	Tree Committee	
TOTAL		\$880,447



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: JOHN P. JOHNS, FINANCE DIRECTOR

DATE: FOR THE CITY COUNCIL MEETING OF JANUARY 18, 2006

SUBJECT: MONTHLY FINANCIAL REPORT, DECEMBER 2005

RECOMMENDATION:

Receive the Monthly Financial Report for December 2005.

INTRODUCTION:

The attached schedules show revenues and expenditures and fund balance for all funds as of December 31, 2005.

HIGHLIGHTS

General Fund expenditures for the six months ended December 31, 2005, have amounted to \$4,000,967, or 46% of the \$8,701,010 budgeted for the fiscal year. For the six months ended December 31, 2005, General Fund revenues amounted to \$4,448,788, or 51% of the \$8,720,458 estimated for the year.

By comparison, General Fund expenditures amounted to 45% of appropriations for the six months ended December 31, 2004. Additionally, General Fund revenues amounted to 55% of estimated revenues for the six months ending December 31, 2004.

FISCAL IMPACT:

None

Prepared by:

Approved by:

John P. Johns
Finance Director

James H. Robinson
City Manager

TOWN OF ATHERTON
Revenue Summary
For the Month ended December 31st, 2005

Fund	Revenue Source	2005-06 Estimate	Current Period Revenues	Year to Date Revenues	% Received
	Property Tax	\$ 3,651,651	1,345,318	1,713,643	47%
	Sales and Use Tax	126,000	35,123	88,294	70%
	Other Taxes	830,760	293,472	570,051	69%
	Licenses & Permits	1,839,879	76,193	953,005	52%
	Fines & Forfeitures	35,000	2,786	25,815	74%
	Revenue from Other Agencies	303,166	450	125,897	42%
	Charges for Services	336,208	16,022	186,773	56%
	Investment & Rental Income	291,633	2,688	124,314	43%
	Other Revenues	5,000	1,247	8,996	180%
	Total General Fund Revenues	7,419,297	1,773,299	3,796,788	51%
	Interfund (Operating) Transfers In	1,301,161	652,000	652,000	50%
101	General Fund Total	8,720,458	2,425,299	4,448,788	51%
	Special Revenue Funds:				
105	Tennis	7,000	-	300	4%
201	Special Parcel Tax	1,858,000	929,285	929,285	50%
202	Transportation	180,000	29,789	114,819	64%
203	Street Improvement (Gas Tax)	172,376	11,191	73,751	43%
209	Law Enforcement	100,000	-	-	0%
210	Road Construction Impact Fees	1,158,328	73,629	558,463	48%
211	State Park Grants Fund	197,399	-	-	0%
213	Library	200,000	-	84,723	42%
	Total	3,873,103	1,043,894	1,761,341	45%
	Capital Project Funds:				
401	Capital Improvement	-	-	-	
402	Storm Drainage	-	-	-	
403	Channel Drainage District	50,665	16,525	25,326	50%
406	Facilities Construction	-	-	-	
	Total	50,665	16,525	25,326	50%
	Internal Service Funds:				
610	Vehicle Replacement	97,980	48,990	48,990	
611	Information Technology	101,621	52,280	52,280	51%
612	Administrative Services	294,389	151,478	151,478	51%
614	Workers Compensation Insurance	-	-	-	
	Total	493,990	252,748	252,748	51%
	Trust and Agency Funds:				
715	Evans Creative Design	13,200	-	925	7%
740	Tree Committee	-	2,812	7,241	
	Total	13,200	2,812	8,166	62%
	Total Revenues	13,151,416	3,741,278	6,496,369	49%

TOWN OF ATHERTON
Expenditure Summary
For the Month Ended December 31st, 2005

Fund	Description Department	2005-06 Budget	Current Period Expenditures	Year to Date Expenditures	% Spent
101	General Fund				
	11 City Council	\$ 20,535	\$ 1,667	\$ 6,911	34%
	12 City Manager	475,598	49,292	226,355	48%
	16 City Attorney	180,255	19,135	67,843	38%
	18 Finance	460,667	43,121	205,955	45%
	25 Building	1,042,371	121,438	485,083	47%
	40 Police	4,521,000	349,973	2,124,939	47%
	50 Public Works	1,900,584	141,431	883,880	47%
	Contingency	100,000	-	-	0%
	Total General Fund Expenditures	<u>8,701,010</u>	<u>726,057</u>	<u>4,000,966</u>	<u>46%</u>
	Interfund (Operating) Transfers Out	-	-	-	0%
101	General Fund Total	<u>\$ 8,701,010</u>	<u>\$ 726,057</u>	<u>\$ 4,000,966</u>	<u>46%</u>
Special Revenue Funds:					
105	Tennis	25,011	1,053	9,459	
201	Special Parcel Tax	1,832,077	634,243	1,374,603	75%
202	Transportation	323,420	28,400	28,400	9%
203	Street Improvement (Gas Tax)	150,000	50,000	73,107	49%
209	Law Enforcement	100,000	10,999	21,748	22%
210	Road Impact Fees	1,598,671	186,800	421,843	26%
211	State Park Grants	196,736	-	10,350	5%
213	Library Fund	71,045	5,328	16,606	23%
	Total	<u>4,296,960</u>	<u>916,823</u>	<u>1,956,116</u>	<u>46%</u>
Capital Project Funds:					
401	Capital Improvement	282,896	-	-	0%
402	Storm Drainage	21,394	-	2,563	12%
403	Channel Drainage District	425,300	7,697	395,967	93%
	Total	<u>729,590</u>	<u>7,697</u>	<u>398,530</u>	<u>55%</u>
Internal Service Funds:					
610	Vehicle Replacement	76,000	19,488	81,543	107%
611	Information Technology	112,622	14,048	49,655	44%
612	Administrative Services	317,139	11,717	197,046	62%
614	Workers Compensation Insurance	-	-	-	
	Total	<u>505,761</u>	<u>45,253</u>	<u>328,244</u>	<u>65%</u>
Trust and Agency Funds:					
715	Evans Creative Design	11,200	-	945	8%
740	Tree Committee	-	-	2,193	
	Total	<u>11,200</u>	<u>-</u>	<u>3,138</u>	<u>28%</u>
	Total Expenditures	<u>14,244,521</u>	<u>1,695,830</u>	<u>6,686,994</u>	<u>47%</u>

TOWN OF ATHERTON
Budget Summary
Fiscal Year 2005-06
As of December 31st, 2005

Fund	Description	Beginning Fund Balance July 1, 2005	Revenues to Date	Transfers to Date	Expenditures To Date	Ending Fund Balance to Date
101	General Fund	7,582,785	3,796,788	652,000	4,000,966	8,030,607
	Special Revenue Funds:					
105	Tennis	21,841	300		9,459	12,682
201	Special Municipal Tax	1,112,743	929,285		1,374,603	667,425
202	Transportation	330,685	114,819		28,400	417,104
203	Street Improvement (Gas Tax)	34,413	73,751		73,107	35,057
209	Law Enforcement	13,758	-		21,748	(7,990)
210	Road Construction Impact Fees	832,049	558,463		421,843	968,669
211	State Park Grants	38,688	-		10,350	28,338
213	Library Special Revenue Fund	1,415,042	84,723		16,606	1,483,159
	Sub Total	<u>3,799,219</u>	<u>1,761,341</u>	-	<u>1,956,116</u>	<u>3,604,444</u>
	Capital Projects Funds:					
401	Capital Improvement	253,970	-		-	253,970
402	Storm Drainage	45,262	-		2,563	42,699
403	Channel Drainage District	439,931	25,326		395,967	69,290
406	Facilities Construction	65,382	-		-	65,382
	Sub Total	<u>804,545</u>	<u>25,326</u>	-	<u>398,530</u>	<u>431,341</u>
	Internal Service Fund					
610	Vehicle Replacement	412,904	48,990		81,543	380,351
611	Information Technology	133,100	52,280		49,655	135,725
612	Administrative Services	140,976	151,478		197,046	95,408
614	Workers Compensation Insurance	10,871	-		-	10,871
	Sub Total	<u>697,851</u>	<u>252,748</u>	-	<u>328,244</u>	<u>622,355</u>
	Trust and Agency Funds					
715	Evans Creative Design	113,488	925		945	113,468
740	Tree Committee	1,949	2,812		-	4,761
	Sub Total	<u>115,437</u>	<u>3,737</u>	-	<u>945</u>	<u>118,229</u>
	Grand Total	<u>\$ 12,999,837</u>	<u>\$ 5,839,940</u>	<u>\$ 652,000</u>	<u>\$ 6,684,801</u>	<u>\$ 12,806,976</u>



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCILMEMBERS

FROM: MARC G. HYNES, CITY ATTORNEY

DATE: CITY COUNCIL MEETING OF JANUARY 18, 2006

**SUBJECT: APPROVAL OF AGREEMENT WITH LIEBERT, CASSIDY, WHITMORE
TO PROVIDE LEGAL SERVICES**

Recommendation. It is recommended that the City Council approve the agreement with Liebert, Cassidy, Whitmore, a Professional Law Corporation, for legal services and authorize the Mayor to sign the agreement.

Background. The agreement, which is attached, authorizes certain legal services on employment matters to be provided to the Town by the Liebert, Cassidy, Whitmore law corporation. I have discussed the agreement with Ms. Melanie Poturica, Managing Partner of the Liebert, Cassidy, Whitmore firm, who has confirmed that while Cynthia O'Neill will provide day to day advice and assistance to the Town on employment matters, with assistance as necessary from other firm attorneys, , Mr. Whitmore, himself, will provide advice to the City Council and/or become involved in employment matters as directed by the City Attorney, the City Manager and/or the City Council. Mr. Whitmore's billing rates are presently in the amount of \$260.00 per hour as shown in the agreement.

Fiscal Impact. Varies, depending upon use of legal services for employment matters.

Respectfully,

MARC G. HYNES

MGH:cwb
Attachment

Prepared By:

City Attorney

Approved By:

City Manager

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation (“Attorney”), and the TOWN OF ATHERTON (“Town”).

1. Conditions

This Agreement will not take effect, and Attorney will have no obligation to provide services, until Town returns a properly signed and executed copy of this Agreement.

2. Attorney’s Services

Attorney agrees to provide Town with consulting, representational and legal services pertaining to employment relations matters, including representation in negotiations and in administrative and Town proceedings, as requested by Town or otherwise required by law.

3. Fees, Costs, Expenses

Town agrees to pay Attorney the sums billed monthly for time spent by Attorney in providing the services, including reasonable travel time.

The range of hourly rates for Attorney time is from One Hundred Sixty to Two Hundred Eighty Dollars (\$160.00 - \$280.00), and from Ninety-Five to One Hundred Twenty Dollars (\$95.00 - \$120.00) for time of paraprofessional staff. Attorney reviews its hourly rates on an annual basis and, if appropriate, adjusts them effective January 1. Attorneys and paraprofessional staff bill their time in minimum units of one-tenth of an hour. Communications advice (telephone, voice-mail, e-mail) is billed in a minimum increment of three-tenths (.30) of an hour.

Town agrees to reimburse Attorney for necessary costs and expenses incurred by Attorney on behalf of Town. Attorney bills photocopying charges at Fifteen Cents (\$.15) per page and facsimile charges at Fifty Cents (\$0.50) per page. A Public Agency Fee Schedule is attached to this Agreement.

Payment by Town against monthly billings is due upon receipt of statements, and is considered delinquent if payment is not received within thirty (30) days of the date of the invoice.

The California Business & Professions code requires us to inform you whether we maintain errors and omissions insurance coverage applicable to the services to be rendered to you. We hereby confirm that the firm does maintain such insurance coverage.

4. **Arbitration of Professional Liability or Other Claims**

Disputes. If a dispute between Town and Attorney arises over fees charged for services, the controversy will be submitted to binding arbitration in accordance with the rules of the California State Bar Fee Arbitration Program, set forth in California Business and Professions Code, sections 6200 through 6206. The arbitrator or arbitration panel shall have the authority to award to the prevailing party attorneys' fees, costs and interest incurred. Any arbitration award may be served by mail upon either side and personal service shall not be required.

If a dispute arises between Town and Attorney over any other aspect of the attorney-client relationship, including, without limitation, a claim for breach of professional duty, that dispute will also be resolved by arbitration. It is understood that any dispute as to any alleged breach of professional duty (that is, as to whether any legal

Liebert Cassidy Whitmore

Billing Rates - 2006

	<u>Billing Rate</u>		<u>Billing Rate</u>
<u>Partners</u>		<u>Associates</u>	
Bruce Barsook	260	Sergio Bent	210
Richard Bolanos	260	Steve Berliner	210
Debra Bray	260	Donna Evans	210
Peter Brown	260	Jack Hughes	210
Dan Cassidy	260	Deborah Leon	210
Mary Dowell	260	Mark Meyerhoff	210
Jeffrey Freedman	260	Geoff Sheldon	210
Linda Jenson	260		
Richard Kreisler	260	Adrianna Guzman	200
John Liebert	260	Arlin Kachalia	200
Cynthia O'Neill	260	Jason Lee	200
Melanie Poturica	260	Pilar Morin	200
Irma Rodriguez-Moisa	260		
Laura Schulkind	260	Carla McCormack	195
Scott Tiedemann	260		
Richard Whitmore	260	Jolena Abrena	190
Brian Walter	260	Jill Babington	190
Donna Williamson	260	Michael Blacher	190
		Roger Crawford	190
		Greg Groeneveld	190
<u>Of Counsel</u>		Laura Kalty	190
Ruth Graf-Urasaki	235		
		Jennifer Hong	185
<u>Labor Relations Professional</u>		Gabrielle Korte	185
Robert Bendorf	160		
Kermit Francis	160	Mala Kapadia	170
		Angela Perry	170
<u>Paraprofessionals</u>		Megan Wallace	170
Susan Bryan	95		
Tracy Glanton	95	Connie Chuang	160
Misty Jones	95	Didier Reiss	160
Jean Springer	95	Kelly Tuffo	160

November 28, 2005

Jim Robinson
City Manager
Town of Atherton
91 Ashfield Rd.
Atherton, CA 94025

Re: *Agreement for Special Services*

Dear Mr. Robinson:

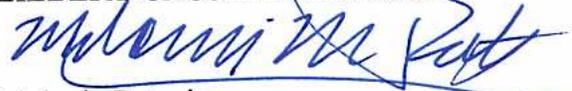
This letter is to notify you that we are increasing our billing rates effective January 1, 2006, for all matters. This increase reflects the need to keep our client rates fair, while offering the best possible legal representation. The top hourly rate for Partners for the 2006 year will increase from \$250.00 to \$260.00. The top hourly rate for Associates for the 2006 year will increase from \$200.00 to \$210.00. The top hourly rate for Of Counsel for the 2006 year will increase from \$225.00 to \$235.00. The top hourly rate for Paralegals for the 2006 year will remain at \$95.00. For further clarification, a detailed schedule of hourly billing rates is attached.

We are enclosing a new Agreement for Special Services between the Town and Liebert Cassidy Whitmore because either the existing contract with the Town is outdated or we do not have a fully executed contract. The contract provides ranges of rates so that if we increase our rates over the next few years we will not have to execute a new contract. We ask that you review the document at your earliest convenience and, if acceptable, return a fully executed copy to our Los Angeles Office.

We appreciate the opportunity to provide legal services to the Town. If you have any questions regarding this notice, or any other matter involving our Legal Services Agreement, please do not hesitate to contact me directly.

Sincerely,

LIEBERT CASSIDY WHITMORE



Melanie Poturica
Managing Partner

Enclosures



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: JOHN P JOHNS, FINANCE DIRECTOR

DATE: FOR THE CITY COUNCIL MEETING OF JANUARY 18, 2006

SUBJECT: DRAFT FRAUD POLICY REVISIONS

RECOMMENDATION

Approve the Town of Atherton Fraud Policy as modified pursuant to Council direction on December 14, 2005.

DISCUSSION

At the December 14, 2005, Special City Council meeting, the City Council considered a draft Fraud Policy. As indicated in the staff report accompanying this draft policy, implementation of a Fraud Policy was one of several recommendations by the Town's external auditors as part of its FY 2004-05 management letter.

Pursuant to the direction of Council, the attached Fraud Policy has been revised to reflect the changes desired by Council. Additionally such changes are highlighted in Attachment 1 to this report.

Prepared by:

Approved by:

John P. Johns, CPA
Finance Director

Jim Robinson
City Manager

TOWN OF ATHERTON		ADMINISTRATIVE POLICY/PROCEDURES (APP)
<i>Number:</i>		<i>Subject:</i> Fraud in the Workplace
<i>Original Issue:</i> 7/1/05	<i>Effective:</i> 7/1/05	
<i>Current Issue:</i> same	<i>Effective:</i> same	<i>Category:</i> Finance, Accounting, payroll and performance of department obligations
<i>Supersedes:</i> Not Applicable		

I. PURPOSE AND SCOPE

To establish policy and procedures for clarifying acts that are considered to be fraudulent, describing the steps to be taken when fraud or other related dishonest activities are suspected, and providing procedures to follow in accounting for missing funds, restitution and recoveries.

II. GENERAL

A. The Town of Atherton is committed to protecting its assets against the risk of loss or misuse and to ensure that all fees and income are properly assessed, received and recorded. Accordingly, it is the policy of the Town of Atherton to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the Town and, when appropriate, to pursue legal remedies available under the law.

B. Definitions

- 1) Fraud – Fraud and other similar irregularities include, but are not limited to:
 - a) Claim for reimbursement of expenses that are not job-related or authorized by the current Memorandum of Understanding.
 - b) Forgery or unauthorized alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.).
 - c) Misappropriation of Town assets (funds, securities, supplies, furniture, equipment, etc.).
 - d) Improprieties in the handling or reporting of money transactions.
 - e) Authorizing or receiving payment for goods not received or services not performed.
 - f) Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of Town-owned software.
 - g) Misrepresentation of information on documents.

- h) Any apparent violation of Federal, State, or Local laws related to dishonest activities or fraud.
 - i) Seeking or accepting anything of material value from those doing business with the Town including vendors, consultants, contractors, lessees, applicants, and grantees. (For the purpose of this policy, materiality is defined as \$25 or more.)
- 2) Employee – In this context, employee refers to any individual or group of individuals who receive compensation, either full- or part-time, from the Town of Atherton. The term also includes any volunteer who provides services to the Town through an official arrangement with the Town or a Town organization.
 - 3) Management – In this context, management refers to any administrator, manager, director, supervisor, or other individual who manages or supervises funds or other resources, including human resources.
 - 4) Internal Auditor – In this context, Internal Auditor refers to any person or persons assigned by the City Manager in consultation with the City Council (whether a town employee or an individual or firm retained by the Town on a contract basis) to investigate any fraud or similar activity.
 - 5) External Auditor – In this context, External Auditor refers to independent audit professionals who perform annual audits of the Town’s financial statements.

C. Responsibilities

It is the Town’s intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with the Town of any party who might be or become involved in or becomes the subject of such investigation.

- 1) Each department of the Town is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud, misappropriations, and other irregularities. Management should be familiar with the types of improprieties that might occur within its area of responsibility and be alert for any indications of such conduct.
- 2) The Internal Auditor, in conjunction with the City Attorney, has the primary responsibility for the investigation of all activity as defined in this policy.
- 3) Throughout the investigation, the Internal Auditor will inform the City Manager of pertinent investigative findings.

- 4) Employees who observe and report a violation of the Town's fraud policy will be granted whistle-blower protection. However, whistleblower protection will not be afforded to employees on a retroactive basis to those employees who are the subject of pending disciplinary action. When informed of a suspected impropriety, neither the Town nor any person acting on behalf of the Town shall:
 - a) Dismiss or threaten to dismiss the reporting employee;
 - b) Discipline, suspend, or threaten to discipline or suspend the reporting employee;
 - c) Impose any penalty upon the reporting employee, or
 - d) Intimidate or coerce the reporting employee
- 5) Violations of the whistle-blower protection will result in discipline up to and including dismissal.
- 6) Upon conclusion of the investigation, the results will be reported to the City Manager and to the City Council in accordance with Paragraph III: D. 6) of this fraud policy.
- 7) The City Manager, following review of investigation results, will take appropriate action regarding employee misconduct. Disciplinary action can include termination, and referral of the case to the District Attorney's Office for possible prosecution.
- 8) The Town will pursue every reasonable effort, including court ordered restitution, to obtain recovery of Town losses from the offender, or other appropriate sources.

III: PROCEDURES

A. Mayor and City Council Responsibilities:

- 1) If the Mayor or Council Member has reason to suspect that a fraud has occurred, he or she shall immediately contact the City Manager.
- 2) The Mayor or City Council shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the City Manager.
- 3) The alleged fraud or audit investigation shall not be discussed with the media by any person other than through the City Manager in consultation with the City Attorney and the Internal Auditor.

B. Management Responsibilities:

- 1) Management is responsible for being alert to, and reporting fraudulent or related dishonest activities in its areas of responsibility.

- 2) Each manager should be familiar with the types of improprieties that might occur in his or her area and be alert for any indication that improper activity, misappropriation, or dishonest activity is or was in existence in his or her area.
- 3) When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- 4) If management determines a suspected activity may involve fraud or related dishonest activity, they should contact their immediate supervisor. Department directors should inform the City Manager. If the City Manager is suspected of fraud management shall inform the City Attorney.
- 5) Upon receipt of an allegation of fraud, the City Manager or City Attorney will notify the City Council of said allegation.
- 6) In notifying the City Council, the City Manager or City Attorney will exercise care to ensure that the City Council becomes fully aware of the nature of the allegation presented while ensuring that the rights and identity of any City employee involved are duly protected.
- 7) Based upon consultation with the City Council, the City Manager will select an internal auditor for the purpose of investigating the allegation at hand and reporting the results thereof.
- 8) The selection of an internal auditor will be based upon careful consideration as to whether City staff has the necessary degree of independence and competence as well as sufficient time available to ascertain the validity of the allegation that has been brought forth. If audit resources within the Town administration do not possess the necessary degree of competence, independence or time available, the City Manager in consultation with the City Council will select a professional services firm or individual to act as the internal auditor.
- 9) Management should not attempt to conduct individual investigations, interviews, or interrogations. However, management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions. Management should support the Town's responsibilities and cooperate fully with the Internal Auditor, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
- 10) Management must provide the internal auditor full and unrestricted access to all records and personnel that the internal auditor deems relevant to the investigation. Access afforded to the internal auditor shall include all Town furniture and contents, including desks and computers, are open to inspection at any time. There is no assumption of privacy.
- 11) In dealing with suspected dishonest or fraudulent activities, great care must be taken to ensure that such allegations are investigated objectively,

thoroughly and in a manner which protects the rights and identities of those involved. Therefore, management should avoid the following:

- a) Alerting suspected individuals that an investigation is underway.
- b) Treating employees unfairly.
- c) Making statements that could lead to claims of false accusations or other offenses.

12) In handling dishonest or fraudulent activities, management must:

- a) Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to “what you did,” “the crime,” “the fraud,” “the misappropriation,” etc.
- b) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the Town government, unless specifically directed to do so by the City Attorney.
- c) Avoid discussing the case with anyone inside the Town government other than employees who have a need to know such as the City Manager, Internal Auditor, or City Attorney or law enforcement personnel.
- d) Direct all inquiries from the suspected individual, or his or her representative, to the City Manager or City Attorney. All inquiries by an attorney of the suspected individual should be directed to the City Attorney. All inquiries from the media should be directed to the City Manager.
- e) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the City Attorney or labor relations specialist, in conformance with the Town’s Personnel Policies and Procedures or the appropriate Memorandum of Understanding.

C. Employee Responsibilities

- 1) A suspected fraudulent incident or practice observed by, or made known to, an employee must be reported to the employee’s supervisor for reporting to the proper management official.
- 2) When the employee believes the supervisor may be involved in the inappropriate activity, the employee shall make the report directly to the next higher level of management, the City Manager or the City Attorney.
- 3) The reporting employees shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the City Manager, Internal Auditor, City Attorney or law enforcement personnel.

D. Internal Auditor Responsibilities

- 1) Upon assignment by the City Manager, the Internal Auditor will promptly investigate the fraud.
- 2) In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Internal Auditor, in consultation with the City Attorney, will contact the Atherton Police Department.
- 3) The Internal Auditor shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.
- 4) If evidence is uncovered showing possible dishonest or fraudulent activities, the Internal Auditor will proceed as follows:
 - a) Discuss the findings with management and the department director if appropriate.
 - b) Advise management, if the case involves staff members, to meet with the City Manager (or his/her designated representative) to determine if disciplinary actions should be taken.
 - c) Report to the External Auditor such activities in order to assess the effect of the illegal activity on the Town's financial statements.
 - d) Coordinate with the Town's risk manager regarding notification to insurers and filing of insurance claims.
 - e) Take immediate action, in consultation with the City Attorney, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to:
 1. Removing the records and placing them in a secure location, or limiting access to the location where the records currently exist.
 2. Preventing the individual suspected of committing the fraud from having access to the records.
 - f) In consultation with the City Attorney and the Atherton Police Department, the Internal Auditor may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
- 5) If the Internal Auditor is contacted by the media regarding an alleged fraud or audit investigation, the Internal Auditor will consult with the City Manager and the City Attorney, as appropriate, before responding to a media request for information or interview.

- 6) At the conclusion of the investigation, the Internal Auditor will document the results in a confidential memorandum report to the City Manager and the City Attorney. If the report concludes that the allegations are founded, the City Council will be advised of the disciplinary action to be taken against the employee(s). Additionally, and if appropriate, the results of the report will be forwarded to the Atherton Police Department to ascertain whether criminal proceedings should be initiated. If the results of the investigation are unfounded, the City Council will be notified as such upon conclusion of the investigation.
- 7) Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations following the conclusion of the audit. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Internal Auditor no later than seven calendar days after notice is received.
- 8) The Internal Auditor will be required to make recommendations to the appropriate department for assistance in the prevention of future similar occurrences.
- 9) Upon completion of the investigation, including all legal and personnel actions, all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Internal Auditor to that department.

E. Exceptions

There will be no exceptions to this policy unless provided and approved by the City Council.

F. Authority

By authority of the City Council,



Town of Atherton

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE CITY COUNCIL MEETING OF JANUARY 18, 2006

SUBJECT: ADOPTION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE FREIGHT CHECKERS, CLERICAL EMPLOYEES AND HELPERS, LOCAL UNION NO. 856 (TEAMSTERS REPRESENTING MISCELLANEOUS TOWN EMPLOYEES) AND THE TOWN OF ATHERTON FOR THE PERIOD OF JULY 1, 20053 THROUGH JUNE 30, 2008

RECOMMENDATION

Adopt the attached Memorandum of Understanding between the Town of Atherton and the Teamsters Local No. 856, for the period of July 1, 2005 through June 30, 2008, and authorize the Mayor to execute the agreement on behalf of the Town.

INTRODUCTION:

The last Memorandum of Understanding (MOU) between the Town and the Union covered the period of July 1, 2003 through June 30, 2005. The Town's management negotiating team has met and conferred with Union representatives regarding reaching a new agreement. The attached Memorandum of Understanding reflects the proposed agreement which has been reached between the negotiators on behalf of the Town and the Union. The MOU, if adopted by Council, would be effective July 1, 2005 through June 30, 2008.

The Union's general membership met on December 22, 2005, and ratified the provisions of this proposal.

The proposed MOU has been reviewed by the Union, the City Attorney and the Town's labor relations counsel.

ANALYSIS:

Salary:

Adoption of the MOU would implement salary adjustments for Miscellaneous Employees, effective July 1, 2005, representing an average annual increase for Fiscal Year 2005-06 of 2.7%. The salary adjustment represents the 70th percentile pay range of comparator positions with comparator agencies for Miscellaneous positions for salary and Public Employees Retirement System (PERS) contribution, using the salaries in effect for comparator positions as of July 1, 2005 (with the removal of the top and bottom salaries in the array for calculation purposes).

The attached Memorandum of Terms of Settlement provides a summary of the proposed changes to the existing MOU.

FISCAL IMPACT:

The fiscal impact for FY 2005-2006 represents a 2.7% increase in salary/benefits for Miscellaneous Employees. These adjustments represent a total dollar cost of \$35,980, and no adjustment is required in the existing FY 2005-2006 Budget to accommodate these changes.

Attachment: Proposed Memorandum of Understanding (with changes highlighted in shaded text)

MEMORANDUM OF TERMS OF SETTLEMENT

1. **Term** 3 years (7/1/05 – 6/30/08)
2. **Article 5 Wages, Standby And Call Back Pay** - replace the first two sections with the following:

Wages Wages will be increased at the beginning of the pay periods immediately following the dates listed below, as follows:

July 1, 2005 The Town will implement the 70th percentile pay range of comparator positions with comparator agencies for all positions covered by this MOU. Those agencies shall be as follows: Menlo Park, Hillsborough, Millbrae, San Carlos, Los Gatos, Belmont, Brisbane, San Bruno, Los Altos, Woodside, and Saratoga. For purposes of the 70th percentile calculation, the top and bottom salaries in the ranking of comparator positions in the comparator agencies shall be eliminated. The 70th percentile shall be calculated for salary and Public Employees Retirement System (PERS) contribution. The 70th percentile shall be calculated using the salaries in effect for comparator positions as of July 1, 2005. Appendix C to this MOU states the salary ranges to be utilized and shall reflect the following increases.

Building Inspector/Plan Checker	1.3%
Office Specialist	3.4%
Park Supervisor	4.5%
PW & P/F Mtce Worker I	2.2%
PW & P/F Mtce Worker II	2.2%
Public Works Supervisor	4.5%
Senior Bldg Insp./ Plan Checker	1.3%
Town Arborist/PW Specialist	1.3%

July 1, 2006 and July 1, 2007, the Town will implement the 70th percentile pay range of comparator positions with comparator agencies for all positions covered by this MOU, as specified above, using data available as of July 1, 2006 and July 1, 2007, respectively.

Wages - Progression within Steps

- A. Employees may progress from Step A to Step B six (6) months after their hire date or date of entry into the job classification, provided they have received a satisfactory performance evaluation conducted by the Town. Employees may progress from Step B to Step C twelve (12) months after the date of entry into Step B provided they have received a satisfactory

Town of Atherton
2005 Negotiations
Miscellaneous Unit

performance evaluation conducted by the Town. Employees may progress from Step C to Step D on the anniversary date following their entry into Step C. Progression between Steps is not automatic, but is based upon such factors as experience, certifications, etc., and a satisfactory performance evaluation conducted by the Town.

- B. Changes between ranges and/or steps shall be made at the beginning of the pay period immediately following the above dates.

3. **Article 11 Benefit Programs - Insurance -** replace with the following:

Effective January 1, 2006, the Town-paid medical premium cap is to increase to the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. Employees selecting a health plan whose premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 100% of the Dental and Vision plan costs. Effective January 1, 2007, the Town-paid medical premium cap is to increase to the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. Employees selecting a health plan whose premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 100% of the Dental and Vision plan costs. Effective January 1, 2008, the Town-paid medical premium cap is to increase to reflect 95% of the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. An employee whose health plan premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 95% of the Dental and Vision plan costs.

An employee who elects no medical coverage through the Town will receive \$300 per month, paid quarterly.

During the second year of the agreement, the parties agree that upon request, they will meet to explore alternate medical plans. During this same time period, the parties will explore the creation of a Retirement Medical Health Savings Plan.

4. **Section 12. - Retirement** A provision has been added as follows:
The Town will provide for unused sick leave to be credited toward PERS service time at retirement.
5. **Retirement Medical Health Savings Plan.** - a provision has been added to Section 11, Insurance regarding the parties meeting in yr 2 of the MOU to explore this idea (see the last paragraph of item 3 above).

Town of Atherton
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6. **Section 11. Use of Private Automobile** — Mileage Reimbursement - changed as follows:

The City Manager authorizes monthly vehicle allowance as follows: \$300 for those in the classification of Building Inspector/Plan Checker, and effective February 1, 2006, \$425 for employees in the classification of Senior Building Inspector/Plan Checker. The purpose of the allowance is to compensate persons employed in this classification for having his/her private automobile available for use or for actually using his/her private automobile in the performance of the duties of his/her employment with the Town. All other employees who sporadically use their private vehicle in the performance of Town duties (excluding normal home to work commuting) will receive a mileage reimbursement for actual miles driven and reported at the current IRS rate. At its discretion, the Town may choose to provide an automobile in lieu of the allowance.

7. A new **Section 20. Classification Study** has been added as follows:

In 2007, the Town will study the following classifications, looking at job duties and salary: Arborist; Office Specialist, and P.W. Supervisor. Following completion of the study the parties will meet and confer over the results.

8. Housekeeping Amend the MOU to reflect the following clean up items:
A.) **Article 5** - a provision setting forth the current salary step provisions (A through D) has been added (see item # 2 Salaries above.)

B.) **Article 11** – Leave Provisions - add the following reference to STDI .

I. Short-Term Disability (“STDI”)

Short Term Disability Insurance can only be utilized after an employee has exhausted all of his/her available sick leave. The benefit is an amount equal to 70% of the employee's weekly earnings to a maximum of \$500.00 per week.

MEMORANDUM OF UNDERSTANDING

BETWEEN

**FREIGHT CHECKERS, CLERICAL EMPLOYEES
AND HELPERS, LOCAL UNION NO. 856**

and

TOWN OF ATHERTON

For the period of July 1, 2005 through June 30, 2008

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PREAMBLE

This Memorandum of Understanding ("MOU") is entered into by and between Teamsters Local 856, ("Union") and the Town of Atherton ("Town") for the period July 1, 2005 through June 30, 2008. This MOU is entered into pursuant to the Meyers-Milias-Brown Act (Government Code §§ 3500-3510).

ARTICLE 1: RECOGNITION

Pursuant to Municipal Code § 2.52.070(A), the Union is recognized as the exclusive representative for the purpose of meeting and conferring on matters within the scope of representation for employees assigned to the classifications and within the three bargaining units listed in Appendix A of this MOU.

ARTICLE 2: REPRESENTATION

It is agreed that, as long as there is no disruption of work, one Union representative shall be allowed reasonable release time away from work duties without loss of pay, to represent a Unit employee or employees on grievances or other matters within the scope of representation. The Union shall designate the one representative under this section, except that members of the Supervisor/Confidential Unit can only represent or be represented by another member of the Supervisor/Confidential Unit. Release time shall be granted for the following types of activities: 1) a meeting of the representative and the employee or employees in the unit related to a grievance; and 2) a meeting with Management relating to disciplinary matters.

Three Union representatives (one from each of the three collective bargaining units covered by this MOU), shall be allocated a reasonable amount of time without loss of pay for formal negotiation purposes. Preparation time for negotiations shall not be on release time without approval of the City Manager.

ARTICLE 3: MANAGEMENT RIGHTS

Pursuant to Municipal Code § 2.52.010(B), the Town has exclusive and inherent management rights with respect to matters of policy, which include among others: the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. Nothing in this Article relieves the Town of its obligation to meet and confer as required by the MMBA.

ARTICLE 4: LAYOFF AND RE-EMPLOYMENT

Definitions

A "per diem" employee is an employee who is employed on an intermittent basis who receives no benefits or leaves.

A "temporary" employee is an employee who is employed for a term of less than one year who receives no benefits or leaves.

A "probationary" employee is an employee who has not yet completed the probationary period and who receives benefits and sick leave. Probationary employees are subject to a six-month probationary period that can be extended by mutual agreement of the employee and the Department Head and approved by the City Manager. Probationary employees have no right to continued employment and may be separated from employment at any time during the probationary period or any extension thereof.

A "part-time regular" employee is an employee who has satisfactorily completed the probationary period, and who receives pro-rated leaves and benefits, but whose regularly scheduled work hours are less than 40 hour per work week.

A "regular" employee is an employee who has satisfactorily completed the probationary period, and who receives leaves and benefits and who is regularly scheduled to work 40 hours per work week.

Layoff. Whenever the City Manager determines that it is necessary in the interests of economy or because the need for a position no longer exists, the Town may abolish any position(s) in any of the three Units covered by this MOU. The Town's decision to abolish a position shall not be subject to either the duty to meet and confer or the grievance procedure contained in this MOU. Upon request, the Union shall be afforded an opportunity to meet and confer with the Town to discuss any impacts of the Town's decision to layoff.

Seniority. For the limited purposes of this article, "seniority" means all hours in paid status, including holiday, vacation, or other paid leave, but does not include time spent on standby or any hours compensated at an overtime rate or on unpaid leave time. Time spent on unpaid military leave will be treated in the manner required by law. No seniority credit shall be earned during periods of separation from service with the Town, including suspension without pay as a result of disciplinary action or during unpaid leave of absence.

Order of Layoff

Employees shall be laid off in the following order:

1. All per diem employees.
2. All temporary employees.
3. All probationary employees.
4. All part-time regular employees.
5. All full-time regular employees.

Layoffs will be made in reverse order of seniority within each category described above. The employees with the least seniority in a classification shall be laid off first, with ensuing layoffs occurring in reverse order of seniority in the classification. Then, as between those two employees, the layoff will be based on total seniority with the Town. If total seniority with the Town is the same, then, as between those two employees, the layoff will be determined by a lottery.

Notification of Layoff. Employees subject to layoff will be given at least 30 days written notice of the layoff from the Town. The layoff notice shall contain a statement of the effective date of layoff. For full-time regular employees, the notice shall also contain a statement of "bumping rights", including the specific positions into which the employee may bump, and a statement of re-employment rights. The Town will give notice of layoff to employees by personal service or by certified mail, and to the Union by regular mail.

Bumping Rights of Full-time Regular Employees

A full-time regular employee who is designated for layoff may elect, in lieu of layoff, to be reassigned to a position in a lateral or lower, related classification within his/her department, provided that in order to displace the employee with less seniority, the employee noticed for layoff must have held regular status in the classification into which he/she is bumping.

Employees who choose to bump into a position in a lateral or lower, related classification must accept the salary, hours and working conditions of that position.

An employee requesting to bump into a classification must make such request to the City Manager in writing within 14 days after his/her receipt of written notice or layoff. Failure to comply with this deadline waives bumping rights.

Re-employment Rights of Full-Time Regular Employees

Only the names and addresses of full-time regular employees who are laid off have the right to be placed on a re-employment list in inverse order of seniority for a period of two years from the date of layoff. The employee with the greatest seniority on the re-employment list shall be offered reinstatement when a vacancy occurs in a classification in which the employee held regular status, or for which the employee meets the minimum qualifications.

A laid off employee may refuse an offer of re-employment to a position for which he/she is qualified, however, refusal of one offer of re-employment to the classification from which laid off shall cause removal of the employee's name from the re-employment list and loss of any re-employment rights.

Any employee who accepts an offer of re-employment will be removed from the re-employment list.

An employee who has been laid off and has been placed on a re-employment list shall be eligible, during the time the employee is on the re-employment list, to take promotional exams.

Offers of re-employment shall be made via certified mail to the address listed on the re-employment list with a copy to the Union via regular mail, and shall include the specific position and/or hours being offered, the rate of pay, level of benefits, a current job description, and a place for the laid off employee's signature. Failure to deliver the signed employment offer to the Town within ten days from the date of service of offer of re-employment shall be deemed a refusal of that offer of re-employment. "Date of service" is defined as the date marked on the certified mail return card, or the date the notice is returned by the postal service as undeliverable.

Miscellaneous Provisions Regarding Article 4 Layoff and Reinstatement

Regular full-time employees appointed from a re-employment eligibility list shall have accrued sick leave and seniority restored. No laid off employee accrues benefits or seniority while on a lay off status. The fact that laid off employees do not accrue Town benefits or seniority while on layoff status, however, does not undermine whatever eligibility they may have for benefits under federal or state mandates.

ARTICLE 5: WAGES, STANDBY AND CALL BACK PAY

Wages

Wages will be increased at the beginning of the pay periods immediately following the dates listed below, as follows:

July 1, 2005: The Town will implement the 70th percentile pay range of comparator positions with comparator agencies for all positions covered by this

MOU. Those agencies shall be as follows: Menlo Park, Hillsborough, Millbrae, San Carlos, Los Gatos, Belmont, Brisbane, San Bruno, Los Altos, Woodside, and Saratoga. For purposes of the 70th percentile calculation, the top and bottom salaries in the ranking of comparator positions in the comparator agencies shall be eliminated. The 70th percentile shall be calculated for salary and Public Employees Retirement System (PERS) contribution. The 70th percentile shall be calculated using the salaries in effect for comparator positions as of July 1, 2005. Appendix C to this MOU states the salary ranges to be utilized.

July 1, 2006 and July 1, 2007, the Town will implement the 70th percentile pay range of comparator positions with comparator agencies for all positions covered by this MOU, as specified above, using data available as of July 1, 2006 and July 1, 2007, respectively.

Wages - Progression within Steps

- A. Employees may progress from Step A to Step B six (6) months after their hire date or date of entry into the job classification, provided they have received a satisfactory performance evaluation conducted by the Town. Employees may progress from Step B to Step C twelve (12) months after the date of entry into Step B provided they have received a satisfactory performance evaluation conducted by the Town. Employees may progress from Step C to Step D on the anniversary date following their entry into Step C. Progression between Steps is not automatic, but is based upon such factors as experience, certifications, etc., and a satisfactory performance evaluation conducted by the Town.
- B. Changes between ranges and/or steps shall be made at the beginning of the pay period immediately following the above dates.

Working In a Higher Classification

Upon specific assignments by the Department Head or his/her designated representative, an employee may be required to perform duties of a higher classification. Such assignments shall be made only to existing authorized positions which are not actively occupied due to the temporary absence of the regularly appointed employee. Such assignments shall not be made to vacant positions except in accordance with the rules pertaining to temporary appointments.

Employees specifically assigned to duties of a higher classification shall be compensated at the rate of 5% over their regular rate of pay; however, the employee shall not receive any additional compensation unless the assignment is for over 8 hours in a higher class in a work week. In the event such assignment is for such period of time specified, the employee shall be compensated at the appropriate rate retroactive to the first workday of the assignment and thereafter. Higher classification compensation of 5% over an employee's regular rate of pay for working over 8 hours in a higher class in a work week shall be effective as of the effective date of this MOU.

Standby Assignment and Pay

An employee on standby will receive \$2.00 for each hour spent standing by for call backs after hours on work days (Monday through Friday) and \$60.00 per day for standing by for call backs on Saturday, Sunday, or Town Holidays. Call back pay will be at a minimum of 3 hours. The effective date for the implementation of these amounts shall be the effective date of this MOU. The Town retains the sole discretion to discontinue the standby program at any time thereafter if the Town determines, after meeting with the Union and considering the Union's position, that the program does not meet its needs. The parties agree that standby time is not considered to be compensable work time under the Fair Labor Standards Act.

Employees who are on standby assignment are subject to the Public Works Department Standby Rules that are attached to this MOU as Appendix B. Although the Public Works Department Standby Rules are not a part of this MOU, the Town has met and conferred with the Union and the Union has agreed that these rules will become effective with the implementation of the MOU.

Employees on standby assignment agree to do the following:

1. Request mileage reimbursement for call back responses performed in non-Town vehicles within one month after mileage costs are incurred.
2. Accept \$2.00 for each hour spent standing by for call backs after hours on work days (Monday through Friday) and \$60.00 a day for standing by waiting for call backs on Saturday, Sunday, or Town Holidays. The parties agree that standby time is not considered to be compensable work time for purposes of the Fair Labor Standards Act.

Call Back Pay. Any employee who is called back to work by the Town for emergency work after completion of his or her regularly-scheduled work day shall receive a minimum of three hours pay at the overtime rate specified in Article 6B. This call back pay is in addition to Holiday pay, if applicable.

ARTICLE 6: HOURS AND OVERTIME

A. Hours of Work:

Work Week. The work week shall consist of 40 hours of work or time spent in any paid leave status except sick leave within a regularly recurring period of seven consecutive days. Unless the employee is on a flexible schedule to which the employee and the Town have otherwise agreed and that the City Manager has approved, the work week begins Sunday midnight and ends Saturday at 11:59 p.m. An employee who has a 9/80 or other flexible schedule will acknowledge the start of his or her workweek in writing. This written acknowledgment will be kept in the employee's personnel file.

Work Day. The regular work day for all employees who work in the Town Hall is 8:00 a.m. to 5:00 p.m. The regular work day for Public Works field employees in the

classifications of Public Works Supervisor and Public Works Maintenance Worker I and II may be a 9/80 schedule that will begin at 7:30 a.m. and continue for eight or nine hours thereafter as provided in the 9/80 schedule. Employees not otherwise mentioned in this paragraph will retain their current reporting and quitting times, except that an employee may request or a Department Head may assign a flexible schedule, such as a 9/80 schedule, which will be subject to approval by the City Manager. The City Manager will not approve any flexible schedule that includes more than 40 hours of work or time spent in any paid leave status (except sick leave) within a work week.

Part-time Employees. Employees who work less than the work week defined above are part-time and work hours that are scheduled by the appropriate Department Head.

Lunch Periods. All employees shall be assigned to an unpaid lunch period of not less than 30 minutes nor more than 60 minutes. The lunch period shall be scheduled with the approval of the Department Head.

Use of Rest Periods. Employees may use one 15 minute rest break with pay during each four hours of service. Unused rest periods may be added to extend the lunch period to a total of 60 minutes, with prior approval from the Department Head. Unused rest periods may not be used to adjust reporting or quitting time. Rest breaks not used during each four hours of service are forfeited.

Clothes Changing Time. Employees who are required to work in uniform agree to arrive at work in uniform or to arrive at work sufficiently ahead of their scheduled work time so that they will be in uniform and ready to work by the beginning of their scheduled work time. Failure to be in uniform and ready to work at the scheduled work time constitutes tardiness and is grounds for discipline. Employees may not use work time to change into or out of uniform.

B. Overtime:

“Overtime” Defined. Overtime is hours actually worked in excess of the employee’s regularly-scheduled work day. Time spent in either paid or unpaid leave does not count toward overtime. All overtime must be assigned on a required basis or requested by an employee and approved by a Department Head. Overtime shall be compensated at the rate of 1.5 times the employee’s regular rate of pay, or in the form of compensatory time off at the rate of 1.5 hours for each hour worked, at the employee’s option, but subject to the compensatory time off accrual caps listed below.

Compensatory Time Off

A regular or probationary employee may receive compensatory time off for a maximum of 160 hours worked (or 240 earned). Once an employee has reached the maximum accrual, he/she is no longer eligible to receive compensatory time off and shall receive cash at the overtime rate for all overtime worked. The employee may receive compensatory time off again once his or her balance drops below the maximum accrual.

The Town acknowledges that prior to the adoption of this MOU, some employees may have accumulated compensatory time off in excess of the maximum accrual listed above. Such employees must cash out all compensatory time off that exceeds the maximum accrual during the month of December at the employee's regular rate at the time. Upon termination, all unused compensatory time off shall be paid off at either the average regular rate the employee received during the last three years of employment, or the final regular rate, whichever is higher.

ARTICLE 7: UNIFORMS

The Town will continue to provide special work clothing as needed, and to repair and replace such clothing as needed, with the approval of the Department Head.

The Town will reimburse employees for their own clothing that has been damaged on the job. The employee must first show the damaged clothing to the employee's supervisor so that the supervisor can determine whether any replacement is necessary and the amount to be expended on the replacement.

On presentation of appropriate receipts, the Town shall reimburse employees who are required by the Town to wear safety shoes/boots for up to \$200 Dollars per year toward the cost of no more than 1 pair of OSHA approved safety shoes/boots per year. Shoe repair is reimbursable under this provision. Shoes/boots purchased under this provision are for the exclusive use of the employee.

ARTICLE 8: HOLIDAYS

Designated Holidays

The Town's designated holidays are:

New Year's Day	January 1 st
Martin Luther King Day	Third Monday in January
Presidents' Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans' Day	November 11 th
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Day	December 25

Pay for Designated Holidays. All probationary and regular employees shall be paid a full day's pay at their regular rate for all designated holidays as defined herein.

Work on Designated Holidays. Any regular or probationary employee required to complete emergency work on a designated holiday shall be compensated at double and one-half time his or her regular rate.

Floating Day Off. All probationary and regular employees receive one floating day off with pay at the beginning of each calendar year. Employees who join the Town mid-year will receive a pro-rated portion of the one floating day off. Employees can use the floating day off in accordance with normal vacation time off request procedures.

ARTICLE 9: VACATIONS

Each regular employee in paid status earns and accrues vacation time during the 12 months following the anniversary date of his or her employment at the rate stated below. An employee earns and accrues this total annual vacation benefit on a biweekly basis.

For regular full-time employees:

Less than three years of service - 10 working days per year;

Three years of service to eight years of service - 15 working days per year; and

Eight years of service and above - 20 working days per year.

For regular part-time employees:

A proportional equivalent based on the assigned number of hours worked per week as compared to those worked by a full-time regular employee.

Vacation Earning and Accrual Cap. An employee stops earning and accruing vacation once his/her balance reaches 800 hours. Employees may cash out vacation during the month of November only, at their current rate of pay. Upon separation, all earned and unused vacation pay shall be paid off at the final rate of pay.

Effect of Probationary Period. Probationary employees accrue vacation time, but cannot use it until they successfully complete probation or any extension of probation, except with the approval of the City Manager in exceptional circumstances.

Scheduling. The Department Head shall determine the vacation schedule considering the needs of the department, the employee's assigned duties, and the employee's desires. Vacation time requested shall not be unreasonably denied. No more than 15 consecutive work days of vacation may be taken at one time, except with City Manager approval.

ARTICLE 10: LEAVE PROVISIONS

A. Sick Leave

Accrual Rates

The Town shall provide each regular or probationary employee in paid status with paid sick leave at the rate of 3.69 hours per pay period.

There is no cap on the hours of sick leave accrual.

Use of Sick Leave

An employee may only use sick leave that has accrued prior to the current pay period. Sick leave is not cashed out upon separation. Probationary employees can earn and use sick leave.

Sick leave shall be allowed and used in cases of actual personal sickness or disability, medical or dental treatment, or as authorized for other health-related reasons. Up to five days per year of sick leave may be used in cases of actual sickness or disability, medical or dental treatment of members of the employee's immediate family. The City Manager may require an employee who uses sick leave to provide an original doctor's certificate to support the sick leave claimed. An employee who claims sick leave of three consecutive days or more may be required to submit a statement from a physician that the employee is fit to return to work with or without reasonable accommodation.

Unless he or she has submitted a doctor's note stating the length of absence, each employee on sick leave must personally call in each day prior to the beginning of scheduled work hours to his or her immediate supervisor stating the following:

1. Non-detailed nature of illness.
2. Estimated length of absence.
3. Any necessary information about work which needs attention during the employee's absence.

Award for Non-Use

Provided that the following conditions are met, regular full-time employees may receive two hours of vacation leave on December 31 of any calendar year for every eight hours of sick leave earned but not used during that calendar year:

1. The employee must have completed one year of service by December 31 of the calendar year;
2. The employee must have received a satisfactory overall rating on his/her most recent performance review for work done during that calendar year; and
3. The employee only earns the Award for Non-Use to the extent that the Award does not exceed the vacation accrual cap.

Sick leave is not diminished as a result of an Award for Non-Use.

Long-Term Disability (“LTD”)

Should any covered illness or injury extend beyond 60 days, the Town will insure payment to the employee at 67% of monthly earnings, to a maximum benefit of \$6,000.

During the LTD benefit period, which commences 60 days following the inception of a covered disability, a regular employee may integrate available accrued leaves and LTD benefit in a combined amount not to exceed the full salary which would have been paid had no disability been incurred. An employee does not accrue sick or vacation leave while on long-term disability leave.

B. Leave Without Pay

Upon request of a regular employee and recommendation of the Department Head, the City Manager may grant a regular employee a leave of absence without pay for good cause shown in cases of personal emergency or when such absences would not be contrary to the best interest of the Town.

Requests for leaves of absence without pay must be written and submitted to the Department Head for review. The Department Head will give his or her recommendation to grant or deny the leave to the City Manager, who may grant a leave of absence without pay for a period not to exceed one year, during which time no benefits and no seniority credit will accrue. Upon expiration of an approved leave, or within five working days after written notice to return to duty, the employee shall be reinstated in the position held at the time the leave was granted. An employee's failure to report promptly at the expiration of a leave, or within five working days after notice to report to duty, may be deemed notice of resignation and/or cause for disciplinary action.

During unpaid leaves of absence, the employee may elect to use accrued vacation time.

C. Jury Duty and Subpoenas

An employee required to report for jury duty or to answer a subpoena as a witness shall be granted a leave of absence with pay from his/her assigned duties until released by the court, provided the employee remits to the Town all fees received for such duties, other than mileage or subsistence allowances, as soon as the employee receives such fees. The employee must report to work for any portion of the work day that the employee is not required to be absent due to jury duty or to answer a subpoena.

D. Military Leave

Military leave of absence shall be granted and compensated in accordance with all applicable laws upon satisfactory proof of the need to report to active duty. Employees must

give the City Manager advance notice, to the greatest extent possible, when military duty is scheduled.

E. Bereavement Leave

A regular employee shall be allowed paid leave for not more than five working days when absent because a death has occurred in the immediate family. For the purpose of bereavement leave, members of the immediate family include mother, stepmother, father, stepfather, mother-in-law, father-in-law, child, grandmother, grandfather, grandchild of the employee, or spouse, brother, stepbrother, sister, stepsister, cohabitant or dependent of the employee. Bereavement Leave because of a death of someone who is not a member of the employee's immediate family is limited to one day per request. Bereavement Leave cannot be accumulated and is not part of the sick leave benefit. Bereavement Leave cannot be used on a Town holiday.

In order to receive bereavement leave, an employee must make a written request to the appropriate Department Head that identifies the relationship of the deceased to employee. The Department Head will forward his or her recommendation regarding the leave to the City Manager for a final decision.

F. Leave for Pregnancy Disability

A pregnant employee shall be entitled to an unpaid leave of absence for the duration of disability due to pregnancy to a maximum of four months. The employee may use her accumulated sick or vacation leave for all or part of the leave. The employee's request for Pregnancy Disability Leave must be supported by a physician's statement that sets forth the anticipated duration of the disability.

G. Family and Medical Act Leave

Provided that the Town's workforce consists of at least 50 full time employees, leave of absence shall be granted in accordance with the state and federal Family and Medical Leave Acts. The parties agree to meet and confer if compliance with these acts requires modifying any provision in this MOU. The parties acknowledge that the Town may unilaterally develop forms for administering Family and Medical Act Leave.

H. Rules Applicable to Leave Provisions

Leaves of absence without pay shall not be counted for purposes of determining seniority.

At the conclusion of an authorized leave of absence, an employee shall be returned to an equivalent position within his/her classification.

No sick leave, vacation leave, medical or dental insurance benefits accrue during an unpaid leave of absence except for Family and Medical Leave Act Leave, but the employee may elect to continue medical, vision or dental insurance coverage for up to the duration of

his/her leave of absence at his/her own expense. For any paid leave of absence, all benefits continue to accrue.

Only accrued sick leave and vacation leave and compensatory time off that has been earned as of the prior pay period is available for the employee's use.

In consultation with the Department Head, the City Manager and his/her designee may designate the specific beginning and ending dates of a leave to meet the needs of the employee and the Town. Failure to return to work at the designated return date will be deemed a resignation.

At the conclusion of a paid or unpaid leave of absence due to any sickness or disability of three days or more, the employee may be required to submit a physician's statement certifying that he/she is medically qualified to resume work as a condition to returning to work.

I. Short-Term Disability ("STDI")

Short Term Disability Insurance can only be utilized after an employee has exhausted all of his/her available sick leave. The benefit is an amount equal to 70% of the employee's weekly earnings to a maximum of \$500.00 per week.

ARTICLE 11: BENEFIT PROGRAMS

Insurance

Effective January 1, 2006, the Town-paid medical premium cap is to increase to the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. Employees selecting a health plan whose premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 100% of the Dental and Vision plan costs. Effective January 1, 2007, the Town-paid medical premium cap is to increase to the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. Employees selecting a health plan whose premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 100% of the Dental and Vision plan costs. Effective January 1, 2008, the Town-paid medical premium cap is to increase to reflect 95% of the then-prevailing Blue Shield HMO rate for 3+ party, 2 party and 1 party plans. An employee whose health plan premium exceeds the above stated amounts will be required to pay the difference. In addition, the Town will pay for 95% of the Dental and Vision plan costs.

An employee who elects no medical coverage through the Town will receive \$300 per month, paid quarterly.

During the second year of the agreement, the parties agree that upon request, they will meet to explore alternate medical plans. During this same time period, the parties will explore the creation of a Retirement Medical Health Savings Plan.

The City Manager may contract with different health care insurers/providers, at his sole discretion, during the term of this MOU, so long as any new contract does not reduce the level of benefits.

Employee Assistance Program. The Town shall establish a program for psychological counseling to employees and their dependents, with total Town expenditures not to exceed \$3,000, for payment of professional psychological counseling fees. Employee family groups are entitled to attend up to six sessions with the Town sponsored counselors during the term of this agreement when he/she/they determine(s) that psychological counseling is needed to ensure continued good mental health.

Life Insurance. The Town will provide all regular employees life/accidental death and dismemberment insurance of \$50,000.

Educational Reimbursement.

The Town shall establish a \$1,000 annual educational reimbursement plan. An employee who successfully completes courses that have been approved by the City Manager may receive up to \$400 reimbursement for each fiscal year of the term of this MOU until the funds are depleted. At the end of the calendar year, any unused amount in the plan shall be distributed to participants in the plan during that year on an equal basis provided that such additional payments to participants shall be based on actual expenditures incurred by the participants.

Building Inspector and Notary Public License.

Employees who are assigned to perform the duties of Building Inspector and who have permission to take the examination(s) for certificates issued by the International Conference of Building Officials, the International Association of Electrical Inspectors, or the International Association of Plumbing and Mechanical Officials, will receive a 100% reimbursement of the examination fee or certificate renewal fee. Employees in any classification who have permission to take the Notary Public License examination will receive a 100% reimbursement of the examination fee or certificate renewal fee. Reimbursement will be made only upon submission of proof of either successful completion of the examination(s) or payment of the renewal fee(s).

Employees who are required by State or Federal agencies or by job description to be licensed or certificated in order to perform Town job duties shall be reimbursed for the fees for such license or certificate, including other DMV licenses above Class "C".

Use of Private Automobile — Mileage Reimbursement.

The City Manager authorizes monthly vehicle allowance as follows: \$300 for those in the classification of Building Inspector/Plan Checker, and effective February 1, 2006, \$425 for those in the classification of Senior Building Inspector/Plan Checker. The purpose of the allowance is to compensate persons employed in this classification for having his/her private automobile available for use or for actually using his/her private automobile in the performance of the duties of his/her employment with the Town. All other employees who sporadically use their private vehicle in the performance of Town duties (excluding normal home to work commuting) will receive a mileage reimbursement for actual miles driven and

reported at the current IRS rate. At its discretion, the Town may choose to provide an automobile in lieu of the allowance.

ARTICLE 12: RETIREMENT

Beginning on July 1, 1999, the Town will provide the PERS 2% at 55 retirement program and pay the full 7% PERS employee contribution. The Town will provide for unused sick leave to be credited toward PERS service time at retirement.

ARTICLE 13: EMPLOYEE RECOGNITION PROGRAM

The Town will form a joint management and labor committee to establish a recognition program.

ARTICLE 14: GRIEVANCE PROCEDURE

A. Definition

Except as stated otherwise in this MOU, a grievance is any dispute between the Town and an employee regarding the interpretation or application of this MOU. A grievance may be filed by an employee on his/her own behalf, or by the Union.

B. Grievance Steps

Step 1. An employee must present the grievance in writing to the Department Head within 15 days following the event upon which the grievance is based.

The written grievance shall contain a complete statement of the alleged facts upon which the grievance is based, the remedy requested, and the sections of the MOU claimed to have been violated. The grievance shall be signed and dated by the employee. The Department Head may refer the grievance to the appropriate supervisor for investigation, if necessary. The Department Head, or appropriate supervisor to whom the grievance has been referred, will arrange a meeting in an attempt to resolve the grievance. The Department Head, or his/her designated representative, will give a written decision to the employee within 15 days following the receipt of the grievance.

Step 2. If the employee desires to appeal the grievance to Step 2, the employee must present a written appeal to the City Manager within 15 days following receipt of the written decision of Step 1.

Within 15 days after the receipt of the appeal to Step 2, the City Manager shall hold a meeting with the employee, the Union representative, and the appropriate supervisor to discuss the matter. A written decision shall be given to the employee within 30 days following the meeting.

Step 3. If the grievance has been properly processed through the previous steps of the procedure and is not resolved, the employee may present the grievance to an Advisory Arbitrator for a proposed decision. The employee or the Union representative shall notify the City Manager of the request to present the grievance to an Advisory Arbitrator, in writing, within 15 days following the receipt of the written answer at Step 2.

The Advisory Arbitrator shall be selected from a list of five available arbitrators provided by the State Mediation and Conciliation Service. The parties shall alternate striking names from the list until only one arbitrator remains.

The Advisory Arbitrator shall hold a hearing on the issue or issues submitted, or as determined by the Advisory Arbitrator, if the parties have not mutually agreed upon the issue or issues. Every effort will be made to schedule the hearing within 45 days after the selection date of the Advisory Arbitrator. Each party will prepare a statement of the issue or issues, as well as a position statement thereon, and submit such to the Advisory Arbitrator and other party at least five days prior to the hearing.

The hearing shall be informal. Hearsay evidence is admissible, but hearsay alone will not support an allegation. Witnesses shall be sworn, testimony given under oath, and documentary evidence will be received as appropriate. A complete stenographic record of the proceedings will be made.

The Advisory Arbitrator should render his/her proposed decision in writing within 60 days after the conclusion of the hearing. The Advisory Arbitrator's proposed decision shall be sent to the City Manager and the employee. The Advisory Arbitrator has jurisdiction only to render a proposed decision. The Advisory Arbitrator's proposed decision is not final and binding.

Each party shall bear its own respective attorneys' fees and costs. The fees of the Advisory Arbitrator, as well as the cost of the stenographic record of the hearing, shall be equally divided between and paid by the Town and Union.

Step 4. The City Manager has 15 days after receiving the Advisory Arbitrator's proposed decision to either adopt the proposed decision as the Town's final decision, or to refer the matter to the City Council. In the latter case, the City Manager shall present the Advisory Arbitrator's proposed decision to the City Council for its consideration and final decision at its next regular session. The City Council shall render, in closed session, if appropriate, a final decision by adopting, rejecting or modifying the proposed decision of the Advisory Arbitrator.

C. General Provisions

Grievances may only be processed during normally scheduled non-overtime working hours. The Union agrees that the time spent by its designated Union representative shall be kept to a reasonable minimum and that no Union representative shall be entitled to any additional compensation or premium pay for any time spent in processing grievances outside such representative's regularly scheduled hours.

All time limits herein refer to calendar days. Any of the time limits specified in Steps 1-4 may be extended by written mutual agreement of the parties.

Copies of the resolution of all grievances, including the grievance, shall be sent to the Union.

ARTICLE 15: DISCIPLINARY ACTION

Although verbal or written reprimands shall not be subject to appeal through the Article 14 Grievance Procedure, regular employees may appeal other disciplinary actions beginning at Step 3 of the Grievance Procedure. Probationary employees have no right to either pre-disciplinary procedures or post-disciplinary appeal procedures.

ARTICLE 16: FULL UNDERSTANDING, MODIFICATION AND WAIVER

This MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any and all prior or existing MOU's, understandings, or agreements that conflict with the matters set forth herein, whether formal or informal are hereby superceded and terminated in their entirety. Existing policies, rules, ordinances and resolutions that do not conflict with the matters set forth herein remain in effect.

During the term of this MOU, the parties shall meet and confer at the request of either party pertaining to matters that are not covered herein and within the scope of representation.

Except as specifically provided herein, it is agreed and understood that each party voluntarily and unqualifiedly waives its right and agrees that the other shall not be required to negotiate with respect to any subject or matter addressed in this MOU. It is the intent of the parties that this MOU be administered and observed in good faith.

ARTICLE 17: NON DISCRIMINATION

The parties agree that they, and each of them, shall not discriminate against any employee because of race, religion, national origin, political affiliation, age, disability, sex, sexual orientation, union membership or lack of union membership.

ARTICLE 18: SEPARABILITY

Notwithstanding any other provision in this MOU, in the event any article, or subsection thereof, of this MOU shall be declared invalid by any court of competent jurisdiction, or by any applicable state or federal law or regulation, or should a decision by any court of competent jurisdiction or any applicable state or federal law or regulation diminish the benefits provided by this MOU, or impose additional obligations on the Town, the parties agree to meet and confer on the article or subsections thereof affected. In such an event, all other provisions of this MOU not affected shall continue in full force and effect.

ARTICLE 19: FITNESS FOR DUTY

The parties agree that the provisions of this MOU are to be interpreted and applied by both parties in a manner that is consistent with the state and federal laws that prohibit discrimination against those with disabilities. The Town shall have the right to request an employee to undergo a physical or mental fitness for duty examination when the City Manager concludes that an employee's health has had, or in reasonable probability will have an impact upon the employee's job performance or the health or safety of other employees. The examination will be designed to determine the employee's ability to safely perform the essential functions of the job.

ARTICLE 20: Classification Study

In 2007, the Town will study the following classifications, looking at job duties and salary: Arborist; Office Specialist, and P.W. Supervisor. Following completion of the study the parties will meet and confer over the results.

ARTICLE 21: TERM

The term of this MOU shall be July 1, 2005 through June 30, 2008.

Dated: _____

Dated: _____

TOWN OF ATHERTON

TEAMSTERS LOCAL 856

Mayor

Union Representative

Approved as to Form:

City Attorney

Adopted by the City Council on _____.

APPENDIX A

Units shall be comprised of individuals employed in the following classifications.

THE UNITS

PUBLIC WORKS-PARKS EMPLOYEES UNIT

Public Works Maintenance Worker I / Parks/Facilities Maintenance Worker I
Public Works Maintenance Worker II / Parks/Facilities Maintenance Worker II

Town Arborist/Public Works Specialist

Assistant Engineer

MISCELLANEOUS EMPLOYEES UNIT

Office Specialist

Building Inspector/Plan Checker

Public Services Assistant

SUPERVISOR/CONFIDENTIAL UNIT

SUPERVISOR

Park Supervisor**
Public Works Supervisor
Senior Building Inspector/Plan Checker***

CONFIDENTIAL

Finance Assistant

*Titles listed separately for clarification. Formerly listed as Public Works Maintenance Worker.

**Title listed separately for clarification. Formerly listed as Public Works Supervisor.

***Approved by City Council on February 19, 2003.

APPENDIX B

PUBLIC WORKS DEPARTMENT STANDBY ASSIGNMENT RULES

All employees who have been employed in the Public Works Department for at least one year are required to participate in the standby program that is referenced in the Memorandum of Understanding between Local Union No. 856 and the Town of Atherton. Other employees who meet the qualifications as may be established by the Public Works Director may also participate. An employee on standby agrees to:

1. Review and approve his or her assignment on the yearly standby assignment schedule that is posted in the Public Works Department. Standby assignments are for one-week periods and include all hours when the Town is not open for business (except during lunch hours on workdays).
2. Keep the Town's cellular phone, beeper, storm drainage maps, and telephone numbers of the Atherton Police Department Watch Commander with him or her at all times during standby assignment. Protect the cellular phone from loss or damage. Return the cellular phone to the Public Works Director at the end of the standby assignment.
3. Respond to all call backs that occur during scheduled standby time unless he/she has previously notified the Public Works Director of the name of another employee who meets the qualifications and who has agreed to respond. The employee who seeks a substitute is responsible for ensuring that the substitute employee has the standby equipment listed in Item 2 above.
4. Respond to a page or cellular phone call promptly and without delay after being paged or called. Respond to the call back location within 30 minutes after answering a page or call back to service.
5. Do not consume alcohol or drugs during standby assignment that may impair his/her ability to perform call back duties.
6. Acquire as much information as possible regarding a call back before responding. Use good judgment in determining the need to call out to employees to assist with a call back. Log all information regarding each call back on appropriate forms.
7. Make safety the highest priority and inform the Public Works Director of any major incident that results in the loss of life, injury or property loss.

The Fair Labor Standards Act (29 U.S.C. Section 201 and following) requires that a covered employee receive overtime compensation at the rate of one and one-half times the employee's regular rate of pay for each hour worked over forty (40) in the employee's designated workweek. The Fair Labor Standards Act regulations require employers to keep a record of the particular workweek designated for each employee. (29 C.F.R. Section 516.2(a)(5).) The Fair Labor Standards Act workweek designated for _____ [employee name] shall be the seven consecutive day period that begins on _____[day of the week and time] and ends on _____ [day of the week and time].

Acknowledged: _____ [employee signature]

APPENDIX C

Fiscal Year 2005-2006

Salary Ranges (70th Percentile)

Position	Step A	Step B	Step C	Step D
Assistant Engineer*	5,407.69	5,653.50	5,922.71	6,218.85
Building Inspector/Plan Checker	5,447.10	5,694.70	5,965.88	6,264.17
Finance Assistant	4,632.54	4,843.11	5,073.73	5,327.42
Office Specialist	4,042.97	4,226.74	4,428.02	4,649.42
Park Supervisor**	5,659.56	5,916.82	6,198.57	6,508.50
Public Services Assistant	3,351.90	3,504.26	3,671.13	3,854.69
Public Works Maintenance Worker I/ Parks/Facilities Maintenance Worker I	3,572.05	3,734.42	3,912.25	4,107.86
Public Works Maintenance Worker II/ Parks/Facilities Maintenance Worker II	3,928.84	4,107.43	4,303.02	4,518.17
Public Works Supervisor	5,659.56	5,916.82	6,198.57	6,508.50
Senior Building Inspector/Plan Checker***	5,991.82	6,210.66	6,506.41	6,890.59
Town Arborist/Public Works Specialist	5,447.10	5,694.70	5,965.88	6,264.17

*Limited term position approved by Council on January 16, 2002.

**Salary range same as Public Works Supervisor. Position previously was not delineated separately and was listed as same title as Public Works Supervisor.

***Approved by City Council on February 19, 2003.



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: KATHI HAMILTON, ACTING CITY CLERK

DATE: FOR THE CITY COUNCIL MEETING OF JANUARY 18, 2006

**SUBJECT: UPDATE ON THE PROCESS TO FILL A VACANCY ON THE
CITY COUNCIL**

RECOMMENDATION:

Provide direction to staff.

BACKGROUND:

At its special meeting of January 9, 2006, Council decided to seek applicants to fill the unexpired term of former Mayor and Council Member Bill Conwell pursuant to Government Code Section 36512 (b). Action must be taken within 30 days of the effective date of the vacancy (by January 24, 2006) to appoint someone to fill the vacancy. Council directed staff to advertise the vacancy and solicit letters of interest/statement of qualifications to be received no later than 5:00 p.m. on January 18, 2006. Additionally, Council tentatively set January 21, 2006, as the date to interview potential candidates.

Per Council's instruction, staff posted a notice of vacancy at the six Town posting sites, on the Town's website, and on the local cable channel scroll. Additionally, articles regarding the vacancy appeared in *The Almanac*, the *Palo Alto Daily News*, and the *San Jose Mercury News*.

ANALYSIS:

As of the writing of this report, staff has received two letters of interest. These, along with any others received by 5:00 p.m., on January 18, will be provided to Council under separate cover. Council has set January 21, 2006, as the date to review letters of interest with the option to possibly interview candidates and appoint a new Council Member.

If Council decides to hold a special election, the election would take place on June 6, 2006, the next regularly scheduled election. The last day to call the election is February 12, 2006, and the nomination period is from February 13 through March 10. For your information, attached is an abridged election calendar. The successful candidate would serve out the remainder of the term expiring in November, 2006.

FISCAL IMPACT:

Staff has received information from the San Mateo County Elections Office that the cost of a special election to be consolidated with the state-wide election on June 6, 2006, would be \$1.50 per voter. Based upon 5,320 registered voters, the cost would be \$7,980.00.

Prepared by:

Approved by:

Kathi Hamilton
Acting City Clerk

James H. Robinson
City Manager

Attachment: Abridged Election Calendar

June 6, 2006 Special Election Calendar

January 18, 2006	<i>Regular January City Council Meeting</i>
January 30, 2006 February 13, 2006	Between these dates, any city that is consolidating an election with the June primary will publish a Notice of Election.
February 12, 2006	(City Vacancy) Last day for the remaining Council to call an election to fill a vacancy. Clerk shall immediately publish notice of election.
February 13, 2006 March 10, 2006	Nomination Papers – Between these dates, eligible candidates for all offices, including Central Committee, may obtain and file required nomination forms, submit statement and payment. Please note: An extended Candidate Filing Period for nomination papers is not applicable because there is no incumbent.
March 10, 2006	Last day to request consolidation of the Special Election with the County Board of Supervisors for June 6th election Last day for candidate whose filing period ends this day to withdraw nomination papers from the election. (City Vacancy) Last day for city to file certified list of candidates, includes names and ballot designations, with the county elections office.
March 13, 2006	Last day for a candidate who's filing period ended on the 88 th day to withdraw candidate statement.
March 16, 2006	Random Alpha Drawing for order of names on ballot and measure letter assignment.
March 22, 2006	First Pre-Election Campaign Statement due for period covering January 1, 2006 through March 17, 2006
April 27 – May 30, 2006	Sample Ballot Pamphlet Mailing Period
May 8 – May 30, 2006	Absentee Voter Ballots applied for/mailed between these dates
May 25, 2006	Pre-election campaign committee statement due for period covering March 18, 2006 through May 20, 2006.
June 6, 2006	Election Day for Special Election regarding Council Vacancy
July 4, 2006	Last day for County to certify election results. (Holiday – deadline moves to next business day, July 5.)
July 31, 2006	Semi-annual Campaign and Supplemental Independent Expenditure Statement due for all active committees.



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: MARC G. HYNES, CITY ATTORNEY

DATE: CITY COUNCIL MEETING OF JANUARY 18, 2006

**SUBJECT: AGREEMENT RELATED TO POSSIBLE SENIOR HOUSING
PROJECT TOWN OF ATHERTON – LAW & ASSOCIATES**

Recommendation. Consider attached agreement related to possible senior housing project between Linda and James Law of Law & Associates and the Town of Atherton.

Background. At the regular City Council meeting on November 16, 2005, the City Council considered the proposal from Linda and James Law (Law Associates or Law) to fund a facilities assessment study to determine if the Town has excess land and, if it had, to determine if senior housing is an appropriate use for the site. A request was made for the City Council to direct the City Manager and City Attorney to develop an agreement to further analyze the senior housing proposal without making any future commitment to Law.

The City Manager and City Attorney have met with Mr. and Mrs. Law and their counsel and have discussed a form of agreement which is attached. The agreement notes, in paragraph number 1, that the Town is not committing itself to any definite course of action and does not constitute approval of the project, the desire to approve a project, or a disposition of property whether by sale or ground lease. The agreement proceeds with the understanding that all actions will require compliance with the California Environmental Quality Act and the approval, in the sole discretion of the City Council of any project for which the Laws apply.

Paragraphs numbered 2 and 4 describe the agreement. The Town will choose a consultant to undertake a long-range needs assessment and facilities study, as well as alternative land planning scenarios. Law will pay the Town for the costs of such a study up to a maximum of \$25,000.00. The Laws will also pay for attorney costs incurred by the Town that are in the nature of a special project cost. Under my agreement with the Town, special projects may be billed for at the rate of \$145.00 per hour, plus reimbursement for costs.

Paragraph 4 provides that Law may apply to the Town for approval of a low-to medium-density senior housing project on the Town's parking lot described in Section A of the agreement recitals. Paragraph 6 provides that if, and only if, the Town grants all necessary approvals, including without limitation, environmental review, a general plan amendment, zone amendment and a conditional use permit for the project, the Town shall ground lease the lot to Law for a term of 75 years. The value of the lot shall be determined by an appraisal paid for the by the Laws. Ground rent shall be paid on a monthly basis at a yet to be negotiated interest rate of the appraised value for the 75-year term. Subparagraph 6.3 of the agreement provides for a lease-back from Law to the Town of the amount of the ground floor space determined by the facilities assessment and needs study for Town use. This lease will be at no charge to the Town.

Paragraph 8 of the agreement provides that, in the event the Town approves the project or any housing project on the lot, but does not enter into a lease with the Laws, then the Town shall refund all costs borne by Law. This paragraph envisions that the Town may elect to move forward with another developer. In such event, the Laws would be reimbursed for monies they have paid. One way for the Town to satisfy this condition would be to require, as part of any other developer's approval, the payment to the Town of this sum of money as initial consideration for project approval.

Fiscal Impact. None.

Prepared By:

Approved By:

/s Marc G. Hynes
Marc G. Hynes, City Attorney

James H. Robinson, City Manager

Attachment

AGREEMENT RELATED TO POSSIBLE SENIOR HOUSING PROJECT

This Agreement Related to Possible Senior Housing Project ("Agreement") is entered into this ____ day of _____, 2006 by and between the Town of Atherton ("Town"), a California municipal corporation and Law & Associates ("Law"), (collectively, the "Parties").

RECITALS

A. The Town owns a parking lot ("Lot") of approximately one (1) acre, next to Town Hall. The lot is not being fully used and has little aesthetic value to the Town in its present form.

B. Linda and James Law of Law & Associates are residents of Atherton, who have proposed possibly building a senior housing project on this Lot with the Town using the ground floor for necessary Town functions ("Proposal").

C. This proposal is the first time that the concept of senior housing to be developed on the Lot has been brought forward to the City Council.

D. The Proposal has been discussed by the Town's City Council Finance Committee which recommended the City Council consider the proposal.

E. The City Council has discussed the Proposal in a public meeting.

F. The Town is interested in better using its property and space, in particular, by terminating the use of temporary trailers that house the permit center and by reconfiguring inefficient and obsolete space in Town Hall, but the Town lacks sufficient funding for such capital improvements.

G. There is a need in Town for "move-down" housing since there are senior citizens in Town who live in large residences who would like to live in smaller dwelling units but who do not want to leave Atherton.

H. The Town, recognizing its responsibility under State law to provide its "fair share" of regional housing needs, is also desirous of having a steady stream of income, in addition to the proceeds of its parcel tax.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. LIMITATION OF EFFECT. The Parties intend this Agreement to reflect the agreement between them, but it is agreed and understood that, by execution of this Agreement, the Town is NOT committing itself to any definite course of action. This Agreement does not constitute approval of a project, the desire to approve a project or a disposition of property, whether by sale or ground lease. The transactions contemplated herein shall be expressly subject to and conditioned upon compliance with the California Environmental Quality Act and approval, in the sole discretion of the City Council of the Town, of any project applied for.

2. FACILITIES ASSESSMENT AND LAND PLANNING STUDIES. The Town shall enter into a contract with a consultant of Town's choosing, whereby the consultant undertakes a long range needs assessment and facilities study as well as alternative land planning scenarios ("Study") for Town administration. Law shall pay Town for the pre-approved costs of such a study up to a maximum of \$25,000 upon execution of said contract.

3. ATTORNEY COSTS: Law shall pay for any attorney costs incurred by the Town and that are in the nature of special project costs, as defined in the City Attorney's contract with the Town.

4. PROPOSAL. At any time before termination of this Agreement Law may apply to the Town for approval of a medium density senior housing project ("Project") on the Lot, which Law understands may involve applications for environmental review, a General Plan amendment, a zoning amendment subdivision and conditional use permit. Such applications must include the amount of space requested by the Town for Town facilities on the first floor of the Project.

5. DUE DILIGENCE. At any time before termination of this Agreement, the Town shall allow Law (at Law's sole expense) to undertake investigations of the Lot and Project by authorizing Law to do the following:

5.1 Order a preliminary title report, with all underlying documentation of the Lot from First American Title Company in Redwood City.

5.2 Conduct environmental studies of the Lot, as well as other physical studies of the Lot, to determine the physical suitability of the Project. Law's (and Law's representatives) access shall be during normal business hours and only after giving the Town Manager 24-hour notice. Law shall defend, indemnify and hold harmless the Town from any damage caused by Law or its agents, employees or representatives.

5.3 Conduct economic feasibility studies and Town resident studies to determine the viability and need for the Project.

6. GROUND LEASE. **IF AND ONLY IF** the Town grants all necessary approvals, including, but not limited to, approval of environmental review, a General Plan amendment, a zone amendment and a conditional use permit for the Project, the Town shall ground lease the Lot to Law based on the following terms and conditions:

6.1 The term shall be 75 years.

6.2 The value of the Lot shall be determined by a third-party appraisal. The Town and Law shall agree on an appraiser. The Town shall be responsible for obtaining the appraisal, and Law shall reimburse the Town.

The ground rent shall be paid on a monthly basis at a to be negotiated interest rate of the appraised value for the period of the term.

6.3 Leaseback. Law shall leaseback the amount of the ground floor of the Project to the Town at no charge that the Town's Study indicates it needs and Law shall provide Town with a shell for such ground floor space.

7. WITHDRAWAL BY LAW. At any time Law, in its sole discretion, may decide not to apply for the Project, or withdraw its applications for the Project without any further obligation whatsoever, except that Law shall not, in such a case, be refunded any funds it paid to the Town for the Study or for any application fees for approvals for the Project.

8. PROJECT WITHOUT LAW. If the Town approves the Project, or any housing project on the Lot, but (a) declines to enter into a ground lease with Law, or (b) if the form of a ground lease cannot be agreed upon by the Town and Law then, within 120 days of the approvals for the Project, the Town shall refund all costs borne by Law.

9. INDEMNIFICATION. Law shall defend, indemnify and hold harmless the Town, its agents, officers or employees from any claim, action or proceeding against the Town, its agents, officers or employees to attack, set aside, void or annul approval of this Agreement or any approval of an Application. Pursuant to this condition, the Town shall promptly notify Law of any claim, action or proceeding and the Town shall cooperate fully in the defense of such claim, action or proceeding.

10. NOTICE. Any notice to be given or other document to be delivered to either party by the other under this Agreement may be delivered in person or may be deposited in the United States mail in the State of California, duly registered or certified, with postage prepaid, or may be delivered by overnight express service (e.g., Federal Express) and addressed as follows:

To the Town:

Town Manager
Town of Atherton
94 Ashfield Road
Atherton, CA 94027

To Law:

Linda Law
c/o Law & Associates
1950 University Ave., Ste. 310
East Palo Alto, CA 94027

Either party may, from time to time, by written notice to the other, designate a different address that will be substituted for the one specified above.

10. PRIOR CONSULTATION; MEDIATION. When any disagreement, conflict, need for interpretation, or need for enforcement arises between the parties to this Agreement, each party shall first consult with the other party in good faith about the issue and attempt to resolve the issue without resorting to arbitration or legal action. If the dispute is not resolved after such consultation, the parties shall then proceed in good faith to submit the matter to mediation. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved within sixty (60) calendar days of the date written notice requesting mediation is sent by one party to the other at the party's last known address.

11. ATTORNEYS' FEES. In the event that any action is brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

12. ENTIRE AGREEMENT AMENDMENT. This Agreement constitutes the entire agreement of the Parties, and supersedes any prior written or oral agreements between them concerning the subject matter contained in this Agreement. There are no representations, agreements, arrangements, or understandings, oral or written, between the Parties, relating to the subject matter contained in this Agreement, that are not fully expressed in this Agreement. This Agreement may be amended only by a writing that makes reference to this Agreement and is signed by all Parties hereto.

13. TIME IS OF THE ESSENCE. Time is of the essence with regard to all obligations under this agreement.

IN WITNESS WHEREOF, the Town and Law have executed this Agreement effective as of the date written above.

TOWN OF ATHERTON, a California municipal corporation

LAW & ASSOCIATES

By: _____
Charles Marsala, Mayor

By: _____
Linda S. Law

ATTEST

Town Clerk

APPROVED AS TO FORM:

Town Attorney

December, 2005

Atherton Town Resident

City Council Members
Town of Atherton

RECEIVED
TOWN OF ATHERTON
2006 JAN 10 A 9:27

Dear Mayor and Council Members:

The homeowners surrounding the Atherton Town Center have recently become an organized entity called "CARA" (Central Atherton Residential Area). We homeowners in the vicinity surrounding the Atherton governmental center and Train Station felt compelled to do so as the result of our particular vulnerability to ongoing issues that the Town Council considers. Members thus far include representation from Ashfield, Maple, Walnut, Watkins, and Fair Oaks.

The approval for "study" to consider multi-unit housing in our neighborhood is particularly galling. Such a proposal is against Atherton's General Plan and your recent acceptance of such a consideration seems self-serving and borders "self-interest" by a developer.

We do not want condominiums in our neighborhood. We understand the January 18, 2006 Town Council meeting will address the study and members of CARA will again voice our concerns there.

Regards,

Virginia A. Berger
Virginia A. Berger
49 Ashfield Rd.
Atherton, Ca. 94027

December, 2005

Atherton Town Resident

City Council Members
Town of Atherton

RECEIVED
TOWN OF ATHERTON

2006 JAN 10 A 9:27

Dear Mayor and Council Members:

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We do not want condominiums in our neighborhood. We understand the January 18, 2006 Town Council meeting will address the study and members of CARA will again voice our concerns there.

Regards,

Gunge + Jane Shen
53 Ashfield Road
Atherton, CA 94027

RECEIVED
TOWN OF ATHERTON

2006 JAN -5 A 10:48

January 3, 2006

City Council Members
Town of Atherton
91 Ashfield Road
Atherton, CA 94027

Dear Mayor and Council Members:

The homeowners surrounding the Atherton Town Center have recently become an organized entity called "CARA" (Central Atherton Residential Area). We homeowners in the vicinity surrounding the Atherton governmental center and Train Station felt compelled to do so as the result of our particular vulnerability to ongoing issues that the Town Council considers. Members thus far include representation from Ashfield, Maple, Walnut, Watkins, and Fair Oaks.

The approval for "study" to consider multi-unit housing in our neighborhood is particularly disturbing. Such a proposal is against Atherton's General Plan and your recent acceptance of such a consideration seems self-serving and borders "self-interest" by a developer.

We do not want condominiums in our neighborhood. We understand the January 18, 2006 Town Council meeting will address the study and members of CARA will again voice our concerns there.

Regards,



Michael and Christine David
26 Ashfield Road
Atherton, CA 94027
(650) 325-7054

49 Maple Avenue
Atherton, CA

RECEIVED
TOWN OF ATHERTON
2006 JAN -3 A 9:52

December 20, 2005

City Council Members
Town of Atherton

Dear Mayor and Council Members:

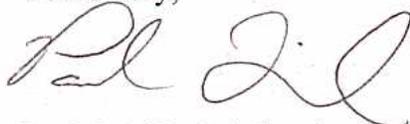
We are writing to you in regard to the Council's verbal approval to receive a study analyzing the Town's office needs and how these needs could be addressed by building high density housing in the train station parking lot. The purpose of this letter is to communicate our strong disapproval of high density housing in Atherton even if the housing would be used to provide better office space for the police and town staff.

As you are well aware Atherton was founded as a residential area for single family residences. This in fact was the reason Atherton was incorporated, in order to maintain a separate development plan from Menlo Park. Since its incorporation in 1923, there has been a one acre minimum lot size zoning restriction and businesses have been prohibited. In addition, I am not aware that there is currently any high density housing in Atherton. We are strongly opposed to changing the General Plan in order to allow high density housing. This would be such a drastic change in the way in which Atherton operates that we were very surprised to hear that City Council was open to the idea. It strikes us as the devil's bargain, to take the carrot of rebuilding the police station and/or city offices by selling out the historical underpinnings of the town. Do you really want your legacy to be the Council that brought high density housing to Atherton?

There is a time and place for everything but just as the residents of Atherton have continued to reject businesses in town (despite the obvious financial benefits) we believe that the residents of Atherton have also continued to reject high density housing in town (even if the developer promises to buy off the town with new offices).

In addition, building the high density housing in the train station parking lot would be a capitulation to the obvious Caltrain plan to discontinue train service to Atherton. By entertaining alternative uses for the parking lot, Council is implicitly agreeing with Caltrain's plans. I was under the impression that Council still sought to preserve train service to Atherton.

Yours truly,



Paul & Julie Quinlan (and Anna & John)

Patricia G. Engasser, M.D.

Diplomate, American Board of Dermatology

Adjunct Clinical Professor, Dermatology
Stanford University School of Medicine

RECEIVED
TOWN OF ATHERTON
Clinical Professor, Dermatology
UC.S.F. School of Medicine

January 11, 2006

2006 JAN 11 A 11: 52

City Council Members
Town of Atherton

Dear Mayor and Council Members:

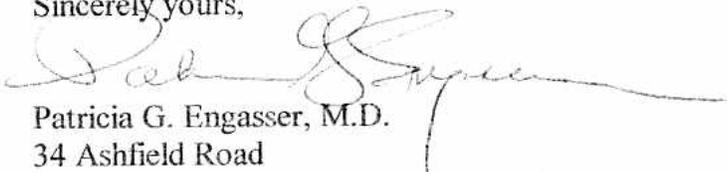
I am writing to you in regard to the Council's verbal approval to receive a study analyzing the Town's office needs and how these needs could be addressed by building high density housing in the train station parking lot. The purpose of this letter is to communicate my strong disapproval of high density housing in Atherton even if the housing would be used to provide better office space for town staff.

As you are well aware Atherton was founded as a residential area for single family residences. This in fact was the reason Atherton was incorporated, in order to maintain a separate development plan from Menlo Park. Since its incorporation in 1923, there has been a one acre minimum lot size zoning restriction and businesses have been prohibited. In addition, there is currently no high density housing in Atherton. I am strongly opposed to changing the General Plan in order to allow high density housing. This would be such a drastic change in the way in which Atherton operates and the reason I moved here. I cannot believe that the Council might be open to such an idea-- rebuilding city offices by selling out the historical underpinnings of the town. Do you really want your legacy to be the Council that brought high density housing to Atherton?

There is a time and place for everything but just as the residents of Atherton have continued to reject businesses in town (despite the obvious financial benefits) we believe that the residents of Atherton have also continued to reject high density housing in town (even if the developer promises to buy off the town with new offices).

In addition, building the high density housing in the train station parking lot would be a capitulation to the obvious Caltrain plan to discontinue train service to Atherton. By entertaining alternative uses for the parking lot, Council is implicitly agreeing with Caltrain's plans. I was under the impression that Council still sought to preserve train service to Atherton.

Sincerely yours,



Patricia G. Engasser, M.D.
34 Ashfield Road

PETER D. & GIOVANNA S. HINTON
33 MAPLE AVENUE
ATHERTON, CA 94027

RECEIVED
TOWN OF ATHERTON

2006 JAN 13 A 10:33
13 January 2006

The Honorable Vice Mayor Charles E. Marsala
Town of Atherton
91 Ashfield Road
Atherton, CA 94027

Sir,

The town council meeting scheduled for January 18th next will, among other issues, consider a proposal for the construction of multi-unit housing on town property.

As reported in a recent issue of the local print media, the Atherton town council voted unanimously in favor of pursuing further studies about the proposed development. I trust that the result of the particular vote simply indicated an interest by the council members in the viability and feasibility of such a development, and not a blanket approval thereof. I do note, that the late Mayor Conwell did not find the proposal entirely pleasing, as he stated "it does not fit in with the profile of Atherton". I do emphatically agree with that assessment.

Among the items of concern reported in the media article, one very important subject was not addressed. That issue is the principle of "precedent". Throughout the years, decades in fact, the Atherton Town Council has studiously avoided approving anything that would establish a loophole through which developers or other interested parties could leap, regularly denying requests for variances which would not only alter the physical landscape of this town, but the very landscape of the spirit of the town building code. The approval of a proposal of this type and magnitude could open up a Pandora's Box of complicated ambiguity, the depth and vastness of which would try the patience of every member of the present council, and of many future councils to boot.

I see very little difference between one and one half acres close to the train depot and three plus acres on the west side. One is public property, the other is private. Approve multi-unit housing on the first; you may be sure that the second will not be far behind.

Respectfully,



Peter D. Hinton



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: LISA COSTA SANDERS, DEPUTY TOWN PLANNER

**SUBJECT: CONSIDERATION OF PARKING LIMITATIONS ALONG PARK LANE
PURSUANT TO ATHERTON MUNICIPAL CODE TITLES 10 AND 15.**

RECOMMENDATION

Staff recommends the City Council hear comments from interested persons and provide direction to staff.

BACKGROUND

At the request of the City Council, the General Plan Committee is discussing topics related to the impacts of private construction activities within the Town. An initial meeting was held on November 2, 2005, to hear comments from residents and contractors. The General Plan Committee has met twice since that meeting to discuss the issues of construction hours, construction parking, and length of construction projects. The Committee has heard numerous complaints from residents relating to the parking situation along Park Lane. At the January 11, 2006, General Plan Committee meeting, the Committee requested the City Council discuss the Park Lane construction parking situation.

ANALYSIS

The City Attorney advised the Committee that the Town can not impose the requirements for a Construction, Operation and Parking (COP) plan retroactively on projects that applied for a building permit prior to the effective date of the Ordinance (January 21, 2004).

The City Attorney indicated that the Town has the ability to enforce section 15.40.040 relating to construction parking requirements on construction sites that predate the effective date of the COP Ordinance. Section 15.40.040 requires:

“Construction vehicle parking. On-site parking or parking within the public right-of-way only in front of the construction site, on the same side of the street for construction vehicles shall be required to avoid congestion and damage to

landscaping and improvements in the right-of-way except when authorized in writing by the city manager or the city manager's designee or when authorized by the guidelines adopted pursuant to these regulations."

There are currently ten active construction sites on Park Lane; eight of these sites were required to submit a COP plan. This street has a higher level of construction activity than other streets in Town. The Building Official has recently met with each contractor on Park Lane requesting his/her compliance with this code requirement. Staff will conduct observations of the current Park Lane parking situation and provide a verbal report at the City Council meeting.

Based on input received at the City Council meeting, the Council could direct staff to continue to enforce the requirement of Atherton Municipal Code Section 15.40.040 requiring contractors to park on-site or in front of the construction site.

The Council also has the option to direct staff to prepare a resolution for consideration at the next City Council meeting to establish Park Lane as "Resident Only Parking." The restriction could further specify Resident Only Parking, Monday through Friday, from 8:00 a.m. until 5:00 p.m. Resident stickers and guest passes would need to be issued to residents to allow them to park on the street during these hours. This restriction would not allow construction vehicles to park in front of the construction site. The construction vehicles would be limited to parking on-site, in other parts of Town that are not restricted, or at an off-site location with shuttle service in to the job site.

Prepared by:

Approved by:

Lisa Costa Sanders
Deputy Town Planner

James H. Robinson
City Manager

Attachments;

1. List of Active Construction sites along Park Lane
2. Resolution 03-28 Dec 17, 2003

**ACTIVE CONSTRUCTION PROJECTS
PARK LANE
(as of January 12, 2006)**

SITE ADDRESS	APPLICATION DATE	COP required
202 Park Lane	October 15, 2005	Yes
213 Park Lane	June 30, 2005	Yes
210 Park Lane	June 3, 2005	Yes
224 Park Lane	May 5, 2005	Yes
266 Park Lane	March 9, 2005	Yes
269 Park Lane	December 16, 2004	Yes
283 Park Lane	November 2, 2004	Yes
245 Park Lane	April 28, 2004	Yes
233 Park Lane	April 22, 2003	No
236 Park Lane	February 3, 2003	No

ORDINANCE NO. 546

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AMENDING CHAPTERS 10 AND 15 OF THE ATHERTON MUNICIPAL CODE RELATING TO CONSTRUCTION REGULATIONS AND PARKING WITHIN THE TOWN OF ATHERTON

WHEREAS, the City Council of the Town of Atherton finds: That the Atherton General Plan has as its land use goal preservation of the Town's character as a scenic, rural, thickly wooded residential area with abundant open space. One of the objectives to obtain this goal is to retain the high quality of maintenance and living environment existing in the town's residential neighborhoods. The circulation element goal is a circulation system that is compatible with the needs of the various land uses planned within the Town. Objectives to achieve this goal include minimizing the encroachment of the circulation network on the residential and open space uses which prevail throughout most of the community. All streets in the town area to be preserved as scenic routes. Scenic roadway policies have been adopted which provide that on-street and visible off-street parking of vehicles and other means of transportation shall be carefully controlled. Over the last several years, the Town has experienced a significant increase in residential construction and re-construction projects. Many of these projects last for years and involve a large number of workers who park their vehicles on the streets adjacent to and near construction sites. In order to preserve the character of the Town and the quality of life as mandated by the General Plan, the City Council finds that it is necessary and appropriate to adopt regulations on the parking of vehicles involved in construction projects. Authority pursuant to California Vehicle Code Section 22507 should be exercised where necessary to avoid traffic congestion on the Town's streets, protect adjacent landscaping, and otherwise protect the public health, safety and general welfare of town residents serviced by those streets.

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

SECTION 1: Section 10.16.040 of the Atherton Municipal Code is hereby added to read as follows:

10.16.040 No person shall stop, stand, park or leave standing any vehicle in any of the following places, except when necessary to avoid conflict with other traffic or in compliance with the direction of a police officer or other authorized officer or traffic sign, or signal

- A. In any area where the Town has indicated that parking is prohibited by appropriate signs or markings.
- B. In any area where the City Manager or designee has determined that the parking or stopping of a vehicle would constitute a traffic hazard or would congest traffic or damage landscaping and improvements in the right of way, or would endanger life or property, when such area is indicated by no parking signs or markings.

SECTION 2: Section 15.40.040 of the Atherton Municipal Code is hereby amended to read as follows:

15.40.040 Construction vehicle parking.

On site parking or parking within the public right-of-way only in front of the construction site, on the same side of the street for construction vehicles shall be required to avoid congestion and damage to landscaping and improvements in the right-of-way except when authorized in writing by the City Manager or the City Manager’s designee or when authorized by the guidelines adopted pursuant to these regulations. (Ord. 498 § 3, 1998)

SECTION 3: Section 15.40.110(B) and (D) of the Atherton Municipal Code is hereby amended to read as follows:

15.40.110 Definitions.

B. “Delivery” means delivery of building materials or equipment to any construction project and items related to the construction project.

D. “Pickup” means pickup or retrieval of building materials or equipment from any construction project and items related to the construction project.

SECTION 4: Section 15.40.152 is hereby added to the Atherton Municipal Code to read as follows:

15.40.152 Construction, operation, and parking plan.

Prior to submitting plans for building plan check, the owner of any property located within the Town for any construction project on said property shall submit a construction, operation, and parking plan (COP Plan) for review and approval by the Building Official. The construction, operation, and parking plan shall be prepared in accordance with guidelines to be adopted by Resolution of the City Council and made a part of the public file.

SECTION 5: That the City Council hereby declares that it would have passed this Ordinance sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions on this Ordinance are severable and, if for any reason any sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not effect the validity of the remaining parts of this Ordinance.

SECTION 6: This Ordinance shall be posted in at least three public places according to law and shall take effect and be in force from and after 30 days after its passage and adoption.

* * * * *

Introduced this 17th day of December, 2003

Passed and adopted as an Ordinance of the Town of Atherton at a regular meeting thereof held on the 21st day of January, 2004, by the following vote

AYES:	5	COUNCILMEMBERS:	Janz, Marsala, Carlson, Conwell, McKeithen
NOES:	0	COUNCILMEMBERS	
ABSTAIN:	0	COUNCILMEMBERS	
ABSENT:	0	COUNCILMEMBERS	

s/Kathy McKeithen
Kathy McKeithen, Mayor
Town of Atherton

ATTEST

s/Sharon Barker
Sharon Barker, City Clerk

APPROVED AS TO FORM:

s/Marc G. Hynes
Marc G. Hynes, City Attorney

RESOLUTION NO. 03-28

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
ADOPTING GUIDELINES FOR CONSTRUCTION, OPERATION AND PARKING
PLANS**

WHEREAS, the Atherton City Council has amended Section 15.40.152 of the Atherton Municipal Code to require that a Construction Operation and Parking Plan be submitted prior to the submittal of plans for building plan check for any construction project within the Town of Atherton, and

WHEREAS, the Atherton City Council has amended Section 15.40.152 of the Atherton Municipal Code to require that such Construction Operation and Parking Plan be prepared in accordance with guidelines to be adopted by Resolution of the City Council and made a part of the public file, and

WHEREAS, the Atherton City Council hereby determines that the adoption of these Guidelines is Categorically Exempt from the California Environmental Quality Act pursuant to Section 15305, Minor Alteration in Land Use Limitations.

NOW THEREFORE BE IT RESOLVED, that the City Council of the Town of Atherton hereby adopts the Guidelines for Construction, Operations and Parking Plans as attached.

* * * * *

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 December, 2003, by the following vote:

<i>AYES</i>	<i>5</i>	<i>COUNCILMEMBERS: Janz, Marsala, Carlson, Conwell, McKeithen</i>
<i>NOES</i>	<i>0</i>	<i>COUNCILMEMBERS:</i>
<i>ABSENT</i>	<i>0</i>	<i>COUNCILMEMBERS:</i>
<i>ABSTAIN</i>	<i>0</i>	<i>COUNCILMEMBERS:</i>

/s/ Kathy McKeithen
Kathy McKeithen, MAYOR
TOWN OF ATHERTON

ATTEST

/s/ Sharon Barker
Sharon Barker, City Clerk

APPROVED AS TO FORM

/s/ Marc G. Hynes
Marc G. Hynes, City Attorney

CITY COUNCIL ADOPTED
Guidelines for Construction, Operations and Parking Plans

The following guidelines have been adopted by City Council Resolution in compliance with Chapter 15.40 of the Atherton Municipal Code requiring the submittal of a Construction Operation and Parking Plan.

Prior to acceptance of plans for building plan check, the applicant for a building permit shall submit a Construction Operation and Parking Plan (COP Plan) for review and approval by the Building Official. The Plan shall be made a part of the public file. At a minimum, the Construction Operation and Parking Plan shall contain the elements listed below:

- 1. Parking Area for Construction Personnel.** All construction parking shall be located on-site or within the public right-of-way, only in front of the construction site and on the same side of the street as the construction site. The COP Plan shall provide a sufficient area to accommodate the number of construction personnel anticipated to be working on the project. The construction parking area shall be located outside of any tree protection fencing area. The construction parking area shall be rocked, with a rocked access drive. All construction personnel shall park in the construction parking area when at the job site. The City Manager or City Manager's designee may provide written permission for construction personnel parking in the public right-of-way only during such times as finish landscaping or other similar circumstance prevent use of the on-site construction parking area and further provided that the parking is located and conducted in a safe manner and affords a minimum disruption to the neighbors and neighborhood.
- 2. No Parking Signs.** At the discretion of the Police Chief or Police Chief's designee, to protect health and safety, or in the event the contractor fails to properly implement the COP plan, the Police Chief or Police Chief's designee may require the contractor to post signs on and along streets at 100 foot intervals for a distance of 500 feet on both sides of the street from the construction project notifying that parking is prohibited except for residents and their guests as authorized by the California Vehicle Code Section 22507. The contractor shall pay for the cost of the signs.
- 3. Construction Trailer.** If a construction trailer is proposed, it shall be located completely on the private property at least 10 feet from any side or rear property line, at least 40 feet from the front property line for properties located in the R1-B zone and at least 20 feet from the front property line for properties located in the R1-A zone.
- 4. Debris Box.** Any debris box used in conjunction with the construction shall be placed completely on the private property. The debris box shall be accessible from a paved or rocked access road.
- 5. Deliveries and Truck Traffic.** A temporary construction driveway shall be installed consisting of base rock or alternate material approved by the Building Official, beginning at the edge of pavement and extending a minimum of 100 feet into the property in order to reduce dust and mud tracking. Signs, delineators and flag personnel shall be available on-site, if necessary. If an existing paved driveway is maintained during construction, a

temporary access will not be required. The applicant may propose, or the Building Official may require temporary construction fencing to restrict additional access points.

- 6. Sanitary Facilities.** The temporary sanitary facilities shall be placed out of the views of neighboring properties as much as possible. The facilities shall be accessed from a paved or rocked road or driveway. The sanitary facilities shall not be located in the public right-of-way and shall be located at least 10 feet from any side or rear property line, at least 40 feet from the front property line for properties located in the R1-B zone and at least 20 feet from the front property line for properties located in the R1-A zone.
- 7. Clean-up Area.** When on-site cleaning of equipment is required for concrete forms and trucks, paint brushes, plastering tools and other similar equipment, a cleanup area shall be specified on the COP plan and posted with a sign. This area shall not be located beneath any tree canopy or in any proposed planting area. Runoff from the clean-up area shall be contained and the waste material disposed of using “Best Management Practices” acceptable to the Regional Water Quality Control Board.
- 8. Construction Materials Storage.** An area shall be designated on-site for the storage of construction materials. The storage area shall not be located within the drip lines of any trees.
- 9. Notes to be Included on Construction Operation and Parking Plans.** The following notes shall be included on all Construction Operation and Parking Plans:
 - a.** Construction, deliveries and servicing of any item (i.e., debris box, sanitary sewer facilities, etc) on the site shall only permitted Monday through Friday, 8:00 AM to 5:00 PM.
 - b.** No work of any nature, including but not limited to hauling or heavy equipment shall be permitted on Saturdays, Sundays or Holidays.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Atherton City Council will discuss the construction parking situation along Park Lane.

NOTICE IS FURTHER GIVEN that said item is set for discussion by the City Council at its regular meeting on January 18, 2005 at 7:00 P.M. in the Town Hall of the Town of Atherton.

You are invited to attend this meeting to provide input to the City Council on the construction parking situation along Park Lane.

Any attendee who wishes accommodation for a disability should contact the City Clerk at (650) 752-0529 at least 48 hours prior to the meeting.

Date Mailed: January 12, 2006

ATHERTON CITY COUNCIL

Lisa Costa Sanders, Deputy Town Planner



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: JOHN P JOHNS, FINANCE DIRECTOR

DATE: FOR THE MEETING OF JANUARY 18TH, 2006

SUBJECT: MID-YEAR BUDGET REVIEW REPORT

RECOMMENDATION

Receive and file staff's mid-year budget review report.

INTRODUCTION

This report consists of the following elements:

- A mid-year projection of General Fund revenues, expenditures and other financing sources and uses as well as a comparison of such projections with the budget adopted by Council in June of 2005;
- A description of major variances accounting for staff's revised projections of revenues, expenditures and other financing sources and uses; and,
- A six-month update to staff's intermediate-range financial plan that illustrates the effect of utilizing a higher proportion of parcel tax proceeds in FY 2006-07 to augment funding for the Town's capital improvement program.

MID-YEAR PROJECTION OF GENERAL FUND REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES AND USES

The following table provides a summary of projected FY 2005-06 General Fund revenues, expenditures and other financing sources and uses at mid-year.

	FY 2005-06 Adopted Budget	FY 2005-06 Projection at Mid-Year	Projected Variance Favorable (Unfavorable)
Financing Sources:			
Prior Year Carryover	\$208,021	\$398,186	\$190,165
Revenues	7,419,297	7,829,283	\$409,986
Operating Transfers	1,301,161	1,301,161	\$0
Subtotal Financing Sources	\$8,928,479	\$9,528,630	\$600,151
Financing Uses:			
Expenditures	8,701,572	8,618,874	82,698
Operating Transfers	0	0	0
Subtotal Financing Uses	8,701,572	\$8,618,874	\$ 82,698
<i>Revenues and Other Financing Sources Over (Under) Expenditures and other Financing Uses</i>	<i>\$226,907</i>	<i>\$909,756</i>	<i>\$682,849</i>

As indicated in the preceding table, our mid-year projection of General Fund revenues, operating transfers and carry-over funding is \$9,528,630, or \$600,151 more than the estimate of \$8,928,479 that was adopted in the FY 2005-06 budget. Additionally, our mid-year projection for General Fund expenditures and other financing uses is \$8,618,874, or \$82,698 less than the \$8,701,572 that was appropriated by Council. Accordingly, our mid-year projection indicates that the General Fund will end the year with carry-over funding available for subsequent year appropriations in the amount of \$682,849. This favorable variance represents eight percent of FY 2005-06 appropriations.

ANALYSIS OF VARIANCES IN GENERAL FUND REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES AND USES

General Fund Revenues and Other Financing Sources

The following table provides a comparison, by revenue category, of revenues estimated at the beginning of FY 2005-06 with our mid-year projection.

Revenue Category	Budgeted Revenues FY 2005-06	FY 2004-05 Projection as of 12/31/06	Projected Variance Favorable (Unfavorable)
Property Taxes	\$3,651,651	\$3,875,056	\$223,405
Sales Taxes	126,000	130,000	4,000
Other Taxes	830,760	1,067,341	236,581
Permits & Licenses	1,839,879	1,809,714	(30,165)
Fines & Forfeitures	35,000	30,000	(5,000)
From Other Agencies	303,166	289,711	(13,455)
Service Charges	336,208	310,828	(25,380)
Use of Money & Property	291,633	311,633	20,000
Other Revenues	5,000	5,000	-
Subtotal Revenues	\$7,419,297	\$7,829,283	409,986
Operating Transfers In	1,301,161	1,301,161	-
Prior Year Carryover	717,356	961,608	244,252
Subtotal Other			
Financing Sources	\$2,018,517	\$2,262,769	244,252
Total Financing Sources	\$9,437,814	\$10,092,052	654,238

As indicated in the preceding table, General Fund revenues are projected to amount to \$7,829,283, or \$409,986 higher than the estimate included in the FY 2005-06 adopted budget.

Additionally, the fund balance carryover from FY 2004-05 amounts to \$961,608, or \$244,252 higher than the estimate adopted for budgetary purposes. As a result, we project a favorable variance in revenues and other financing sources of \$654,238 at year-end.

The following is a description of selected variances in revenues that we project at mid-year:

- Property taxes revenues will amount to \$223,405 higher than budgeted. This is due to the fact that the assessed value of Atherton's secured and unsecured tax roll increased by 15%, whereas staff had assumed a growth rate of five percent for budgetary purposes.
- Other taxes will amount to \$263,581 more than budgeted due to the statutory changes in the manner in which motor license fees are calculated, as well as a one-time "true-up" payment due to Atherton for based upon a reconciliation the California State Controller was required to perform as part of the vehicle license fee backfill legislation.
- Revenues from the use of money and property will exceed budgetary estimates by \$20,000. This is due to a higher than expected increase in short-term interest rates combined with higher than expected cash balances within the General Fund.
- During the first six months of the year, park reservation activity and building permit activity are slightly lower than expected. Accordingly, staff believes it is prudent to

reduce budgetary estimates of revenues from service charges and from licenses and permits by \$25,380 and \$30,165 respectively.

General Fund Expenditures

The following table provides our mid-year projection of General Fund expenditures by department for FY 2005-06.

Department	FY 2005-06 Adopted Budget	FY 2005-06 Mid- Year Estimate	Projected Variance Favorable (Unfavorable)
City Council	\$20,535	20,535	\$0
City Manager	476,157	473,272	2,885
City Attorney	180,256	165,008	15,248
Finance	460,667	447,815	12,852
Building	1,042,371	1,071,446	-29,075
Police	4,520,999	4,475,652	45,347
Public Works	1,900,587	1,889,260	11,327
Contingency	100,000	75,885	24,115
Total General Fund	\$8,701,572	\$8,618,874	\$82,698

General Fund expenditures are projected to amount to \$8,618,874, or \$82,698 less than the \$8,701,572 appropriations adopted at the beginning of the fiscal year.

Staff’s mid-year projection of expenditures includes several minor adjustments including:

- The use of contingency reserves for an additional well at Hollbrook-Palmer park approved at the December 2005 regular City Council meeting;
- Additional funding for temporary help and contract services to remove fallen trees and other debris resulting from the recent storms activity; and,
- An anticipated expenditure approximately \$60,000 in Building Department funds for consulting services relating to a town-wide drainage study which will, if approved by Council, be underway in the spring of 2006.

INTERMEDIATE-RANGE FINANCIAL PLAN UPDATE

In updating the Town’s intermediate-range financial plan, Finance Department staff has consulted with the Public Works Department to ascertain the extent to which improvements are warranted in the Town’s roads, drainage systems, and administrative and recreational facilities that have not been identified in previous iterations of the Town’s capital improvement program.

In response to this inquiry, the Public Works Department has identified in excess of \$2 million in additional capital improvement needs for which a funding source has not yet been identified. These include:

- Installation of a retaining wall along Marsh Road at the Atherton Channel with an expected cost of \$250,000 to prevent further fracturing of the roadbed resulting from heavy vehicular traffic;
- Implementation of Phase A of the Holbrook-Palmer Park Landscape Master Plan at a cost of \$1.3 million;
- Installation of four quadrant gates at the intersection of Fair Oaks Avenue and the CalTrain right of way to enable the implementation of a quiet zone at a cost of \$250,000 to \$500,000 (depending upon the availability of financing from another governmental agency);
- Replacement of antiquated and potentially unsafe lighting fixtures and conduit in the Oak Park neighborhood at a cost of approximately \$100,000; and,
- Improvements to the Town's drainage system at various locations to alleviate chronic flooding at a cost that is yet to be determined.

In light of the extent to which improvements to the Town's infrastructure are warranted, and the Town's favorable financial position, we present herein a version of our intermediate-range financial plan that illustrates the effect of reducing the operating transfer from the Parcel Tax by \$700,000 in FY 2006-07, thereby making such funds available for future capital improvements.

As indicated in Attachment 1 to this report reducing the operating transfer from the Parcel Tax from \$799,000 to \$99,000 in FY 2006-07 would result in an unreserved/undesignated fund balance for the General Fund in the amount of \$2,092,355 for the year ended June 30, 2010. This compares to a projected fund balance of \$1,204,176 for June 30, 2010, that was presented in the version of the budget approved by the City Council at the beginning of FY 2005-06.

Accordingly, it is staff's intention to continue to work with the Public Works Department to prepare for Council's consideration an expanded Capital Improvement Program for fiscal years 2006-07 through 2009-10 that would draw upon a higher proportion of parcel tax funds to finance such improvements that had previously been anticipated.

Prepared by:

Approved by:

John P. Johns, CPA
Finance Director

Jim Robinson
City Manager

Attachment

Attachment 1

General Fund Revenue and Expenditure Analysis Fiscal Years 2005 through 2010

Revenue Category	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Property Tax	\$ 3,875,056	\$ 3,906,007	\$ 3,946,957	\$ 3,989,955	\$ 4,035,103
Sales Taxes	130,000	136,500	140,595	144,813	149,157
Other Taxes	1,067,341	1,086,046	1,129,488	1,174,668	1,221,654
Licenses and Permits	1,809,714	1,862,673	1,881,300	1,900,113	1,919,114
Fines and Forefeitures	30,000	35,000	35,700	36,414	37,142
Aid from other Agencies	289,711	173,000	83,000	83,000	83,000
Service Charges	310,828	355,852	373,645	392,327	411,943
Use of Money and Property	311,633	339,215	345,999	352,919	359,977
Other Revenues	5,000	5,000	5,000	5,000	5,000
Subtotal Revenues	\$ 7,829,283	\$ 7,899,293	\$ 7,941,684	\$ 8,079,209	\$ 8,222,092
Expenditure Category					
Contingency	75,885	100,000	100,000	100,000	100,000
Council	20,535	20,908	21,744	22,614	23,519
Manager	473,272	496,379	516,235	536,884	558,359
Attorney	165,008	180,588	189,617	199,098	209,053
Finance	447,815	472,443	491,341	510,995	531,434
Building	1,071,446	1,058,965	1,101,324	1,145,377	1,191,192
Police	4,475,652	4,701,314	4,911,367	5,107,822	5,312,135
Public Works	1,889,260	1,936,099	2,029,543	2,110,724	2,195,153
Subtotal Expenditures	\$ 8,618,874	\$ 8,966,697	\$ 9,361,171	\$ 9,733,514	\$ 10,120,845
Surplus Deficit of Revenues over Expenditures	(789,591)	(1,067,404)	(1,419,487)	(1,654,305)	(1,898,754)
Add (subtract) Operating Transfers In (out)					
Parcel Tax	799,000	99,000	799,000	999,000	999,000
Gas Tax/Road Impact Fees	352,161	352,161	352,161	352,161	352,161
CIP Support	150,000	150,000	150,000	150,000	150,000
Subtotal Operating Transfers	1,301,161	601,161	1,301,161	1,501,161	1,501,161
Beginning Fund Balance	7,582,785	8,094,355	7,628,113	7,509,787	7,356,643
Ending Fund Balance	\$ 8,094,355	\$ 7,628,113	\$ 7,509,787	\$ 7,356,643	\$ 6,959,050
Less Reserves and Designations:					
Insurance	500,000	500,000	500,000	500,000	500,000
Cash Flows and Contingencies	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Building Inspections	604,903	604,903	604,903	604,903	604,903
Comensated Absences	561,792	561,792	561,792	561,792	561,792
Equals Unreserved/Undesignated Fund Balance	\$ 3,227,660	\$ 2,761,418	\$ 2,643,092	\$ 2,489,948	\$ 2,092,355
Increase (Decrease) in Fund Balance	\$ 511,570	\$ (466,243)	\$ (118,326)	\$ (153,144)	\$ (397,593)



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: MICHAEL A. HOOD, BUILDING OFFICIAL

DATE: FOR THE CITY COUNCIL MEETING OF JANUARY 18, 2006

**SUBJECT: REVIEW AND DISCUSSION OF REQUEST FOR PROPOSALS
FOR A CONSULTANT REGARDING TOWN OF ATHERTON
DRAINAGE POLICY**

The attached document is a draft Request for Proposals (RFP) for professional services to study and make recommendations regarding the Town of Atherton's drainage policy. At the December 14, 2005, meeting, the City Council directed staff to make additions to the RFP; those changes have been incorporated. As before, items from the draft RFP may be eliminated or items may be added as the Council deems necessary.

FISCAL IMPACT:

The current cost for developing this draft RFP is approximately \$1500.00. The estimated cost associated with each task is shown within the RFP.

Prepared by:

Approved by:

Michael A. Hood
Building Official

James H. Robinson
City Manager

Town Letterhead

The Town of Atherton (Town) is seeking cost proposals for a review of the Town's Drainage Criteria. The current drainage criteria rely on a combination of infiltration pits, detention storage, piped flow, open channel flow, and overland flow. The standards are currently written to apply Town-wide, and do not fully consider site-specific considerations, such as groundwater conditions and flow capacity of available downstream drainage facilities.

The Town of Atherton has historically maintained a rural appearance. Roadway drainage is typically to swales along the edge of the road. New development is required to infiltrate and/or detain significant rainfall runoff. The purpose of this Drainage Criteria revision is to provide a rational basis for revisions that will maintain the character of the Town, while reflecting hydrologic constraints.

A copy of the Town's Agreement to Provide Engineering Services is attached as Exhibit A. Your proposal should indicate that you are prepared to accept the terms of the Service Agreement or state exceptions you wish to request.

A recommended Scope of Work is provided as Exhibit B.

Please limit your proposal to fifteen pages (including pages listed). Submit your cost proposal in a separate sealed envelope. Provide a cover letter (2 pages maximum). Include no more than four resumes of key members of your project team (4 pages maximum). Provide a list of three previous projects and describe why these projects are relevant (3 pages maximum). Provide a list of hours by job classification for each Task (1 page maximum). Provide a description of how tasks will be accomplished, identify key constraints and provide additional information needs (4 pages maximum).

Available Documents

Town of Atherton Drainage and Grading Criteria

Town of Atherton Town-wide Drainage Study dated June 28, 2001.

Ground-Water Development and the Effects on Ground-Water Levels and Water Quality in the Town of Atherton, San Mateo County, California dated 1997 (USGS WRIR 97-4033)

EXHIBIT B

Scope of Work

Task 1. Kickoff Meeting

Attend one meeting with Town staff to finalize the scope of work and collect available data for use in developing design criteria.

Approximate Cost: \$1,750 (12 hours)

Task 2. Storm Drain System Plan Review

Review the existing Storm Drain System Plan to develop an understanding of flow paths through the Town. Prepare a single Exhibit that shows the drainage facilities identified within the Plan and within other available documents.

Deliverable: An Exhibit that shows drainage facilities, including dry wells and infiltration pits, hardcopy and electronic (AutoCad) file.

Approximate Cost: \$2,400 (24 hours)

Task 3a. Groundwater System Review

Review the available information on groundwater within the City. Direct the review to the upper aquifer and the impact that stormwater percolation is having on water levels through the Town. Review the impact of percolation on the existing, active wells used for irrigation.

Deliverable: A Technical Memorandum summarizing findings.

Approximate Cost: \$3,400 (32 hours)

Task 3b. Groundwater Effect on Trees and Vegetation

Review the available information regarding the effect of current drainage policy on Trees and vegetation. Direct the review to the upper aquifer and the impact that storm-water percolation is having on nearby trees and vegetation.

Deliverable: A Technical Memorandum summarizing findings.

Approximate Cost: \$3,400 (32 hours)

Task 4. Atherton Channel and Redwood Creek Review

Review available analyses of Atherton Channel and Redwood Creek including design flow rates and water levels presented by various sources. At this time, no additional survey is proposed. Analyses should be based on existing HEC-2/HEC-RAS models, supplemented using Manning's Equation with normal depth for open channel sections and inlet control at culvert entrances. Prepare an Exhibit that shows available freeboard or overtopping at bottleneck locations along the Channel for the 10, 25 and 100-year storm events. Where possible, show the extent of flooding associated with channel deficiencies. List the timing of when the flood peaks would be expected based on the time of concentration of the drainage areas.

Deliverable: An Exhibit that shows hydraulic profiles and available freeboard or overtopping along the channels, with peak flows and extent of flooding; hardcopy and electronic (AutoCad) file.

Approximate Cost: \$3,100 (32 hours)

Task 5. Drainage Areas

Use available drainage boundary delineation from the Storm Drain System Plan to prepare an Exhibit of key drainage areas within the Town and the drainage areas of adjoining Cities and unincorporated San Mateo County that discharge to the Atherton Channel and Redwood Creek.

Deliverable: A plan and profile Exhibit of Drainage Areas, hardcopy and electronic (AutoCad) file.

Approximate Cost: \$2,600 (24 hours)

Task 6a. Infiltration Pit / Dry Well Inventory

Using information in Town files, prepare an inventory of dry wells and infiltration pits within the Town. Where available, list dimensions including, depth, length, width, diameter, open area, rocked area, and storage volume. Group the facilities by drainage area. Based on the available geologic information, provide an estimate of the infiltration rate of each facility.

Deliverable: A data base of infiltration facilities, hardcopy and electronic file.

Approximate Cost: \$9,300 (88 hours)

Task 6b. Detention Facility Inventory

Using information in City files, prepare an inventory of detention facilities within the Town. Where available, list dimensions including, depth, surface area, and storage volume. Group the facilities by drainage area. Based on the available geologic information, provide an estimate of their effectiveness and amount of infiltration of each facility.

Deliverable: A data base of detention facilities, hardcopy and electronic file.

Approximate Cost: \$9,300 (88 hours)

Task 6c. Impervious Surface Change

Using information in City files, prepare an inventory of the change in impervious areas within the Town for the last 10 years.

Deliverable: A data base of changes in impervious areas, hardcopy and electronic file.

Approximate Cost: \$10,500 (100 hours)

Task 6d. Field Testing

Conduct field testing of percolation rates and permeability.

Deliverable: A map of percolation test locations and a data base percolation rates, hardcopy and electronic file.

Approximate Cost: \$8,500 (84 hours)

Task 6e. Direct Pumping into Atherton Channel

Using information in City files, prepare an inventory of properties that are pumping storm water directly into the Atherton Channel.

Deliverable: A map showing location of properties and an estimate of total volume entering the Channel.

Approximate Cost: \$8,500 (84 hours)

Task 7. Impervious Area

Use available aerial photographs to estimate percentage imperviousness for the drainage areas shown on Task 5. Provide a series of at least six Exhibits documenting these estimates.

Deliverable: An Exhibit of Impervious Areas, hardcopy and electronic (AutoCad) file.

Approximate Cost: \$1,600 (16 hours)

Task 8. Monthly Water Balance

Use available literature and observations to develop a monthly water balance for the Town. List average monthly rainfall, typical excess watering, average stormwater runoff, average groundwater pumping from irrigation wells and construction de-watering wells, average surface infiltration, and average infiltration through infiltration pits/dry wells. Many of these items will be based on best engineering judgment and should be approximated accordingly. The purpose is to quantify the relative impact of infiltration pits on groundwater hydrology. Site specific studies would be considered as an additional service if results show that additional detailed studies are warranted.

Deliverables: Technical Memorandum describing water balance.

Approximate Cost: \$9,200 (80 hours)

Task 9a. Detailed Review of Groundwater Trends

Conduct site specific reviews of wells and locations of known surface seeps throughout the Town. Information will be limited based on cooperation of property owners. Collect data showing current groundwater levels and flow directions. (Based on two readings, Spring and Fall) Conduct sufficient ground/GPS survey to tie known groundwater levels within 0.50 feet. Evaluate trends in water levels, water quality, and ground subsidence that have occurred since 1997 report by USGS.

Deliverables: Technical Memorandum describing groundwater trends.

Approximate Cost: \$36,800
Engineering \$19,500
Water Quality Testing \$5,000
Survey \$12,300
(Engineering 184 hours, Survey Crew 32 hours)

Task 9b. Detailed Review of Sharon Heights Golf Course

Conduct site specific review of drainage quantities exiting Sharon Heights Golf Course and compare to pre-development quantities.

Deliverable: A Technical Memorandum summarizing findings.

Approximate cost: \$2400 (24 hours)

Task 9c. Map high ground water areas within the Town

Using available data, prepare a map showing areas within the Town where groundwater is less than 20 feet from the land surface. Evaluate the claim that groundwater levels are rising especially in the area west of Alameda de las Pulgas.

Deliverable: A map showing areas of high groundwater and a report evaluating the claim of rising groundwater and its cause.

Approximate Cost: \$5,000 (50 hours)

Task 10. Drainage Criteria

Review and supplement the existing Town Drainage Criteria using the information collected in Tasks 1 through 9. Measures to be addressed include:

The existing Town Drainage criteria should be used as a basis for starting.

Infiltration and storage should be encouraged where practical benefits are derived.

Where infiltration is not practical, such as in areas with high groundwater or underlain by consolidated rock, on-site stormwater facilities should be sized for detention only. Timing on releases should be based on timing of flow peaks in Atherton Channel and Redwood Creek.

Infiltration should be restricted in areas where infiltrated flows become surface flow a short distance away.

The conditions of the San Mateo County's C.3 Permit with the Regional Board should be integrated into the Town's Drainage Criteria.

In the eastern portions of Atherton, it may be more efficient to direct low flows off lots early during storm events, prior to peak water levels in the Atherton Channel. On-site detention could then remain available for periods when the Atherton Channel is at or near bank-full capacity.

Varying geologic conditions and/or constraints should be reflected in the Drainage Criteria.

Subsurface construction should account for both short-term and long-term groundwater levels. Subsurface construction should account for surface flows including Atherton Channel, Redwood Creek, and storm drain system overtopping. Account for flow path of surface discharged groundwater

Building finished floor elevations should account for overland flow paths and existing drainage system deficiencies, including Atherton Channel overtopping.

Deliverable: A Storm Drainage Design Criteria that is specific to both the Town's needs and the hydrologic requirements within the area being developed.

Approximate Cost: \$6,400 (56 hours)

Task 11. Design Standards

Develop a set of construction standard details for drainage facilities using available design details, including Caltrans Standard Plans, Standard Plans for Public Works Construction (aka "The Green Book"), San Mateo County Standard Plans, current Town Standard Plans and other available material. Drafting of Design Standards is excluded from this scope of services.

Approximate Cost: \$5,050 (48 hours)

Task 12. Meetings

Prepare for and attend two workshop forums to present the drainage criteria. Modify the drainage criteria after each session, following discussion with Town staff, to reflect comments from the meetings.

Prepare for and attend two Council meetings to present the final design criteria.

Approximate Cost: \$7,750 (64 hours)

Engineering Fee:	\$134,000
Subconsultant Fee:	\$ 5,500
Reimbursables:	\$ 3,000
Expected Fee:	\$142,500
<u>Contingency (10%)</u>	<u>\$ 14,250</u>
Recommended Budget:	\$156,750



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: KATHI HAMILTON, ACTING CITY CLERK

DATE: FOR THE MEETING OF JANUARY 18, 2006

SUBJECT: ANNUAL CITY COUNCIL COMMITTEE ASSIGNMENTS

RECOMMENDATION:

Approve the 2006 Council Committee assignments made by Mayor Marsala (attached).

BACKGROUND/ANALYSIS:

Section 9 of the City Council Rules of Procedure provides for the annual appointment by the Mayor of Council Members to various committees. There are currently seven standing sub-committees, one ad hoc subcommittee (Caltrain Corridor Subcommittee), and eight other governmental and quasi-governmental committees requiring council representatives. Earlier this month Council Members were provided with a survey to determine their choices for the committees and to assist the Mayor in making the assignments.

Prepared by:

Approved by:

Kathi Hamilton
Acting City Clerk

James H. Robinson
City Manager

Attachments: Committee Assignments List

ATHERTON CITY COUNCIL COMMITTEE ASSIGNMENTS 2006

COMMITTEE	Member(s)	Alternate(s)
Atherton Channel Drainage District Subcommittee	Carlson, McKeithen	
Buildings And Facilities Subcommittee	Carlson, Marsala	
Finance Subcommittee (Also Serve on Audit Committee)	Carlson, McKeithen	
General Plan Committee	Carlson, Janz	
Waste Reduction & Recycling Committee	Janz, Marsala	
Screening Subcommittee	Carlson, Marsala	
Transportation/Traffic Subcommittee	Carlson, McKeithen	
Caltrain Corridor Subcommittee	Janz, Marsala	
Holbrook-Palmer Park Foundation	Marsala	Carlson
Association of Bay Area Governments (ABAG)	Janz	Marsala
City/County Association Of Governments (C/CAG)	Janz	Marsala
Library JPA Governing Board	Marsala	Carlson
San Francisco Airport Community Roundtable	McKeithen	Janz
San Mateo County Emergency Services Council	McKeithen	Marsala
Peninsula Traffic Congestion Relief Alliance	Carlson	Marsala
League of California Cities	Marsala	Janz