



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT
JULY 19, 2006
6:00 P.M.
Meeting Room
Town Administrative Offices
91 Ashfield Road
Atherton, California
Special Meeting

6:00 P.M. ROLL CALL Janz, J. Carlson, A. Carlson, Marsala, McKeithen

6:02 P.M. PUBLIC COMMENTS

6:05 P.M. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to subsection (c) of Government Code Section 54956.9:

Two (2) potential cases

B. LIABILITY CLAIM – pursuant to Government Code Section 54956.95

Claimant: Elaine Farnham

Agency Claimed Against: Town of Atherton

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
July 19, 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, J. Carlson, A. Carlson, Marsala, McKeithen
- 7:05 P.M. 3. **PRESENTATION**
- NONE
- 7:05 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
- 7:40 P.M. **CONSENT CALENDAR** (Items 8 - 16)

(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 MEETING OF JUNE
14, 2006, AND THE REGULAR MEETING OF JUNE 21, 2006**

9. **APPROVAL OF BILLS AND CLAIMS FOR MAY 2006 IN THE AMOUNT OF \$758,976**
10. **ACCEPTANCE OF MONTHLY FINANCIAL REPORT FOR JUNE 2006**
11. **ACCEPTANCE OF THE ANNUAL INVESTMENT POLICY FOR FISCAL YEAR 2006/2007**
12. **APPROVAL OF A RESOLUTION AUTHORIZING THE FINANCE DIRECTOR AND CITY MANAGER TO INITIATE TRANSACTIONS WITH THE STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND**

Recommendation: Adopt a resolution regarding investment transactions with the State of California Local Agency Investment Fund.

13. **AWARD OF CONTRACT FOR THE 2006 PAVEMENT PATCHING PROJECT, PROJECT NO. 05-006**

Recommendation: Award the contract for the 2006 Pavement Patching Project, Project No. 05-006, to G. Bortolotto & Co., Inc., the lowest responsible bidder on the July 13, 2006 bids, for \$58,012.50, and to authorize the Mayor to sign the contract on behalf of the Town.

14. **AWARD OF CONTRACT VALPARAISO AVENUE RECONSTRUCTION PROJECT, PROJECT NO. 05-003**

Recommendation: Award the contract for the Valparaiso Avenue reconstruction Project, Project No. 05-003, to the low bidder on the July 18, 2006 bids, and to authorize the Mayor to sign the contract on behalf of the Town.

15. **AWARD OF CONTRACT FOR STREET RECONSTRUCTION PHASE III, PROJECT NO. 05-005**

Recommendation: Award the contract for Street Reconstruction Phase 3, Project No. 05-005, to O'Grady Paving Inc., the low bidder on the June 29, 2006 bids, for \$883,930, with a 10% construction contingency of \$88,393, for a total authorization of \$972,323 and to authorize the Mayor to sign the contract on behalf of the Town.

16. APPROVAL OF AMENDMENT NO. 3 TO THE AGREEMENT BETWEEN THE TOWN OF ATHERTON AND THE CITY OF REDWOOD CITY FOR VEHICLE MAINTENANCE SERVICES AND FUEL PURCHASING

Recommendation: Approve the amended agreement between the Town of Atherton and the City of Redwood City for vehicle maintenance services and fuel purchasing.

PUBLIC HEARINGS NONE

REGULAR AGENDA (Items 17 - 22)

7:40 P.M. 17. ADOPTION OF A RESOLUTION ENDORSING THE PARKS FOR THE FUTURE CONCEPT AND RECOMMENDING THAT THE SAN MATEO COUNTY BOARD OF SUPERVISORS PLACE THE MEASURE ON THE NOVEMBER BALLOT

Recommendation: That the City Council consider adoption of the attached Resolution endorsing the Parks for the Future concept and recommending that the San Mateo County Board of Supervisors place the measure on the November ballot.

7:55 P.M. 18. PARK LANE COMMUNITY POLICING REPORT – UPDATE

Recommendation: Council review the progress of the Park Lane Community Policy Project, accept the report, and provide direction to staff.

8:10 P.M. 19. REPORT ON TOWN PARTICIPATION IN REGIONAL AGENCIES

At the Regular City Council Meeting of June 21, 2006, the City Council directed staff to provide a list of regional organizations of which the Town is a member as well as to provide a tabulation of membership fees paid to such entities in FY 2005-06

8:25 P.M. 20. REVIEW AND APPROVE A RESOLUTION AUTHORIZING THE TOWN OF ATHERTON TO BECOME A MEMBER OF A COUNTYWIDE SUB-REGION, AN ENTITY THAT WOULD LOCALLY ADMINISTER ABAG'S REGIONAL HOUSING NEEDS ALLOCATION PROCESS (RHNA)

Recommendation: Approve a Resolution authorizing the Town of Atherton to become a member of a Countywide Sub-Region, an entity that could locally administer ABAG's Regional Housing Needs Allocation Process (RHNA).

- 8:45 P.M. 21. **CONSIDER CREATING A TWO-MEMBER SUBCOMMITTEE OF THE COUNCIL ON EMERGENCY PREPAREDNESS**
- Recommendation: Council to consider appointing a two-member subcommittee of the Council to be the coordinating body to develop an overall emergency preparedness plan for the Town.**
- 9:00 P.M. 22. **CONSIDERATION OF DESIGNATING A VOTING DELEGATE AND ALTERNATE FOR THE 2006 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE**
- Recommendation: That Council designates a voting delegate and an alternate to the League of California Cities Annual Conference and the Annual Business Meeting to be held in San Diego from September 6 through September 9, 2006. An option is to select a second alternate should one be needed.**
- 9:05 P.M. 23. **PUBLIC COMMENTS**
- 9:10 P.M. 24. **ADJOURNMENT**

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

☞ Please contact the City Clerk's Office at 650.752.0500 with any questions

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the City Clerk's Office at (650) 752-0500. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting. (29CRF35.104 ADA Title II.)



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

June 14, 2006

6:00 P.M.

TOWN COUNCIL CHAMBERS

94 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
Jerry Carlson
Charles E. Marsala
Kathy McKeithen

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

PUBLIC COMMENTS

There were no public comments.

PUBLIC HEARINGS

1. ADOPTION OF A RESOLUTION ADOPTING THE FY 2006-07 OPERATING AND CAPITAL BUDGET

City Manager Jim Robinson noted there were four items on the agenda, three pertaining to the budget: Item No. 1 was the Operating and Capital Budget, Item No. 2 dealt with the Gann Limit, and Item No. 3 pertained to the Parcel Tax Levy. If the Council chose not to adopt the budget that evening, Item Nos. 2 and 3 would not be heard and all three items would be continued to the City Council Meeting of June 21. Item No. 4 related to developing goals and objectives for the Town. The Capital Improvement Program Project Description document was available that evening, and the Capital Improvement Program was included in Item No. 4 for the outlying years in regards to long-term financial planning. He thanked the members of the Finance Committee for their work and direction to staff regarding the budget.

Finance Director John Johns presented the staff report. He believed the Town had moved beyond certain challenges and was able to plan how to manage the Town's long-term financial position. The Finance Department put together the estimate of revenues and expenses for payroll, the Public Works Department assisted in the estimate of available resources to support the Capital Improvement Program, and all departments participated in looking at non-payroll expenses on an ongoing basis. There were three major components: 1) The Operating Budget, with emphasis on the General Fund, expected a reduction in General Fund revenues in the amount of \$400,000 for FY 2006/07, which would draw down the fund's balance by approximately \$300,000 due to an exceptional year in 2005/06, one rebate (instead of two) projected for the coming year from San Mateo County for Educational Revenue Augmentation Funds (ERAF), and a conservative estimate for building permit revenues; 2) With regard to the Intermediate Range Financial Plan, the Town was looking at drawing down the fund balance over the next several years, increasing the reserve requirements from \$3.2 million to \$4.8 million, and redirecting some of the revenues from the Parcel Tax (\$1.4 million) over the next several years from current operations to capital improvements; 3) Regarding the Capital Improvement Program, \$3.8 million was estimated to be spent on capital improvements as identified on Page 51 of the budget. Since the budget was compiled, the capital improvement projects would need to be reprioritized to deal with some unexpected emergency repairs and the rehabilitation of the Atherton Channel.

Public Works Director Duncan Jones said a portion of the Atherton Channel on Marsh Road failed due to the traffic and vibration from Marsh Road and would require some emergency repairs in the summer in order to get through the winter. A cavern had opened and could possibly wash away with a large storm. With the help of a consultant, a determination was made that the entire side of Marsh Road needed to be replaced with a retaining wall at an estimated cost of \$1 million. The Street Reconstruction Project, and perhaps the Light Pole Replacement Project, would need to be postponed, generating \$750,000. The study should be completed next month. Because the repair was supporting the street, the cost was charged to the Parcel Tax and not to the Atherton Drainage Channel District. Public Works Director Jones said he was fairly confident that the Town did not need any Army Corps of Engineer permits because the repair was in the "lined" part of the channel. The major work would not be done until next summer; however, interim repairs needed to be done during the current summer.

A discussion ensued regarding the Atherton Drainage Channel District (the District) and lack of funds for the channel. Proposition 50 created grant funds for flood control and rehabilitation projects; however the grants were not available for the lined portion of the channel. Money might be available for projects that created flood storage.

Council Member McKeithen suggested obtaining a grant writer to determine whether there was a possibility to pursue a grant that would help with the repairs over the summer and the ultimate repair next summer. Additionally, she wanted an update on the claim against P.G. and E. for the resurfacing of Selby Lane.

Vice Mayor Alan Carlson said when the District was formed, the intent was to keep the Town separate from the channel. He asked where the legal liability rested and believed the District was liable for failure to maintain the channel to such a state as to undermine an Atherton street.

City Attorney Marc Hynes said on one hand, the District could be held responsible for not maintaining the channel; however, the Town was responsible for maintaining the streets. He agreed that the Town could file a claim against the District.

Vice Mayor Alan Carlson was concerned that the District would go bankrupt because it lacked the funding to support itself. The District should pay; and if it did not have the funds, it should pursue grant funds or emergency relief funds. He requested a legal opinion as to whether the District was responsible.

Public Works Director Jones noted that FEMA would not give any money until there was a failure and that an emergency had been declared.

Vice Mayor Alan Carlson suggested the Town loan the money to the District, which would create an obligation for the District to repay the Town. Additionally, he suggested contacting State legislators to carry a bill for some relief.

Council Member McKeithen opposed constructing a culvert, favored obtaining advice on money sources, and noted that not all the people in the District had been assessed.

Mayor Marsala asked whether any of the Governor's Infrastructure Bond program could be used for the project.

City Manager Robinson said his understanding was the maximum amount the Town would receive was \$400,000; however, staff would pursue all resources for additional revenues.

Council Member McKeithen said since Marsh Road was the main road into town, it should be a main element to be considered when the Town reassessed the Road Impact Fee.

Council Member Jerry Carlson said the emergency work needed to be done during the summer before the road failed.

Council Member Janz favored contacting State legislators to find out if there was a way to "tack on" to a bill or seek a special bill for funds. He cautioned that perhaps the District could make the opposite claim that the traffic and the road were causing the wall to collapse.

Finance Director Johns said copies of the list of the Capital Improvement Program project descriptions were available and would be included in the Approved Budget. Even though \$1.4 million was being redirected from Parcel Tax proceeds over the next

four years to the Capital Improvement Program, the capital requirements of the Town dwarfed the ability to fund those projects. There was \$27 million worth of unfunded projects identified. Staff needed to identify additional resources to meet these requirements over the next several years. Finally, he noted that the Finance Committee had reviewed the budget and there was a list of open items that the Committee wanted the Council to evaluate that evening. Those items included code enforcement, the possible acquisition of a street sweeper, possible funding for expanding the scope of the Facilities Planning Study, emergency preparedness, as well as other unfunded projects.

City Manager Robinson said there were a number of unfunded park projects that were identified in the Park Master Plan. He noted there was an item on the ballot in November that would provide 1/8-cent sales tax to generate up to \$205,000 a year to the Town to facilitate some of the park projects. Road Impact Fees, General Fund money, and Parcel Tax money could be used for unfunded street and drainage projects.

Discussion ensued on the transmittal letter and included: 1) the expiration of a Federal grant funding a portion of the School Resource Officer at Menlo-Atherton High School and pursuing a greater share of funding from the City of Menlo Park. 2) The reduction of the \$33,000 estimate for replacement chairs for the Council Chambers to \$20,000, to be returned to the Council with options. 3) The funds for improvements to the park corporation yard included in the \$192,000 allocated for design work was a candidate for private funding rather than money from the Town; 4) The explanation that ERAF was a \$900,000 reduction from the Town's property tax apportionment sent to the State and was a permanent continuing contribution; however, San Mateo County cities/towns had sent an excess of \$30 million which was being rebated to the Town at \$450 to \$500 thousand per year; the rebate came to the Town in two installments, one in April and one in November based on the FY 2005/06 audit. Another audit would be performed next year with the likelihood of another installment being made to the Town, which was not included in the budget. 5) The establishment of a disaster preparedness fund in the amount of \$100,000, to reside in the budget as an intergovernmental account, as well as appointing a two-member Council committee to define the roles and responsibilities for disaster preparedness within the Town and recommendations for allocation of the funds. 6) With regard to the street sweeper, an operational justification was prepared and Council asked for the item to be considered on a future agenda (September/October) with an analysis of whether it was a cost-saving endeavor. 7) Regarding renewable energy, Council asked that the item be discussed after C/CAG's analysis of what types of general energy savings cities and counties could undertake. 8) With regard to the Human Investment Project (HIP Housing), which operated on the Peninsula, received funds from cities within the County, and dealt with projects such as homelessness and helping the elderly with reverse mortgages, home sharing, an looking for a companion, Council wanted to consider a contribution at a later date which could assist in having the Town's Housing Element approved. Council asked that an item be placed on the July agenda that outlined what organizations have asked the Town for funds, to which organizations the Town contributed funds, and what services were provided to the Town and/or the

County. As a first step, criteria needed to be developed to determine a priority for contributions. 9) Regarding Caltrain issues, the Council could be asked to contribute funds to hire a consultant for analysis of train service/schedules as representatives of the various cities become more formalized to address train issues.

Discussion and clarifications continued on department budgets. As time went on, the Town would need to draw on a greater portion of the Parcel Tax for the General Fund. Finance Director Johns believed the Parcel Tax levy, at its current level, could sustain the Town for 10 years; however most would be used to sustain the General Fund, which was not the intent. Alternatives were needed and being pursued. The total increase in the General Fund Budget was \$699,000. As part of facilities planning, staff was asked to include a recommendation for updating the Council Chambers. With regard to the Building Department and fees that might have been incorrectly assessed, Finance Director Johns said the Town would be seeking to collect any fees found to be erroneous when permits were issued. With regard to the Public Works Department, an increase of \$40,000 was recommended for temporary labor and contract services to provide for a higher level of maintenance at the park and grounds-keeping services at Town Hall. Increases in dispatching costs were attributable to filling a vacancy. Health care costs were being reviewed. Regarding the Library Special Revenue Fund, the funds were used for library operations and capital improvements. The library staff or the Town could make recommendations for expenditure of the funds.

Mayor Marsala opened the public hearing. No one came forward to speak, and Mayor Marsala closed the public hearing.

Council Member Janz had a correction to page 9 of the staff report: the fourth bullet point, second sentence, should read, “any unencumbered expenditures to be re-appropriated ~~in fiscal year 2005-06~~ from fiscal year 2005-06 in fiscal year 2006/07....”

Finance Director Johns noted two amendments: 1) to reduce appropriations in the Public Works Department by \$13,000 to reflect a reduction in the budget for the Council Chamber chairs; and 2) to increase appropriations specifically for disaster preparedness in the amount of \$100,000 and the \$20,000 already appropriated for a trailer. An additional line item would be added for disaster preparedness in the amount of \$120,000.

MOTION – to adopt Resolution No. 06-05, “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON ADOPTING THE FISCAL YEAR 2006-2007 OPERATING AND CAPITAL BUDGET” as amended

M/S McKeithen/J. Carlson

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

2. ADOPTION OF A RESOLUTION APPROVING THE FISCAL YEAR 2006-07 APPROPRIATIONS LIMIT AND CALCULATIONS

MOTION – to adopt Resolution No. 06-06, “A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON APPROVING APPROPRIATIONS LIMIT AND CALCULATIONS FOR FISCAL YEAR 2006-2007

M/S J.Carlson/McKeithen

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

3. ADOPTION OF A RESOLUTION ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR THE FISCAL YEAR 2006-2007

NOTE: Ordinance No 555 approved by the voters on June 7, 2005, provided for the authorization to levy a Special Tax for Municipal Services and Capital Improvements and for the expenditure of the funds derived from the tax. The Special Tax was to commence in FY 2005-2006 and continue through June 30, 2010. Each year, following the adoption of the Budget, it is necessary to hold a Public Hearing and adopt a Resolution levying a Special Tax for Municipal Services and instructing the Tax Collector of the County of San Mateo to collect the tax rates as identified within the Adopted Resolution. Mayor Marsala opened the public hearing. No one came forward to speak, and Mayor Marsala closed the public hearing.

MOTION – to adopt Resolution No. 06- 07, “A RESOLUTION OF THE TOWN OF ATHERTON ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR THE FISCAL YEAR 2006-2007”

M/S McKeithen/Janz

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

4. DISCUSSION AND DIRECTION TO STAFF REGARDING THE DEVELOPMENT OF GOALS AND OBJECTIVES FOR THE TOWN OF ATHERTON

City Manager Jim Robinson said shortly after the Parcel Tax passed in 2001, Council developed a list of goals and a priority list for capital projects over a four-year period. The staff report provided a list of proposed projects through 2010. Additionally, an example of the process used years ago and a list of priorities identified were also included. At that time, the Council was asked to identify a list of priorities and each Council Member selected those that were a high priority; the highest priority item received a “3,” the middle priority received a “2,” and the lowest priority received a “1.” A number of items had been completed. Council needed a work session to determine where the Town was currently and where it would be in four years, not only in terms of capital projects but also operationally. City Manager Robinson reported on the status of the prior list of goals:

- 1. Establish Objectives and Identify Funding sources for El Camino Real and Other Drainage Improvements: Completed for the Atherton Drainage Channel, not for El Camino Real.**
- 2. Establish a Strategy for the Atherton Channel Upgrade, Repairs and Long-Term Maintenance: A great deal had been accomplished.**
- 3. The Valparaiso Study and Implementation of Appropriate Recommendations: Completed.**

4. **The Housing Element: Not an accomplished goal.**
5. **Developing a Long-Term Financial Plan: Completed but needed evaluation every year.**
6. **Review and Revise the Strategic Park and Recreation Plan: Completed.**
7. **Establish a Strategy for Maintaining a Full Staffing for the Police Department that Currently Exists: Somewhat completed and continually evaluated.**
8. **The Needs Assessment for Town Facilities: Some items completed and a proposal to evaluate further needs was underway.**
9. **The Town Home: Money budgeted for improvements.**
10. **Town-wide Street Striping Improvements: Completed.**
11. **The General Plan Review and Update: A great deal had been done; however the required five-year review was not completed.**
12. **Volunteer Recognition: A policy was not yet established, recognition occurred at Council Meetings, and an event was contemplated.**
13. **The Strategic Plan for Town Computer Technology Needs: Accomplishments in the Finance and Police Departments, needs in the Building Department.**
14. **Update the Atherton Resident Handbook: Completed.**
15. **Revise and Update the Commission and Committee Handbook: Completed.**
16. **Construction Noise Control Techniques: Ongoing.**
17. **Revise Employee Personnel Rules and Procedures: Not done.**
18. **Review and Revise the City Council Rules of Procedures: Completed.**
19. **Updating the Municipal Code: Ongoing; however, an overall analysis was needed.**

Council Member McKeithen suggested that staff review the list, determine what had been accomplished, identify those items that were ongoing, as well as those items that were not accomplished. She and other Council Members would add to the list and staff should prepare a revised list that Council could prioritize. Council Member McKeithen wanted to add the following:

1. **Develop Alternative Funding Sources for the Town Budget that were Non-Parcel Tax Funding Sources;**
2. **A Drainage Plan;**
3. **Prioritization of Giving and Membership Support to Various Groups;**
4. **Code Enforcement;**
5. **Emergency Preparedness;**
6. **Specific Facility Architectural Insight, Plans, and Funding Sources;**
7. **Grant Resource Person;**
8. **Alternative Power Sources;**
9. **Caltrain Service Issues;**
10. **Town Home Renovations; and**
11. **Building Department Operations Review.**

Vice Mayor Alan Carlson agreed. He believed one thing was lacking; an institutionalized review of the list at least twice a year.

Council Member Janz said he would like a “running list” of those items the Council wished to review on a monthly basis.

Council Member Jerry Carlson suggested that staff reports include what might be the contrary opinion to the staff recommendation. He also thought it was important to consider a reengineering process throughout the Town such as occurred in the Finance Department.

Direction to staff: Determine what items had been accomplished, identify those items that were ongoing, as well as those items that were not accomplished, and add those items suggested by Council. Return the list to Council to review for additions or changes and then schedule a meeting to prioritize the list.

A brief discussion took place regarding possible team-building opportunities for the Council and City Manager.

5. ADJOURN

Mayor Marsala adjourned the meeting at 9:00 p.m.



DRAFT MINUTES
Town of Atherton
CITY COUNCIL/ATHERTON
CHANNEL DRAINAGE DISTRICT
June 21, 2006
7:00 p.m.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

REGULAR MEETING

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

1. **PLEDGE OF ALLEGIANCE**

2. **ROLL CALL**

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

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

3. **PRESENTATION**

None

4. **COUNCIL REPORTS**

- Vice Mayor Alan Carlson said he, Mayor Marsala, and representatives of the City of Menlo Park attended a meeting regarding the Performing Arts Center at Menlo-Atherton High School. Usage guidelines were developed with future meetings planned for discussions. The Buildings and Facilities Committee met and was moving ahead with a space study with respect to future facilities needs.
- Council Member Jerry Carlson attended a San Mateo County seminar on pandemic influenza, which highlighted the need for disaster preparedness-type activities at the family level. The 25th Anniversary celebration of the San Francisco Airport Roundtable was held and several comments were made regarding the contributions of Bill Conwell. Fifty-seven students and 52 volunteers from Selby Lane School participated in “YES” Reading

Recognition. The program would be extended to include reading comprehension next year, needed more volunteers, and \$25,000. The Selby Lane School Foundation committed \$15,000 and help in fundraising. Council Member Carlson commended the Atherton Civic Interest League on its May 18th meeting on emergency preparedness.

- **Council Member Janz and a number of individuals from six different cities met with Supervisor Jerry Hill and Director Mike Scanlon regarding Caltrain issues. At the Joint Powers Board meeting, Mike Scanlon apparently made a statement about working toward restoring local service in the future. The next meeting of the cities' group was June 29. The Waste Reduction Committee met on June 7th and approved a survey to go to Atherton residents regarding trash service. He attended a June 16th half-day Progress Seminar at Oracle, which was a follow-up to the conference in Monterey. A presentation by the Director of the Bay Area Economic Forum disclosed that last year (2005) was the first time an upturn in employment had occurred in the Bay Area since the "bust." In Silicon Valley, an increase only occurred within the last few months.**
- **Council Member McKeithen said her work centered on emergency preparedness where she attended meetings of the citizens' group and with the Police Department and City Manager to divide of the Town into Citizen Emergency Districts. The citizens' committee was meeting on Saturday, at 9 a.m., in the Council Chambers to finalize the map. She met extensively with the Woodside Fire Protection District, which together with the towns of Portola Valley and Woodside had an extensive citizen emergency preparedness plan since 1998. They offered to lend the Town most of their materials. She noted that Council had voted to set aside \$100,000 for emergency operations.**
- **Mayor Marsala said the Town hosted the San Mateo County Council of Cities dinner on May 19th at Menlo School. He met with the Arts Committee and there was a potential of merging Atherton's summer festival with Menlo College's festival in the future. He referred a request for a pedestrian crosswalk on Atherton Avenue and Selby Lane to the Transportation Committee. Mayor Marsala announced that he was hosting the Peninsula League of California Cities' bar-be-cue on July 9th.**

5. PUBLIC COMMENTS

John Rugeiro, Stockbridge Avenue, spoke regarding a rumor of a possible investigation regarding discrepancies within the Town. He asked whether there was anything to report.

City Manager Jim Robinson indicated he could not comment on any issue that might involve an investigation, particularly related to a personnel issue.

City Attorney Steve Baird said if the issue involved a personnel matter, the results would be given to Council and Council would report out based on the Brown Act. If there were any other issue involved, the investigating agency would prepare a report, which might or might not be a public record.

John Sisson, Atherton, spoke regarding local newspaper articles regarding an investigation in the City of Palo Alto's Utilities Department. He became aware of a possible Town investigation when attending an Audit Committee Meeting. He thought the taxpayers had a right to know if there was anything happening in the Town.

Council Member McKeithen said she and Council Member Jerry Carlson had been actively pursuing the issue on behalf of the Council and as representatives of the community. More would be known by the end of the month.

6. STAFF REPORTS

- City Manager Jim Robinson introduced Attorney Steve Baird who was filling in for City Attorney Marc Hynes. Julia Bott, Parks for the Future, would be making a presentation at the July City Council Meeting regarding the potential ballot measure in November for a 1/8-cent sales tax increase for San Mateo County parks. The Town would receive approximately \$200,000 for park projects.
- Public Works Director Duncan Jones said the annual red-legged frog survey was completed. Five adult males were found and two were living in the new pond. A full report was expected from H.T. Harvey to determine the status of continuing to the next phase of the project.
- Council Member McKeithen spoke with Mr. Ed Boscacci of BKF Engineering who indicated beginning work on the drainage study. She suggested he solicit comments from residents with drainage issues through articles in the *Athertonian* and newspaper. She invited anyone with an issue to get in touch with Mr. Boscacci.

7. COMMUNITY ORGANIZATION ROUNDTABLE REPORT

None

CONSENT CALENDAR (Items 8 - 20)

Council Member Janz had a correction to Item No. 8, the Regular City Council Meeting Minutes of May 17, 2006, page 13, the word "monoxide" should read "dioxide," and he corrected a misspelled name.

Council Member McKeithen said Item No. 16 and Item No. 17 contained minor typographical/grammatical corrections she would submit to the Acting City Clerk.

MOTION – to approve the Consent Calendar as corrected.

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

8. APPROVED MINUTES OF THE SPECIAL MEETING, SPECIAL CLOSED SESSION, AND SPECIAL MEETING OF MAY 17, 2006

9. **APPROVED BILLS AND CLAIMS FOR MAY 2006 IN THE AMOUNT OF \$759,492**
10. **ACCEPTED MONTHLY FINANCIAL REPORT FOR MAY 2006**
11. **SECOND READING AND ADOPTION OF AN ORDINANCE AMENDING CHAPTER 2.37 OF THE ATHERTON MUNICIPAL CODE BY REVISING SECTION 2.37.020 TO INCREASE THE TERM OF OFFICE FOR CERTAIN MEMBERS OF THE GENERAL PLAN COMMITTEE**

Adopted Ordinance No. 562.
12. **SECOND READING AND ADOPTION OF AN ORDINANCE AMENDING ATHERTON MUNICIPAL CODE SECTION 17.36.195 REGULATING RETAINING WALLS**

Adopted Ordinance No. 563.
13. **SECOND READING AND ADOPTION OF AN ORDINANCE ADDING ATHERTON MUNICIPAL CODE SECTION 15.40.157 REGARDING CONSTRUCTION SITE SCREENING**

Adopted Ordinance No. 564.
14. **AMENDMENT TO HERITAGE TREE ORDINANCE – MODIFY PENALTY PROVISIONS – SECOND READING**

Adopted Ordinance No. 565.
15. **APPROVAL TO RENEW AGREEMENT WITH NEAL MARTIN AND ASSOCIATES**

Approved agreement for professional services for Fiscal Year 2006-07 for Neal Martin and Associates and authorize an increase in certain hourly rates.
16. **APPROVAL OF RENEWAL OF INDEPENDENT CONTRACTOR AGREEMENT BETWEEN THE TOWN OF ATHERTON AND TIM WULFF FOR PLAN CHECKING SERVICES FOR FISCAL YEAR 2006-07**

Approved the renewal of Independent Contractor Agreement between the Town of Atherton and Tim Wulff for Plan Checking Services for Fiscal Year 2006-07.
17. **ACCEPTANCE OF WORK, AUTHORIZATION TO RECORD NOTICE OF COMPLETION AND APPROVAL OF CONTRACT CHANGE ORDERS IN THE AMOUNT OF \$1,310 FOR THE UPPER ATHERTON CHANNEL REPAIR PROJECT, PHASE 1, PROJECT NO. 04-007**

Accepted the work, authorized recording of a Notice of Completion and approved contract change orders in the amount of \$1,310 for the Upper Atherton Channel Repair Project, Phase 1, Project No. 04-007.

18. **ADOPTION OF A RESOLUTION AUTHORIZING APPLICATION FOR FEDERAL SURFACE TRANSPORTATION PROGRAM FUNDING FOR THE VALPARAISO AVENUE OVERLAY PROJECT AND COMMITTING THE NECESSARY NON-FEDERAL MATCH FOR THE PROJECT AND STATING THE ASSURANCE OF THE TOWN OF ATHERTON TO COMPLETE THE PROJECT**

Adopted Resolution No. 06-08, authorizing staff to submit an application for Surface Transportation Program (STP) grant funds to overlay Valparaiso Avenue, committing the required local match and stating the assurance of the Town to complete the project.

19. **ADOPTION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH CALTRANS FOR FEDERAL SURFACE TRANSPORTATION PROGRAM FUNDING FOR THE VALPARAISO AVENUE REHABILITATION PROJECT**

Adopted Resolution No. 06-09, authorizing the City Manager to execute agreements with Caltrans for federal Surface Transportation Program (STP) funding for the Valparaiso Avenue Rehabilitation project.

20. **REJECT ALL BIDS AND AUTHORIZE RE-ADVERTISEMENT OF THE - 2006 PAVEMENT PATCHING PROJECT, PROJECT NO. 05-006**

Rejected all bids and approved re-advertising the 2006 Pavement Patching Project, Project No. 05-006.

PUBLIC HEARINGS (Item No. 21)

21. **INTRODUCTION OF AN ORDINANCE FOR FIRST READING AMENDING ATHERTON MUNICIPAL CODE SECTION 17.36.190 REGULATING BASEMENTS**

Deputy Town Planner Lisa Costa Sanders presented the staff report. The issue of basements was raised at a citizens' meeting regarding construction-related issues. The General Plan Committee took up the issue of Floor Area Ratio (FAR) for homes, FAR as it related to basements, garages, and light wells. The Committee was unable to come to consensus on the issue of limiting garages in basements and was seeking direction from the City Council. At a previous meeting of the Council, Council indicated a desire to prohibit underground garages in basements and asked for the item to be referred to the Planning Commission. Three members of the Planning Commission reviewed the item and recommended approving a ban on underground garages with the exception of properties located within the Public Facilities and Schools Zoning District.

Any structure built on a school facility required a Conditional Use Permit. Staff prepared an ordinance that would prohibit below-grade garages. Another option was to use the Conditional Use Permit process to mitigate certain conditions such as setbacks or screening.

Vice Mayor Alan Carlson said a vigorous discussion took place at the General Plan Committee meeting from general concern that basements made construction go on longer, that longer driveways led to removal of more heritage trees, to aesthetics, etc. Yet, others believed the Town should not interfere with what people did on their own property. His concern with underground garages was that the square footage was not counted in the FAR, which allowed more square footage in the main structure.

Council Member Janz said the biggest concern raised at the meeting was the visual impact of the sweeping driveways and the retaining wall. An alternative was not allowing the entrances to be at the side of the house or to require a greater setback for the retaining wall.

Deputy Town Planner Costa Sanders explained that below-grade garages on steep hillsides could be allowed and were counted in the FAR because more than two feet were above grade.

Council Member McKeithen's concern was that a three-story house would be created like a home on Tallwood. There were a number of variables to be considered: finish grade vs. natural grade, lowering the property, raising the property, what happened if it was considered part of the average floor space, etc.

Mayor Marsala had looked at the home on Mandarin Way and Stevick. There were parts of the Town where the slope and grade were so steep that the natural grade variance made the home appear to be three stories.

Council Member McKeithen believed you had to measure it to really be sure how high a home was from the natural grade.

Mayor Marsala opened the public hearing.

Todd Beardsley, General Plan Committee, spoke against an ordinance to ban underground garages. He believed the real issue concerned the aesthetics of the retaining walls and sweeping driveways, not the garages per se, and the Town did not regulate aesthetics.

Herman Christensen, Atherton, spoke in favor of an ordinance to ban underground garages. He believed underground garages were a concern to the residents because they changed the nature of the community and created a much more urbanized feeling to the Town.

Tim Draper, Atherton, spoke against an ordinance to ban underground garages. He was planning to build his dream house and believed an underground garage allowed for more open pasture above ground.

Jim Dobbie, Planning Commission, spoke in favor of an ordinance to ban underground garages. He thought the visual impact of underground garages was negative. If they were allowed, the square footage should be counted in the FAR.

Paul Reyff, Atherton Avenue, spoke against an ordinance to ban underground garages. He believed an underground garage was more aesthetically appealing than a surface garage. Additionally, many residents were unaware of the discussion and he urged a better notification process. He submitted a petition to the Council opposed to a ban.

Wendy Hudden, Atherton, spoke in favor of the ordinance. Long-term impacts such as drainage, environmental issues, and trees were of concern.

Randy Lamb, General Plan Committee, spoke against the ordinance. He was an advocate for personal property rights and believed adequate rules were already in place.

Christina Isenberg, Atherton Tree Committee, spoke in favor of the ordinance. Atherton was a tree city, which made it distinct from other wealthy suburbs. Allowing underground garages that required sweeping driveways indicated indifference to the health of its tree canopy.

Mayor Marsala closed the public hearing.

Mayor Marsala said the Town needed to do a better job of getting the word out and soliciting public input on significant issues. He believed increasing setbacks and requiring better screening and additional trees would mitigate the issue.

Council Member Janz needed more discussion and thought. The Town was changing and needed to come to terms with increased development. Perhaps alternatives were needed to make underground garages more aesthetically pleasing. He recommended referring the item back to the General Plan Committee.

Council Member Jerry Carlson was still undecided as to whether underground garages adversely impacted the quality of life of the Town and neighbors. He believed that many of the issues people had raised were already mitigated by Road Impact Fees, setting time limits for construction, defining height and spacing of retaining walls, enhancing the Heritage Tree Ordinance, etc. Yet, he might feel differently if someone wanted to build an underground garage with a large home on his street. He queried whether an outright ban might be a step toward design review. He was not ready to vote.

Vice Mayor Carlson said basement garages were a more recent phenomenon and were a general trend in construction within the Town that upset certain segments of the community. He recognized that people should enjoy their property and do what they wanted within reason. He also believed that basement garages had an adverse effect on the FAR above ground and allowed a more massive main building; therefore, basement garages should be counted in the total FAR. However, he could not support an outright ban since there were examples of both good and bad basement garages within the Town. He suggested requiring a Conditional Use Permit, with standards such as additional heritage tree protection, screening or landscaping to hide the driveway, consideration for allowing basement garages for houses on lots that were less than half an acre, and addressing drainage concerns for driveways that might channel water down into subterranean areas. Because there was no consensus among the Council, he thought the item should be returned to the General Plan Committee to further develop the issues.

Council Member McKeithen agreed the item should go back to the General Plan Committee; however, she did not agree with requiring a Conditional Use Permit. She would rather look at the issues and determine what was good, what was bad, what was successful, and what had failed and address them through existing statutes and rules. She wanted the General Plan Committee to look at increasing the setback including some, if not all, of the basement garage in the FAR and increasing the vegetation and screening. Additionally, there was a need to look more closely at what had been successful and what had not been successful, determine the reason, and come to a compromise.

Mayor Marsala asked whether the full Council could attend a meeting if the item was sent back to the General Plan Committee.

City Attorney Steve Baird said Council could attend the meeting to observe but not participate.

Mayor Marsala believed there were two separate issues: 1) clarifying whether underground garages would be allowed, and 2) whether to include the square footage in the FAR. The Town was changing and the Town needed to look at what Atherton was becoming: a place, a melting pot of great intellect, combining to discuss ideas that were affecting the world. He thought the item should be returned to the General Plan Committee.

Vice Mayor Carlson disagreed that the FAR was a separate issue. Additionally, he believed direction should be given to the General Plan Committee including consideration of FAR and consideration of a Conditional Use Permit and what elements should be used in the approval or denial process.

Council Member Janz wanted to add consideration of setbacks for driveways and additional landscape screening requirements.

Council Member Jerry Carlson said the General Plan Committee needed to look at what worked and what had not worked.

MOTION – to refer the item to the General Plan Committee to consider the following issues regarding basement garages: 1) increase the setback, 2) increase/change screening of driveways, 3) consider the possibility of a Conditional Use Permit process which included standards for approval, 4) review issues in the existing ordinance, 5) and consider including all or part of the square footage in the total FAR. Further, review successes and failures.

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

REGULAR AGENDA (Items 22 - 26)

22. CONSIDERATION AND DIRECTION TO STAFF REGARDING RESIDENT AWARENESS AND EMERGENCY PREPAREDNESS (Continued from the meeting of April 19, 2006)

Vice Mayor Alan Carlson said the City Council needed to define its own role in an emergency and needed better knowledge as to staff's role. The Town had a reaction plan, not a preparation plan. He believed the best vehicle to realize the goal was to create a two-member subcommittee to be the coordinating body to develop an overall preparedness plan for the Town.

Mayor Marsala noted that the citizens' emergency preparedness group began as a result of Council's meeting in January. The Council approved \$120,000 for next year for emergency preparedness. He agreed the next step would be a subcommittee to review and recommend actions to achieve the goals.

Council Member McKeithen agreed and volunteered to chair the committee since she was involved with CERP and the OES. She would be receiving Portola Valley's operations plan. She proposed reviewing it, along with the old one from Atherton.

The rest of Council concurred and a discussion ensued on the process to create a subcommittee and its composition: 1) a representative from the ACIL Emergency Preparedness Committee, 2) individuals from various areas of the Town, and perhaps 3) team captains.

City Manager Jim Robinson suggested that Vice Mayor Alan Carlson and Council Member McKeithen meet to develop the role and scope of the subcommittee as well as whom to include in the membership. The Town's plan that was adopted in 1999 was currently under review and was scheduled to be completed in July.

Direction to staff to schedule an item for the City Council Meeting of July 19, 2006, to create a two-member subcommittee of the Council on emergency preparedness. In the interim, Vice Mayor Alan Carlson and Council Member McKeithen will meet to develop the role and scope of the committee.

23. SECOND READING AND ADOPTION OF AN ORDINANCE REGARDING TIME LIMITS FOR COMPLETION OF CONSTRUCTION

MOTION – to adopt Ordinance No. 566, “AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON ESTABLISHING TIME LIMITS FOR COMPLETION OF CONSTRUCTION AND AMENDING CIVIL PENALTY PROVISIONS AND RENUMBERING CODE SECTION PERTAINING TO VIOLATIONS OF CHAPTER 15.40 PERTAINING TO CONSTRUCTION REGULATIONS”

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

24. FIVE YEAR EXTENSION OF KNOX PLAYSCHOOLS LEASE

City Manager Jim Robinson presented the staff report. A request to extend the lease for one five-year period was before the Council. The lease agreement was adopted in 2001 and the request was a year late. However, a letter dated May 29, 2006, was received requesting to exercise the five-year option. Eighty to ninety students from the Town were enrolled in the playschool. Council could approve or deny the request. The extension included an increase in the rent and identified the property to be leased from the Town. Staff did not object to the extension.

Council Member McKeithen said the property should be transferred to the Town before the lease extension took affect on July 1, 2006. The insurance should be increased to \$2,000,000. Additionally, she had heard many good things about the school.

Council Member Janz suggested the security deposit be increased to \$6,000, equaled to one month’s rent. Regarding the modular building, he was not sure the Town would want the modular building in another five years and suggested an option be added, the landlord option, to require the tenant to remove the property at the end of the lease.

MOTION – to approve an amendment to the Knox Playschool’s lease authorizing an extension of the lease’s term for a period of five (5) years, commencing July 1, 2006, through June 30, 2011. Further, that the security deposit be increased to \$6,000, that a “landlord” option be added requiring the tenant to remove the property at the end of the lease, and that the transfer documents be completed by June 30, 2006.

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

25. ADOPTION OF RESOLUTIONS PERTAINING TO THE NOVEMBER 2006 GENERAL MUNICIPAL ELECTION

Acting City Clerk Kathi Hamilton presented the staff report. Three terms of the Atherton City Council would expire in November and the process to hold a General Municipal Election was beginning. The nomination period opened on Monday, July 17 and closed on Friday, August 11, 2006. A resolution calling for the election and requesting the services of the County was included for Council's approval. Additionally, a second resolution was included that established a deposit requirement of \$400 for candidates wishing to file a Statement of Qualifications for publication in the ballot and set the length of the statement at 200 words. Council had the option of changing the length of the statement to 400 words. The estimated cost of the election was \$10,000, which was included in the 2006/2007 Adopted Budget.

Council Member McKeithen suggested adding language that the nomination period would be extended for five days to August 16, 2006, if an incumbent did not file.

MOTION – to adopt Resolution No. 06-10 calling for a General Municipal Election to be held on November 7, 2006, for the purpose of electing three (3) members of the Atherton City Council and requesting consolidation with the County Elections Office; and to adopt Resolution No. 06-11 requiring candidates to pay the prorated cost of publication and distribution of the Statement of Qualifications and specifying the length of the Statement at 200 words.

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

26. POSSIBLE CANCELLATION OF AUGUST CITY COUNCIL MEETING

After a brief discussion, Council concurred to cancel the meeting.

MOTION—to cancel the regularly scheduled City Council Meeting of August 16, 2006

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

27. PUBLIC COMMENTS

There were no public comments.

28. ADJOURNMENT

Mayor Marsala adjourned the meeting at 9:20 p.m.

Respectfully submitted,

**Kathi Hamilton
Acting City Clerk**

TOWN OF ATHERTON
CLAIMS LIST
 June 2006

Payroll Checks	7944 - 8021	\$ 17,558
Electronic Transfers		334,666
A/P Checks	22107 - 22275	406,752
TOTAL		\$ 758,976

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 7944 - 8021 (payroll) and 22107 - 22275 (accounts payable), and electronic transfers for employees federal payroll taxes and fees, inclusive, amount to \$758,976; are true and correct, and that there are sufficient funds for payment.

James H. Robinson
City Manager

The above claims, check numbers 7944 – 8021 (payroll) and 22107 - 22275 (accounts payable), and electronic transfers for employees federal payroll taxes and fees, inclusive, amount to \$758,976; are true and correct, and are authorized for payment.

Charles Marsala
Mayor, Town of Atherton

SOURCE OF FUNDS

101	General Fund	661,397
105	Tennis Fund	
201	Special Parcel Tax	
202	Transportation	
203	Gas Tax Fund	
210	Road Construction Impact Fees	10,650
211	Park Grants Fund	28,578
213	Library Special Revenue Fund	1,445
401	General Capital Projects	
402	Storm Drainage	
403	Atherton Channel District	44,325
406	Facilities Construction	
610	Vehicle Replacement	
611	Computer Maint. & Replacement	8,022
612	Administrative Services	4,042
715	Evans Estate	
740	Tree Committee	517
TOTAL		\$758,976



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 JULY 19, 2006

SUBJECT: MONTHLY FINANCIAL REPORT, JUNE 2006

RECOMMENDATION:

Receive the Monthly Financial Report for June 2006.

INTRODUCTION:

The attached schedules show revenues, expenditures and fund balance for all funds as of June 30, 2006.

HIGHLIGHTS

General Fund expenditures for the twelve months ended June 30, 2006, have amounted to \$8,038,278, or 92% of the \$8,701,010 budgeted for the fiscal year. For the twelve months ended June 30, 2006, General Fund revenues amounted to \$9,671,849, or 111% of the \$8,720,458 estimated for the year.

By comparison, General Fund expenditures amounted to 95% of appropriations for the twelve months ended June 30, 2005. Additionally, General Fund revenues amounted to 112% of estimated revenues for the twelve months ending June 30, 2005.

FISCAL IMPACT:

None

Prepared by:

Approved by:

John P. Johns
Finance Director

James H. Robinson
City Manager

TOWN OF ATHERTON
Revenue Summary
For the Month ended June 30th, 2006

Fund	Revenue Source	2005-06 Estimate	Current Period Revenues	Year to Date Revenues	% Received
	Property Tax	\$ 3,651,651	86,746	4,061,774	111%
	Sales and Use Tax	126,000	7,494	163,117	129%
	Other Taxes	830,760	75,290	1,253,971	151%
	Licenses & Permits	1,839,879	158,917	1,761,845	96%
	Fines & Forfeitures	35,000	4,754	57,459	164%
	Revenue from Other Agencies	303,166	83,421	364,771	120%
	Charges for Services	336,208	41,804	335,164	100%
	Investment & Rental Income	291,633	2,688	301,884	104%
	Other Revenues	5,000	17,523	67,864	1357%
	Total General Fund Revenues	7,419,297	478,637	8,367,849	113%
	Interfund (Operating) Transfers In	1,301,161	652,000	1,304,000	100%
101	General Fund Total	8,720,458	1,130,637	9,671,849	111%
	Special Revenue Funds:				
105	Tennis	7,000	600	6,251	89%
201	Special Parcel Tax	1,858,000	51,315	1,851,483	100%
202	Transportation	180,000	27,885	253,692	141%
203	Street Improvement (Gas Tax)	172,376	11,382	157,926	92%
209	Law Enforcement	100,000	-	101,430	101%
210	Road Construction Impact Fees	1,158,328	182,811	1,207,917	104%
211	State Park Grants Fund	197,399	-	13,609	0%
213	Library	200,000	450,000	560,141	280%
	Total	3,873,103	723,993	4,152,449	107%
	Capital Project Funds:				
401	Capital Improvement	-	-	4,454	
402	Storm Drainage	-	-	756	
403	Channel Drainage District	50,665	1,201	58,696	116%
406	Facilities Construction	-	-	1,147	
	Total	50,665	1,201	65,053	128%
	Internal Service Funds:				
610	Vehicle Replacement	97,980	48,990	100,887	
611	Information Technology	101,621	52,280	105,919	104%
612	Administrative Services	294,389	151,478	303,853	103%
614	Workers Compensation Insurance	-	-	-	
	Total	493,990	252,748	510,659	103%
	Trust and Agency Funds:				
715	Evans Creative Design	13,200	-	3,449	26%
740	Tree Committee	-	-	3,938	
	Total	13,200	-	7,387	56%
	Total Revenues	13,151,416	2,108,579	14,407,397	110%

TOWN OF ATHERTON
Expenditure Summary
For the Month Ended June 30th, 2006

Fund	Description Department	2005-06 Budget	Current Period Expenditures	Year to Date Expenditures	% Spent
101	General Fund				
	11 City Council	\$ 20,535	\$ 691	\$ 13,442	65%
	12 City Manager	475,598	44,848	409,280	86%
	16 City Attorney	180,255	13,212	146,672	81%
	18 Finance	460,667	48,869	429,058	93%
	25 Building	1,042,371	118,054	990,162	95%
	40 Police	4,521,000	377,515	4,170,342	92%
	50 Public Works	1,900,584	155,758	1,879,322	99%
	Contingency	100,000	-	-	0%
	Total General Fund Expenditures	<u>8,701,010</u>	<u>758,947</u>	<u>8,038,278</u>	<u>92%</u>
	Interfund (Operating) Transfers Out	-	-	-	0%
101	General Fund Total	<u>\$ 8,701,010</u>	<u>\$ 758,947</u>	<u>\$ 8,038,278</u>	<u>92%</u>
Special Revenue Funds:					
105	Tennis	25,011	329	13,150	
201	Special Parcel Tax	1,832,077	466,450	1,948,044	106%
202	Transportation	323,420	28,400	56,800	18%
203	Street Improvement (Gas Tax)	150,000	50,000	123,249	82%
209	Law Enforcement	100,000	12,362	103,766	104%
210	Road Impact Fees	1,598,671	186,800	645,826	40%
211	State Park Grants	196,736	28,578	82,453	42%
213	Library Fund	71,045	1,711	26,879	38%
	Total	<u>4,296,960</u>	<u>774,630</u>	<u>3,000,167</u>	<u>70%</u>
Capital Project Funds:					
401	Capital Improvement	282,896	-	-	0%
402	Storm Drainage	21,394	-	2,563	12%
403	Channel Drainage District	425,300	7,623	459,560	108%
	Total	<u>729,590</u>	<u>7,623</u>	<u>462,123</u>	<u>63%</u>
Internal Service Funds:					
610	Vehicle Replacement	76,000	-	81,543	107%
611	Information Technology	112,622	6,662	104,697	93%
612	Administrative Services	317,139	12,305	276,234	87%
614	Workers Compensation Insurance	-	-	-	
	Total	<u>505,761</u>	<u>18,967</u>	<u>462,474</u>	<u>91%</u>
Trust and Agency Funds:					
715	Evans Creative Design	11,200	-	1,185	11%
740	Tree Committee	-	517	3,418	
	Total	<u>11,200</u>	<u>517</u>	<u>4,603</u>	<u>41%</u>
	Total Expenditures	<u>14,244,521</u>	<u>1,560,684</u>	<u>11,967,645</u>	<u>84%</u>

TOWN OF ATHERTON
Budget Summary
Fiscal Year 2005-06
As of June 30th, 2006

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	8,367,849	1,304,000	8,038,278	9,216,356
	Special Revenue Funds:					
105	Tennis	21,841	6,251		13,150	14,942
201	Special Municipal Tax	1,112,743	1,851,483		1,948,044	1,016,182
202	Transportation	330,685	253,692		56,800	527,577
203	Street Improvement (Gas Tax)	34,413	157,926		123,249	69,090
209	Law Enforcement	13,758	101,430		103,766	11,422
210	Road Construction Impact Fees	832,049	1,207,917		645,826	1,394,140
211	State Park Grants	38,688	-		82,453	(43,765)
213	Library Special Revenue Fund	1,415,042	560,141		26,879	1,948,304
	Sub Total	<u>3,799,219</u>	<u>4,138,840</u>	<u>-</u>	<u>3,000,167</u>	<u>4,937,892</u>
	Capital Projects Funds:					
401	Capital Improvement	253,970	4,454		-	258,424
402	Storm Drainage	45,262	-		2,563	42,699
403	Channel Drainage District	439,931	58,696		459,560	39,067
406	Facilities Construction	65,382	1,147		-	66,529
	Sub Total	<u>804,545</u>	<u>64,297</u>	<u>-</u>	<u>462,123</u>	<u>406,719</u>
	Internal Service Fund					
610	Vehicle Replacement	412,904	100,887		81,543	432,248
611	Information Technology	133,100	105,919		104,697	134,322
612	Administrative Services	140,976	303,853		276,234	168,595
614	Workers Compensation Insurance	10,871	-		-	10,871
	Sub Total	<u>697,851</u>	<u>510,659</u>	<u>-</u>	<u>462,474</u>	<u>746,036</u>
	Trust and Agency Funds					
715	Evans Creative Design	113,488	3,449		1,185	115,752
740	Tree Committee	1,949	-		3,418	(1,469)
	Sub Total	<u>115,437</u>	<u>3,449</u>	<u>-</u>	<u>4,603</u>	<u>114,283</u>
	Grand Total	<u>\$ 12,999,837</u>	<u>\$ 13,085,094</u>	<u>\$ 1,304,000</u>	<u>\$ 11,967,645</u>	<u>\$ 15,421,286</u>



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 JULY 19, 2006

SUBJECT APPROVAL OF FY 2006-07 INVESTMENT POLICY

RECOMMENDATION

Approve the investment policy as shown in Attachment A to this staff report.

DISCUSSION

Pursuant to Government Code Section 53600 et seq. each municipality is required to review and, if necessary, update its investment policy at annual intervals. At this time staff does not recommend any change in the investment policy approved by the City Council in FY 2005-06. However, staff will continue to research investment alternatives during the course of the Fiscal Year, should alternatives come to the attention of the Finance Department that better meet the investment objectives of the Town, such opportunities will be communicated to the City Council in the form of a recommended modification to the Town's investment policy.

FISCAL IMPACT

Approval of the attached investment policy will not require any adjustment to appropriations or estimated revenues.

Prepared by:

Approved by:

John P. Johns, CPA
Finance Director

Jim Robinson
City Manager

Attachment A

Town of Atherton Investment Policy FY 2006-07

OBJECTIVES

In accordance with the Section 53600 et seq. of the California Government the primary objectives of the Town of Atherton investment policy is as follows:

- **Safety** To safeguard principal against loss in value.
- **Liquidity** To maintain an adequate cash flow to fund operations and meet present and future expenditures of the Town.
- **Yield** To obtain the maximum return possible within the range of permissible investments authorized to provide security and liquidity of funds.

These procedures are also intended to adhere to the prudent investor standard as is codified in statute. Additionally, these investment policies are designed to provide assurance that available cash balances in non-interest bearing checking accounts is minimized and to ensure that all transactions involving cash and cash equivalents are subject to adequate internal controls.

PROCEDURES

Investment Instruments: Authorized investment instruments for the Town of Atherton are: 1) State of California Local Agency Investment Fund (LAIF); 2) San Mateo County Investment Pool; and, 3) Certificates of deposit in California financial institutions.

1. **LAIF** Authorizes transfer to and from the Town of Atherton checking and savings accounts or other authorized investment instruments. Transfers are initiated by the City Manager or the Finance Director. A written authorization to LAIF, signed by the City Manager, is required to make changes to employees holding the title of City Manager and Finance Director or to change investment instruments. Summary copies of the investment information will be included with the Treasurers report to Council on a quarterly basis.
2. **SAN MATEO COUNTY INVESTMENT POOL** Authorizes transfer to and from the Town of Atherton's checking and savings accounts or other authorized investment instruments. Only the City Manager or the Finance Director initiates transfers. Written authorization that specifies bank accounts and authorized signatures will be signed by the City Manager and kept on file with both the

Town and the County Treasurer's Office. Summary copies of the investment information will be included with the *Finance Director's* report to Council on a quarterly basis.

3. **INVESTMENT PORTFOLIO COMPOSITION** No more than two-thirds of available cash balances should be held in deposit with either the State of California Local Agency Investment Fund or the San Mateo County Investment Pool. Additionally, no more one third of available cash balances should be held as direct investments with any single bank or other financial institution.
4. **RESTRICTIONS** No investment will be made directly by staff in financial futures, financial option contracts, derivatives or repurchase agreements. Repurchase agreements and reverse repurchase agreements will be allowed by third parties (Local Agency Investment Fund and San Mateo County Investment Pool).
5. **ANNUAL UPDATE** The Town Council will annually review, evaluate and adopt an investment policy by no later than the quarter ended September 30th of each fiscal year.

RESPONSIBILITIES

CITY MANAGER Has overall responsibility for monitoring investment activity and insuring compliance to the Investment Policy. The City Manager will authorize all investment documents on behalf of the Town and verify that investments are accurately reported to the City Council on a quarterly basis.

FINANCE DIRECTOR Has responsibility for initiating investments, insuring compliance with the Investment Policy, reporting to the City Manager changes in the financial status of investments and institutions, and executing all investment documents on behalf of the Town.



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 JULY 19, 2006

**SUBJECT APPROVAL OF A RESOLUTION AUTHORIZING THE FINANCE
DIRECTOR AND CITY MANAGER TO INITIATE TRANSACTIONS
WITH THE STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT
FUND**

RECOMMENDATION

Adopt the attached resolution regarding investment transactions with the State of California Local Agency Investment Fund.

DISCUSSION

The Town of Atherton is in receipt of correspondence from the State of California Local Agency Investment Fund indicating that the two individuals on record (the City Manager and the Finance Director) as being authorized to initiate deposits and withdrawals into and from the Town's investment account are not consistent with the resolution on file with the State of California.

This circumstance is due to the fact that the most recent resolution on file with the State of California Local Agency Investment Fund is Dated March 29, 1977, and names the individuals employed by the Town who were acting in the capacity of City Manager and Finance Director at the time. Additionally, the 1977 resolution did not specify that the successors to the individuals named would be authorized to act on behalf of the City upon subsequent notification by the Town.

To rectify this inconsistency, the State of California has requested that the Town of Atherton adopt a new resolution naming the current City Manager and Finance Director as authorized to initiate investment transactions on behalf of the Town and to adopt a new resolution in the event of a subsequent change in authorized personnel.

FISCAL IMPACT

Approval of the recommended resolution will not require any adjustment to appropriations or estimated revenues.

Prepared by:

Approved by:

John P. Johns, CPA
Finance Director

James H. Robinson
City Manager

RESOLUTION 06-

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
AUTHORIZING INVESTMENT OF FUNDS WITH THE STATE TREASURER**

WHEREAS, the Town of Atherton deposits and withdraws money in the Local Agency Investment Fund in the State Treasury; and

WHEREAS, the Town of Atherton wishes to delegate authorization to order the deposit or withdrawal of money in the Local Agency Investment Fund:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the Town of Atherton , 91 Ashfied Road, that it agrees to deposit or withdraw money in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein.

NOW, THEREFORE, BE IT FURTHER RESOLVED that James H. Robinson, City Manager of the Town of Atherton, and/or John P. Johns, Finance Director of the Town of Atherton, are authorized to order the deposit or withdrawal of money in the Local Agency Investment Fund.

* * * * *

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 this 19th day of July, 2006, by the following vote:

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

ATTEST:

Charles E. Marsala, MAYOR
TOWN OF ATHERTON

Kathi Hamilton, Acting City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 19, 2006

**SUBJECT: AWARD OF CONTRACT FOR 2006 PAVEMENT PATCHING
PROJECT, PROJECT NO. 05-006**

RECOMMENDATION:

Award the contract for the 2006 Pavement Patching Project, Project No. 05-006, to G. Bortolotto & Co., Inc., the lowest responsible bidder on the July 13, 2006 bids, for \$58,012.50, and to authorize the Mayor to sign the contract on behalf of the Town.

INTRODUCTION:

This project will grind and replace approximately 9706 square feet of asphalt to a six-inch depth on the following streets:

- Elena Avenue
- Atherton Avenue

ANALYSIS:

Five bids were received for the 2006 Pavement Patching Project as follows:

<u>CONTRACTOR</u>	<u>LOCATION</u>	<u>BID</u>
S.C. Dodson	La Honda, Ca	\$92,722.50
Archibald Paving, Inc.	Redwood City, Ca.	\$85,800.00
Galedridge Construction, Inc.	Alviso, CA	\$61,912.50
G. Bortolotto & Co., Inc.	San Carlos, CA	\$58,012.50
Interstate Grading & Paving, Inc.	S. San Francisco, CA	\$63,277.50

FISCAL IMPACT:

Funds in the amount of \$150,000 from Gas Tax and Road Impact Fees are budgeted for Street Patch, Seal and Overlay in FY 2005-06. Bids were received for the project on July 13, 2006. G. Bortolotto & Co., Inc. was the lowest responsible bidder at \$58,012.50. This bid was 3.3% below the engineer's estimate prepared by staff of \$60,000.

Prepared By:

Approved:

/s/ Duncan L. Jones
Duncan L. Jones, P.E.
Public Works Director

James H. Robinson
City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 19, 2006

**SUBJECT: AWARD OF CONTRACT FOR THE VALPARAISO AVENUE
RECONSTRUCTION PROJECT, PROJECT NO. 05-003**

RECOMMENDATION:

Award the contract for the Valparaiso Avenue Reconstruction Project, Project No. 05-003 to the low bidder on the July 18, 2006 bids, and to authorize the Mayor to sign the contract on behalf of the Town.

INTRODUCTION:

The FY 2006-07 adopted Capital Improvement Program includes funds for reconstructing Valparaiso Avenue. The need for this project resulted from the failure of the pavement due to traffic, especially recent construction projects in the vicinity. On May 17, 2006, Council approved the project for advertisement.

ANALYSIS:

Authorization from Caltrans to advertise, required because there are federal funds on the project, was received on June 1, 2006. In order to give the contractors sufficient time to prepare their bids, the bid will be received on July 18, 2006. A separate staff report will be prepared for distribution at the City Council meeting to convey the bid results.

The City of Menlo Park has decided to construct the dig-out portion of the project on their side of the road under a separate contract that they will construct themselves. Next year's overlay project will still be constructed as a joint project.

FISCAL IMPACT:

Funds in the amount of \$1,350,000 are budgeted for this project in FY 2006-07 (\$558,000 from the Parcel Tax Funds, \$370,000 from Measure A funds, \$350,000 in Road Impact funds, and a \$72,000 Surface Transportation Program (STP) grant). The revised Engineer's Estimate for the project is \$1,283,358.

Prepared By:

Approved:

Duncan L. Jones, P.E.
Public Works Director

James H. Robinson
City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: DUNCAN JONES, PUBLIC WORKS DIRECTOR

DATE: FOR THE MEETING OF JULY 19, 2006

**SUBJECT: AWARD OF CONTRACT FOR THE STREET
RECONSTRUCTION PHASE 3, PROJECT NO. 05-005**

RECOMMENDATION:

Award the contract for Street Reconstruction Phase 3 Project, Project No. 05-005, to O'Grady Paving Inc., the low bidder on the June 29, 2006 bids, for \$883,930, with a 10% construction contingency of \$88,393, for a total authorization of \$972,323 and to authorize the Mayor to sign the contract on behalf of the Town.

ANALYSIS:

Three (3) bids were received for the Street Reconstruction Phase 3 Project as follows:

<u>CONTRACTOR</u>	<u>LOCATION</u>	<u>BID AMOUNT</u>
O'Grady Paving, Inc.	Mountain View, CA	\$883,930
Interstate Grading & Paving	South San Francisco, CA	\$985,835
C.F. Archibald	Redwood City, CA	\$1,317,400

FISCAL IMPACT:

Funds in the amount of \$800,000 are budgeted for this project in FY 2005-06 (\$64,500 from the Parcel Tax Funds, \$105,500 from Measure A funds, and \$630,000 in Road Impact Fees). Bids were received for the project on June 29, 2006. O' Grady Paving, Inc. was the low bidder at \$883,930. This bid was 10.2 % below the engineer's estimate of \$984,095, prepared by staff, the designer of the project.

Prepared By:

Approved:

/s/Duncan L. Jones
Duncan L. Jones, P.E.
Public Works Director

James H. Robinson
City Manager

Attachments: Bid Results

STREET RECONSTRUCTION - PHASE III PROJ 05-005

Bid Bond? (Y/N) Sub-Contractor List? (Y/N) Non-Collusion Affidavit? (Y/N)				ENGINEER'S ESTIMATE		O'GRADY PAVING INC. MT. VIEW CA		INTERSTATE GRADING & PAVING - SSF		C.F. ARCHIBALD REDWOOD CITY			
						Y		Y		Y			
						Y		Y		Y			
						Y		Y		Y			

ITEM NO.	DESCRIPTION	EST. QTY	UNIT	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
1	MOBILIZATION	1	L.S	\$33,800.00	\$33,800.00	\$10,000.00	\$10,000.00	\$87,000.00	\$87,000.00	#####	\$15,000.00				
2	NOTIFICATION AND SIGNING	1	L.S	\$6,760.00	\$6,760.00	\$10,000.00	\$10,000.00	\$2,500.00	\$2,500.00	\$9,000.00	\$9,000.00				
3	LAYOUT AND STACKING	1	L.S.	\$20,500.00	\$20,500.00	\$10,000.00	\$10,000.00	\$5,500.00	\$5,500.00	#####	\$15,000.00				
4	TRAFFIC CONTROL	1	L.S.	\$13,500.00	\$13,500.00	\$35,000.00	\$35,000.00	\$39,000.00	\$39,000.00	#####	\$30,000.00				
5	0.67 MILLING AC	23,900	S.F.	\$2.25	\$53,775.00	\$2.00	\$47,800.00	\$1.60	\$38,240.00	\$4.25	\$101,575.00				
6	0.55' MILLING AC	75,900	S.F.	\$1.50	\$113,850.00	\$1.50	\$113,850.00	\$1.40	\$106,260.00	\$3.50	\$265,650.00				
7	REMOVE AC AND REPLACE 4" AC	3,000	S.F.	\$3.75	\$11,250.00	\$7.00	\$21,000.00	\$10.00	\$30,000.00	\$9.00	\$27,000.00				
8	REMOVE AC AND REPLACE IT WITH CLASS II AG	2,300	S.F.	\$3.00	\$6,900.00	\$5.00	\$11,500.00	\$6.00	\$13,800.00	\$4.80	\$11,040.00				
9	REMOVE AC PAVEMENT WITH LIGHT EQUIPMEN	11,400	S.F.	\$1.75	\$19,950.00	\$2.00	\$22,800.00	\$0.80	\$9,120.00	\$6.00	\$68,400.00				
11	6" SUBGRADE SCARIFICATION	99,800	S.F.	\$0.40	\$39,920.00	\$0.20	\$19,960.00	\$0.50	\$49,900.00	\$0.90	\$89,820.00				
10	STRUCTURAL EXCAVATION AND BACKFILL	45	C.Y.	\$40.00	\$1,800.00	\$100.00	\$4,500.00	\$150.00	\$6,750.00	\$150.00	\$6,750.00				
12	0.67' AC PAVEMENT REPLACEMENT	23,900	S.F.	\$4.00	\$95,600.00	\$5.00	\$119,500.00	\$4.80	\$114,720.00	\$5.80	\$138,620.00				
13	0.55' AC PAVEMENT REPLACEMENT	75,900	S.F.	\$3.00	\$227,700.00	\$3.75	\$284,625.00	\$4.10	\$311,190.00	\$4.60	\$349,140.00				
14	REMOVE HEAD WALL AT WATKINS	1	L.S.	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00				
15	AC SAW CUT	2,900	L.F	\$3.00	\$8,700.00	\$2.00	\$5,800.00	\$1.25	\$3,625.00	\$3.00	\$8,700.00				
16	CONCRETE SAW CUT	100	L.F	\$6.00	\$600.00	\$10.00	\$1,000.00	\$1.50	\$150.00	\$5.00	\$500.00				
17	A.B. SUBGRADE STABILIZATION	2,500	S.F.	\$5.00	\$12,500.00	\$1.00	\$2,500.00	\$2.00	\$5,000.00	\$10.00	\$25,000.00				
18	A.C. SUBRADE STABLIZATION	500	S.F.	\$8.75	\$4,375.00	\$3.00	\$1,500.00	\$4.00	\$2,000.00	\$8.00	\$4,000.00				
19	CALTRANS TYPE GI DRAINAGE INLET	2	EA.	\$1,000.00	\$2,000.00	\$5,000.00	\$10,000.00	\$2,925.00	\$5,850.00	\$3,500.00	\$7,000.00				
20	(MOD.) CALTRANS TYPE GI DRAINAGE INLET	1	EA.	\$1,000.00	\$1,000.00	\$3,000.00	\$3,000.00	\$1,475.00	\$1,475.00	\$4,000.00	\$4,000.00				
21	2 X 8 TREATED WOOD	1,375	L.F	\$9.00	\$12,375.00	\$8.00	\$11,000.00	\$9.00	\$12,375.00	\$8.00	\$11,000.00				
22	2 X 6 TREATED WOOD	6,105	L.F	\$8.00	\$48,840.00	\$5.00	\$30,525.00	\$8.00	\$48,840.00	\$7.00	\$42,735.00				
23	4' CONCRETE VALLEY GUTTER	220	L.F.	\$70.00	\$15,400.00	\$175.00	\$38,500.00	\$110.00	\$24,200.00	\$80.00	\$17,600.00				
24	INSTALL 12' REINFORCED CONC. ON CULVET	15	C.Y.	\$400.00	\$6,000.00	\$500.00	\$7,500.00	\$650.00	\$9,750.00	\$1,200.00	\$18,000.00				
25	REMOVE AND REINSTALL PAVERS	450	S.F.	\$20.00	\$9,000.00	\$30.00	\$13,500.00	\$8.00	\$3,600.00	\$15.00	\$6,750.00				
26	6" CONC. APPRON AND CURB AT WATKINS	55	S.F.	\$20.00	\$1,100.00	\$30.00	\$1,650.00	\$30.00	\$1,650.00	\$40.00	\$2,200.00				
27	ADJUST SEWER MH TO GRAGE	10	EA.	\$600.00	\$6,000.00	\$600.00	\$6,000.00	\$600.00	\$6,000.00	\$400.00	\$4,000.00				
28	ADJUST WATER VALVE TO GRADE	10	EA.	\$300.00	\$3,000.00	\$200.00	\$2,000.00	\$300.00	\$3,000.00	\$300.00	\$3,000.00				
29	GRADED SWALE	9,920	L.F.	\$20.00	\$198,400.00	\$1.00	\$9,920.00	\$2.00	\$19,840.00	\$1.00	\$9,920.00				
30	ROCK SWALE	800	S.F.	\$2.50	\$2,000.00	\$10.00	\$8,000.00	\$5.00	\$4,000.00	\$5.00	\$4,000.00				
31	AC BERM	100	L.F.	\$35.00	\$3,500.00	\$30.00	\$3,000.00	\$25.00	\$2,500.00	\$20.00	\$2,000.00				
32	TRAFFIC STRIPING AND PAVEMENT MARKINGS	1	L.S.	\$1,000.00	\$1,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	#####	\$15,000.00				
SUB TOTAL					\$984,095.00		\$883,930		\$ 985,835		\$1,317,400		0.00		0.00

CHRISP-STRIPING F.FERRANDO-CONCRETE QUALITY STRIPING
 R H CONCRETE CHRISP-STRIPING JJR CONSTR-CONCRETE



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: ROBERT J. BRENNAN, CHIEF

DATE: FOR THE CITY COUNCIL MEETING OF JULY 19, 2006

SUBJECT: CITY OF REDWOOD CITY VEHICLE MAINTENANCE SERVICES

RECOMMENDATION:

Authorize Mayor to execute Amendment No 3 to agreement for vehicle maintenance services with the City of Redwood City.

INTRODUCTION:

The Town of Atherton has been receiving vehicle services from the City of Redwood City since April of 2000. This agreement is renewed annually. The City of Redwood City is seeking and agreement to amend the contract's hourly rate for labor to \$106.21. The current rate is \$95.21.

ANALYSIS:

The Town of Atherton entered into this contract with the City of Redwood City in 2000 after researching vehicle maintenance vendors. Staff is satisfied with the quality of service and the priority consideration they provide when we have a vehicle in need of repair. They are very accommodating of our need to maintain a fleet of serviceable vehicles so they always provide us immediate attention. Staff continues to utilize local vendors for routine oil changes.

FISCAL IMPACT:

The exact fiscal impact is unknown. In FY 2005/06 the fiscal impact of this contract was \$23,047. Assuming the same amount of hours is worked this year under the increased rate, the fiscal impact in 2006/07 will be approximately \$25,709.

Prepared by:

Approved by:

Robert J. Brennan
Chief of Police

James H. Robinson
City Manager

Attachments

1. Amendment No. 3 to Agreement for Vehicle Maintenance Services

PUBLIC WORKS SERVICES DEPARTMENT
Fleet & MSC Management Division



MUNICIPAL SERVICES CENTER
1400 Broadway
Redwood City, CA 94063-2505
Telephone: (650) 780-7484
Fax: (650) 780-7445
www.redwoodcity.org

June 13, 2006

Jim Robinson, City Manager
Town of Atherton
91 Ashfield Road
Atherton, CA 94027

**SUBJECT: AMENDMENT NO. 3 TO AGREEMENT FOR VEHICLE
MAINTENANCE SERVICES**

Dear Mr. Robinson:

We have enclosed the original and duplicate original agreements approved by the City Council on June 5, 2006. Please sign the agreements, have them attested and return them to my attention as soon as possible.

After we have received the signed agreements, we will forward the fully signed duplicate agreement to you for your records.

Sincerely,

A handwritten signature in cursive script that reads "L. Barwacz".

LARRY BARWACZ
lbarwacz@redwoodcity.org
Public Works Superintendent

Enclosure

ORIGINAL

**AMENDMENT NO. 3
TO AGREEMENT FOR VEHICLE MAINTENANCE SERVICES**

(TOWN OF ATHERTON)

This Amendment No. 3 is entered into and effective as of the ____ day of _____, 2006, amending the Agreement dated April 27, 2000, (the "Agreement") by and between the City of Redwood City, a charter city and municipal corporation of the State of California ("City"), and the Town of Atherton, a municipal corporation of the State of California ("Atherton") (collectively, the "Parties").

RECITALS

A. On April 27, 2000, the Parties hereto entered into an Agreement for vehicle maintenance services, which Agreement sets forth the rights, responsibilities, duties and restrictions regarding vehicle maintenance.

B. On July 2, 2002 the Parties agreed to an amendment to the Agreement by letter of same date from the Town of Atherton; and

C. The Parties now wish to amend Section 4. Compensation; Costs; Revisions of said Agreement to reflect current labor rates for maintenance and repair services.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1. Atherton will pay City for all work associated with those services described in the Agreement at an adjusted rate of \$106.21 per hour. City will provide Atherton, on a monthly basis, copies of invoices sufficiently detailed to include hours performed, hourly rates, and related activities and costs for approval by Atherton.

2. All other provisions of the Agreement, as may have been amended from time to time, will remain in full force and effect.

///

///

///

///

///

///

3. The individuals executing this Amendment each represent and warrant that they have the legal power, right and actual authority to bind Atherton to the terms and conditions of this Amendment.

TOWN OF ATHERTON
91 Ashfield Road
Atherton, CA 94025

By: _____

Title: _____

Attest:

CITY OF REDWOOD CITY
1017 Middlefield Road
Redwood City, CA 94063

By: Carl A. Bolin For
Ed Everett, City Manager

Attest:

Patricia Howe, City Clerk

Approved as to form:

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



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 19, 2006

SUBJECT: ADOPTION OF A RESOLUTION ENDORSING THE PARKS FOR THE FUTURE CONCEPT AND RECOMMENDING THAT THE SAN MATEO COUNTY BOARD OF SUPERVISORS PLACE THE MEASURE ON THE NOVEMBER BALLOT

RECOMMENDATION

The City Council to consider adoption of the attached Resolution endorsing the Parks for the Future concept and recommending that the San Mateo County board of Supervisors place the measure on the November ballot.

SUMMARY

Parks for the Future is an effort to secure dedicated tax-based revenues to support the parks- and recreation-related activities of San Mateo County, the cities located within the County, the Ladera and Highlands Recreation Districts and Midpeninsula Regional Open Space District. This would be accomplished through voter approval of a measure to increase sales tax by 1/8th of a cent for a period of 25 years. The San Mateo County Board of Supervisors is expected to take final action at its August 1, 2006, meeting to place this on the November 2006 ballot.

The revenue, projected to rise between approximately \$16 million per year (at 2002 figures), would be allocated to jurisdictions per a formula. The revenue must be used for park- and recreation-related functions, but each jurisdiction will have the authority to spend the funds according to its need. Funds could be spent on maintenance, operations, activities and programs, capital improvements or acquisition; and jurisdictions could vary how the money is spent over the life of the tax. Under the measure, cities and the County will be required to maintain their general fund contributions to the parks and recreation budgets. C/CAG would serve as the administrative board for distribution of funds, auditing and reporting functions.

BACKGROUND
Funding Distribution

Through a negotiated process, the following distribution formula was determined.

Percentage	Recipient
52%	cities
42%	county
6%	special districts
Annual growth of sales tax revenues equal to or less than 4% will be distributed per this formula. Cities and special districts only will benefit from annual growth greater than 4%.	

The cities further discussed and identified a distribution formula for the cities' share. The revenues will be distributed per capita with the smaller cities receiving a minimum of 1.357 % of the net revenue. A distribution chart representing revenue per this formula using 2002 figures for all cities and special districts is attached at end of the document.

The numbers reflect the distribution of the net revenues, after administrative costs are subtracted. Note that the State Board of Equalization estimates that it is 5% to administer the tax and for planning purposes, 1% is being identified for local administration by C/CAG. Administrative costs will be charged at actual costs and may be less depending on number and frequency of audits. A one-time setup charge (could be as high as \$40,000) and any election costs (could be as high as \$350,000 depending on number of countywide measures) will also be deducted from the first quarter revenues.

Voter Approval Required

A four-fifths vote of the San Mateo County Board of Supervisors by August 8, 2006, is required to place the item on the November 7, 2006 ballot. Action by city councils is not required to place the measure on the ballot; however, proponents are seeking support from the cities. Two-thirds approval by those voting in the election is required for the measure to pass. The measure does not need two-thirds approval of the voters in each city.

Implementation -- Distribution of Funds, Reports and Auditing

Although the measure would be effective upon passage, consumers would not start paying the increase until April 1, 2007, at the earliest. The Board of Equalization requires this time for its implementation procedures.

While jurisdictions will receive revenue for the final three months of fiscal year 2006-07, they should plan on the revenue being received during FY 2007-08. C/CAG is still reviewing the frequency and schedule for distribution of the revenue.

C/CAG has proposed a self-certification reporting process with random audits. Jurisdictions would submit a report certifying that revenues were spent on parks- and recreation-related expenses and that the general fund contributions for parks and recreation services was

maintained. Random audits would be performed by independent auditors, contracted by C/CAG. Reports will be made to the C/CAG Board and be available to the public.

What will this cost per person and how does our tax rate compare?

Estimated Revenue & Annual Cost		
Sales Tax	Annual Revenue	Annual Cost/Person
0.125%	\$16,074,486	\$18.10
Assumes 25% of income is spent of taxable items		
* Based on 2002 median per capita income of \$57,906		
** Average personal spending multiplied by # of county residents		

Current Sales Tax Rate Comparison	
County	Sales Tax
Alameda	8.75%
Contra Costa	8.25%
San Francisco	8.50%
San Mateo	8.25% increased to 8.375%
Santa Clara	8.25%
Santa Cruz	8.00%

Time Line and Actions leading to Decision

- March 2004 – Idea of collaborating on a dedicated funding source first presented.
- March 2004-May 2004 – First legislative effort focused on formation of special district. Effort dropped in favor of more process first
- November 2004 – Workshop #1
- December 2004 – Survey of likely voters to evaluate support levels for benefit assessment, parcel tax and sales tax
- January 2005 – Workshop #2. Presentation of survey results.
- February 2005 – Workshop #3
- March 2005 – Workshop #4
- August 2005 – Workshop #5
- September 2005 – SB 203 receives legislative approval
- October 2005 – Governor approves SB 203
- Fall 2005 – Reports to City Councils and Park Commissions
- February 2006 – Workshop #6
- March 2006 – Take the comments of Parks Commissions/City Councils and Workshops #5 and #6 to CCAG.
- April 2006 -- Focus groups and Poll #2
- March-May 2006 – Preparation of ballot language by subcommittee
- June and July 2006 – Opportunity to take positions on ballot measure
- August 2006 – County Board of Supervisors places measure on ballot
- November 7, 2006 – Election

**This table *illustrates* expected base year distribution.
It uses sales tax at 2002 level with administrative costs deducted**

	<i>Base Amount</i>
County	\$6,346,207
Special Districts	\$906,601*
Atherton	\$205,000
Belmont	\$268,272
Brisbane	\$205,000
Burlingame	\$300,681
Colma	\$205,000
Daly City	\$1,106,502
East Palo Alto	\$315,076
Foster City	\$307,569
Half Moon Bay	\$205,000
Hillsborough	\$205,000
Menlo Park	\$328,733
Millbrae	\$221,234
Pacifica	\$409,942
Portola Valley	\$205,000
Redwood City	\$805,169
San Bruno	\$428,896
San Carlos	\$295,983
San Mateo	\$987,556
South San Francisco	\$646,596
Woodside	\$205,000
Total	\$15,110,017

*** Special District Allocations**

MROSD (70% of 6%)	\$634,620	
Highlands RD (20% of 6%)	\$181,320	Ladera
RD (10% of 60%)	\$ 90,660	

RESOLUTION NO. 06-

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
ENDORING THE PARKS FOR THE FUTURE CONCEPT AND THE PLACING OF
THE MEASURE ON THE NOVEMBER 2006 BALLOT.**

WHEREAS, Parks for the Future is an effort to secure dedicated tax-based revenues to support the parks- and recreation-related activities of San Mateo County, the cities located within the County, the Ladera and Highlands Recreation Districts, and Midpeninsula Regional Open Space District through a future ballot measure to increase sales tax by 1/8th cent; and,

WHEREAS, The Parks for the Future team has worked diligently to achieve consensus among the 20 cities, specials districts, and San Mateo County on a distribution system that is fair and equitable; and,

WHEREAS, Town of Atherton representatives participated in the consensus building effort;

WHEREAS, The sales tax revenue will provide a stable source of funding to maintain San Mateo County parks in a clean and safe condition, to complete deferred maintenance and capital improvement projects.

NOW, THEREFORE, BE IT RESOLVED that the Town of Atherton recommends that the San Mateo County Board of Supervisors place the measure on the November 2006 ballot.

* * * * *

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 this 19th day of July, 2006, by the following vote:

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

ATTEST:

Charles E. Marsala, MAYOR
TOWN OF ATHERTON

Kathi Hamilton, Acting City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney

DRAFT 6/14/2006

ORDINANCE NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO,
STATE OF CALIFORNIA

* * * * *

AN ORDINANCE PROPOSING A ONE-EIGHTH CENT RETAIL TRANSACTIONS AND USE TAX FOR PARK AND RECREATION PURPOSES IN SAN MATEO COUNTY

The Board of Supervisors of the County of San Mateo, State of California,

ORDAINS as follows:

SECTION 1. Title.

This ordinance shall be known as the "County of San Mateo Parks for the Future Ordinance". This ordinance shall be applicable in the incorporated and unincorporated territory of the County of San Mateo, which shall be referred to herein as "County".

SECTION 2. Purpose.

This ordinance establishes a one-eighth of one percent retail transactions and use tax in the incorporated and unincorporated areas of the County, for a period of 25 years, for the purposes of funding park acquisition, improvements, maintenance, programs, and operations, including recreation and recreation programs. The ordinance is hereby adopted, and should be interpreted, so as to achieve the purposes set forth herein:

- a. To establish a transactions and use tax at a rate of one-eighth of one percent (0.125%), in the incorporated and unincorporated territories of the County of San Mateo, under the authority provided for in Chapter 2.995 (commencing with Section 7286.90) of Part 1.7 of Division 2 of the California Revenue and Taxation Code, and in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code.
- b. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- c. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

DRAFT 6/14/2006

- d. To authorize administration of the retail transactions and use tax ordinance in a manner that will, to the greatest degree possible, be consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.
- e. To set a maximum term of twenty-five (25) years during which time this tax shall be imposed pursuant to the authority granted by section 7286.90 of the Revenue and Taxation Code.

SECTION 3. Contract with State Board of Equalization.

Prior to the operative date of the tax, the County shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this retail transactions and use tax; provided, that if the County shall not have contracted with the State Board of Equalization prior to the operative date of the tax, it shall nevertheless so contract and in such a case the operative date of the tax shall be the first day of the first calendar quarter following the execution of such a contract.

SECTION 4. Transactions Tax Rate of One-Eighth of One Percent, and Term.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of this County at the rate of one-eighth of one percent (0.125%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in this County on and after the operative date of this ordinance. This tax shall be imposed for a maximum period of twenty-five (25) years.

SECTION 5. Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SECTION 6. Use Tax Rate of One-Eighth of One Percent, and Term.

An excise tax is hereby imposed on the storage, use or other consumption in this County of tangible personal property purchased from any retailer on and after the

DRAFT 6/14/2006

operative date of this ordinance, for storage, use or other consumption in this County at the rate of one-eighth of one percent (0.125%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made. This tax shall be imposed for a maximum period of twenty-five (25) years.

SECTION 7. Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

SECTION 8. Limitations on Adoption of State Law and Collection of Use Taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, wherever the State of California is named or referred to as the taxing agency, the name of the County shall be substituted therefore. The substitution, however, shall not be made when the word "State" is used as part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California; when the result of that substitution would require action to be taken by or against the County or any agency, officer or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this ordinance; in those sections, including but not necessarily limited to, sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to (1) provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remains subject to tax by the state under the said provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or; (2) impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provisions of that code; and in sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code. The name of the "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this state" in section 6203 and in the definition of that phrase in section 6203.

SECTION 9. Permit Not Required.

If a seller's permit has been issued to a retailer under section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

SECTION 10. Exemptions, Exclusions, and Credits.

a. There shall be excluded from the measure of the transactions tax and the use tax

DRAFT 6/14/2006

the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

- b. There are exempted from the computation of the amount of transactions tax gross receipts derived from:
 - (1) Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government;
 - (2) Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied;
 - (i) With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his principal place of residence;
 - (ii) With respect to commercial vehicles by registration to a place of business out-of-County, and a declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address;
 - (3) Sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance; and
 - (4) A lease of tangible personal property which is a continuing sale of such property for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

For the purposes of subsections (3) and (4), above, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract of lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract upon notice, whether or not such right is exercised.

- c. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:
 - (1) The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance;
 - (2) Other than fuel or petroleum products purchased by operators of aircraft and

DRAFT 6/14/2006

used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government. This exemption is in addition to the exemptions provided in sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California;

- (3) If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance; and
 - (4) If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
 - (5) For the purposes of subsections (3) and (4), above, storage, use or other consumption, or possession, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time during which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
 - (6) Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary or person in the County under authority of the retailer.
 - (7) "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.
- d. Any person subject to use tax under this ordinance may credit against that tax any transactions or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transaction tax pursuant to Chapter 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property, the storage, use or other consumption of which is subject to the use tax.

SECTION 12. Full Text of Measure.

There shall be proposed to the voters of San Mateo County for approval at the election set for November 7, 2006, the following Measure:

DRAFT 6/14/2006

San Mateo County 1/8 Cent Sales Tax Measure for Parks and Recreation

This measure authorizes the enactment of a one-eighth (1/8) cent retail transaction and use (sales) tax to fund park acquisition, improvements, maintenance, programs and operations, including recreation and recreation programs, within the incorporated and unincorporated areas of San Mateo County, with the following requirements:

- \$ The tax will be levied for a period of twenty-five (25) years.
- \$ Revenues from the tax may only be used for park acquisition, improvements, maintenance, programs, and operations, including recreation and recreation programs, within the incorporated and unincorporated areas of the County, and shall be used only in accordance with the expenditure plan set forth below.
- \$ During the first year that the tax is levied, net tax revenues, after deduction of administrative expenses, will be apportioned among the County, all cities within the County ("Cities"), and the MidPeninsula Regional Open Space District, the Highlands Recreation District, and the Ladera Recreation District (collectively, "Districts") on the following basis:
 1. The County will receive 42% of net tax revenues.
 2. Districts will receive 6% of net tax revenues. Of the amounts allocated to the Districts, the MidPeninsula Regional Open Space District will receive 70%, the Highlands Recreation District will receive 20%, and Ladera Recreation District will receive 10% of such amounts.
 3. Cities will receive 52% of net tax revenues, with each city to receive a portion of the total Cities' allocation calculated on a per capita basis, using yearly population figures published by the State Department of Finance. Notwithstanding the amounts calculated on a per capita basis, each city will receive from the Cities' allocation a minimum distribution equal to 1.357% of total net tax revenues and the remaining City allocations will be adjusted accordingly.
- \$ In each year after the first year, the County, Districts, and Cities shall share in any growth in sales tax revenues of up to four percent (4%) over the previous year in accordance with the allocation percentages set forth above. In each year after the first year, the Cities and Districts only shall share in any growth in sales tax revenues over the previous year which exceeds four percent (4%). Districts will be allocated 10% and Cities will be allocated 90% of any such sales tax revenues exceeding a four percent (4%) growth in sales tax revenues over the previous year. For each year after the first year, the method of allocation to each of the Cities and Districts shall be the same as that for first year, including the minimum allocation of 1.357% for each City.
- \$ The County and each city will establish a general fund baseline Parks and Recreation budget for Fiscal Year 2006/07, measured in dollars. The baseline budget will be adjusted every five years, beginning in Fiscal Year 2011/12, and continuing at five year intervals thereafter, by applying the Bay Area Consumer Price Index, published by the Bureau of Labor Statistics, or a successor index. In order to receive its full share of sales tax proceeds for a given fiscal year, the

DRAFT 6/14/2006

County and each city must either (1) maintain or increase its Parks and Recreation budget in dollars as measured against the baseline budget, or (2) reduce its Parks and Recreation budget compared to the baseline budget, in percentage terms, no more than the percentage by which the combined budgets of all other non-public safety departments is reduced as measured against the combined budgets of all other non-public safety departments for the prior fiscal year. In the event the County or a city reduces its Parks and Recreation budget compared to the baseline budget, measured on a percentage basis, more than percentage reduction of the combined budgets of all other non-public safety departments over the prior year's combined budgets, or reduces its Parks and Recreation budget compared to the baseline budget, measured on a percentage basis, while the combined budgets of all other non-public safety departments increases in relation to the prior year's combined budgets, the sales tax revenue that would otherwise have been payable to that County or city for that fiscal year shall be reduced by the difference between those percentage variances. For each fiscal year beginning in Fiscal Year 2007/08, before sales tax revenues for that year may be disbursed to the County or city, a resolution must be adopted stating the baseline Parks and Recreation budget in dollars; the Parks and Recreation budget in dollars for the fiscal year; the reduction in percentage terms of the Parks and Recreation budget from the baseline, if any; and the variance in percentage terms of the combined budgets for all other non-public safety departments from the combined budgets for the prior fiscal year. The County and each City shall certify the data provided. All requests for disbursement must be made within the fiscal year for which the measure funds are made available or the funds will not be disbursed to the city or County and will be rolled over for the next year. For purposes of this section, neither the baseline Parks and Recreation budget, nor any yearly Parks and Recreation budget used for purposes of the calculations set forth herein, shall include any revenues from the sales tax disbursed pursuant to this measure.

\$ The following expenditure plan represents allocations for the first year of sales tax revenue collection and distribution (Fiscal Year 2006-07), and is based on population figures published by the State Department of Finance on January 1, 2006. The allocations will change from year to year based on the allocation specified above, changes in published populations, and any adjustments based on the failure of an entity to maintain its required general fund baseline Parks and Recreation budget.

Expenditure Plan (Fiscal Year 2006-07)

<u>Entity</u>	<u>Population</u>	<u>Percent Allocation of Tax Revenue</u>
<u>County of San Mateo</u>	<u>724,104</u>	<u>42.00%</u>
<u>Highlands Recreation District</u>	<u>N/A</u>	<u>1.20%</u>
<u>Ladera Recreation District</u>	<u>N/A</u>	<u>0.60%</u>
<u>MidPeninsula Regional Open Space District</u>	<u>N/A</u>	<u>4.20%</u>

DRAFT 6/14/2006

Atherton, Town of	7,262	1.357%
Belmont, City of	25,648	1.778%
Brisbane, City of	3,744	1.357%
Burlingame, City of	28,322	1.964%
Colma, Town of	1,575	1.357%
Daly City, City of	104,820	7.267%
East Palo Alto, City of	32,083	2.224%
Foster City, City of	29,900	2.073%
Half Moon Bay, City of	12,739	1.357%
Hillsborough, Town of	10,965	1.357%
Menlo Park, City of	30,750	2.132%
Millbrae, City of	20,735	1.438%
Pacifica, City of	38,739	2.686%
Portola Valley, Town of	4,553	1.357%
Redwood City, City of	76,087	5.275%
San Bruno, City of	41,515	2.878%
San Carlos, City of	28,265	1.960%
San Mateo, City of	94,315	6.539%
South San Francisco, City of	61,824	4.286%
Woodside, Town of	5,507	1.357%

Notes:

1. Population figures represent populations served by parks and recreation facilities within the jurisdiction of the specified entity. For the County of San Mateo, the population figure represents the entire County population. City population figures are those published by the State Department of Finance.
2. The estimated yearly tax revenues available for distribution, after deduction for administrative expenses, is approximately \$16,000,000, based on taxable sales during the 2002 calendar year. For FY 2006-07, it is anticipated that revenues will be collected for the last quarter (April-June) only.
3. Tax revenues will supplement any amounts specified by an entity under its annual General Fund Parks and Recreation budget.
4. Funds must be used for parks and recreation purposes, including but not limited to, maintaining and improving park bathrooms, picnic areas and athletic facilities; repairing and upgrading playgrounds and play structures; improving access to parks and playgrounds for the disabled; preserving natural open spaces; and maintaining hiking, walking and biking trails.

\$ Tax revenues received will be deposited into a separate account maintained and administered by the City/County Association of Governments (C/CAG), or a successor entity as may be selected by the County and Cities, which shall calculate the amounts to be allocated to the County, Cities and Districts as provided for in this measure, and distribute such amounts on a quarterly basis to the Cities, County and Districts. C/CAG shall audit the distribution and use of

DRAFT 6/14/2006

the tax revenues distributed pursuant to this measure on a yearly basis, shall audit the performance of the entities receiving tax revenues on a periodic basis, shall consider and approve the audit results in an open meeting, and shall provide a copy of the audit results to the County, the Cities and the Districts. C/CAG shall be entitled to reimbursement for its services from available tax revenues at a rate of one percent (1%) of such revenues for the first full year of such services, with reimbursement to be adjusted for future years based on the actual cost of such services.

- \$ Any election costs and state startup costs required by state law, borne by the County of San Mateo shall be reimbursed to the County from net tax revenues received during the first year of collection.

SECTION 13. Abbreviated Statement of Measure.

The abbreviated statement of the measure for inclusion on the ballot pursuant to California Elections Code section 13247 shall be as follows:

SAN MATEO COUNTY 1/8 CENT SALES TAX MEASURE FOR PARKS AND RECREATION

Measure _____.

Shall San Mateo County enact a one-eighth cent sales tax, with annual audits and reports to the community, to support parks and recreation services provided by cities, the county and special districts, including, but not limited to: maintaining and improving park bathrooms, picnic areas and athletic facilities; repairing and upgrading playgrounds and play structures; improving access to parks and playgrounds for the disabled; preserving natural open spaces; and maintaining hiking, walking and biking trails.

SECTION 14. Use of Proceeds.

The proceeds of the tax imposed by this ordinance shall be used in accordance with applicable law and solely for the projects and purposes set forth in the expenditure plan required by this ordinance, and administrative costs as set forth in this ordinance

SECTION 15. Amendments.

All amendments to Part I of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, subsequent to the effective date of this ordinance shall automatically become a part of this ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

DRAFT 6/14/2006

SECTION 16. Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action, or proceeding in any court against the State or the County, or against any officer of the state or the County, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, or any tax or any amount of tax required to be collected.

SECTION 17. Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstance shall not be affected thereby.

SECTION 18. Operative Date; Period of Tax Imposition.

“Operative Date” means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adopting being as set forth throughout this ordinance.

This ordinance relates, in substantial part, to the levying and collecting of the County’s retail transaction and use taxes and will become effective at the close of the polls on the day of election at which the Measure in Sections 12 and 13 is adopted by a two-thirds (2/3) majority vote of the electors voting on the Measure. The maximum period during which this tax will be imposed is twenty-five (25) years.

* * * * *



Town of Atherton

CITY COUNCIL STAFF REPORT

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

FROM: ROBERT J. BRENNAN, CHIEF

DATE: FOR THE CITY COUNCIL MEETING OF JULY 19, 2006

SUBJECT: PARK LANE COMMUNITY POLICING PROJECT - UPDATE

RECOMMENDATION:

Council review the progress of the Park Lane Community Policing Project.

INTRODUCTION:

Council requested a progress report on the community policing project in the Park Lane area. This project was initiated in response to resident complaints including but not limited to illegal parking, littering, noise and construction activities in violation of Town ordinances.

ANALYSIS:

The Police Department assigned a police officer to this project on a full-time basis. As part of that assignment, the officer met with residents, contractors and workers. He collected specific complaints and concerns from the residents and relayed these concerns to the contractors working in the Park Lane area. Additionally, the officer educated the contractors and those working on the worksites on Town Ordinances. Though this assignment has ended, the program's efforts are still benefiting the community.

The Police Department is receiving fewer complaints than before the community policing project was initiated. During the months of May and June, 2006, The Police Department received a total of seven calls for service on Park Lane related to construction activities. Those calls included:

- Vehicles parked "all over the place" in which the officers gained compliance.
- A truck parked in the middle of the road. Officer directed driver to move vehicle.
- Two requests from residents regarding temporary no parking signs.
- A complaint of music from a construction site. Workers directed to reduce volume.

- A request to check area for trucks blocking driveways. None located.
- Vehicles parked along the street. Officers found no violations.

In that two month review, the Police Department had not received any complaints of littering, speeding vehicles, construction prior to 8 a.m. or construction after 5 p.m.. No citations or warning citations have been issued. Patrol Supervisors are reporting that their officers are not finding construction violations related to the 8 a.m. - 5 p.m. restriction. In fact, officers report that most construction sites are vacated well before the 5 o'clock hour.

Officers have received specific direction to continue monitoring the Park Lane area as part of their patrol duties. These checks are occurring at all hours of the day and night since we have also been experiencing construction site burglaries and thefts. During the month of June, an officer checking the construction site on Park Lane at Camino Al Lago arrested two burglars with extensive criminal histories inside the house.

FISCAL IMPACT:

N/A.

Prepared by:

Approved by:

Robert J. Brennan
Chief of Police

James H. Robinson
City Manager



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 JULY 19, 2006

SUBJECT: TOWN PARTICIPATION IN REGIONAL AGENCIES

RECOMMENDATION:

Receive the report on City Memberships and Fees.

INTRODUCTION:

At the City Council meeting of June 21, 2006, the City Council directed staff to provide a list of regional organizations of which the Town is a member as well as to provide a tabulation of membership fees paid to such entities in FY 2005-06.

Based upon an analysis of expenditures for membership dues as recorded within the Town's general ledger, staff identified six regional organizations to which the Town has contributed dues. The results of this analysis are presented in the following table:

Organization	Amount Paid in FY 2005-06
Association of Bay Area Governments	\$ 1,348
League of California Cities Peninsula Division	3,508
San Mateo County Local Agency Formation Commission	603
Peninsula Policy Partnership	2,000
Heart of San Mateo County	2,240
City/County Association of Governments	2,307
Total	\$ 12,006

FISCAL IMPACT:

None

Prepared by:

Approved by:

John P. Johns
Finance Director

James H. Robinson
City Manager



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE CITY COUNCIL MEETING OF JULY 19, 2006

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING THE TOWN OF ATHERTON TO BECOME A MEMBER OF A COUNTYWIDE SUB-REGION, AN ENTITY THAT WOULD LOCALLY ADMINISTER ABAG'S REGIONAL HOUSING NEEDS ALLOCATION PROCESS (RHNA)

RECOMMENDATION:

Approve a Resolution authorizing the Town of Atherton to become a member of a Countywide Sub-Region, an entity that could locally administer ABAG's Regional Housing Needs Allocation Process (RHNA).

BACKGROUND:

New State Law

State law now allows cities within the County to join together to form a "sub-region," a consortium that would administer the State-mandated Regional Housing Needs Allocation (RHNA) program at the local level. Each member jurisdiction of a sub-region must submit a resolution to the Association of Bay Area Governments (ABAG) by August 31, 2006, if it wishes to participate in a sub-regional effort. ABAG would then adopt a resolution approving the formation of the "sub-region." This process could establish the housing numbers to be used in each city or county as part of the Housing Element update for 2009. C/CAG would like to form a sub-region consisting of all the cities and the County.

Composition of a "Sub-Region"

A "sub-region" may be comprised of two or more contiguous cities. The City/County Association of Governments of San Mateo County (C/CAG) has indicated interest in

supporting this effort if the individual cities and the County are interested. Therefore, C/CAG is coordinating the creation of a countywide “sub-region” that includes most, if not all, the cities and County. C/CAG is committed to provide facilitation and staff support as necessary

Timeline

Those cities that agree to participate in a sub-regional effort would begin discussions this fall about how they might address overall housing needs through a collaborative effort. The “sub-region” would receive a housing allocation from ABAG on May 1, 2007. By June 30, 2007, the “sub-region” would distribute draft housing allocations to its member jurisdictions. Local jurisdictions may request revisions to their draft housing allocations. Local jurisdictions have 60 days to file an appeal to the “sub-region.” A public hearing must be held to hear the appeal. Between February and April of 2008, the “sub-region” must issue the final housing allocations.

Procedures

“Sub-regions” must follow the same substantive and procedural rules and guidelines that ABAG follows when distributing housing allocations. “Sub-regions” must also enter into an agreement with ABAG that specifies the process, timing, and other terms and conditions for administering the local housing needs determination process.

DISCUSSION:

Increased Local Control

Creating a “sub-region” in San Mateo County to administer the allocation process significantly increases local control. Members of the “sub-region” will have the flexibility to negotiate with other members for adjustments to their allocations. Jurisdictions that want fewer units might offer incentives to other jurisdictions that might accept additional units. Incentives could include cash payments to help subsidize the cost of providing services for new development or the costs of roadway and transportation improvements. Or, perhaps, jurisdictions that want fewer units could be required to make cash payments to the Housing Endowment and Regional Trust of San Mateo County to help build more housing in the County. This concept of swap and credits is not possible under state law using the current ABAG process. However, swaps and credits can be developed through the sub-regional delegation process.

FISCAL IMPACT:

In-lieu staff support provided under current approved budget. C/CAG will provide primary staff support. Will build upon or use current housing programs currently underway. May result in additional housing analysis by the City/County; however, the cost for this is unknown at this time.

ALTERNATIVES:

- 1- Review and approve a Resolution authorizing the Town of Atherton to become a member of a Countywide Sub-Region, an entity that would locally administer

ABAG's Regional Housing Needs Allocation Process (RHNA) in accordance with the staff recommendation.

2- No action.

RESOLUTION NO. 06-

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AUTHORIZING THE TOWN OF ATHERTON TO BECOME A MEMBER OF A COUNTYWIDE SUB-REGION, AN ENTITY THAT WOULD LOCALLY ADMINISTER ABAG'S REGIONAL HOUSING NEEDS ALLOCATION PROCESS (RHNA).

The City Council of the Town of Atherton hereby resolves as follows:

WHEREAS, the Association of Bay Areas Governments (ABAG) is required by State law to administer the Regional Housing Needs Allocation program in the Bay Area; and

WHEREAS, ABAG has begun preliminary work on developing the program with the objective of completing the program in August of 2008; and

WHEREAS, changes to the Housing Element law in 2004 allow ABAG to transfer administration of the program to local jurisdictions which create sub-regions for the purposes of distributing housing need allocations among the members of the sub-region; and

WHEREAS, a sub-region is defined as two or more cities in a County or any combination of geographically contiguous local governments; and

WHEREAS, the Town of Atherton desires to become part of a sub-region in San Mateo County; and

WHEREAS, the City/County Association of Governments of San Mateo County (C/CAG) will facilitate and provide staff support; and

WHEREAS, each member of a sub-region must adopt a resolution authorizing its inclusion in the sub-region; and

WHEREAS, adopted resolutions must be sent to ABAG by August 31, 2006; and

WHEREAS, ABAG must adopt a resolution approving the sub-region; and

NOW, THEREFORE, BE IT RESOLVED that the Town of Atherton agrees to participate in the process to establish realistic housing allocations among the sub-region (cities and the County) for use in the next housing element that is due in 2009. Adoption of this resolution indicates the Council's intention to participate in the sub-region process for San Mateo County and submit this resolution to the Association of Bay Area Governments (ABAG) for inclusion in the Resolution designating the sub-region.

* * * * *

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 this 19th day of July, 2006, by the following vote:

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

Chares E. Marsala, MAYOR
TOWN OF ATHERTON

ATTEST:

Kathi Hamilton, Acting City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney

April 13, 2006

To: C/CAG Board

From: Duane Bay

Re: Housing Element Update: Common sections (generic and/or city-specific) &
Sub-Regional Housing Needs Allocation (SubRHNA)

The table below outlines two opportunities through which C/CAG member jurisdictions could save money and/or increase local control in the next mandatory Housing Element update. A separate handout details the schedule of the update process through a June 2009 deadline.

Common Housing Element Sections	Sub-Regional Housing Needs Allocation
Each jurisdiction could save money by using a jointly-authored common version of certain required housing elements sections that recite statistics and offer generic analysis of housing supply and demand.	Exercising our existing local right to negotiate a sub-regional housing needs allocation cooperatively would increase local control while preserving existing autonomy of action and appeal for each local jurisdiction.
Straightforward Process	
Any jurisdictions may cooperate on update text as they wish.	The County plus any two or more contiguous jurisdictions may cooperate to sub-allocate their block of housing requirement among themselves. In a cooperative process, the schedule for submittal and appeal closely tracks the comparable schedule for jurisdictions working independently, and is designed to make independent compliance possible if cooperative process falls apart.
Timing	
The initial technical step, development of an RFP, could proceed almost any time after Housing Needs Analysis Study is complete. However, it would be prudent to wait to see if/how the Sub-RHNA alternative unfolds. An initial administrative step would be to develop a draft technical scope, and use it to pursue grant funding.	Participating jurisdictions must apply for delegation of authority by August 31, 2006. Subsequent steps are outlined in separate handout published recently by ABAG.

Cost Reduction	
<p>Collectively, cities and county will spend from \$2 million to \$4 million on updating our Housing Elements. About 80% of the pages and 40% of the cost will be spent on an obligatory analysis of housing needs and housing supply. This could be done once, by one contractor, with countywide information and local break-outs. Jurisdiction-specific policy sections would still be done locally.</p> <p>There might also be some economies of scale available through developing a countywide housing-site GIS to support the State-required process of each jurisdiction identifying “adequate housing sites.” Of course, the actual identification would remain the technical and political responsibility of each jurisdiction.</p>	<p>Advantage is in flexibility and autonomy, not cost reduction. However, cooperative sub-allocation will not cost extra.</p> <p>Grant funding may be obtainable.</p>
Increased Local Control	
<p>The common Housing Element sections are descriptive, not prescriptive. Local control is not an issue.</p>	<p>Alternatives are available that otherwise would not be through trades and local customizations, subject to mutual agreement.</p> <p>Jurisdictions that want fewer units might offer incentives to others to accept units.</p> <p>Jurisdictions that want more housing, or are at least willing to take more housing with appropriate trade-offs, might negotiate with other jurisdictions for traffic mitigations, or Hetch Hetchy water rights, or priority in building Caltrain grade separations, or loans or grants for subsidies for affordable or supportive housing.</p>
Each Jurisdiction’s Rights Are Preserved	
<p>The common Housing Element sections are descriptive, not prescriptive—they recite statistics about housing supply and demand. Each jurisdiction prepares its own Housing Program section that outlines actions it intends to take.</p> <p>Each jurisdiction makes its own determination of “adequate sites for housing.”</p>	<p>Any jurisdiction may opt out (<u>even after joining the consortium</u>) and will then be assigned an allocation directly by ABAG.</p> <p>All existing rights to trade allocations with consenting neighboring jurisdictions are preserved.</p> <p>All rights to appeal allocations are preserved (<u>even allocations agreed to as part of a sub-regional negotiation process</u>).</p>

C/CAG AGENDA REPORT

Date: June 8, 2006

To: City/County Association of Governments Board of Directors

From: Richard Napier, C/CAG Executive Director

Subject: Report and recommendations from C/CAG Staff on potential future role of C/CAG in the Regional Housing Needs Allocation (RHNA) - Sub-regional delegation process.

(For further information or questions, contact Richard Napier at 650-599-1420)

RECOMMENDATION:

Work with the Cities and County to determine the interest in the Regional Housing Needs Allocation (RHNA) - Sub-regional delegation process. C/CAG would facilitate and staff this process if there is interest.

FISCAL IMPACT:

Limited to the current C/CAG budget. Less than \$5,000.

SOURCE OF FUNDS:

Metropolitan Transportation Commission (MTC) Transportation plus Land Use grant.

BACKGROUND/DISCUSSION:

At the C/CAG retreat in April the Board indicated interest in the Regional Housing Needs Allocation (RHNA) - Sub-regional delegation process. However, the main question was whether C/CAG could meet all the requirements necessary by the 8/31/06 Association of Bay Area Governments (ABAG) deadline. Staff had discussions with ABAG and determined that the following needs to be done.

- 1- Must provide resolutions from all participating Cities and County by 8/31/06. It is not necessary to have the plan or process defined.

There is a meeting on 6/16/06 with ABAG to discuss this with those possibly interested in participating in the delegation process. The Cities/ County can drop out later if unacceptable.

Based on this it is suggested that the Board direct C/CAG staff to work with the Cities and County to develop interest in this delegation process. It is reasonable to get the resolutions by the end of August. This will be taken to the City Managers at their June meeting. This is also being scheduled with the Planning Directors and Planners. It is also recommended that C/CAG

staff draft a sample staff report and resolution to expedite the City/ County adoption of the resolutions. This would then be brought to the Board at the August meeting for status on the resolutions and final determination as to whether to pursue the Regional Housing Needs Allocation (RHNA) - Sub-regional delegation process.

C/CAG's role would primarily be as a facilitator and to provide staff support. The primary responsibility rests with the cities and the County that have the land use responsibility. A rough draft of a City/ County based San Mateo County RHNA process is attached.

ATTACHMENTS:

- San Mateo County RHNA Process
- Duane Bay Staff Report Dated 4/13/06 on Housing Element Update

ALTERNATIVES:

- 1- Work with the Cities and County to determine interest in the Regional Housing Needs Allocation (RHNA) - Sub-regional delegation process. C/CAG would facilitate and staff this process if there is interest.
- 2- No action.

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

*Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park
Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside*

San Mateo County RHNA Process

- 1) Resolutions from 20 cities and the County to accept the housing delegation by 8/31/06
- 2) ABAG scoping meeting/research
- 3) Work with Cities/ County to define a City/ County based process
- 4) City Managers/Housing Directors Scoping Meeting
- 5) Work scope to CMAQ
- 6) Work scope for C/CAG Board approval
- 7) Establish Housing Committee
- 8) Housing/Planning Directors Policy development
- 9) To CMAQ and C/CAG Board for policy approval
- 10) Process to determine City/County housing production commitments
- 11) Research local housing opportunities based on prior studies (Housing Needs Study, ECR, TOD, etc.)
- 12) Determine City/County swap opportunities
- 13) Determine countywide credits/incentives
- 14) Other housing opportunities based on credits and incentives
- 15) Have we met countywide target (ABAG numbers for San Mateo County)?
- 16) If shortfall then negotiate method for allocation of residual.
- 17) Is the plan reasonable?
 - a) If yes, sub-regional delegation accepted
 - b) If no, give back to ABAG
- 18) Submittal to the Cities and County for approval



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 19, 2006

**SUBJECT: CONSIDERATION OF APPOINTING A TWO-MEMBER
SUBCOMMITTEE OF THE COUNCIL ON EMERGENCY
PREPAREDNESS**

RECOMMENDATION

Council to consider appointing a two-member subcommittee of the Council to be the coordinating body to develop an overall emergency preparedness plan for the Town.

BACKGROUND:

At the June 21, 2006, City Council Meeting, Vice Mayor Alan Carlson suggested that Council create a two-member subcommittee to be the coordinating body to define its own role in an emergency and to develop an overall preparedness plan for the Town. Council Member McKeithen volunteered to chair the committee, along with Vice Mayor Carlson, who would meet to develop the role and scope of the subcommittee as well as whom to include in the membership. Staff was directed to agendize the item for the City Council Meeting of July 19, 2006.

FISCAL IMPACT:

The Council approved \$120,000 in Fiscal Year 2006-07 for emergency preparedness.



Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JAMES H. ROBINSON, CITY MANAGER

DATE: FOR THE MEETING OF JULY 19, 2006

SUBJECT: CONSIDERATION OF DESIGNATING A VOTING DELEGATE AND ALTERNATE FOR THE 2006 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

RECOMMENDATION

Council designates a voting delegate and an alternate to the League of California Cities Annual Conference and Annual Business Meeting to be held in San Diego from September 6 through September 9, 2006. As an option, Council could also select a second alternate should one be needed.

BACKGROUND:

The League's 2006 Annual Conference is scheduled for September 6 through September 9, 2006. An important aspect of the Annual Conference is the Annual Business Meeting where the membership takes action on conference resolutions. This year's Annual Business Meeting will be held on the morning of Saturday, September 9. In order for the Town to be represented at the meeting, Council should designate a voting representative and an alternate (and second alternate) who will be registered at the Conference and present at the Annual Business Meeting. Individuals with the voting card will sit in a separate area. A voting card will be given to the city official who is designated. The voting delegate may pick up a voting card at the Voting Card desk located in the League registration area. Attached are the Annual Conference Voting Procedures.

Attachment: Annual Conference Voting Procedures