

"The City With a Heart"



Jim Ruane, Mayor
Irene O'Connell, Vice Mayor
Ken Ibarra, Councilmember
Rico E. Medina, Councilmember
Michael Salazar, Councilmember

AGENDA SAN BRUNO CITY COUNCIL

March 12, 2013

7:00 p.m.

Meeting Location: Senior Center, 1555 Crystal Springs Road, San Bruno

City Council meetings are conducted in accordance with Roberts Rules of Order Newly Revised and City Council Rules of Procedure. You may address any agenda item by standing at the microphone until recognized by the Council. All regular Council meetings are recorded and televised on CATV Channel 1 and replayed the following Thursday, at 2:00 pm. You may listen to recordings in the City Clerk's Office, purchase CD's, access our web site at www.sanbruno.ca.gov or check out copies at the Library. We welcome your participation. In compliance with the Americans with Disabilities Act, individuals requiring reasonable accommodations or appropriate alternative formats for notices, agendas and records for this meeting should notify us 48 hours prior to meeting. Please call the City Clerk's Office 650-616-7058.

Thank you **San Bruno Garden Club** for providing the beautiful floral arrangement.

1. CALL TO ORDER:

2. ROLL CALL/PLEDGE OF ALLEGIANCE:

3. ANNOUNCEMENTS:

The Annual Pancake Breakfast and Easter Egg Hunt will be held March 23, 9:00 to 11:00 a.m. at San Bruno City Park. The Easter Egg Hunt begins promptly at 11:00 a.m.

4. PRESENTATIONS:

Present Proclamation to the Bay Area Chapter Volunteers of the American Red Cross Recognizing American Red Cross Month 2013.

5. REVIEW OF AGENDA:

6. APPROVAL OF MINUTES: Regular City Council Meeting of February 26, 2013.

7. CONSENT CALENDAR: All items are considered routine or implement an earlier Council action and may be enacted by one motion; there will be no separate discussion unless requested by a Councilmember, citizen or staff.

a. **Approve:** Accounts Payable of February 19, 25 and March 4, 2013.

b. **Approve:** Payroll of February 24, 2013.

c. **Accept:** Housing Element Annual Progress Report (APR) for Calendar Year 2012 and Direct Staff to Forward the Report to the California State Office of Planning and Research and the California Department of Housing and Community Development.

d. **Adopt:** Resolution Approving Side Letter Agreement Between the City of San Bruno and the Police Bargaining Unit, Represented by Teamsters Union Local 856, and Authorizing its Execution by the City Manager.

8. PUBLIC HEARINGS:

9. PUBLIC COMMENT ON ITEMS NOT ON AGENDA: Individuals allowed three minutes, groups in attendance, five minutes. If you are unable to remain at the meeting, ask the City Clerk to request that the Council consider your comments earlier. It is the Council's policy to refer matters raised in this forum to staff for investigation and/or action where appropriate. The Brown Act prohibits the Council from discussing or acting upon any matter not agendaized pursuant to State Law.

10. CONDUCT OF BUSINESS:

- a. Adopt Resolution Authorizing the City Manager to Execute the Amended Water Supply Agreement with the City and County of San Francisco.
- b. Adopt Resolution Adopting the 2012 Updated Water System Master Plan.
- c. Adopt Resolution Authorizing the Mayor to Execute and File the Articles of Incorporation for the San Bruno Community Foundation.

11. REPORT OF COMMISSIONS, BOARDS, & COMMITTEES:

12. COMMENTS FROM COUNCIL MEMBERS:

13. CLOSED SESSION:

- a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8
Property: Parcel Nos. 019-041-010; 019-043-020; 019-024-230; 019-014-180; 019-023-250; 019-043-460; 019-043-010; 019-041-030; 019-023-280; 019-014-150; 019-023-080.
Agency Negotiator: City Manager
Negotiating Parties: City of San Bruno and PG&E
Under Negotiation: Price and Terms of Payment.
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8
Property: Property Address 105 Cabrillo Way
Agency Negotiator: City Manager
Negotiating Party: City of San Bruno
Under Negotiation: Price and Terms of Payment.

14. ADJOURNMENT:

The next regular City Council Meeting will be held on March 26, 2013 at 7:00 p.m. at the Senior Center, 1555 Crystal Springs Road, San Bruno.

"The City With a Heart"



Jim Ruane, Mayor
Irene O'Connell, Vice Mayor
Ken Ibarra, Councilmember
Rico E. Medina, Councilmember
Michael Salazar, Councilmember

MINUTES SAN BRUNO CITY COUNCIL

February 26, 2013

7:00 p.m.

1. **CALL TO ORDER: THIS IS TO CERTIFY THAT** the San Bruno City Council met on February 26, 2013 at the San Bruno Senior Center, 1555 Crystal Springs Rd., San Bruno, CA. The meeting was called to order at 7:00 p.m.
2. **ROLL CALL/PLEDGE OF ALLEGIANCE:** Presiding was Mayor Ruane, Vice Mayor O'Connell, Council Members Ibarra, Medina, and Salazar. **Clerk Bonner** led the Pledge of Allegiance. Recording by Clerk Bonner.
3. **ANNOUNCEMENTS:**

Mayor Ruane said San Bruno were hosts last week to Ed Pawlowski, Mayor of Allentown Lynda Farrell, Pipeline Safety Coalition who came to San Bruno. He said in 2012 Allentown experienced a gas explosion where a whole City block was destroyed and five lives were taken. He said Ed was asked in December at the United States Conference of Mayors in Washington, DC, to set up a U.S. Conference of Mayors Council on Pipeline Safety and San Bruno was asked to be a part of that. The Mayor said going forward San Bruno would be very involved in this.
4. **PRESENTATIONS:** None.
5. **REVIEW OF AGENDA:** No changes.
6. **APPROVAL OF MINUTES:** Regular City Council Meeting of February 12, 2013 and Special City Council Meeting of February 20, 2013 and Special City Council and Planning Commission Meeting of February 20, 2013, approved as submitted.
7. **CONSENT CALENDAR:**
 - a. **Approve:** Accounts Payable of February 4 and 11, 2013.
 - b. **Approve:** Successor Agency Accounts Payable of February 11, 2013.
 - c. **Approve:** Payroll of February 10, 2013.
 - d. **Accept:** Reconciliation of General Ledger to Bank Reports and the Investment Reports Dated January 31, 2013.
 - e. **Adopt:** Resolution Authorizing the City Manager to Execute an Agreement for Shared Staffing Services Between the City of San Bruno, the City of Millbrae and the Central County Fire Departments.
 - f. **Adopt:** Resolution Accepting the Crestmoor (Glenview) Neighborhood Phase I Water System Improvements - Project No. 10002B as Complete and Authorizing Release of the Contract Retention Amount.

M/S Medina/Ibarra to approve the Consent Calendar and passed with all ayes.
8. **PUBLIC HEARINGS:** None.
9. **PUBLIC COMMENT ON ITEMS NOT ON AGENDA:** None.

10. CONDUCT OF BUSINESS:

a. Select a Development Team and Authorize the City Manager to Enter into an Exclusive Negotiating Rights Agreement and Commence Negotiations of a Disposition and Development Agreement for the Crossings Hotel.

City Manager Jackson gave an overview of the staff report and outlined the history and vision and next steps for the hotel site through a powerpoint presentation.

Jason Moody, Economic and Planning Systems gave an evaluation of the financial aspects of the proposals as well as the requested subsidies. There were four candidates and the two finalists had the most resources at their disposal. He said they gave a slight nod to OTO because of the size of their portfolio of projects and they committed equity to a project of this nature, they applied more financial information about their available equity.

Todd Turner, OTO Development introduced Steve Peters the head of real estate for this region and Mike Gallen, Director of Development for the West Coast. **Turner** gave a powerpoint presentation regarding their company, development expertise, sponsorship and track record, properties developed and managed.

Councilmember Salazar said the estimate of the City's contribution was an estimate and asked what is the track record of OTO's estimates? **Turner** said their estimate was the best guess on what we know today, which is not much. He said they would know more in 60 days.

Councilmember Salazar asked in his experience what was the key driver and what could be dug up? **Turner** said the per square foot construction cost of the building and the subterranean parking and prevailing wage of the construction project itself.

Councilmember Medina asked how close to target have you been on your projects? **Turner** asked the Director of Development how they come in on their final numbers vs. their estimates from a year ago. **Mike Gallen** said historically they have done a good job on the vast majority of every project. In Palo Alto they saw a little bit of a spike but they were well within the contingency. He thought there was much more competition in the market.

Councilmember Medina why do we need concessions and how are they derived? **Turner** said factors in the equation on how the hotel market performs and how this hotel is going to perform. This research is done from data used from Smith Travel who collects data on all the hotels in the country to see how the market is doing. Nine hotels were studied in San Bruno and Oyster Point and they put together trends and analysis of how this market performs. A very good sense of how this market is doing today, at the end of 2012 the market was 82% occupied at an average rate of \$142.00.

Vice Mayor O'Connell asked if they have ever had a failure? **Turner** said 2009 was the worse lodging since 1936 and they had to let some projects go.

Mayor Ruane asked Moody about the return on the investment. **Moody** said the City would make money for the City on TOT and property tax.

Councilmember Ibarra said he felt good that OTO was attracted to San Bruno. **Turner** said San Bruno and this site have the characteristics of what they look for.

Cory Creath, Principle with AXIS Architecture on behalf of R. D. Olson shared a few thoughts and asked Council consider a different outcome since the vote has not been taken yet.

Maria Rose, Resident of San Bruno, Local 2, said they should have union workers.

A lady, Resident of San Bruno, Local 2 said the union gives security for their jobs and a new hotel needs to be staffed by union members.

Laszlo, Resident of San Bruno, Local 2 said the hotel should not employ non-union workers.

Lemoin Werlein, President of the San Mateo Labor Council-representing Local 2 said their hope is the hotel will become a union hotel.

Maya, Resident of San Bruno, Local 2 said she has worked in union hotels and non-union hotels and she would like a union hotel.

Councilmember Ibarra said he has seen the development of this site and he is pleased to see this day.

M/S Ibarra/O'Connell to select a development team and passed with all ayes.

b. Provide Discussion and Direction to Adopt Resolution Supporting Federal and State Gun Violence Legislation, and to Identify Specific Local Measures to Reduce the Risk of Gun Violence.

City Attorney Zafferano gave a powerpoint presentation of the staff report.

Police Chief Telford said all public and private school safety plans are being reviewed to make sure their plans are adequate. In April there will be a School Safety Summit throughout the County.

Mayor Ruane said he brought this before the City Manager and Chief and whether it be pipeline safety or gun violence this has to start from the bottom up. He asked staff look at the permitting issue.

Councilmember Salazar said this is a very emotional national topic and looked asked that things be looked at realistically. He said regarding the limit to purchase 500 rounds, are we prepared to follow up on those reports? What can we legally do if someone purchases 500 rounds? **Telford** said there is nothing to prohibit a person from purchasing 500 rounds; the only thing is the Police would be warned.

Councilmember Salazar asked if it could be ordered off the internet. **Telford** said yes.

Councilmember Salazar said, noting he was not a spokesman for the NRA, if things are made illegal, legal people are affected by this and those who choose not to obey the law will continue to do what they are doing. He said if we are to put something on the books, he wanted to make sure it would stop a crime from happening.

Councilmember Salazar asked what we do with the information on stolen guns? **Telford** said that information is entered into a nationwide database, firearm serial number, etc.

Councilmember Salazar asked if there is data of a gun store in a community leading to greater violence in the community. **Telford** said there have been two or three burglaries of firearms from gun stores in San Bruno. Some of the guns have been recovered some of them have not.

Councilmember Salazar said maybe there should be requirements on how the gun stores secure their inventory. He said focusing on dangerous individuals might be better than focusing on the weapons. Through a tip line, people who are likely to be violent can be identified.

Councilmember Ibarra said we need to do something. He said study the 500 rounds, the lost and stolen program is great. He said we need stronger background checks. He said the Council should endorse the resolution by Mayor Lee.

Vice Mayor O'Connell said if 500 rounds are reported to our Police Station, this information should be shared with other cities. She said the zoning and how many gun stores should be looked at. She asked about at home dealers and is there any way to regulate those? **Zafferano** said gun dealers are not permitted in any zoning district other than the Central business district. **Vice Mayor O'Connell** suggested that be added to the tip line if someone is illegally selling guns through their home.

Councilmember Salazar asked if someone was a federally licensed gun dealer they could sell a gun from their home. **Zafferano** said if you have a federal license to sell weapons they cannot be sold from their home. We wouldn't know that unless we were told.

Vice Mayor O'Connell said there are over 300 federal laws regulating guns but the funding to regulate the laws has been reduced over 50% in the last eight years. She encouraged funding of enforcement. She agreed something needs to be done.

James Mahon, Legal Community against Violence said they have a wonderful source of information on their website to get statistics. Focus on resolutions that have a real affect.

Ryan Mahoney, San Bruno resident said to purchase 500 rounds is nothing in scale. An avid shooter could go through a box in a weekend. Hollow point ammo is designed to stop; round ball ammo is designed to penetrate. He said he was an avid shooter and he had never committed a crime nor did he plan to. He saw no reason for an active legislation that keeps taking away the rights of the law-abiding citizen. The problems we have are not gun problems, they are people problems.

Councilmember Salazar asked the City's ability to limit who can own a gun? **Zafferano** said the laws that restrict people's ability to possess guns exist at the State level not the local level.

Councilmember Salazar asked for comments on the number of rounds or the logic singling out hollow points? **Telford** said 500 rounds for an avid shooter you could go through over a period of time. He said he felt if the sale of ammunition was reported within twenty-four hours and the Police Department knew the person was an avid target shooter who went through 100 rounds a month, it would not raise a red flag. He said on the other hand, a person who purchases 500 rounds one day and 500 more rounds the second day that may raise an issue. He said more research could be done on this. He concurred with Mahoney's description of hollow point vs. round ball ammo.

Vice Mayor O'Connell said is it more the function or the caliber of the bullet? **Telford** said more research would need to be done. **Vice Mayor O'Connell** said if someone purchases 500 rounds how would we know? **Telford** said it would be recorded and the seller would have to provide the information to the Police within twenty-four hours.

Councilmember Medina said since they can be ordered on line, there is no sure way of knowing that it will be recorded, as well as fake id's. Do we have the resources? He said he believed it needed to be studied a little more and asked where we came up with the idea of 500? He said whatever this Council or the community needs to make sense, needs to be enforced and we need to achieve it. He said many times decisions are made on emotion but it needs to come down to the right choices to improve the situation. He said zoning should be looked into. He said he would like to see what could be done on a local basis.

Mahoney said California has a State law regarding purchasing of the ammo; you must be 18 years old to buy rifle ammunition and 21 to buy handgun ammunition. ID has to be presented.

Zafferano said he heard general support for supporting the President's plan. He said they would monitor the State legislation and get back to Council. He said he heard some general support for the permit system, but desire to have more information and study, specifically of the San Francisco request that we ban all point ammunition and the 500 rounds. **Mayor Ruane** suggested he check with Mayor Lee's office with what their reasoning was behind the two criteria. **Zafferano** said on the potential draft amendments to the zoning ordinance he heard the majority indicating to look at those aspects to do further study to see what we can do. He said if the two gun shops we have are sufficient, which would ultimately go to the Planning Commission first.

Councilmember Salazar pointed out there is one location that is permitted to be a gun dealer but is currently not operational. He asked if any changes to the current zoning affect any of those three businesses, two in operation and one that is not. **Zafferano** said it will depend on how long the business that is currently not in operation and whether it stays out of operation. Our zoning code provides a six-month amortization period so if the use is discontinued upward of six months, after a change in zoning, then it is determined the use can lapse so there are no more rights to operate a legal non-conforming use. **Councilmember Salazar** said if we move forward, he would like some evidence of what the expected benefit would be of limiting gun stores. He also asked what impact the current businesses would have.

Zafferano said he also heard there was interest in a gun buy-back program and a tip line.

11. REPORT OF COMMISSIONS, BOARDS, & COMMITTEES: None.

12. COMMENTS FROM COUNCIL MEMBERS: None.

13. CLOSED SESSION:

Mayor Ruane said they would be going into closed session with no reportable action. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8
Property: Parcel Nos. 019-041-010; 019-043-020; 019-024-230; 019-014-180; 019-023-250;
019-043-460; 019-043-010; 019-041-030; 019-023-280; 019-014-150; 019-023-080.
Agency Negotiator: City Manager; Negotiating Parties: City of San Bruno and PG&E
Under Negotiation: Price and Terms of Payment.

14. ADJOURNMENT:

Mayor Ruane closed the meeting at 9:10. The next regular City Council Meeting will be held on March 12, 2013 at 7:00 p.m. at the Senior Center, 1555 Crystal Springs Road, San Bruno.

Respectfully submitted for approval
at the City Council Meeting of
March 12, 2013

Carol Bonner, City Clerk

Jim Ruane, Mayor

02/19/13

CITY OF SAN BRUNO
WARRANT REGISTER
TOTAL FUND RECAP

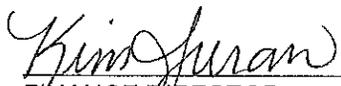
FUND	FUND NAME	AMOUNT
001	GENERAL FUND	\$436,478.56
122	SOLID WASTE/RECYCLE	\$620.83
132	AGENCY ON AGING	\$59.02
133	RESTRICTED DONATIONS	\$6,547.60
190	EMERGENCY DISASTER FUND	\$2,185.47
201	PARKS AND FACILITIES CAPITAL	\$427.00
203	STREET IMPROVE/ PROJECTS	\$19,550.00
207	TECHNOLOGY CAPITAL	\$4,622.09
611	WATER FUND	\$7,946.92
621	STORMWATER FUND	\$346.22
631	WASTEWATER FUND	\$590,307.91
641	CABLE TV FUND	\$124,658.17
701	CENTRAL GARAGE	\$29.55
702	FACILITY MAINT. FUND	\$26,967.65
703	GENERAL EQUIPMENT REVOLVING	\$414.73
707	TECHNOLOGY DEVELOPMENT	\$33.19
880	PROJECT DEVELOP. TRUST	\$420.00

TOTAL FOR APPROVAL \$1,221,614.91

HONORABLE MAYOR AND CITY COUNCIL:

THIS IS TO CERTIFY THAT THE CLAIMS LISTED ON PAGES NUMBERED FROM 1 THROUGH 4 INCLUSIVE, AND/OR CLAIMS NUMBERED FROM 139978 THROUGH 140097 INCLUSIVE, TOTALING IN THE AMOUNT OF \$1,221,614.91 HAVE BEEN CHECKED IN DETAIL AND APPROVED BY THE PROPER OFFICIALS, AND IN MY OPINION REPRESENT FAIR AND JUST CHARGES AGAINST THE CITY IN ACCORDANCE WITH THEIR RESPECTIVE AMOUNTS AS INDICATED THEREON.

RESPECTFULLY SUBMITTED,


FINANCE DIRECTOR

2/27/13
DATE

T.a.

Document group: dliu Bank: apbank 05507660

Vendor Code & Name	Check #	Check Date	Amount	
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0001965	ARISTA BUSINESS	139987	2/19/2013	295.00
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0102852	BILL ROSENTHAL & ASSOCIATES	139978	2/12/2013	3,350.00
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0016324	CINTAS CORPORATION #464	139998	2/19/2013	169.15
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0105644	CORNELY COMPANY	140005	2/19/2013	875.00
0002012	CPS	140006	2/19/2013	7,791.25
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0104693	DEBBIE GRECH	140027	2/19/2013	777.69
0102820	DEBRA HALL	140029	2/19/2013	289.00
0018169	DELL MARKETING L.P.	140011	2/19/2013	4,622.09
0093479	DEPARTMENT OF JUSTICE	140012	2/19/2013	646.00
0018092	DISCOVERY COMMUNICATIONS LLC	140013	2/19/2013	3,283.50
0018804	ECMS, INC.	140014	2/19/2013	157.33
0018697	EVIDENT	140016	2/19/2013	45.00
0000944	FEDEX	140017	2/19/2013	20.27
0017707	FITZGERALD ELECTRO-MECHANICAL	140018	2/19/2013	207.35
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0104135	GLOBAL TRACKING COMMUNICATIONS, INC.	140088	2/19/2013	29.99
0000162	GRAINGER	140026	2/19/2013	225.95
0105657	HANIFA SHAH	140068	2/19/2013	15.34
0105488	HINES EDM, INC.	140030	2/19/2013	3,590.00
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0105617	JENNIFER FLORES	140019	2/19/2013	94.38
0018498	KONICA MINOLTA BUSINESS SOL.	140035	2/19/2013	731.40

Document group: dliu Bank: apbank 05507660

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0105193 LISA PETRUSICH	140054	2/19/2013	8.14
0018177 LOWE'S	140040	2/19/2013	239.63
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0102275 MIRIAM SCHALIT	140067	2/19/2013	500.00
0103600 MOMENTUM TELECOM, INC.	140043	2/19/2013	21,157.82
0000333 MOSS RUBBER & EQUIP. CORP.	140044	2/19/2013	126.03
0105660 MYRON RAMOS	140057	2/19/2013	9.64
0105647 NANCY CASAZZA	139995	2/19/2013	69.00
0018319 NEAL MARTIN & ASSOCIATES	140045	2/19/2013	1,410.00
0104035 NORTH COUNTY INVESTIGATION SRV	140046	2/19/2013	1,325.50
0018475 OCEAN COMPUTER GROUP INC.	140047	2/19/2013	2,881.87
0018157 OCLC INC	140048	2/19/2013	320.63
0092263 OFFICE DEPOT INC	140049	2/19/2013	571.71
0000210 OLE'S CARBURETOR &ELECTRIC INC	140050	2/19/2013	94.69
0000012 PACIFIC GAS & ELECTRIC	140051	2/19/2013	6,011.20
0001154 PENINSULA LIBRARY SYSTEM	140052	2/19/2013	581.75
0102915 PRECISE PRINTING & MAILING	140055	2/19/2013	768.88
0105650 PUBLIC SAFETY TRAINING INSTIT.	140056	2/19/2013	225.00
0017111 RANDOM HOUSE INC	140058	2/19/2013	126.13
0105614 RAVIN SINGH	140071	2/19/2013	276.00
0016729 RICOH AMERICAS CORPORATION	140059	2/19/2013	415.92
0105005 ROBERT CAMPBELL PHOTOGRAPHY	140061	2/19/2013	1,850.00
0105646 ROSALINDA FLORES	140020	2/19/2013	69.00
0101770 ROSARIO BIE	140062	2/19/2013	24.44
0095319 ROTO-ROOTER SERVICES CO.	140063	2/19/2013	468.00
0013581 ROVI GUIDES, INC.	140064	2/19/2013	9,224.24
0018891 SAN MATEO COUNTY CITY MANAGERS' ASSOCIATI	139999	2/19/2013	250.00
0099047 SAN MATEO CTY SHERIFF'S OFFICE	140065	2/19/2013	1,620.82
0018597 SAN MATEO DAILY JOURNAL	140066	2/19/2013	2,360.00
0017676 SIEMENS INDUSTRY, INC.	140069	2/19/2013	7,947.00
0104785 SIMON WONG ENGINEERING, INC.	140070	2/19/2013	240.00
0103492 SMITHSONIAN NETWORKS	140072	2/19/2013	291.21
0017989 SOUTHLAND INDUSTRIES	140073	2/19/2013	15,891.00
0105638 SOUTHWOOD UPHOLSTERY	140074	2/19/2013	2,957.60
0105135 SPOSETO ENGINEERING, INC.	140075	2/19/2013	12,122.56
0097079 SPRINT	140076	2/19/2013	515.74
0014075 STATE BOARD OF EQUALIZATION	140077	2/19/2013	419.00
0105656 SUZANNE HOUSE	140032	2/19/2013	22.95
0018028 SWRCB	140078	2/19/2013	427.00
0105659 TARA GROVE	140028	2/19/2013	15.00
0000431 TEAMSTERS LOCAL #856	140080	2/19/2013	345,984.00
0015691 TEAMSTERS LOCAL 856	140081	2/19/2013	12,549.00
0002025 TELECOMMUNICATIONS ENGINEERING ASSOCIATE	140015	2/19/2013	2,223.00
0017659 THE CALIFORNIA CHANNEL	140082	2/19/2013	132.02
0102745 THE MERCURY NEWS	140083	2/19/2013	439.52
0100610 THOMAS O'DONNELL	140084	2/19/2013	13.10

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Vendor Code & Name	Check #	Check Date	Amount
0000036 THOMSON WEST	140085	2/19/2013	436.35
0090792 TONY GRECH	140086	2/19/2013	3,000.00
0018818 TOSHIBA BUSINESS SOLUTIONS CA	140087	2/19/2013	533.81
0103095 TUTV	140089	2/19/2013	81.48
0095538 TV GUIDE NETWORK, INC.	140090	2/19/2013	771.00
0000462 TVC COMMUNICATIONS L.L.C.	140091	2/19/2013	540.73
0099592 UNIVISION COMMUNICATIONS, INC.	140092	2/19/2013	3,753.19
0017083 VALI COOPER & ASSOCIATES INC	140093	2/19/2013	19,500.00
0102988 VANTAGEPOINT TRANSFER AGENTS	140094	2/19/2013	7,966.71
0017725 VORTEX INDUSTRIES	140095	2/19/2013	1,426.97
0018432 W. BRADLEY ELECTRIC INC.	140096	2/19/2013	820.00
0105655 WAI TANG	140079	2/19/2013	17.01
0102630 XO COMMUNICATIONS, LLC	140097	2/19/2013	6,777.17
		GrandTotal:	1,221,614.91
		Total count:	120

02/25/13

CITY OF SAN BRUNO
WARRANT REGISTER
TOTAL FUND RECAP

FUND	FUND NAME	AMOUNT
001	GENERAL FUND	\$58,788.46
132	AGENCY ON AGING	\$1,740.50
190	EMERGENCY DISASTER FUND	\$98,824.03
611	WATER FUND	\$277,034.03
621	STORMWATER FUND	\$741.29
641	CABLE TV FUND	\$57,329.73
702	FACILITY MAINT. FUND	\$2,826.76
707	TECHNOLOGY DEVELOPMENT	\$249.50
891	S.B. GARBAGE CO. TRUST	\$444,654.72
TOTAL FOR APPROVAL		\$942,189.02

HONORABLE MAYOR AND CITY COUNCIL:

THIS IS TO CERTIFY THAT THE CLAIMS LISTED ON PAGES NUMBERED FROM 1 THROUGH 3 INCLUSIVE, AND/OR CLAIMS NUMBERED FROM 140098 THROUGH 140202 INCLUSIVE, TOTALING IN THE AMOUNT OF \$942,189.02 HAVE BEEN CHECKED IN DETAIL AND APPROVED BY THE PROPER OFFICIALS, AND IN MY OPINION REPRESENT FAIR AND JUST CHARGES AGAINST THE CITY IN ACCORDANCE WITH THEIR RESPECTIVE AMOUNTS AS INDICATED THEREON.

RESPECTFULLY SUBMITTED,


FINANCE DIRECTOR

2/27/13
DATE

Document group: komalley Bank: apbank 05507660

Vendor Code & Name	Check #	Check Date	Amount
0016499 ACTION SPORTS	140098	2/25/2013	1,540.00
0018330 ADAMS CABLE EQUIPMENT, INC.	140099	2/25/2013	2,675.00
0001170 AIRGAS NCN	140100	2/25/2013	501.99
0000163 AIRPORT AUTO PARTS INC.	140101	2/25/2013	26.22
0097137 ALERT DOOR SERVICE INC	140102	2/25/2013	150.00
0016688 ALPHA TECHNOLOGIES, INC.	140103	2/25/2013	390.00
0102355 AMAZON	140104	2/25/2013	471.07
0001202 ARAMARK UNIFORM SERVICES	140105	2/25/2013	20.38
0001965 ARISTA BUSINESS	140106	2/25/2013	253.36
0016123 AT&T	140107	2/25/2013	538.67
0017191 AT&T	140108	2/25/2013	248.09
0018363 AT&T LONG DISTANCE	140109	2/25/2013	15.87
0018465 AT&T MOBILITY	140110	2/25/2013	45.45
0018367 AVAIL-TVN	140111	2/25/2013	5,452.63
0000345 BAKER & TAYLOR BOOKS	140112	2/25/2013	1,843.93
0018093 BBC WORLDWIDE AMERICA INC.	140113	2/25/2013	782.80
0018000 BOUND TREE MEDICAL LLC	140114	2/25/2013	220.85
0105665 BRIAN CAMPBELL	140118	2/25/2013	25.00
0000378 BROADMOOR LANDSCAPE SUPPLY	140115	2/25/2013	135.37
0105324 CAINE COMPUTER CONSULTING, LLC	140116	2/25/2013	3,120.00
0092118 CALIFORNIA GROUNDWATER ASSN.	140117	2/25/2013	375.00
0017771 CARL WIND PHOTOGRAPHY	140119	2/25/2013	1,104.00
0018977 CBS TELEVISION STATIONS	140120	2/25/2013	6,561.39
0017843 CENTRAL COUNTY FIRE DEPT.	140121	2/25/2013	1,542.34
0016324 CINTAS CORPORATION #464	140122	2/25/2013	169.15
0096053 CINTAS DOCUMENT MANAGEMENT	140123	2/25/2013	45.00
0018401 CITY OF FOSTER CITY	140124	2/25/2013	1,500.00
0017802 CLEANSOURCE, INC.	140125	2/25/2013	678.11
0098656 COMPLETE LINEN SERVICE	140126	2/25/2013	71.79
0015857 COUNTY OF SAN MATEO	140128	2/25/2013	76.00
0000251 CUMMINS WEST INC.	140129	2/25/2013	1,718.37
0104871 DAVID CLARK COMPANY, INC	140130	2/25/2013	315.35
0105642 DOREEN HIRSCH	140145	2/25/2013	2,215.77
0098144 ECOLAB FOOD SAFETY SPECIALTIES	140132	2/25/2013	41.26
0094788 ENGEO INC	140133	2/25/2013	22,779.21
0104364 EQUIFAX INFORMATION SVCS LLC	140134	2/25/2013	110.00
0102362 ESPN	140135	2/25/2013	5,554.91
0000944 FEDEX	140136	2/25/2013	18.10
0018117 FLYERS ENERGY, LLC	140137	2/25/2013	12,282.79
0000574 GARY M. OLSON PH.D.	140139	2/25/2013	300.00
0105554 GLOBAL SUN LANDSCAPE	140140	2/25/2013	5,678.82
0096311 GOLTV, INC.	140141	2/25/2013	2,234.57
0000162 GRAINGER	140142	2/25/2013	148.86
0095966 GREATAMERICA FINANCIAL SVCS.	140143	2/25/2013	736.11
0105378 HOME MAID RAVIOLI COMPANY INC.	140146	2/25/2013	165.50
0001786 IN DEMAND-NYC	140147	2/25/2013	668.36
0001786 IN DEMAND-NYC	140148	2/25/2013	432.34
0018838 INFOSEND, INC.	140149	2/25/2013	3,869.15
0099054 INTERSTATE TRS FUND	140150	2/25/2013	346.19
0018261 INTL MEDIA DISTRIBUTION, LLC	140151	2/25/2013	2,291.97
0000581 IRVINE & JACHENS INC.	140152	2/25/2013	276.68
0102677 JDS UNIPHASE CORPORATION	140153	2/25/2013	754.08
0103317 JILL ROFII	140181	2/25/2013	1,733.90

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Vendor Code & Name	Check #	Check Date	Amount
0097533 JULIA/PAUL LARSON	140157	2/25/2013	16.37
0103617 KAREN GARCIA	140138	2/25/2013	21.07
0096379 KAREN OJAKIAN	140170	2/25/2013	845.00
0000132 KELLY-MOORE PAINT CO INC.	140154	2/25/2013	37.16
0018415 KIMBERLY JURAN	140155	2/25/2013	270.00
0105034 LFP BROADCASTING, LLC	140158	2/25/2013	38.97
0104424 LIDIA'S ITALIAN DELICACIES	140159	2/25/2013	1,575.00
0091101 LIEBERT CASSIDY WHITMORE	140160	2/25/2013	42.00
0016034 LINDA RUSSELL	140182	2/25/2013	510.25
0102701 LISA LUCIANO	140162	2/25/2013	577.50
0104828 MARKETSHARE, INC.	140163	2/25/2013	465.09
0096724 NATIONAL CONSTRUCTION RENTALS	140165	2/25/2013	824.16
0102408 NATIONAL GEOGRAPHIC CHANNEL HD	140166	2/25/2013	62.44
0018692 NHK COSMOMEDIA AMERICA, INC.	140167	2/25/2013	343.75
0103301 NHL NETWORK US, LP	140168	2/25/2013	937.30
0092263 OFFICE DEPOT INC	140169	2/25/2013	1,833.02
0000012 PACIFIC GAS & ELECTRIC	140171	2/25/2013	9,684.26
0104697 PBS KIDS SPROUT	140172	2/25/2013	684.02
0096530 PENINSULA WATER WORKS ASSOC.	140173	2/25/2013	165.00
0018094 PLAYBOY ENTERPRISES, INC.	140175	2/25/2013	10.79
0017712 RECALL SECURE DESTRUCTION SERVICES, INC.	140131	2/25/2013	120.60
0000175 RECOLOGY SAN BRUNO	140176	2/25/2013	404,654.72
0000175 RECOLOGY SAN BRUNO	140177	2/25/2013	40,000.00
0094546 RECORDED BOOKS, LLC	140178	2/25/2013	39.05
0105645 RENE MARTINEZ	140164	2/25/2013	38.00
0104548 RENNE SLOAN HOLTZMAN SAKAI LLP	140179	2/25/2013	1,284.00
0102782 RGB NETWORKS, INC.	140180	2/25/2013	16,559.60
0000022 ROBERT LOUIE	140161	2/25/2013	115.05
0000081 SAN BRUNO CABLE TV	140183	2/25/2013	144.08
0017807 SAN MATEO COUNTY CONTROLLER'S OFFICE	140127	2/25/2013	12,320.87
0093465 SAN MATEO COUNTY SHERIFF	140184	2/25/2013	550.00
0017145 SAN MATEO LAWN MOWER SHOP	140185	2/25/2013	73.36
0000074 SFPUC - WATER DEPARTMENT	140186	2/25/2013	250,925.05
0098840 SHAW PIPELINE INC	140187	2/25/2013	86,894.18
0099314 SOHAILA HERNANDEZ	140144	2/25/2013	6.13
0015875 SPICE DIGITAL NETWORKS	140188	2/25/2013	57.54
0018602 STARZ ENTERTAINMENT LLC.	140189	2/25/2013	872.08
0018321 STOEL RIVES LLP	140190	2/25/2013	296.00
0018073 TEAMSTERS LOCAL 350	140191	2/25/2013	2,380.00
0000036 THOMSON WEST	140192	2/25/2013	52.08
0098864 TINA LAM	140156	2/25/2013	168.52
0105031 TMNDRT	140193	2/25/2013	1,122.17
0102357 TONY PERKINS	140174	2/25/2013	92.01
0018818 TOSHIBA BUSINESS SOLUTIONS CA	140194	2/25/2013	3.49
0017133 TURBO DATA SYSTEMS INC	140195	2/25/2013	2,713.93
0000019 U.S. POSTMASTER	140196	2/25/2013	3,800.00
0018618 UNITED SITE SERVICES INC.	140197	2/25/2013	86.70
0102744 UNIVERSAL BUILDING SERVICES	140198	2/25/2013	163.00
0098625 UPS	140199	2/25/2013	101.60
0018771 VAVRINEK TRINE DAY & CO LLP	140200	2/25/2013	2,000.00
0103044 WATER ENVIRONMENT FEDERATION	140201	2/25/2013	278.00
0096421 WEST-LITE SUPPLY CO., INC.	140202	2/25/2013	82.31

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GrandTotal: 942,189.02
Total count: 105

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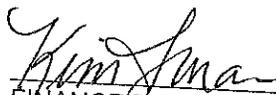
CITY OF SAN BRUNO
WARRANT REGISTER
TOTAL FUND RECAP

FUND	FUND NAME	AMOUNT
001	GENERAL FUND	
111	POLICE ASSET FORFEITURE	\$114,976.75
132	AGENCY ON AGING	\$3,053.19
190	EMERGENCY DISASTER FUND	\$602.95
207	TECHNOLOGY CAPITAL	\$37,646.25
611	WATER FUND	\$4,622.09
621	STORMWATER FUND	\$23,225.83
631	WASTEWATER FUND	\$12,357.26
641	CABLE TV FUND	\$19,617.89
701	CENTRAL GARAGE	\$11,728.89
702	FACILITY MAINT. FUND	\$142.10
707	TECHNOLOGY DEVELOPMENT	\$1,783.58
711	SELF INSURANCE	\$11,542.17
880	PROJECT DEVELOP. TRUST	\$620.60
		\$1,140.00
TOTAL FOR APPROVAL		\$243,059.55

HONORABLE MAYOR AND CITY COUNCIL:

THIS IS TO CERTIFY THAT THE CLAIMS LISTED ON PAGES NUMBERED FROM 1 THROUGH 3 INCLUSIVE, AND/OR CLAIMS NUMBERED FROM 140203 THROUGH 140321 INCLUSIVE, TOTALING IN THE AMOUNT OF \$243,059.55 HAVE BEEN CHECKED IN DETAIL AND APPROVED BY THE PROPER OFFICIALS, AND IN MY OPINION REPRESENT FAIR AND JUST CHARGES AGAINST THE CITY IN ACCORDANCE WITH THEIR RESPECTIVE AMOUNTS AS INDICATED THEREON.

RESPECTFULLY SUBMITTED,


FINANCE DIRECTOR

3/5/13
DATE

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Vendor Code & Name	Check #	Check Date	Amount
0096852 ABAG PLAN CORPORATION	140203	3/4/2013	
0000368 ABCO PRINTERS	140204	3/4/2013	620.60
0017053 ACCOUNTEMP	140205	3/4/2013	1,171.09
0001170 AIRGAS NCN	140206	3/4/2013	4,160.00
0001170 AIRGAS NCN	140207	3/4/2013	176.04
0017459 ALL CITY MANAGEMENT SVC.INC.	140208	3/4/2013	24.14
0000372 ALLIED SECURITY ALARMS	140209	3/4/2013	2,187.36
0104542 ALTA LANGUAGE SERVICES, INC.	140210	3/4/2013	550.49
0103234 ALWAYS UNDER PRESSURE	140211	3/4/2013	900.00
0001202 ARAMARK UNIFORM SERVICES	140213	3/4/2013	1,678.01
0001965 ARISTA BUSINESS	140214	3/4/2013	20.38
0016123 AT&T	140215	3/4/2013	1,051.58
0017191 AT&T	140216	3/4/2013	95.72
0105674 AUGUST SICKINGER	140217	3/4/2013	916.09
0000345 BAKER & TAYLOR BOOKS	140307	3/4/2013	60.64
0092038 BART & JUDY LEWIS	140218	3/4/2013	1,412.52
0017678 BAUER COMPRESSORS INC.	140219	3/4/2013	213.60
0103924 BEAR DATA SOLUTIONS, INC.	140219	3/4/2013	448.60
0017600 BURTON'S FIRE INC.	140220	3/4/2013	3,531.55
0096798 BUSINESS PRODUCTS & SUPPLIES	140222	3/4/2013	154.96
0000580 C & L SPORTING GOODS	140223	3/4/2013	1,487.16
0014739 CAL-STEAM	140224	3/4/2013	1,383.38
0017843 CENTRAL COUNTY FIRE DEPT.	140225	3/4/2013	122.95
0017284 CHEMSEARCHFE	140227	3/4/2013	17,500.00
0102703 CINDY FEHL	140228	3/4/2013	386.87
0016324 CINTAS CORPORATION #464	140245	3/4/2013	40.43
0013595 CITY OF SAN BRUNO	140230	3/4/2013	2,641.89
0017802 CLEANSOURCE, INC.	140231	3/4/2013	686.66
0104218 COIT	140232	3/4/2013	762.04
0098656 COMPLETE LINEN SERVICE	140233	3/4/2013	990.00
0105187 CONCERN	140234	3/4/2013	146.35
0015857 COUNTY OF SAN MATEO	140235	3/4/2013	664.44
0018331 CSG CONSULTANTS INC.	140236	3/4/2013	3,401.50
0097934 CWEA-TCP	140237	3/4/2013	8,326.17
0102820 DEBRA HALL	140238	3/4/2013	140.00
0018169 DELL MARKETING L.P.	140256	3/4/2013	289.00
0099627 DORIS RHODES	140239	3/4/2013	4,622.09
0105663 DOUGLAS E SEVERANCE, MD	140299	3/4/2013	31.95
0094788 ENGEO INC	140241	3/4/2013	100.00
0018057 FIRE INFORMATION SUPPORT SERVI	140242	3/4/2013	4,157.82
0001782 FLOWERS ELECTRIC & SVC.CO.INC.	140246	3/4/2013	3,100.00
0018117 FLYERS ENERGY, LLC	140247	3/4/2013	5,646.16
0102869 FRANCHISE TAX BOARD	140248	3/4/2013	10,905.26
0103258 GC MICRO CORPORATION	140249	3/4/2013	550.00
0105554 GLOBAL SUN LANDSCAPE	140250	3/4/2013	137.80
0016969 GOLDEN IDEAS	140251	3/4/2013	11,302.01
0000162 GRAINGER	140252	3/4/2013	200.00
0000541 GRANITE ROCK COMPANY	140253	3/4/2013	150.60
0105673 GREG NICKLAS	140254	3/4/2013	3,014.88
0093817 HAWKINS TRAFFIC SAFETY SUPPLY	140277	3/4/2013	24.42
0105378 HOME MAID RAVIOLI COMPANY INC.	140257	3/4/2013	218.73
0018090 HOPKINS TECHNICAL PRODUCTS,INC	140258	3/4/2013	77.95
0103336 HUB INTERNATIONAL SERVICE INC.	140259	3/4/2013	6,759.30
	140260	3/4/2013	443.39

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Vendor Code & Name	Check #	Check Date	Amount
0015644 INDUSTRIAL WIPER & SUPPLY,INC.	140261	3/4/2013	183.76
0018261 INTL MEDIA DISTRIBUTION, LLC	140262	3/4/2013	594.00
0104724 JEANETT ERRINGTON	140244	3/4/2013	162.50
0105339 JUMPER SHOP LLC	140263	3/4/2013	1,373.66
0000075 K-119 TOOLS OF CALIFORNIA INC.	140264	3/4/2013	216.89
0098369 KON-CHING CHIANG	140229	3/4/2013	58.99
0105664 KTECHTELECOM INC.	140265	3/4/2013	528.93
0014262 LC ACTION POLICE SUPPLY	140267	3/4/2013	3,053.19
0098865 LENA MC'NEELEY	140271	3/4/2013	34.66
0104424 LIDIA'S ITALIAN DELICACIES	140268	3/4/2013	525.00
0018177 LOWE'S	140269	3/4/2013	689.96
0093412 LYNN NIEMIRA	140279	3/4/2013	1,106.30
0017026 LYNX TECHNOLOGIES, INC.	140270	3/4/2013	1,440.00
0000376 MARILYN BENNETT	140221	3/4/2013	275.60
0002106 MASATOSHI MORITA	140274	3/4/2013	42.90
0102770 METLIFE	140272	3/4/2013	1,205.08
0096800 MOBILE CALIBRATION SVCS. LLC	140273	3/4/2013	307.42
0000333 MOSS RUBBER & EQUIP. CORP.	140275	3/4/2013	139.15
0018319 NEAL MARTIN & ASSOCIATES	140276	3/4/2013	17,080.00
0105666 NICK'S ENTERPRISES, INC.	140278	3/4/2013	500.00
0096380 NORTH COUNTY RECREATION LEAGUE(NCRL)	140295	3/4/2013	400.00
0092263 OFFICE DEPOT INC	140281	3/4/2013	701.29
0018284 OFFICEMAX INC.	140282	3/4/2013	716.09
0000210 OLE'S CARBURETOR &ELECTRIC INC	140283	3/4/2013	65.01
0097567 ONE HOUR DRY CLEANING	140284	3/4/2013	135.20
0016320 P.C. SCHAFFER CO.	140285	3/4/2013	487.13
0000012 PACIFIC GAS & ELECTRIC	140286	3/4/2013	5,264.13
0018492 PARKSIDE PTO	140288	3/4/2013	340.00
0015163 PENINSULA SPORTS OFFICIALS ASSOC.INC.	140309	3/4/2013	312.00
0000294 PITNEY BOWES	140289	3/4/2013	1,869.06
0000618 PLANTRONICS INC	140290	3/4/2013	53.17
0000285 PREFERRED ALLIANCE, INC.	140291	3/4/2013	266.00
0105650 PUBLIC SAFETY TRAINING INSTITUTE	140300	3/4/2013	85.00
0000071 R & B COMPANY	140292	3/4/2013	7,621.19
0091044 R.A. METAL PRODUCTS, INC	140293	3/4/2013	1,872.10
0105672 RAJESH PALANICHAMY	140287	3/4/2013	31.50
0017111 RANDOM HOUSE INC	140294	3/4/2013	36.62
0090749 RED WING SHOE STORE	140296	3/4/2013	195.29
0000229 REEVES CO., INC.	140297	3/4/2013	27.22
0104548 RENNE SLOAN HOLTZMAN SAKAI LLP	140298	3/4/2013	1,032.78
0018070 RON LAVEZZO	140266	3/4/2013	170.00
0105662 RUSSELL GUTIERREZ	140255	3/4/2013	886.68
0016774 SAN DIEGO POLICE EQUIPMENT CO.	140301	3/4/2013	536.28
0105671 SAN MATEO COUNTY EMS AGENCY	140302	3/4/2013	150.00
0017145 SAN MATEO LAWN MOWER SHOP	140303	3/4/2013	134.05
0104686 SANDIS CIVIL ENGINEERS SURVEYORS PLANNERS	140243	3/4/2013	513.71
0103732 SFO MEDICAL CLINIC	140304	3/4/2013	452.00
0018962 SHOE DEPOT INC.	140305	3/4/2013	312.42
0000216 SHOWTIME NETWORKS INC.	140306	3/4/2013	6,562.86
0001225 SIERRA PACIFIC TURF SUPPLY,INC	140308	3/4/2013	1,133.02
0000906 STAR MICROSYSTEMS INC	140310	3/4/2013	21.69
0105456 TANFORAN PARK SHOPPING CTR LLC	140311	3/4/2013	100.00
0097184 TELEVISION DOMINICANA LLC	140312	3/4/2013	34.79
0105675 TERRY CAMPBELL	140226	3/4/2013	52.77

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Vendor Code & Name	Check #	Check Date	Amount
0018275 THE REGENTS OF THE UNIVERSITY OF CA	140280	3/4/2013	135.91
0096003 TRACI DOS SANTOS	140240	3/4/2013	757.90
0103780 TREADWELL & ROLLO, INC.	140313	3/4/2013	8,907.50
0017134 TRINET CONSTRUCTION INC.	140314	3/4/2013	26,175.55
0102988 VANTAGEPOINT TRANSFER AGENTS	140315	3/4/2013	7,888.94
0095749 VERIZON WIRELESS	140316	3/4/2013	1,623.32
0098917 VOLIKOS ENTERPRISES	140317	3/4/2013	2,183.00
0104939 WESTERN PACIFIC SIGNAL, LLC	140318	3/4/2013	12,091.79
0018385 WFCB - OSH COMMERCIAL SERVICES	140319	3/4/2013	68.90
0018580 WILEY PRICE & RADULOVICH LLP	140320	3/4/2013	3,014.00
0103866 WILL ANDERSON	140212	3/4/2013	500.00
0103399 ZUMAR INDUSTRIES, INC.	140321	3/4/2013	7,839.13
		GrandTotal:	243,059.55
		Total count:	119



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: March 12, 2013
TO: Honorable Mayor and Members of the City Council
FROM: Kim Juran, Finance Director
SUBJECT: Payroll Approval

City Council approval of the City payroll distributed March 1, 2013 is recommended. The Labor Summary report reflecting the total payroll amount of \$1,281,804.44 for the bi-weekly pay period ending February 24, 2013 is attached.

7.6.

LABOR SUMMARY FOR PAY PERIOD ENDING : February 24, 2012

pyLaborDist

03/01/13

Fund: 001 - GENERAL FUND	974,585.68
Fund: 122 - SOLID WASTE/RECYCL.	1,374.25
Fund: 153 -RDA OBLIGATION RETIREMENT FUND	6,005.24
Fund: 190 - EMERGENCY DISASTER FUND	17,090.35
Fund: 201 - PARKS AND FACILITIES CAPITAL	1,076.84
Fund: 207 - TECHNOLOGY CAPITAL	5,008.87
Fund: 203 - STREET IMPROVE. PROJECTS	1,087.51
Fund: 611 - WATER FUND	78,769.81
Fund: 621 - STORMWATER FUND	13,252.33
Fund: 631 - WASTEWATER FUND	50,242.90
Fund: 641 - CABLE TV FUND	86,277.91
Fund: 701 - CENTRAL GARAGE	9,600.60
Fund: 702 - FACILITY MAINT.FUND	21,273.95
Fund: 707 - TECHNOLOGY DEVELOPMENT	9,571.88
Fund: 711 - SELF INSURANCE	6,586.32

Total

\$1,281,804.44



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: March 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: David Woltering, Community Development Director

SUBJECT: Accept the Housing Element Annual Progress Report (APR) for Calendar Year 2012 and Direct Staff to Forward the Report to the California State Office of Planning and Research and the California Department of Housing and Community Development

BACKGROUND

State law requires each jurisdiction in California to prepare an annual report on the status and progress in implementing the jurisdiction's housing element, called the Housing Element Annual Progress Report (APR). San Bruno's Housing Element (2009-2014) was adopted by the City Council on March 23, 2010 and certified by the California Department of Housing and Community Development (HCD) on June 15, 2010. The APR is a tool to help facilitate implementation of the Housing Element and to track and monitor progress in addressing the City's housing needs and goals. The report provides information on the City's progress in addressing its Regional Housing Needs Allocation (RHNA), including the number of new housing units by income level, the status of Housing Element programs, and efforts to remove governmental constraints on the development of affordable housing. The APR must be submitted to HCD and the State Office of Planning and Research by April 1, 2013.

DISCUSSION

The attached Housing Element APR was prepared using forms provided by HCD. This staff reports provides a summary of the Progress Report.

Annual Building Report Summary

Tables A, A2 and A3 provide information on new residential construction and affordability based on building permits issued during 2012. Building permits were issued for a total of 19 units in two developments in 2012:

- Crestmoor Rebuilding. On September 9, 2010, the PG&E gas line explosion and fire destroyed 38 homes and caused major damage to many more in the Crestmoor neighborhood of San Bruno. In 2012, building permits were issued to rebuild seven (7) single-family homes using an expedited development review process. (A total of 21 building permits have been issued for new single-family homes as of December 31, 2012.)
- Cedar Mills. A Planned Unit Permit was approved for the development of 14 single-family homes at 599 Cedar Avenue in April 2011. In 2012, building permits were issued to build 12 single-family homes. (All 14 permits have been issued as of December 31, 2012.)

7.c.

Regional Housing Needs Allocation (RHNA) Progress

Table B (summarized below): provides information regarding the City's progress in meeting its share of the RHNA target by income level. San Bruno has a total RHNA obligation of 973 units between 2007 and 2014. A total of 736 building permits for new housing units were issued to meet San Bruno's share of regional housing needs during the first six years of the RHNA time period. The remaining RHNA goal is 237 units.

Regional Housing Needs Allocation (RHNA) Progress

	Very Low	Low	Moderate	Above Moderate	Total Units
RHNA Goal (2007-2014)	222	160	188	403	973
Total Produced (2007-2012)	3	299	281	153	736
Surplus/(Deficit)	(219)	139	93	(250)	(237)

The Housing Element identified sufficient housing sites to meet the RHNA target, and the City is making progress in producing affordable housing to meet the needs at all income levels except units affordable to very low income (VLI) households, which has a remaining need of 219 units. State housing element law does not require production of units, only that sufficient sites be made available for housing affordable at all income levels, and that the City make a good faith effort to meet the objective. Because rents or sales prices must be significantly below market rate for very low income units, large subsidies and deed restrictions are required in order for a unit to qualify. The City explores opportunities to encourage development of affordable units as described in Table C: Program Implementation Status. San Bruno has had a strong track record in producing VLI units, with 325 VLI units produced at The Crossing in the previous RHNA period.

Program Implementation Status

Table C details the City's progress in implementing specific programs and policies listed in the Housing Element, including local efforts to remove governmental constraints to the maintenance, improvement, and development of affordable housing. The more significant constraints are: 1) the loss of low and moderate income housing (LMIH) tax increment funds with the dissolution of redevelopment agencies under AB 26, 2) Ordinance 1284, which limits building heights and residential densities throughout the City, 3) restrictions due to noise impacts from the San Francisco International Airport (SFO), and 4) recent legal decisions such as the Palmer v City of Los Angeles decision (2009) which found that restricting rents in new developments violates state rent control laws. These constraints are summarized below:

- Loss of Redevelopment. The enactment of ABx1 26 dissolved all redevelopment agencies in California on February 1, 2012, and created successor agencies to wind down their operations. Low and Moderate Income Housing (LMIH) tax increment generated from the San Bruno Redevelopment Project Area was the City's main source of funding for affordable housing. San Bruno had one Redevelopment Project Area, which was established in July 1999. During its 13 years of operation, the Redevelopment Agency facilitated the development of 97 units affordable to very low income households. The City monitors new state legislation that may restore some state funding for affordable housing, such as SB 391, the California Homes and Jobs Act.
- Ordinance 1284 Constraints. In June 1977, the City of San Bruno adopted Ordinance No. 1284 placing restrictions on certain development standards, which constrains higher density residential development in the City. Ordinance 1284 requires approval by a majority of the voters of the City in order to allow: 1) buildings or other structures that exceeding fifty (50)

feet or three (3) stories in height, whichever is less, 2) projects in residential districts at a density above what was permitted by the City's zoning code and map in 1974, and 3) multi-story parking structures. The City adopted the Transit Corridors Specific Plan in order to encourage mixed use and transit oriented development, including higher density residential uses along commercial corridors within proximity of a new Caltrain Station in the core area of the City. The Plan recommends allowing development projects that exceed Ordinance 1284 limits, including building heights between 4 and 7 stories. The City is also considering a ballot initiative to amend Ordinance 1284 to allow the development intensities envisioned in the Transit Corridors Plan in November 2013.

- SFO Constraints. Northeastern portions of San Bruno lie beneath flight paths for arrivals and departures of San Francisco International Airport (SFO), including areas within the 65 Community Noise Equivalent Level (CNEL) and 70 CNEL aircraft noise contours. The SFO Airport Land Use Compatibility Plan (ALUCP) identifies new residential uses as permitted within the 65 CNEL noise contour, provided that sound insulation is provided to reduce interior noise levels from exterior sources to 45 CNEL or lower and that an aviation easement be granted to the City and County of San Francisco as operator of SFO. New residential uses are not compatible in areas exposed to noise above 70 CNEL and are not allowed in these high noise areas. The City promotes noise mitigation from SFO to the fullest extent possible through the SFO/Community roundtable and ongoing coordination with the County Airport Land Use Commission. The Transit Corridors Plan and zoning code update will allow new residential development within the 65 decibel CNEL noise contour and define standards as outlined in the 2009 General Plan and in accordance with the 2012 ALUCP.
- Palmer v. City of Los Angeles (2009). The California Court decision in Palmer v City of Los Angeles hinders San Bruno's ability to require affordable rental housing through the City's Below Market Rate Housing Program. The court ruled that local inclusionary housing programs cannot mandate rent restrictions in new rental housing developments or require payment of in-lieu fees as an alternative. City staff is monitoring the results of the Palmer decision to determine what actions, if any, the City should consider.

As this report demonstrates, San Bruno has made substantial progress in implementing its 2009 Housing Element and has seen significant results from its commitment to the development of affordable housing. However, the loss of redevelopment funding for affordable housing will reduce the City's ability to provide assistance to create new deed-restricted affordable housing in the future. The City will continue to seek opportunities to create affordable housing through use of the City's BMR In-Lieu Fee Fund and other funding sources such as Federal and State Tax Credits and grant opportunities.

FISCAL IMPACT

None

ALTERNATIVES

1. Direct revisions to the Housing Element APR for incorporation prior to submittal to the specified state agencies

RECOMMENDATION

Accept the Housing Element Annual Progress Report (APR) for Calendar Year 2012 and Direct Staff to Forward the Report to the California State Office of Planning and Research and the California Department of Housing and Community Development

DISTRIBUTION

None.

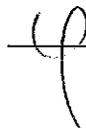
ATTACHMENTS

1. 2012 San Bruno Housing Element Annual Progress Report
Tables A, A2 and A3: Annual Building Report Summary
Table B: Regional Housing Needs Allocation (RHNA) Progress
Table C: Program Implementation Status

DATE PREPARED

March 7, 2013

REVIEWED BY

 CM

**ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation**
(CCR Title 25 §6202)

Jurisdiction City of San Bruno
Reporting Period 1-Jan-12 - 31-Dec-12

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in G

Activity Type	Affordability by Household Incomes				(4) Description of Activity including Housing Element Program Reference
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	
(2) Preservation of Units At-Risk	0	0	0	0	
(3) Acquisition of Units	0	0	0	0	
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

**Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)**

	Building Type					7. Number of infill units*
	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	
No. of Units Permitted for Moderate	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	19	0	0	0	0	19

* Note: This field is voluntary

SAN BRUNO HOUSING ELEMENT - ANNUAL PROGRESS REPORT – 2012
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction: City of San Bruno Reporting Period 1/1/2012 - 12/31/2012

Table C
Program Implementation Status

Housing Element Progress Report – Government Code Section 65583.

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 1-A: Support infrastructure upgrades.	Continue to seek funding to upgrade and maintain infrastructure needed by San Bruno's housing supply.	Ongoing	<ul style="list-style-type: none"> The City identifies infrastructure funding through infrastructure master plans, Capital Improvement Program and the Transit Corridors Specific Plan. The City continues to rebuild the infrastructure destroyed in the Glenview explosion and fire on 9/9/10, funded through the \$50 million PG&E trust agreement to rebuild the Crestmoor neighborhood The RDA ceased operations on 2/1/12 with the passage of AB 26. Tax increment is no longer a source of funding for infrastructure projects.
Program 1-B: Maintain and expand the supply of small lots.	Conserve and expand the city's supply of small residential lots, where compatible with surrounding neighborhood character.	Ongoing	<ul style="list-style-type: none"> The zone code allows development of small, flexible parcels (e.g. zero lot-line) with a Planned Unit Permit. The Municipal Code allows at least one (1) housing unit on any sub-standard parcel, provided that it is at least 25 ft wide.
Program 1-C: Conserve second units in R-1 and R-2 zones.	Continue to legalize second units in R-1 and R-2 zones that were constructed prior to June 30, 1977 and that met the Uniform Building Code at time of construction.	Ongoing	<ul style="list-style-type: none"> The City received three applications to legalize second units in 2012, and all 3 were approved. The City provides information to the public on how to legalize second units on the City website, at the Planning Counter and the Public Library. The City is considering a strategy to legalize second units constructed between 1977 and 2003, as part of the zone code update.
Program 1-D: Promote the Redevelopment Residential Rehabilitation Loan Program (RRRLP).	The RRRLP provides technical and/or financial assistance to low-income homeowners whose homes are not meeting health and safety standards.	Ongoing	<ul style="list-style-type: none"> The program ended on 2/1/12 with the dissolution of the RDA.
Program 1-E: Pursue and promote resources for preservation and rehabilitation.	Publicize federal, State, and local resources, both financial and programmatic, to assist homeowners in preventative maintenance and to preserve and rehabilitate the City's existing housing supply.	Ongoing	<ul style="list-style-type: none"> RDA LMH funds are no longer available for this purpose. The City provided funding to North Peninsula Neighborhood Services Center, a non-profit that assists low-income homeowners with housing repairs. The City increased the maximum grant amount for the ReBuild it Green program by \$10,000 (to a maximum of \$75,000) for LEED Platinum Projects for residents of the Crestmoor-Glenview neighborhood who lost their home to the PG&E gas line explosion and fire. The City works with PG&E on an ongoing basis to ensure that homeowners whose homes were damaged in the Glenview fire are provided the assistance they need to rebuild.
Program 1-F: Ensure replacement housing.	Require replacement of any legal housing unit that is demolished within San Bruno.	Within 1 year after	<ul style="list-style-type: none"> The City Council approved an expedited and streamlined planning and permitting process for rebuilding the Crestmoor neighborhood following the

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 1-G: Improve legally non-conforming residential uses.	Work to facilitate improvement and expansion of existing legal non-conforming residential uses if compatible with adjacent uses.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> 9/9/10 PG&E explosion and fire, which destroyed 38 homes, severely damaged 17, and left about 50 with minor damage. The City will consider requiring replacement of demolished legal housing units in all areas of the city as part of zoning code update, currently in progress.
* Program 1-H: Support historic preservation.	Support preservation and reuse of properties with historic character.	Ongoing	<ul style="list-style-type: none"> As part of the zoning code update, the City is studying options for legalizing non-conforming units to ensure that they are maintained in good condition and clarifying permissible reconstruction/expansion of non-conforming uses. The City promotes preservation of historic structures and resources listed in the 2003 Historic Building Survey on a case-by-case basis. There were no new cases in 2012.
Program 1-I: Allow fee waivers for affordable rehabilitation.	Waive permit fees for affordable housing rehabilitation achieved through the Community Development Block Grant (CDBG) program as well as through other San Mateo County or Redevelopment Agency programs or through non-profit agencies.	Ongoing	<ul style="list-style-type: none"> City maintains its policy to waive permit fees for housing rehabilitation conducted through CDBG and other San Mateo County or Redevelopment Agency programs or through non-profit agencies. No new affordable housing projects sought fee waivers in 2012. The City waives building permit fees for 55 homes destroyed or damaged in the Glenview Fire. In 2012, the City issued 7 permits for complete rebuilds of demolished homes and 7 permits for repair of substantially damaged homes.
Program 1-J: Continue lead-based paint abatement.	Provide information on local lead-based paint abatement programs to ensure safe and healthy living environments for all residents.	Ongoing	<ul style="list-style-type: none"> The City distributes information on local lead-based paint abatement programs at City Hall and on the City website.
* Program 1-K: Ensure renovations are compatible with neighborhood character.	Maintain design standards to ensure that residential additions and renovations are compatible with overall neighborhood character. (See Program 2-F regarding new housing development.)	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City requires residential additions and renovations to comply with the 2009 Residential Design Guidelines, and provides informational handouts at the Planning counter and on the City website. The City adopted an expedited permit process for rebuilding homes destroyed or damaged in the PG&E fire. Projects where the design is consistent with the Residential Design Guidelines and threshold requirements are not exceeded, can be approved administratively, bypassing the usual architectural review process. Projects that exceed thresholds can be approved by the architectural review committee, but do not require Planning Commission approval.
* Program 2-A: Update the Zoning Ordinance to be consistent with the new General Plan.	Revise the Zoning Ordinance to reflect the San Bruno 2025 General Plan, including land use designations allowing mixed-use development.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The zone code update began in 2011 and is expected to be completed in 2013. The updated zoning code will create new Transit Oriented Development and Multi Use-Residential Focus zoning districts that promote high-intensity mixed-use development, including retail, office, services, and housing, consistent with the 2009 General Plan and Transit Corridors Plan. Prior to adoption of the zone code update, the City is encouraging applicants to follow the new General Plan land uses and densities/intensities.
* Program 2-B: Complete Downtown and Transit Corridors Plan.	Complete and adopt a Downtown and Transit Corridors Plan with the goal, amongst others, of increasing residential options in Downtown and transit corridors of El Camino Real and San Bruno Avenue	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The Transit Corridors Plan (TCP) was adopted by the City Council on February 12, 2013. The TCP encourages housing types that better meet current housing needs (e.g., shared housing, cube housing, co-housing, etc.) and mixed use development with residential over commercial uses. The TCP will streamline the project review process (including a Program level

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
* Program 2-C: Support identified housing opportunities.	in the vicinity of the future Caltrain Station. Work with property owners and the community to support and encourage the redevelopment of identified opportunity sites into mixed uses with affordable housing components.	Ongoing	EIR), and proposes to increased height limits above Ordinance 1284 requirements (requires voter approval in a citywide election). • Staff actively engages the community and real estate professionals about options to redevelop housing opportunity sites listed in the Housing Element and the Transit Corridors Plan. .
* Program 2-D: Reuse former school sites.	Facilitate the reuse of former school sites to accommodate affordable housing.	Initiate actions within 2 years after adoption of the H.E.	<ul style="list-style-type: none"> • The San Mateo County High School District is considering options for the former Crestmoor High School site. If the School District recommends reuse of the site, the City will work with the District to encourage development of a variety of housing types to address the needs of all incomes while preserving open space and recreational facilities. • The San Bruno Park School District voted to close the Crestmoor Elementary School in February 2013. The City will monitor the school district plans for the site. • The City is also keeping track of the former Willard Engvall and Edgemont School sites.
* Program 2-E: Consolidate Lots.	Use City funds to facilitate lot consolidation in support of the redevelopment of housing opportunity sites with affordable housing.	Initiate actions within 2 years after adoption of the H.E.	<ul style="list-style-type: none"> • The City works with property owners and developers to encourage parcel consolidation to facilitate affordable housing development, with a focus on the Housing Opportunity Sites in Program 2-C. • The Zoning Update, currently in progress, and Transit Corridors Plan will implement the General Plan the policy to allow development density to increase with the size of the development site. • The loss of redevelopment means the City can no longer use tax increment funds for land assembly.
Program 2-F: Ensure compatibility of new housing with neighborhood character.	Use Residential Design Guidelines to ensure that new housing development proposals are compatible with existing neighborhood character. (See Program 1-K regarding additions and renovations to existing homes.)	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> • The City requires applications for new single-family housing to comply with the Residential Design Guidelines to ensure that the design, scale, and buffering retains existing neighborhood character. • The Zoning Code Update, currently in progress, and Transit Corridors Plan will establish development standards and design guidelines for new multi-family residential and mixed-use development to ensure compatibility of design and scale with surrounding uses.
* Program 2-G: Provide senior housing for a range of income levels.	Identify opportunities for the creation of affordable units for seniors who do not qualify for deed-restricted units due to equity in their current homes.	Ongoing	<ul style="list-style-type: none"> • The Transit Corridors Plan encourages development of small rental and for-sale units close to transit and services, which would appeal to and be affordable to seniors on fixed incomes.
* Program 2-H: Encourage moderate-income for-sale housing.	Encourage moderate-income for-sale housing within the Multi Use-Residential Focus area along El Camino Real.	Ongoing	<ul style="list-style-type: none"> • City staff informs developers about the need for moderately-priced for-sale housing along the transit corridors, potentially in the form of multi-family condominiums, including options for using density bonuses and smaller unit sizes to increase affordability.
Program 2-I: Provide affordable housing education.	Develop and implement an ongoing voter education program to inform residents of the need for affordable housing and ways	Within 2 years after adoption of	<ul style="list-style-type: none"> • City staff educates the public about the need for affordable housing using a variety of means, including community workshops during the development of the Transit Corridors Plan, articles in the City's Focus Newsletter and the City

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
	the electorate can support its development.	the H.E.	website.
Program 2-J: Conduct annual performance evaluations and ensure consistency with the General Plan.	During annual review of the General Plan, monitor, evaluate, and document housing program performance and consistency with General Plan goals and policies.	Ongoing	<ul style="list-style-type: none"> The City annually prepares the Housing Element Annual Progress Report to evaluate and document housing program performance. Community Development Department staff meet regularly to discuss housing issues.
Program 3-A: Publicize affordable housing financing strategies.	Publicize the various financing strategies for development and expansion of affordable housing.	Ongoing	<ul style="list-style-type: none"> City staff keep up with available financing strategies for the development of new affordable housing, and discuss with property-owners, and for-profit and non-profit developers.
Program 3-B: Support the Housing Choices Voucher Program.	Continue to participate in San Mateo County Housing Authority's Housing Choices Voucher program (formerly Section 8).	Ongoing	<ul style="list-style-type: none"> City staff encourages housing developers to consider the Housing Choices Voucher program. The lottery for new applicants has not been open since 2008.
* Program 3-C: Monitor compliance with financing terms.	Ensure that units built with long-term affordability requirements are actually occupied by lower-income households. (See also Program 5-E)	Ongoing	<ul style="list-style-type: none"> 325 affordable units are located within three multifamily residential developments at The Crossing. Each has an Affordable Housing Agreement that require annual certificates of program compliance. Staff monitors compliance on an ongoing basis and reviews the annual certificates of reviewed.
* Program 3-D: Preserve affordable units at Pacific Bay Vistas (formerly TreeTops).	The City will strive to preserve the original 62 very-low and low-income assisted housing units at Pacific Bay Vistas Apartments to ensure the full term of the deed restriction is met, regardless of delays in the redevelopment of the site.	Ongoing	<ul style="list-style-type: none"> In response to real estate market conditions, the developer, AIMCO, applied for a modified project to allow a renovation alternative for the existing 308 apartment units, which was approved in June 2010. The affordability requirement was a condition of the original financing (1986) for the project. The developer paid off the original loan, which ended the affordability requirement. The renovation project began construction in December 2011, and the project will include no affordable units.
Program 3-E: Promote the Mortgage Credit Certificate Program.	The City will continue to participate in and promote San Mateo County's Mortgage Credit Certificate (MCC) program for first-time homebuyers.	Ongoing	<ul style="list-style-type: none"> The availability of MCCs is contingent on the funding availability, which varies from year to year.
Program 3-F: Facilitate reasonable accommodations.	Facilitate the development, maintenance and improvement of housing for persons with disabilities by establishing a procedure that would reduce processing time for reasonable accommodation requests.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City's Zoning Code Update will include written reasonable accommodations procedure based on fair housing laws. The Zoning Code Update began in 2011, and is expected to be completed in 2013.
Program 3-G: Accommodate manufactured housing.	Continue to permit manufactured housing in single family zones.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City allows manufactured housing on permanent foundation systems in all single family zones provided that applications comply with the Residential Design Guidelines. No special restrictions on manufactured housing are included in the Zoning Update beyond those that apply to regular single family construction.
* Program 3-H: Permit child care by right in residential areas.	Ensure that land use regulations consistently allow childcare services by right in all residential zones in accordance	Within 1 year after adoption of	<ul style="list-style-type: none"> The Zoning Code Update will be consistent with streamlined definitions of small and large child care facilities in accordance with San Bruno 2009 General Plan Policy LUD-10 and the California Child Day Care Act

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Housing Element Implementation
 (CCR Title 25 §6202)

Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
* Program 3-I: Reduce parking requirements.	with State law. Reduce parking requirements for new or reuse housing projects along transit corridors and adjacent to transit stations, as well as within the Medium Density (R-3) and High Density (R-4) zones.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> The City is considering ways to reduce parking requirements as part of the Zoning Ordinance Update, such as adopting state density bonus law standards, unbundled parking, tandem parking for second units, and enforcement measures for homeowners that use garage space for storage. The Transit Corridors Plan recommends reduced parking requirements for housing near transit and for residents with reduced automobile use, such as seniors and persons with disabilities. The municipal code requires an apartment owner proposing to convert to condominiums to offer existing tenants the first opportunity to buy their unit. There were no applications for condominium conversions in 2012.
* Program 3-J: Support condominium conversions, cooperatives, and other affordable housing ownership options.	Facilitate condominium conversions, limited equity stock cooperatives, and community apartments to ensure affordable ownership choices within the housing supply.	Within 1 year after adoption of the H.E.	<ul style="list-style-type: none"> In 2011, the City adopted the new CalGreen building code at a "Tier 1" level, which promotes higher green building standards. Tier 1 requires new homes to perform 15% more efficient than the standard CalGreen home. The building division promotes energy conservation programs on its website and through an information brochure. The City adopted the Rebuild It Green Grant Program to encourage homeowners with homes destroyed or damaged in the Glenview fire to apply for grants up to \$65,000 to rebuild green beyond code requirements. The grant amount was increased by \$10,000 in 2012. Upgrades include insulation with higher heat retention values, window and heating system modifications, and solar photovoltaic for the home's energy or hot water needs.
Program 4-A: Promote energy conservation.	Continue to publicize and encourage energy conservation programs, including weatherization programs.	Within 2 years after adoption of the H.E.	<ul style="list-style-type: none"> Energy Upgrade is a statewide program consolidating rebates for homeowners to construct energy efficiency improvements in single-family homes. Through this program PG&E offers two rebates to improve energy efficiency. For San Bruno residents, the City will match PG&E rebates, pay half of the cost of home energy audits, waive all permit fees, and provide a standalone rebate for the installation of solar panels. San Mateo County will also match PG&E's rebates. San Bruno residents are eligible to receive a maximum of \$12,000 in rebates for energy efficiency upgrades.
* Program 4-B: Support household and business participation in energy conservation and efficiency programs through PG&E and the State.	City Staff will work to promote and support participation energy efficiency and conservation programs described in Chapter 2 in order to help reduce long-term housing costs for residents (including low-income residents), help meet local greenhouse gas reduction targets under AB 32, and increase the sustainability of the local energy supply.	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> The City reviews the plans and issues permits for houses that participated in the Aircraft Noise Insulation Program sponsored by the San Francisco International Airport (SFO). SFO is reaching out to property owners that have purchased homes in the qualifying Federal Aviation Administration (FAA) noise contour where the previous property owner declined to participate. There are 47 potential properties that are eligible under the current criteria and 13 participated in Phase 1 and were completed in 2012. Another 22 units are participating in Phase 2. The City works with the SFO to encourage adoption of noise insulation standards to mitigate impacts from airplane backblast, and expand the CNEL
Program 4-C: Facilitate noise insulation retrofits.	Continue to pursue funding for noise insulation from the San Francisco International Airport and educate residents about program benefits.	Within 4 years after adoption of the Housing Element, ongoing	<ul style="list-style-type: none"> The City works with the SFO to encourage adoption of noise insulation standards to mitigate impacts from airplane backblast, and expand the CNEL

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 (CCR Title 25 §6202)

Name of Program	Objective	Timeframe In H.E.	Status of Program Implementation
* Program 4-D: Ensure adequate water and sewer service and reduce water waste.	Work with the San Francisco Public Utilities Commission (SFPUC) and local departments to ensure that there are adequate water and sewer services for new development, affordable housing receives priority for these services, and new development uses best management practices to reduce water waste.	Within 1 month to 1 year after adoption of the H.E.; ongoing	<ul style="list-style-type: none"> threshold level for insulation from 65 CNEL to 60 CNEL. The Housing Element was submitted to the SFPUC and Water and Wastewater Divisions of the Public Services Department. The Water and Wastewater Master plan updates will be completed in 2013. The Transit Corridors Specific Plan EIR and Water Supply Assessment analyzed the availability of water for residential development. The Transit Corridors Plan includes standards and guidelines to minimize surface water run-off and pollution, increase water conservation during construction and operation phases of new residential development, and make recycled water available for appropriate uses. New water service connections in the Glenview fire area requires larger meters (1.5") to each home, where smaller shared meters were often used previously.
Program 4-E: Encourage drought-resistant landscaping.	Implement water conservation and drought-resistant landscaping guidelines and standards.	Within 1 year after adoption of the H.E.; ongoing	<ul style="list-style-type: none"> The Sustainability Audit for the Zoning Code Update recommends standards for water conservation and drought-resistant landscaping. The City reviews each application for residential landscape plans for consistency with the City's Water Efficiency, Landscape and Irrigation Guidelines and Municipal Code Section 10.16, Water Conservation.
* Program 5-A: Support the Below Market Rate Housing (BMR) Ordinance.	Through education and enforcement of the Below Market Rate Housing Ordinance (adopted 2008), provide guidelines for developers to comply with the City's inclusionary housing requirements.	Ongoing	<ul style="list-style-type: none"> The City's BMR Ordinance requires new residential projects with 10 or more housing units to provide a minimum of 15 percent of total housing units affordable to very-low, low-, and moderate-income households through construction, donation of land, and/or payment of in-lieu fees. No new affordable housing projects were approved in 2012. Affordable housing developers continued to express interest in two sites, 406 San Mateo Ave. (former downtown cinema site) and 850 El Camino Real (Budget Motel site) The City continues to monitor the legal status of the BMR ordinance with respect to challenges in the Palmer and Patterson court decisions. The City has collected approximately \$2.5 million in BMR in-lieu fees, which will be used to facilitate development of new affordable housing.
* Program 5-B: Implement State density bonus regulations.	Offer a density bonus of up to 35 percent and incentives or concessions based on the number of affordable units in the development and a flat density bonus of 20 percent for all senior housing in accordance with State density bonus regulations (Government Code 65915).	Within 1 year after adoption of the H.E.; ongoing	<ul style="list-style-type: none"> The City encourages developers to review the density bonus law at the earliest stages in pre-development review and consultation process. Provisions for density bonuses for residential developments will be incorporated into the Zoning Ordinance Update and Transit Corridors Plan, including defining incentives such as reductions in parking, open space, setbacks, etc.
* Program 5-C: Provide financial incentives for affordable condominium conversions.	Create incentives for condominium conversions that provide affordable housing.	Within 1 year after adoption of the H.E.; Ongoing	<ul style="list-style-type: none"> The City received no applications for condominium conversions in 2012.
* Program 5-D: Ensure affordability in the Redevelopment Area.	Continue to administer Redevelopment Project Area requirements for development of 15 percent affordable housing.	Ongoing	<ul style="list-style-type: none"> The City administered Redevelopment affordability requirements until the Agency was dissolved on 1/1/12, pursuant to AB 26, which was upheld by the California Supreme Court on 12/29/11. On 1/13/12, the City elected to take on the housing assets and functions

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 (CCR Title 25 §6202)

Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
* Program 5-E: Provide financial assistance to facilitate affordable housing development.	Use the Redevelopment Low- and Moderate-Income Housing Fund to increase, improve, and preserve the community's supply of low- and moderate-income housing in the Redevelopment Area.	Ongoing	<ul style="list-style-type: none"> previously performed by the RDA. See Program 5-D for an explanation on the status of the LMIH fund. The City reviews requests for financial assistance on a case-by-case basis where necessary and appropriate to facilitate affordable housing development, based on analysis of a project's financial feasibility and desirability. The Department of Finance rejected the Successor Agency's inclusion of the LMIH unencumbered balance (approx. \$2.5 million) of the former RDA was an enforceable obligation. The funds have been returned to the County Auditor for distribution to the taxing entities under AB 26. Affordable housing developers continue to express interest in two sites, 406 San Mateo Ave. (former downtown cinema site) and 850 El Camino Real (Budget Motel site). The City encourages developers of multifamily affordable housing to incorporate larger units in the building plans.
Program 5-F: Increase the supply of housing for large families.	Encourage diversity in unit size to ensure that 3- and 4-bedroom affordable rental housing units are provided for large families.	Ongoing	<ul style="list-style-type: none"> City staff works with housing developers to expedite the review of affordable housing projects. City has a policy to waive building fees related to the percentage of affordable units.
Program 5-G: Expedite review and waive fees for affordable housing.	Continue to expedite review and waive planning and building fees for developers of affordable housing and housing for seniors and persons with disabilities.	Ongoing	<ul style="list-style-type: none"> The Transit Corridors Plan will allow higher density multifamily housing development that will encourage affordable housing.
Program 5-H: Modify regulations to encourage affordable housing.	Modify development regulations in specific zoning districts to encourage housing affordable to very-low, low-, and moderate-income households.	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> The City continued to provide an annual grant of \$30,000 to HIP Housing which administers a program to educate elderly homeowners about home equity conversion. This amount was previously paid from RDA LMIH funds. Planning and Building staff inform homeowners about the second unit ordinance and information is available on the City website. Two second units were approved in 2012.
Program 5-I: Facilitate home equity conversions.	Continue to make information regarding home equity conversion programs available to elderly homeowners.	Ongoing	<ul style="list-style-type: none"> The City provides referrals to fair housing services during code enforcement. City will continue to inform realtors, builders, city staff, and the community at large of the fair housing law and policies, through the City website. The City will ensure that fair housing laws are adequately reflected in the Zoning Ordinance Update, including additions and revisions to definitions as necessary. The City will provide informational handouts about fair housing services available at City Hall, the Senior Center, and on the City's website.
* Program 5-J: Promote the Second Unit Ordinance.	Continue to inform homeowners about the Second Unit Ordinance which permits second units by-right on appropriate residential sites.	Ongoing	<ul style="list-style-type: none"> City provides \$43,500 in financial assistance annually through the RDA LMIH fund to support three non-profit housing agencies (HIP Housing, North Peninsula Neighborhood Services Center and Shelter Network). These
* Program 6-A: Promote fair housing.	Continue to adhere to State and federal fair housing and non-discrimination laws to ensure that housing opportunities are provided for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, family status, or disability.	Within 1 year after adoption of the H.E., ongoing	<ul style="list-style-type: none"> Cooperate with and support organizations providing housing information, counseling, and referral services, and handling
Program 6-B: Support organizations that provide housing services.	Cooperate with and support organizations providing housing information, counseling, and referral services, and handling	Ongoing	

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Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
	complaints of housing discrimination.		organizations provide housing services for home repair, painting, case management, emergency food and shelter, crisis intervention, and assistance with rent and utility bill payments to low-income homeowners. • See Program 5-D for an explanation on the status of the RDA LMIH fund.
Program 6-C: Support shared housing programs.	Continue to support shared housing programs and to promote such programs through the Senior Center and other local agencies.	Ongoing	• City provides support through the RDA LMIH fund to HIP Housing which coordinates a shared housing program. • See Program 5-D for an explanation on the status of the RDA LMIH fund.
* Program 6-D: Accommodate city's share of emergency (homeless) shelter need.	Amend the Zoning Ordinance to identify the Transit Oriented Development Area designated under the San Bruno 2025 General Plan as an appropriate zone or zones within which emergency shelters are permitted by right, in accordance with State law.	Within 1 year after adoption of the H.E.	• The Zoning Code Update, currently in progress and adopted Transit Corridors Plan, will permit emergency (homeless) shelter facilities by right (as a permitted use, without requiring a conditional use permit) within the General Plan TOD land use district, subject to reasonable and objective standards permissible by law. The designated area has sufficient and reasonably available acreage (vacant or underutilized) to meet the city's identified need (32 beds) within the planning period, including the potential for reuse or conversion of existing buildings. • The City continues to support the 10-bed shelter run by St. Bruno's Church, and will support future faith-based efforts to supply emergency and transitional housing to those in need.
* Program 6-E: Address identified need for extremely-low income and supportive housing.	Amend the Zoning Ordinance to permit transitional and supportive housing by right in residential zones, work with nonprofit builders who specialize in building housing for extremely-low income households, and facilitate the creation of supportive housing units in accordance with the City's share of countywide need identified in the HOPE Plan.	Within 2 years after adoption of the H.E.	• Zoning Ordinance Update will amend the definition of "Special residential care facilities"—already allowed by right in any residential zone—to include transitional and supportive housing uses, including those designated as SROs. This will ensure that transitional and supportive housing is treated as a residential use of property in accordance with SB2. • The City works with local or regional agencies and non-profits that specialize in supportive housing development and management to identify opportunities for the development of supportive housing in San Bruno.
Program 6-F: Participate in regional coordination on homelessness.	Work with other cities, agencies, and the County to address needs of the homeless.	Ongoing	• The City coordinates with the San Mateo County Department of Housing and social service agencies to address homeless needs on a case by case basis.

General Comments

The San Bruno Housing Element 2009-2014 was adopted on March 23, 2010, and certified by HCD on June 15, 2010.

The PG&E gas explosion and fire occurred on September 9, 2010 and destroyed 38 homes, severely damaged 17 homes, and caused damage to over 45 homes in the Crestmoor neighborhood of San Bruno. Seven building permits for new replacement homes were issued in 2012. A total of 21 permits for replacement homes have been issued. The City and PG&E have purchased nine properties.

The 308-unit Treetops apartment complex was vacated in 2005 due to severe mold problems. The developer, AIMCO, obtained entitlements to demolish the existing buildings and replace them with a 510-unit apartment complex in 2008. AIMCO was unable to secure financing for the

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demolition and new project, but was able to secure HUD financing for a complete remodel of the existing 308 units. Building permits for the remodel of all 308 units was issued in 2011 and construction was in progress throughout 2012.

Local Efforts To Remove Governmental Constraints

The greatest constraints to the maintenance, improvement, and development of affordable housing are: 1) the loss of low and moderate income housing tax increment funds with the dissolution of redevelopment agencies under AB 26, 2) Ordinance 1284, adopted in 1977, which limits building heights and residential densities, 3) restrictions due to noise impacts from the San Francisco International Airport (SFO), and 4) recent legal decisions such as the *Palmer vs City of Los Angeles* decision (2009) which found that restricting rents in new developments violates state rent control laws.

- *Loss of Redevelopment.* The enactment of ABx1 26 dissolved all redevelopment agencies in California on February 1, 2012, and created successor agencies to wind down their operations. Low and Moderate Income Housing (LMIH) tax increment generated from the San Bruno Redevelopment Project Area was the City's main source of funding for affordable housing. San Bruno had one Redevelopment Project Area, which was established in July 1999. During its 13 years of operation, the Redevelopment Agency facilitated the development of 97 units affordable to very low income households. The Redevelopment Agency paid an annual rent subsidy of \$680,000 to maintain the affordability of those units. The San Bruno Redevelopment Project generated about \$1.9 million in housing set aside funds in FY 2011/12, its last year of operation. The Agency had an unencumbered LMIH fund balance of \$2.48 million when it was dissolved, which the Successor Agency claimed as an enforceable obligation on its Redevelopment Obligation Payment Schedule (ROPS). The California Department of Finance denied this claim and the unencumbered balance was returned to the County Auditor Controller for distribution to the taxing entities. The City monitor new initiatives to generate funding for affordable housing and economic development at the state level, such as the California Homes and Jobs Act (SB 391).
- *Ordinance 1284 Constraints.* In June 1977, the City of San Bruno adopted Ordinance No. 1284 placing restrictions on certain development standards, which constrains higher density residential development in the City. Ordinance 1284 requires approval by a majority of the voters of the City in order to allow: 1) buildings or other structures that exceeding fifty (50) feet or three (3) stories in height, whichever is less, 2) projects in residential districts at a density above what was permitted by the city's zoning code and map in 1974, and 3) multi-story parking structures. The City adopted the Transit Corridors Specific Plan in order to encourage mixed use and transit oriented development, including higher density residential uses along commercial corridors within proximity of a new Caltrain Station in the core area of the City. The Plan recommends allowing development projects that exceed Ordinance 1284 limits, including building heights between 4 and 7 stories, depending on the location, increasing the density of 111 low density residential parcels along the edges of commercial corridors, and multistory parking garages. The Plan encourages new or different housing types (e.g., housing for younger workers and for seniors) that better meet future housing needs. Adoption of the Transit Corridors Plan will also help to streamline the project review process (including a program level Environmental Impact Report). The Transit Corridors Plan was approved in February 2013. The City is in the process of updating the zoning ordinance to incorporate development standards proposed in the Transit Corridors Plan. The City is also considering a ballot initiative to amend Ordinance 1284 to allow the development intensities envisioned in the Transit Corridors Plan in November 2013.
- *SFO Constraints.* Northeastern portions of San Bruno lie beneath flight paths for arrivals and departures of San Francisco International Airport (SFO), including areas within the 65 Community Noise Equivalent Level (CNEL) and 70 CNEL aircraft noise contours. The SFO Airport Land Use Compatibility Plan (ALUCP) identifies areas within the 65 CNEL and 70 CNEL noise contours as conditionally compatible or incompatible with SFO noise compatibility policies. New residential uses are permitted within the 65 CNEL noise contour, provided that sound insulation is provided to reduce interior noise levels from exterior sources to 45 CNEL or lower and that an aviation easement is granted to

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the City and County of San Francisco as operator of SFO. New residential uses are not compatible in areas exposed to noise above 70 CNEL and are not allowed in these high noise areas.

The City promotes noise mitigation from SFO to the fullest extent possible through the SFO/Community roundtable and ongoing coordination with the County Airport Land Use Commission. The City seeks to reduce the area in San Bruno impacted by airport noise in order to meet its housing responsibilities while complying with the SFO noise and land use requirements of the Airport Land Use Compatibility Plan. The Transit Corridors Plan and zoning code update will allow new residential development within the 65 decibel CNEL noise contour and define standards as outlined in the 2009 General Plan and in accordance with the 2012 ALUCP.

- Palmer v. City of Los Angeles (1999). The California Court decision in Palmer v City of Los Angeles hinders San Bruno's ability to require affordable rental housing through the City's Below Market Rate Housing Program. The court ruled that local inclusionary housing programs cannot mandate rent restrictions in new rental housing developments or require payment of in-lieu fees as an alternative. City staff is monitoring the results of the Palmer decision to determine what actions, if any, the City should consider.



City Council Agenda Item
Staff Report

CITY OF SAN BRUNO

DATE: March 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Tami Yuki, Human Resources Director

SUBJECT: Adopt Resolution Approving Side Letter Agreement Between the City of San Bruno and the Police Bargaining Unit, Represented by Teamsters Union Local 856, and Authorizing its Execution by the City Manager

BACKGROUND

The Memorandum of Understanding (MOU) and existing Side Letter Agreement between the City of San Bruno and the Police Bargaining Unit expired on June 30, 2012. Representatives of the City and the representatives from the Police Bargaining Unit have met and conferred in good faith and have reached a tentative agreement for a side letter extending the existing Memorandum of Understanding. The Police Bargaining Unit ratified the tentative agreement on March 5, 2013.

DISCUSSION

The attached Agreement for the Police Bargaining Unit extends the current Memorandum of Understanding and July 2010 Side Letter Agreement from July 1, 2012 through December 31, 2014. In recognition of the City's continuing financial constraints, the Police Side Letter of Agreement provides no guaranteed salary adjustment during the term of this agreement; however, a wage reopener in October 2013 with implementation of any agreed upon adjustments no earlier than January 1, 2014. The City has also agreed to eliminate furloughs for the term of the contract, include additional education incentive pay for those employees who obtain certain Peace Officer Safety Training (POST) certification and college degrees, and a slight increase to uniform allowance.

Negotiations focused on the need for the City and the Teamsters Health and Welfare Trust Fund to address the continuing rise in health care costs. The tentative agreement includes a condition that the Teamsters Health and Welfare Trust Fund will work with the City and employees to achieve health care plan restructuring that would provide opportunities for employees to opt-out, choose from multiple plan options, and establish plan pricing on number of individuals insured rather than a composite rate for all employees. If this health care restructure is not achieved prior to January 1, 2014, then the City and employees will split the 2013-14 and all future medical premium increases 50/50.

J.d.

In the attached agreement, the City agrees to pay the increase in health benefit premiums for 2010-11 (\$56) and 2011-12 (\$58) retroactive to July 2, 2012, as well as up to \$80 per month for the health benefit increase which occurred on October 1, 2012.

FISCAL IMPACT

The 2012-13 Budget does not include funds for improvements to employee salary and benefits over the prior fiscal year. The additional medical costs, education incentive, and uniform allowance agreed to in the side letter of agreement with the Police Bargaining Unit is anticipated to cost an additional \$210,000 annually to the General Fund.

ALTERNATIVES

1. Do not approve Side Letter Agreement and direct the negotiating team to seek changes or to begin negotiating a Memorandum of Understanding with the Police Bargaining Unit whose agreement has expired.

RECOMMENDATION

Adopt Resolution Approving Side Letter Agreement Between the City of San Bruno and the Police Bargaining Unit, Represented by Teamsters Union Local 856, and Authorizing its Execution by the City Manager

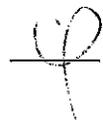
ATTACHMENTS

1. Resolution
2. Side Letter of Agreement

DATE PREPARED

March 6, 2013

REVIEWED BY

 CM

RESOLUTION NO. 2013 –

RESOLUTION APPROVING SIDE LETTER AGREEMENT BETWEEN THE CITY OF SAN BRUNO AND THE POLICE BARGAINING UNIT REPRESENTED BY THE TEAMSTERS UNION LOCAL 856, AND AUTHORIZING ITS EXECUTION BY THE CITY MANAGER

WHEREAS, representatives of the Teamsters Union Local 856 and the Police Bargaining Unit and representatives of the City of San Bruno have met and negotiated in good faith; and

WHEREAS, as a result of those negotiations, a Side Letter of Agreement has been reached regarding changes to the terms and conditions of employment for the Police Bargaining Unit, and extending the existing Memorandum of Understanding for an additional two and half years to the period of July 1, 2012 to December 31, 2014; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of San Bruno that it hereby approves the Side Letter of Agreement reached between the City of San Bruno and the Police Bargaining Unit, represented by the Teamsters Union Local 856 modifying the existing Memorandum of Understanding between the parties adopted pursuant to Resolution No. 2011-56, and consistent with terms and conditions outlined in the Side Letter of Agreement attached hereto; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute on behalf of the City of San Bruno the attached Side Letter of Agreement, and any modified and consolidated Memorandum of Understanding prepared incorporating all prior agreed upon terms and conditions of employment approved by the City of San Bruno and the Police Bargaining Unit, represented by the Teamsters Union Local 856.

—oOo—

I hereby certify the foregoing Resolution No. _____ was introduced and adopted by the San Bruno City Council, at a special meeting on March 12, 2013 by the following vote:

AYES:

NOES:

Carol Bonner, City Clerk

City of San Bruno and Police

February 22, 2013

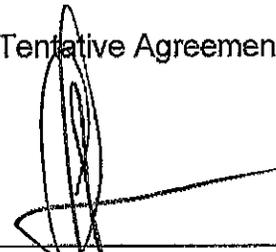
Tentative Agreement

- Term – two and one half (2 ½) year MOU (7/1/2012-12/31/2014)
- Wages –
 - No general salary increase except as provided by wage reopener
 - Reopener October 1, 2013, with implementation of any agreed upon adjustments no earlier than January 1, 2014
- Health
 - City to pay increases in health benefit premiums for benefit years 2010-11 (\$56 per month) and 2011-12 (\$58 per month), starting with the pay period retroactive to July 2, 2012.
 - City to pay a maximum of \$80 per month for the health benefit premium increase on October 1, 2012
 - Parties to meet with the intent of achieving tangible health care plan restructuring prior to the 2013-14 benefit year. The objectives to the health care plan restructuring may include cost containment for current and future costs, opportunities for employees to opt-out and/or have greater choice of health care plan options, and a pricing model that reflects the employee's plan choice.
 - Reopener on health benefits to occur no later than October 1, 2013 and to be concluded by December 31, 2013 or unless mutually agreed to by the parties.
 - If the parties fail to achieve agreement on the terms of health care plan restructuring prior to January 1, 2014, health care premium increases for benefit year 2013-14 will be split 50/50 between the City and employees. The parties agree that the health care premium increase for the benefit year 2013-14 (increase that is scheduled to occur on October 1, 2013) will not go into effect until the conclusion of the health care reopener negotiations. Any health care premium increases beyond this time will be split 50/50 between the City and employees until the adoption of a successor agreement.
 - Criteria for tangible health care plan restructuring will include the following elements. If parties determine that one or more of the criteria do not achieve the objectives of restructuring, parties may agree to remove or substitute specific elements.
 - Plan pricing to be based on multiple plan choices that reduce the cost and/or have a lower rate of increase
 - Plan pricing to be based on numbers of individuals covered in each employee's plan, such as single, employee plus one, and family plan.

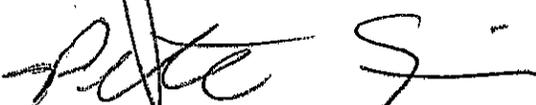
- Employees to have option to decline coverage based on demonstration of alternate coverage

- No furloughs for MOU term
- Increase educational incentive pay for sworn
 - Add 1% for POST intermediate, or
 - Add 1% for POST advanced, or
 - Add 1% for AA/AS and POST intermediate, or
 - Add 1% for AA/AS and POST advanced, or
 - Add 1% for BA/BS and POST advanced, or
 - Add 1% for AA/AS, or
 - Add 1% for BA/BS
 - Maximum incentive not to exceed 8.5%
- Increase educational incentive for non-sworn
 - Add 1% for AA/AS, or
 - Add 1% for BA/BS
- Increase uniform allowance to \$950 per year
- Modify the unit to add the Community Service Officer classification

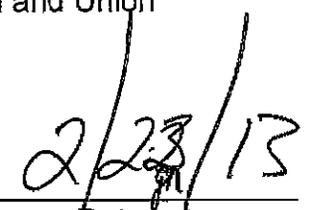
Tentative Agreement Subject to Ratification by City Council and Union



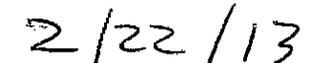
for City of San Bruno



for Teamsters Union Local 856



Date



Date



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: March 12, 2013
TO: Honorable Mayor and Members of the City Council
FROM: Klara A. Fabry, Public Services Director
SUBJECT: Adopt Resolution Authorizing the City Manager to Execute the Amended Water Supply Agreement with the City and County of San Francisco

BACKGROUND:

In 2009, San Bruno entered into the Water Supply Contract with the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County. The Water Supply Agreement sets forth the terms by which the twenty-six Wholesale Customers will purchase water from the San Francisco Regional Water System (System), which includes the Hetch Hetchy Reservoir (Reservoir).

During the 2012 election cycle, a group named Restore Hetch Hetchy placed an initiative before San Francisco voters that would have required the City and County of San Francisco to develop plans to drain the Reservoir and restore Hetch Hetchy Valley. The initiative was defeated, but the organization announced that it will continue to pursue these goals. The Wholesale Customers use two-thirds of the water provided by the System and pay two-thirds of the costs of building, operating and maintaining the System. However, none of these water customers may vote on San Francisco ballot measures. As a result, there is uncertainty as to how the parties would address changes to the System in the event of a future abandonment or decommissioning of O'Shaughnessy Dam, which forms the Reservoir, or a draining of the Reservoir.

DISCUSSION:

In order to provide long-term protection for the Wholesale Customers, the Bay Area Water Supply & Conservation Agency (BAWSCA), negotiating on behalf of its member agencies, and San Francisco have developed an administrative solution, an Amendment to the Water Supply Agreement (WSA), which addresses water-supply reliability, water quality and cost-allocation. This Amendment will assure that the existing condition of the Reservoir is maintained unless the parties agree to a further amendment to the WSA that meets certain conditions. Notably, the Amendment provides that if the parties do not agree on any such amendment, San Francisco may not drain the Reservoir or abandon or decommission O'Shaughnessy Dam.

San Francisco, acting by and through its Public Utilities Commission, approved the Amendment on January 22, 2013 and authorized its General Manager to execute the

10a.

Amendment, pending approval by the requisite number of the Wholesale Customers. Of the 26 agencies covered under this agreement, eight have adopted the Resolution authorizing the amendment and all others have scheduled the item for consideration between now and April 1, 2013. No agencies have indicated that they will not be approving the amendment.

The Amendment to the Agreement is not subject to CEQA pursuant to section 15378(b)(5); as the amendment is not a project as it involves an administrative activity that will not result in direct or indirect physical changes in the environment.

The amendment to the Water Supply Agreement ensures a reliable water supply for San Bruno customers. The Agreement is effective through June 30, 2034.

FISCAL IMPACT:

There is no fiscal impact associated with the Amendment to the Water Supply Agreement.

ALTERNATIVES:

1. Do not adopt the Amendment.
2. Direct staff to work with BAWSCA to make additional changes.

RECOMMENDATION:

Adopt Resolution Authorizing the City Manager to Execute the Amended Water Supply Agreement with the City and County of San Francisco.

DISTRIBUTION:

None

ATTACHMENTS:

1. Resolution
2. Water Supply Agreement Amendment No. 1
3. Water Supply Agreement

DATE PREPARED:

February 25, 2012

REVIEWED BY:

_____ CM

RESOLUTION NO. 2013 - ____

**AUTHORIZING THE CITY MANAGER TO AMEND THE WATER SUPPLY AGREEMENT
WITH THE CITY AND COUNTY OF SAN FRANCISCO**

WHEREAS, the City and County of San Francisco, acting by and through its Public Utilities Commission, entered into a Water Supply Agreement with Wholesale Customers in Alameda County, San Mateo County and Santa Clara County in June 2009 (WSA); and

WHEREAS, Proposition F, the "Water Sustainability and Environmental Restoration Act" appeared on the November 2012 ballot and, if enacted, would have required the City of San Francisco to evaluate how to drain Hetch Hetchy Reservoir; and

WHEREAS, the San Francisco Charter acknowledges that the Hetch Hetchy Water System, including O'Shaughnessy Dam, is an irreplaceable asset such that San Francisco could not drain Hetch Hetchy Reservoir or abandon or decommission O'Shaughnessy Dam absent a Charter amendment as well as additional regulatory and administrative approvals; and

WHEREAS, the parties, at the time of entering into the WSA, contemplated that Hetch Hetchy Reservoir and O'Shaughnessy Dam were both integral parts of the Regional Water System and were considered Existing Assets as that term is used in the WSA, and were included in the calculation of the Wholesale Revenue Requirement; and

WHEREAS, the parties, at the time of entering into the WSA, also contemplated that the reliability and quality of the water to be delivered was premised on the shared assumption of the continued use of Hetch Hetchy Reservoir and O'Shaughnessy Dam as integral components of the Regional Water System; and

WHEREAS, the parties, at the time of entering into the WSA, did not contemplate that an alternate water delivery system created as a result of draining Hetch Hetchy Reservoir, or abandoning or decommissioning O'Shaughnessy Dam, would be considered part of a New Regional Assets described by the WSA; and

WHEREAS, the parties now desire to amend the WSA to reaffirm the water reliability and quality requirements set forth therein, and to acknowledge that Hetch Hetchy Reservoir and O'Shaughnessy Dam will continue to be used as integral components of the Regional Water System, unless both San Francisco and the Wholesale Customers approve any alternate water storage and delivery system to be used for delivery of water under the WSA; and

WHEREAS, said amendment to the WSA was approved by the San Francisco Public Utilities Commission on January 22, 2013 and its General Manager was authorized to execute it, provided the amendment is approved by the Wholesale Customers; and

WHEREAS, the amendment is not subject to the California Environmental Quality Act pursuant to section 15378(b)(5) as the amendment is not a project as it involves an administrative activity that will not result in direct or indirect physical changes in the environment.

NOW, THEREFORE, BE IT RESOLVED:

1. The attached amendment to the Water Supply Agreement Between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County (Amendment) is approved.
2. The City Manager is authorized and directed to execute the Amendment, in the form attached hereto, on behalf of the City.

Dated: March 12, 2013

ATTEST:

Carol Bonner, City Clerk

-o0o-

I, Carol Bonner, City Clerk, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Bruno this 12th day of March 2013 by the following vote:

AYES:	Councilmembers:	_____
NOES:	Councilmembers	_____
ABSENT:	Councilmembers:	_____

WATER SUPPLY AGREEMENT
between
THE CITY AND COUNTY OF SAN FRANCISCO
and
WHOLESALE CUSTOMERS
in
ALAMEDA COUNTY, SAN MATEO COUNTY AND
SANTA CLARA COUNTY

AMENDMENT NO. 1

THIS AMENDMENT modifies the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County ("Water Supply Agreement"), which is dated July, 2009.

WHEREAS, the Parties desire to amend the Water Supply Agreement to assure that the existing condition of Hetch Hetchy Reservoir is maintained unless the Parties agree to a further amendment to the Water Supply Agreement that meets certain conditions; and

WHEREAS, except for those changes expressly specified in this First Amendment, all other provisions, requirements, conditions, and sections of the Water Supply Agreement shall remain in full force and effect.

THE PARTIES AGREE to amend the Water Supply Agreement by adding a new Section 3.18 to Article 3, Water Supply.

Section 3.18 Water Supply Agreement Amendment Required

San Francisco may not change the existing condition of the Hetch Hetchy Reservoir by:

- (1) abandoning or decommissioning O'Shaughnessy Dam; or
- (2) draining Hetch Hetchy Reservoir, except for purposes of (i) repair, rehabilitation, maintenance, improvement, or reconstruction of O'Shaughnessy Dam or appurtenances, (ii) supplying water to the Bay Area during drought, or (iii) meeting water release requirements under the Raker Act, or federal or state law,

unless the parties enter into an amendment to the Water Supply Agreement, in full force and effect, adopted in accordance with Section 2.03.

The amendment shall state, or restate, as the case may be:

- A. The level of service goals for seismic reliability and delivery reliability adopted by the Commission in conjunction with such proposed changes to the Regional Water System, provided such goals are at least as protective of the Wholesale Customers as the level of service goals adopted by the Commission on October 30, 2008 in conjunction with the WSIP;
- B. The level of water quality to be delivered, which is currently provided for in Section 3.08, and
- C. The specific cost allocation procedures, written as an amendment to Article 5, which apply to (1) the abandonment or decommissioning of O'Shaughnessy Dam, or (2) the draining of Hetch Hetchy Reservoir, and (3) the development, operation and maintenance of New Regional Assets that may be required to replace water supplied by Hetch Hetchy Reservoir and delivered to the Bay Area.

In the event that the parties are not able to agree upon and approve an amendment to the Water Supply Agreement as set forth above, San Francisco may not abandon or decommission O'Shaughnessy Dam or drain Hetch Hetchy Reservoir.

IN WITNESS WHEREOF the parties have executed this Amendment by their duly authorized officers.

CITY AND COUNTY OF SAN FRANCISCO
Acting by and through its Public Utilities
Commission

CITY OF SAN BRUNO

By: _____
Harlan L. Kelly, Jr.
General Manager

By: _____
Connie Jackson
City Manager

Date: _____, 2013

Date: _____, 2013

Approved by Commission Resolution
No. 13-0022, adopted January 22, 2013

ATTEST:

Donna Hood
Secretary to Commission

Carol Bonner
City Clerk

Approved as to form:

Approved as to form:

DENNIS J. HERRERA
City Attorney

By: _____
Donn W. Furman
Deputy City Attorney

Marc L. Zafferano
City Attorney

WATER SALES CONTRACT

This Contract, dated as of July 1, 2009, is entered into by and between the City and County of San Francisco ("San Francisco") and the City of San Bruno ("Customer").

RECITALS

San Francisco and the Customer have entered into a Water Supply Agreement ("WSA"), which sets forth the terms and conditions under which San Francisco will continue to furnish water for domestic and other municipal purposes to Customer and to other Wholesale Customers. The WSA contemplates that San Francisco and each individual Wholesale Customer will enter into an individual contract describing the location or locations at which water will be delivered to each customer by the San Francisco Public Utilities Commission ("SFPUC"), the customer's service area within which water so delivered is to be sold, and other provisions unique to the individual purchaser. This Water Sales Contract is the individual contract contemplated by the WSA.

AGREEMENTS OF THE PARTIES

1. Incorporation of the WSA

The terms and conditions of the WSA are incorporated into this Contract as if set forth in full herein.

2. Term

Unless explicitly provided to the contrary in Article 9 of the WSA, the term of this Contract shall be identical to that provided in Section 2.01 of the WSA.

3. Service Area

Water delivered by San Francisco to the Customer may be used or sold within the service area shown on the map designated Exhibit A attached hereto. Except as provided in Section 3.03 of the WSA, Customer shall not deliver or sell any water provided by San

Francisco outside of this area without the prior written consent of the General Manager of the SFPUC. [San Francisco consents to deliveries to the customers listed on Exhibit D.]

4. Location and Description of Service Connections

Sale and delivery of water to Customer will be made through a connection or connections to the SFPUC Regional Water System at the location or locations listed, with the applicable present account number, service location, service size, and meter size shown on Exhibit B attached hereto.

5. Interties With Other Systems

Customer maintains interties with neighboring water systems at the location or locations and with the connection size(s) as shown on Exhibit C attached hereto.

6. Billing and Payment

San Francisco shall compute the amounts of water delivered and bill Customer therefor on a monthly basis. The bill shall show the separate components of the charge (e.g., service, consumption, demand). Customer shall pay the amount due within thirty (30) days after receipt of the bill.

If Customer disputes the accuracy of any portion of the water bill it shall (a) notify the General Manager of the SFPUC in writing of the specific nature of the dispute and (b) pay the undisputed portion of the bill within thirty (30) days after receipt. Customer shall meet with the General Manager of the SFPUC or a delegate to discuss the disputed portion of the bill.

7. Other Special Provisions

Under amendments to its 1984 individual water sales contract, Customer has accepted deliveries of supplemental water advanced by the SFPUC as part of a study program to determine whether the Southern Westside Basin can be operated conjunctively with SFPUC surface water supplies. Customer agrees that the balance of all volumes of water placed in

underground storage as a result of the delivery of supplemental surface water by the SFPUC for study purposes are carried forward into this contract, and that the proposed Agreement for Water Storage and Recovery from the Southern Westside Basin, if finally approved by the SFPUC and Customer, will contain the correct volume of banked water using the same methodology employed under amendments to Customer's 1984 individual water sales contract.

The SFPUC agrees that the extraction of such stored water is conditioned on the successful completion of CEQA review for the conjunctive use program and the installation and operation of proposed program wells.

IN WITNESS WHEREOF, the parties hereto have executed this Contract, to become effective upon the effectiveness of the WSA, by their duly authorized representatives.

THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES

CITY AND COUNTY OF SAN FRANCISCO

Acting by and through its Public Utilities
Commission

By: *Edward Harrington*
Edward Harrington
General Manager

Date: July 17, 2009

Approved by Commission Resolution No. 09-0069,
adopted April 28, 2009

Michael Housh
Michael Housh
Secretary to Commission

Approved as to form:

DENNIS J. HERRERA
City Attorney

By: *Joshua D. Milstein*
Joshua D. Milstein
Deputy City Attorney

CITY OF SAN BRUNO

By: *Constance C Jackson*
Name: Constance C Jackson
Title: City Manager - City of San Bruno

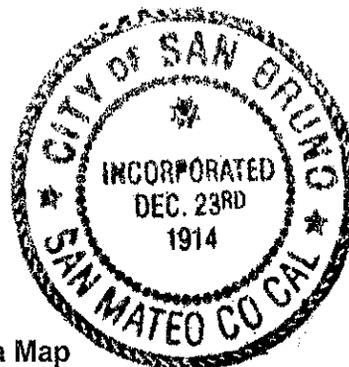
Date: July 10, 2009, 2009

Pamela Thompson
City Attorney

Contract Approved by City Council on 6/23/09 (date)

Attest:

Doris Conner
City Clerk



Attachments:

- A - Service Area Map
- B - Location and Description of Service Connections to the SFPUC Regional Water System
- C. Emergency Connections with Other Water System
- D. Areas Served Outside Service Boundary

Exhibit A

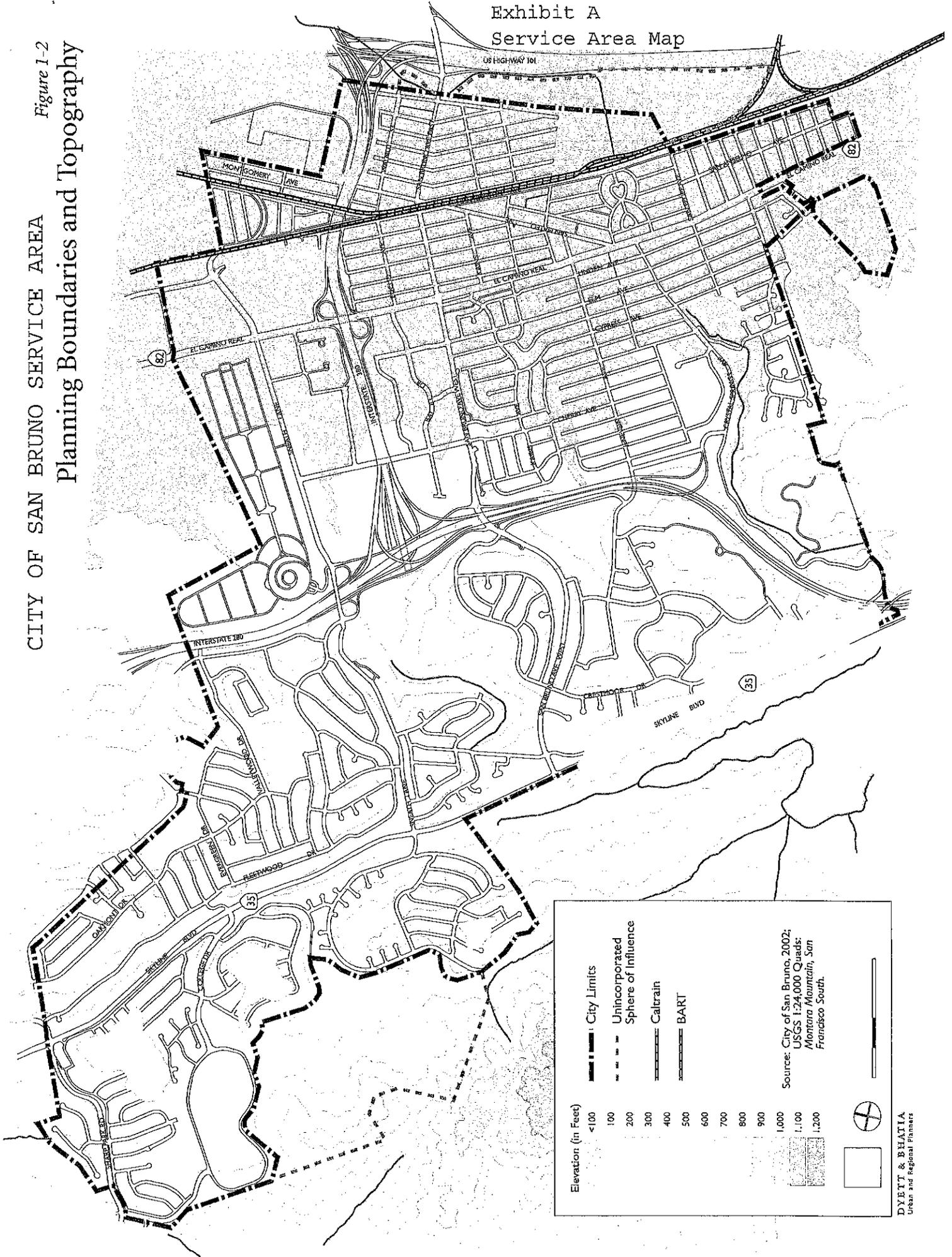
Service Area Map

(Map Follows as, Exhibit A, Service Area Map, Page 5/8)

CITY OF SAN BRUNO SERVICE AREA

Figure 1-2
Planning Boundaries and Topography

Exhibit A
Service Area Map



Elevation (in Feet)

<100
100
200
300
400
500
600
700
800
900
1,000
1,100
1,200

- - - - - City Limits
 - - - - - Unincorporated Sphere of Influence
 = = = = = Caltrain
 - - - - - BART

Source: City of San Bruno, 2002;
 USGS 1:24,000 Quads:
 Montara Mountain, San
 Francisco South.

Exhibit B

Location and Description of Service Connections to the SFPUC Regional Water System

Account	Meter Connection	Service Address	Service Street	Service Street Suffix	Service City	Service Size	Meter Size
010023018	1	2001	WHITMAN	WY	San Bruno	12	6
010023018	2	2001	WHITMAN	WY	San Bruno		6
010024016	1	900	SNEATH	LN	San Bruno	12	6
010024016	2	900	SNEATH	LN	San Bruno		6
010024016	3	900	SNEATH	LN	San Bruno		6
010025013	1	1204	SNEATH	LN	San Bruno	12	6
010025013	2	1204	SNEATH	LN	San Bruno		4
010026011	1	1206	SNEATH	LN	San Bruno	12	6
010026011	1	101	BAYHILL	DR	San Bruno	12	10

Exhibit C

Emergency Connections with Other Water Systems

Connection With	Number	Size
North Coast County Water District	2	21", 21"
CWS- SSF	1	8"

Exhibit D

Areas Served Outside Service Boundary

Name	Size
GSA Building – 1070-1080 San Mateo Avenue	2" domestic, 10" Fire
College Drive and Sharp Park (Spyglass Ridge Townhouses) Skyline Blvd. and Sneath Lane – Demand Connection with NCCWD Demand connection on San Mateo Avenue with SSF	6", 10", 1.5"
Lomita Park School	Two 2"



STAFF REPORT

CITY OF SAN BRUNO

DATE: March 12, 2013
TO: Honorable Mayor and City Council
FROM: Klara A. Fabry, Public Services Director
SUBJECT: Adopt Resolution Adopting the 2012 Updated Water System Master Plan

BACKGROUND:

In February 2011, the City entered into an agreement with West Yost Associates to update the City's Water System Master Plan (WSMP). The purpose of the Water System Master Plan (WSMP) is to identify strategies for maintaining and improving water distribution system performance to meet existing and future water demands and guide capital expenditures for the City's water system.

The WSMP includes the following:

- Develop water demand projections through 2035, consistent with the City's Urban Water Management Plan and other water planning documents;
- Develop a new calibrated hydraulic model of the distribution system from the City's geographical information system (GIS);
- Establish key master plan assumptions to identify deficiencies and size new improvements;
- Prepare a comprehensive system evaluation that addresses capacity, operational and seismic reliability, and renewal and replacement needs for current and future customers; and,
- Develop a prioritized capital improvement program for recommended existing and future water system improvements.

The WSMP is an update to the City's 2001 WSMP and provides a comprehensive road map for the City's water system for the next 20 plus years.

The recommended water system capital improvement program (CIP) totals \$237 million, in three program areas: \$33M in capacity improvements, \$41M in reliability improvements and \$163M in renewal/replacement improvements.

The WSMP also includes a recommended implementation schedule for the CIP, based on priorities established for each of the programs. A total of \$30M is identified for implementation in the 2012 through 2016 timeframe and another \$54M is identified for implementation in the 2017 through 2021 timeframe. The needed funding was incorporated into the City's Water and Sewer Rate Study (Bartle Wells, 2012). The City Council adopted the adjusted water rates for the five-year planning horizon on May 22, 2012. The proposed rate structure provides additional needed revenue to support operational and capital needs for the 5-year time period from FY 2012-13 through FY 2016-17. The rate structure as proposed in the 2012 Water and Sewer Rate Study is based on a 10-year financial plan and capital improvements need.

The City Council reviewed the WSMP at the February 12, 2013 study session.

DISCUSSION:

The City embarked on the WSMP update to provide a more thorough evaluation of the water distribution system, and develop a near-term and long-term Capital Improvement Program to comprehensively address the City's water system needs. The WSMP evaluated needs to improve capacity, operational reliability, address renewal and replacement of aging infrastructure and minimize seismic vulnerability of water system facilities.

Many areas of the City were developed when less stringent requirements were in place. The City's most significant reliability need is to upgrade its water pipeline infrastructure to provide better overall seismic and fire flow reliability. The system capacity and operational reliability evaluation assessed whether the City has adequate capacity and reliability for normal operations and emergency needs. The projects identified in the WSMP will significantly improve the City's ability to meet emergency fire flow needs, and the recommended implementation timeframe will provide system upgrades over the next five years, ten years and until 2035.

In the past, due to lack of resources, the City deferred replacement of water mains and has relied on spot repairs and replacement of aging pipeline infrastructure in response to significant leaks. Similar to other communities on the San Francisco Peninsula, the City has many old pipelines, with some areas of the City that are over 100 years old. The WSMP includes a focused analysis of pipeline renewal and replacement needs to address the City's aging pipeline infrastructure. The analysis evaluated pipeline age, material type and leak history and found that the most significant replacement needs are in the oldest parts of the City where pipelines are smallest in diameter and have most leaks per 1000 feet. To catch up on all of the deferred main replacements, the recommended pipeline replacement program addresses the highest priority main replacement projects within the next 10 years. These projects are needed for the City to be proactive and begin to address its renewal and replacement needs in a more systematic way. Since the City Council adopted the new water rates as proposed in the 2012 Water and Sewer Rate Study, adequate funding is now available to proceed with the WSMP recommended system improvements. It is in long-term financial benefit of the City to proceed with the water main replacement projects as opposed to the spot repair program.

The WSMP also builds on the City's current programs to provide projects that will maintain its wells, tanks, booster pump stations and pressure regulating stations. These projects include rehabilitation of facilities to replace equipment that has reached the end of its useful life, and maintains and extends the lives of facilities to ensure that they continue to deliver reliable performance.

The City is vulnerable to earthquakes, particularly due to its close proximity to the San Andreas Fault. The WSMP capital improvement program provides for ongoing implementation of the City's seismic improvement programs to reinforce storage tanks, and strengthen pipelines at fault crossings to minimize the system's vulnerability during seismic events. The capital improvement program includes funding for seismic improvements within the next 5 years.

The adoption of the Water System Master Plan is not subject to the California Environmental Quality Act pursuant to section 15061(b)(3). The master plan is a broad-based planning document, and that as individual projects are undertaken, there will be subsequent environmental evaluation and specific mitigation required related to more detailed project information.

The WSMP provides a road map that will enable the City to address water distribution system needs comprehensively, to maintain and enhance the City's ability to provide reliable water service to its residents. The draft WSMP has been made available for public review and input. The City Council subcommittee reviewed the document on January 10, 2013 and the City Council conducted a study session on February 12, 2013 to review the draft document. The document is available at the library and on the City's website for public review.

FISCAL IMPACT:

The City has already adopted the rates for the five-year planning horizon identified in the WSMP. The fiscal impact for implementing programs in the next five years will be \$30,366,000. The overall long-term fiscal impact for implementing the entire WSMP is \$237,556,000.

ALTERNATIVES:

1. Direct staff to make changes to the recommended improvements in the WSMP.
2. Do not adopt the WSMP and continue with the spot repairs program as needed.

RECOMMENDATION:

Adopt resolution adopting the 2012 Updated Water System Master Plan.

ATTACHMENTS:

1. Resolution

DISTRIBUTION:

None

DATE PREPARED:

March 7, 2013

REVIEWED BY:

 CM

RESOLUTION NO. 2013 - ____

ADOPTING THE 2012 UPDATED WATER SYSTEM MASTER PLAN

WHEREAS, the Waster System Master Plan was adopted by the City in 2001; and

WHEREAS, the City retained West Yost Associates in February 2011 to update the Water System Master Plan; and

WHEREAS, the purpose of the Waster System Master Plan is to identify strategies for maintaining and improving water distribution system performance to meet existing and future water demands and guide capital expenditures for the City's water system; and

WHEREAS, the recommended water system capital improvement program totals \$235 million, in three program areas: \$33 million in capacity improvements, \$41 million in reliability improvements and \$163 million in renewal/replacement improvements over the next 20 years; and

WHEREAS, the Waster System Master Plan has been made available for public review and reviewed by the City Council Subcommittee on January 10, 2013 and the City Council at a study session on February 12, 2013. The Plan was also available to the public at the library and on the City's website; and

WHEREAS, the adoption of the Master Plan is not subject to the California Environmental Quality Act pursuant to section 15378(b)(5) as the Plan is not a project as it involves an administrative activity that will not result in direct or indirect physical changes in the environment.

NOW, THEREFORE, BE IT RESOLVED: that the City Council adopts the 2012 Updated Water System Master Plan.

Dated: March 12, 2013

ATTEST:

Carol Bonner, City Clerk

-o0o-

I, Carol Bonner, City Clerk, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Bruno this 12th day of March 2013 by the following vote:

AYES: Councilmembers: _____
NOES: Councilmembers _____
ABSENT: Councilmembers: _____



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: March 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Marc Zafferano, City Attorney

SUBJECT: Adopt Resolution Authorizing the Mayor to Execute and File the Articles of Incorporation for The San Bruno Community Foundation

BACKGROUND:

The September 9, 2010 PG&E gas transmission line explosion affected not only the Glenview/Crestmoor neighborhood and its residents, but also the entire City. In recognition of this impact, PG&E paid the City \$68,750,000 in cash and transferred title to five vacant lots it owned in the Crestmoor neighborhood to the City. The settlement agreement requires that the City establish a not-for-profit (NFP) entity to receive, manage, administer, and expend the funds for the benefit of the San Bruno community. The City is currently holding the funds in a secure U.S. Treasuries investment until the NFP is fully formed and operational.

In October 2012, the City Council held a public Study Session to discuss formation of the NFP, including its name, purpose, mission statement, composition of governing board, and other basic features. In February 2013, the City Council continued its discussions in another public Study Session. At that meeting, the City Council agreed on a name for the NFP and a statement of its purpose, and directed staff to prepare the Articles of Incorporation.

In the meantime, staff is working on drafting bylaws for future discussion and adoption by the City Council. At a subsequent meeting, the City Council may also consider appointment of the members of the NFP's governing board. Once the board is appointed, the NFP can begin holding its initial meetings. The NFP's meetings will be held in public and will comply with the Brown Act.

DISCUSSION:

All corporations organized in California are incorporated by the filing of Articles of Incorporation with the Secretary of State. An "incorporator" is required to sign the Articles. Corporations Code sections 5065 and 5120 authorize governmental entities to

be incorporators. Accordingly, staff recommends that the City of San Bruno act as the incorporator, and that the Mayor, on behalf of the City, sign the Articles. The NFP will be organized as a nonprofit public benefit corporation exempt as an organization described in section 501(c)(3) of the Internal Revenue Code, which allows it to function only for charitable and/or public-benefit purposes. For purposes of the Articles, the word "charitable" has a necessary and specific legal meaning that allows the organization to qualify for tax-exempt status under federal law.

At the last Study Session, the City Council selected the name "The San Bruno Community Foundation" for the NFP. The Articles must also include a statement of the purpose of the NFP, which is listed as follows: "The specific purpose of this corporation is to benefit the San Bruno community through enduring and significant contributions to, and investments in, charitable and community programs, and publicly-owned community facilities, over the long term."

Each corporation must initially designate an agent for service of process, which means a person authorized to accept delivery of legal summons. Staff recommends that the City Attorney be designated in this capacity; once the NFP board is selected, it can designate someone else if appropriate.

State law allows corporations to have members, which may exercise voting powers, akin to shareholders in private corporations. Given the purpose of the NFP, staff recommends that the corporation have no members. Instead, a board to be appointed by the City Council will govern the NFP. The City Council has also expressed its interest in having the board appoint one or more committees to assist the NFP in its activities.

Per state law, corporations organized as charitable, public-benefit corporations may not attempt to influence legislation or engage in political campaigns, and the Articles reflect this prohibition. The Articles must also state that the NFP may not use its income and assets for the benefit of any private person. This is consistent with the NFP's charitable and public purposes.

FISCAL IMPACT:

None; the cost for filing the Articles of Incorporation (\$30) and all other fees and costs associated with the formation of the NFP will be repaid to the City from the Trust funded by PG&E to reimburse all costs and expenses associated with the explosion.

ALTERNATIVES:

1. Request that staff return with additional information about the content of the Articles of Incorporation.
2. Direct specific changes to the Articles of Incorporation.

RECOMMENDATION:

Staff recommends that the City Council adopt a resolution authorizing the Mayor to execute and file the Articles of Incorporation of The San Bruno Community Foundation.

DISTRIBUTION:

None.

ATTACHMENTS:

1. Resolution
2. Articles of Incorporation of the San Bruno Community Foundation

DATE PREPARED:

March 7, 2013

REVIEWED BY:

_____ CM

ARTICLES OF INCORPORATION
of
THE SAN BRUNO COMMUNITY FOUNDATION

I

The name of the corporation is The San Bruno Community Foundation.

II

(A) This corporation is a nonprofit Public Benefit Corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and/or charitable purposes.

(B) The specific purpose of this corporation is to benefit the San Bruno community through enduring and significant contributions to, and investments in, charitable and community programs, and publicly-owned community facilities, over the long term.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Name: Marc L. Zafferano
Address: 567 El Camino Real
San Bruno, California 94066

IV

The corporation shall have no members.

V

(A) This corporation is organized and operated exclusively for public and/or charitable purposes within the meaning of Internal Revenue Code Section 501(c)(3). Despite any other provision in these articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under Internal Revenue Code Section 501(c)(3); or (b) a corporation, contributions to which are deductible under Internal Revenue Code Section 170(c)(2).

(B) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not

participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of (or in opposition to) any candidate for public office.

VI

(A) The property of this corporation is irrevocably dedicated to public and/or charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

(B) Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Internal Revenue Code Section 501(c)(3).

Dated: March ____, 2013

City of San Bruno, a California
general law city, Incorporator
By: Jim Ruane, Mayor

RESOLUTION NO. 2013-_____

RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF SAN BRUNO TO EXECUTE AND FILE ARTICLES OF INCORPORATION FOR THE SAN BRUNO COMMUNITY FOUNDATION

WHEREAS, the City of San Bruno received \$68,750,000 in cash and five vacant lots from PG&E in recognition of the impact of the September 9, 2010 explosion on the entire City;

WHEREAS, the settlement agreement with PG&E requires that the City establish a not-for-profit entity to receive, manage, administer and expend the funds for the benefit of the San Bruno community;

WHEREAS, the City Council desires to incorporate a not-for-profit entity named "The San Bruno Community Foundation" for public and/or charitable purposes as necessary to qualify for tax-exempt status as a 501(c)(3) corporation under federal law;

WHEREAS, the purpose of the corporation is to benefit the San Bruno community through enduring and significant and contributions to, and investments in, charitable and community programs, and publicly-owned community facilities, over the long term;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of San Bruno that the Mayor of the City of San Bruno is authorized to execute and file the Articles of Incorporation for The San Bruno Community Foundation attached hereto.

ATTEST:

Carol Bonner, City Clerk

-o0o-

I, Carol Bonner, City Clerk, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Bruno this 12th day of March 2013 by the following vote:

AYES: COUNCILMEMBERS: _____
NOES: COUNCILMEMBERS: _____
ABSENT: COUNCILMEMBERS: _____