



TOWN OF PORTOLA VALLEY

7:30 PM – Regular Town Council Meeting

Wednesday, June 23, 2010

Historic Schoolhouse

765 Portola Road, Portola Valley, CA 94028

REGULAR MEETING AGENDA

7:30 PM – CALL TO ORDER AND ROLL CALL

Councilmember Derwin, Vice Mayor Driscoll, Councilmember Richards, Mayor Toben, Councilmember Wengert

ORAL COMMUNICATIONS

(Time Estimate – 5 Minutes)

Persons wishing to address the Town Council on any subject may do so now. Please note however, that the Council is not able to undertake extended discussion or action tonight on items not on the agenda.

CONSENT AGENDA

(Time Estimate – 5 Minutes)

The following items listed on the Consent Agenda are considered routine and approved by one roll call motion. The Mayor or any member of the Town Council or of the public may request that any item listed under the Consent Agenda be removed and action taken separately.

- (1) [Approval of Minutes – Regular Town Council Meeting of June 9, 2010](#)
- (2) [Approval of Warrant List – June 23, 2010](#)
- (3) [Recommendation by Assistant Town Manager – 2010/2011 Woodside Highlands and Wayside II Road Maintenance District Tax Assessments](#)
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Woodside Highlands Road Maintenance District to the 2010-2011 Tax Roll and to Collect the Tax at the same time as General County Taxes (Resolution No. __)
 - (b) Adoption of a Resolution of the Town Council of the Town of Portola Valley Authorizing the San Mateo County Controller to Apply the Special Tax for the Wayside II Road Maintenance District to the 2010-2011 Tax Roll and to Collect the Tax at the same time as the General County Taxes (Resolution No. __)
- (4) [Recommendation by Administrative Services Officer – Annual Adoption of the Town's Investment Policy](#)
 - (a) Adoption of a Resolution of the Town of Portola Valley Adopting Town Investment Policy (Resolution No. __)

REGULAR AGENDA

(Time Estimate – 90 Minutes)

- (5) [PUBLIC HEARING – Adoption of Fiscal Year 2010-2011 Budget](#)
 - (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Adopting the Operating and Capital Budgets for Fiscal Year 2010-2011 (Resolution No. __)
- (6) **Recognition of Service** – to George Mader for his Exceptional Service to the Town of Portola Valley
- (7) **Appointment** – of Tom Vlasic as Town Planner for the Town of Portola Valley
- (8) [Recommendation by Assistant Town Manager - Consultant Services Agreements Between the Town of Portola Valley and](#)
 - (a) [Cotton, Shires & Associates, Inc. for Geologic Services](#)
 - (b) [Spangle Associates for Planning Services](#)
 - (c) [Nolte Associates, Inc. for Engineering Services](#)
 - (d) [CleanStreet for Street Sweeping Services](#)
 - (e) [CSG Consultants, Inc. for building Plan Review/Inspection Services](#)
 - (f) [Kutzmann and Associates, Inc. for Plan Review Services](#)

(9) Recommendation by Town Manager – Setting Salary Schedule

- (a) Adoption of a Resolution of the Town Council of the Town of Portola Valley Modifying the Salary Schedule for Fiscal Year 2010-2011 (Resolution No. __)

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(Time Estimate – 15 Minutes)

(10) Reports from Commission and Committee Liaisons

There are no written materials for this item.

WRITTEN COMMUNICATIONS

(Time Estimate – 5 Minutes)

(11) Town Council Weekly Digest – June 11, 2010

(12) Town Council Weekly Digest – June 18, 2010

ADJOURNMENT

ASSISTANCE FOR PEOPLE WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at (650) 851-1700. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley Library located adjacent to Town Hall. In accordance with SB343, Town Council agenda materials, released less than 72 hours prior to the meeting, are available to the public at Town Hall, 765 Portola Road, Portola Valley, CA 94028.

SUBMITTAL OF AGENDA ITEMS

The deadline for submittal of agenda items is 12:00 Noon WEDNESDAY of the week prior to the meeting. By law no action can be taken on matters not listed on the printed agenda unless the Town Council determines that emergency action is required. Non-emergency matters brought up by the public under Communications may be referred to the administrative staff for appropriate action.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge any proposed action(s) in court, you may be limited to raising only issues you or someone else raised at the Public Hearing(s) described in this agenda, or in written correspondence delivered to the Town Council at, or prior to, the Public Hearing(s).

TOWN COUNCIL MEETING NO. 793, JUNE 9, 2010

ROLL CALL

Mayor Toben called the meeting to order at 7:30 p.m. and led the Pledge of Allegiance. Ms. Howard called the roll.

Present: Councilmembers Maryann Derwin and John Richards, Vice Mayor Ted Driscoll and Mayor Steve Toben

Absent: Councilmember Ann Wengert

Staff: Angela Howard, Town Manager
Stacie Nerdahl, Administrative Services Officer
Sandy Sloan, Town Attorney
Sharon Hanlon, Town Clerk
George Mader, Town Planner

Others: Kenneth Lavine, Chair, Cable & Utilities Undergrounding Committee
Cort Van Rensselaer, Cable & Utilities Undergrounding Committee
Jean Van Rensselaer
Paul Melnychuck, Cable & Utilities Undergrounding Committee
Ting Pun, Cable & Utilities Undergrounding Committee
Paul Heiple, Vice Chair, Conservation Committee
Bill Urban, Finance Committee

ORAL COMMUNICATIONS

None

CONSENT AGENDA [7:33 p.m.]

By motion of Vice Mayor Driscoll, seconded by Councilmember Derwin, Item 2 was approved with the following roll call vote:

Aye: Councilmembers Derwin and Richards, Vice Mayor Driscoll and Mayor Toben

No: None

(2) Warrant List of June 9, 2010 in the amount of \$317,019.30

REGULAR AGENDA [7:34 p.m.]

(1) Minutes of Town Council Meeting of May 26, 2010 (Removed from Consent Agenda)

Councilmembers Derwin, Richards and Mayor Toben submitted changes to the minutes of the May 26, 2010 Town Council meeting. By motion of Councilmember Derwin, seconded by Vice Mayor Driscoll, Item 1 from the Consent Agenda was approved as amended by a vote of 4-0.

(3) Request by Cable & Utilities Undergrounding Committee – Discussion of Formation of a Utility District to Underground Utilities in Portola Valley using PG&E Rule 20A Funds [7:41 p.m.]

Mayor Toben welcomed members of the Cable & Utilities Undergrounding Committee, thanking them for their valuable service and the time and attention they give the undergrounding issue, which presents an array of complexities and opportunities. He then introduced Mr. Lavine to present the item.

Mr. Lavine introduced Mr. Van Rensselaer and the committee's newest members, Paul Melnychuck and Ting Pun. Co-chair Merijane (M.J.) Lee could not attend, but she spent considerable time helping prepare maps for the Council. With information provided by Public Works Director Howard Young. Mr. Lavine and Ms. Lee walked the corridors along Alpine and Portola Roads to map transformers, poles and cell phone towers indicated as Undergrounding District #1 in the General Plan. They then drew the location of wires along the two roads. If granted approval to use PG&E Rule 20A funds to underground cables and wires in either area, they now have a good idea of what the job will entail. Mr. Lavine noted that PG&E has not seen these maps; nor has Comcast or AT&T. In response to a question from Mayor Toben, he said that it is not a matter of PG&E having any problem with these maps, but they are not "official." He described the maps as "pretty accurate but not absolute." In fact, he noted that one wire indicated on the map has been removed since they walked the routes.

Mr. Lavine pointed out that undergrounding utilities is an expensive proposition, with per-linear-foot costs varying on several factors, including the number of poles and transformers replaced, the number of individual customers' service lines impacted, the extent of trenching below roads versus next to roads and the existence of abandoned substructures. Despite the expense, according to the General Plan, undergrounding is what the town has decided it wants to do in the long run. The General Plan states that undergrounding should begin with the Alpine Road and Portola Road corridors, and establish them as Undergrounding District #1. Three areas undergrounded previously using Rule 20A funds include:

- Portola Road between Stonegate Road and The Sequoias, in front of Windy Hill.
- On Alpine Road, a section around the Nathorst Triangle area that extends onto Portola Road, and goes all the way down to Nathorst Avenue.
- On Alpine Road on the other side of town, adjacent to Ladera Shopping Center about halfway to Westridge Drive.

Rule 20A funds come from PG&E via the small amounts the utility is required to collect from each ratepayer. Portola Valley gets credited with about \$32,000 annually, which has accumulated to nearly \$350,000. The accumulated funds do not earn interest. Communities that undertake undergrounding projects may borrow up to five years' worth of credits going forward. Given the length of time it takes to even start such a project, PG&E expects Portola Valley to have about \$700,000 available to spend on undergrounding by the time construction begins.

Mr. Lavine drew the Council's attention to Exhibit I, prepared by PG&E and included with Mr. Lavine's May 20, 2010 memorandum to the Town Council. It shows the \$32,000 accruing annually from 2010 through 2020. PG&E estimates that even if Portola Valley initiates a project soon, design wouldn't begin until 2014.

First, however, the town must get into PG&E's four- to five-year queue. Mr. Lavine indicated that the Cable & Utilities Undergrounding Committee discussed whether to determine exactly what to underground or get in the queue for a more ambitious program that could be scaled back when the time comes. The Committee decided on the latter course, which PG&E endorsed. Exhibit II from Mr. Lavine's May 20, 2010 memorandum to the Town Council compares the three areas for which designs may be developed for undergrounding (depending on funds available at the time). They are:

- All of Alpine Road between the two areas that are currently undergrounded; this excludes the portion of Alpine above Portola Road, which was not mapped. These include:
 - Area "A" – between Westridge to Arastradero Road, just east of Golden Oak Drive; with spans of PG&E-only wires, no need for aerial drops and no residential properties that would be affected by undergrounding along the streets, this would be among the least-costly areas to put the wires underground.
 - Area "B" – an 1,800-foot stretch along Alpine Road, from just east of Nathorst Avenue to the Alpine Hills Tennis & Swimming Club (Golden Oak Drive). This area is rather congested (business fronts, foot traffic, other utilities attached to poles, etc.) and would require negotiating three aerial drops with the individual owners. Another issue is whether property owners will have to pay to underground

wires and panel conversions on existing properties. Although town policy now requires undergrounding utilities when building a new structure, older homes and businesses will need cables and wires undergrounded from the street. For a single residential property, panel conversions can range from \$1 500 to \$3,000 and underground service lines even more.

Mr. Lavine pointed out that according to Mr. Young, Alpine Road carries twice the traffic that Portola Road does. It is also the major entrance into town. Those are among the reasons the Cable & Utilities Undergrounding Committee recommends undergrounding all of Alpine Road.

- On Portola Road, the section from Westridge Drive to the Town Center – a good candidate for undergrounding because poles are relatively far apart, there are few transformers and not many homes are serviced from the road.

Mr. Lavine again pointed out that according to Mr. Young, Alpine Road carries twice the traffic that Portola Road does. It is also the major entrance into town. Those are among the reasons the Cable & Utilities Undergrounding Committee unanimously approved a recommendation that the Town Council create a Rule 20A District there at its March 11, 2010 meeting. In reply to Mayor Toben's question about whether safety issues factored into the decision about locations as well as aesthetics and traffic volume, Mr. Lavine said that underground wires are certainly safer, but safety was not considered. Still, as he pointed out, twice the traffic obviously creates twice the opportunity for safety problems.

Vice Mayor Driscoll noted that FY2010-2011 budget includes extensive C-1 trail improvements in Area "A," which Stanford is paying for. He said it seems unfortunate to dig up the area for the trail work and then dig it up again a few years later for undergrounding. He suggested finding a way to get PG&E to take advantage of the trail construction and bump Portola Valley up the queue. Mayor Toben thought that was a good idea, because the cost savings could be significant. When Vice Mayor Driscoll recalled that the wires are on the uphill side – the west side of the road, whereas the trail is on the east side – Mr. Lavine pointed out that it wouldn't be the determining factor as to where to put wires underground. He explained that is more a matter of where existing underground wires are located than where the overhead wires are. Either way, he said that as Mr. Young had explained to him, it's much cheaper to dig along the side of the road rather than under the road. Getting a good answer from PG&E before they know the engineering would be very difficult.

Vice Mayor Driscoll said if we can find the right PG&E contact, we could point out that we're about to do \$2.8 million worth of construction along a mile of that road, that there will be excavation and even some bank improvement where the creek comes close to the road. He asked, "Is there a way we can get bumped up the queue?" Mayor Toben wondered whether the town could engage someone who makes a living talking to PG&E to facilitate the type of discussion Vice Mayor Driscoll described. Vice Mayor Driscoll suggested that Stanford, as a major PG&E customer, may have leverage with PG&E. He recalled Stanford President John Hennessy saying that Stanford is Santa Clara County's largest employer. Mayor Toben followed up, saying that since Portola Valley has "goodwill in the bank with Stanford," perhaps the town could approach Stanford to intercede to stimulate a conversation with PG&E about merging these projects.

Mr. Lavine asked when construction on the C-1 trail is expected to begin. Mayor Toben said that it's conceivable, if necessary, to slow down the C-1 trail a bit and speed undergrounding up. Ms. Howard and Vice Mayor Driscoll pointed out that Stanford has a deadline of meeting obligations to the Santa Clara County Board of Supervisors. Mayor Toben asked, assuming there's a possibility of at least exploring the notion of combining these projects, what the next step would be. Vice Mayor Driscoll said it wouldn't affect any decision at this meeting. Mayor Toben agreed that creating the district would be the next order of business.

Councilmember Derwin said that she doesn't understand borrowing out five years' from completion of design. Mr. Lavine said that PG&E would issue five future years' worth of Rule 20A credits in advance.

Mayor Toben said he is unclear about the relationship between Mr. Lavine's memorandum, which endorses PG&E's recommendation of Areas "A" and "B" as the Undergrounding District, and Exhibit II,

which also references Area C. Acknowledging the heavier traffic volume on Alpine Road (versus Portola Road), he said that the relative expense of undergrounding Area “C” versus Area “A,” the increasing pace of activity at Town Center and views to the western hills, he said he wanted to understand the Committee’s decision to favor Areas “A” and “B” versus Areas “B” and “C”.

Mr. Lavine said that in general, because Alpine has more traffic it affects more people and therefore it’s also making more people safer. Also, of all three options, Area “A” gives the most bang for the buck, while Areas “B” and “C” are similar. Mayor Toben called that “not an overwhelmingly compelling argument...but not a bad argument either.” He said that utilities create a lot of visual clutter around Town Center, and traffic there will increase as the site’s popularity continues to grow. In the end, he said that he wouldn’t take a strong stand about getting a good value per linear foot doing Area “A.”

Councilmember Richards, having attended several Committee meetings, said that he understands enough of the nitty-gritty aspects to consider it sensible to get started. He said he favors the Committee’s recommendation and going with Areas “A” and “B” because they would give the town a longer continuous stretch of undergrounded utilities since part of it has been done already. Mayor Toben said it was a good point.

Councilmember Derwin said she appreciates the very thoughtful and comprehensive work the Committee has done. She also favors the Committee’s recommendation.

Vice Mayor Driscoll said undergrounding is the sensible thing to do and he appreciates the fact that they suggested the conversion of Alpine Road which benefits most of the town and avoids the appearance of being a huge area, that somehow the Town Center or the Town Council is tending to its own front yard. He agrees that Alpine Road is certainly the trunk that feeds the majority of the town, and that’s also the place where we have some of the more extreme cases of topiaries or sculpted trees.

Mayor Toben said, “I’m fine with that direction.” He asked for a motion to the effect that the Town Council direct staff to prepare a resolution establishing Alpine Road as a designated Rule 20A Underground District. Councilmember Richards made the motion, Vice Mayor Driscoll seconded, and the motion carried 4-0.

Vice Mayor Driscoll asked if the town has a contact person at PG&E. We should ask them about the aspects of the Stanford C-1 trail work, which goes along most of Area “A.” It would be great to find a way to share costs and economize. Mr. Lavine said that Mr. Young would be the person in the best-position to speak to someone at PG&E about minimizing disruptions and achieving potential cost savings.

(4) Report from Town Planner and Discussion – Stanford University Habitat Conservation Plan [8:02 p.m.]

(a) Regarding a Draft Environmental Impact Statement (DEIS) for Authorization for Incidental Take and Implementation of the Stanford University Habitat Conservation Plan

Vice Mayor Driscoll recused himself. His wife is a Stanford employee.

Mr. Mader distributed some materials and introduced Mr. Heiple, who held up for display a “massive tome” that Stanford has been working on for several years. As pointed out in Mr. Mader’s memorandum of June 2, 2010 to the Town Council, Stanford’s Community Plan (CP) and the implementing General Use Permit (GUP) required preparing this Habitat Conservation Plan (HCP). The work was done in-house with some consultant help. Thomas Reed Associates did the HCP’s Environmental Impact Statement (EIS). The Draft EIS (DEIS) comment period remains open until July 15, 2010. Mr. Mader noted that the Town Council is not required to do anything, but may want to be involved in some way.

Mr. Mader said that he would highlight some of the things from the imposing HCP/DEIS volume that are particularly relevant to Portola Valley. Stanford’s CP, which Santa Clara County approved in 2000, goes

to about 2025 or whenever the University reaches capacity. Its GUP covers a 10-years period (to 2010), but since development is slower than anticipated, its life will be extended

The DEIS states, “Future development is estimated to include development of 30 acres of land under an approved General Use Permit from Santa Clara County and up to an additional 150 acres of yet undefined development that could occur at Stanford over the next 50 years...” This future development will occur in locations that are not all identified; the HCP would provide the basis for incidental take permits (ITPs) to be issued as needed over those 50 years, as Stanford disturbs habitat for five species as it carries out development included in the CP.

Under Federal regulations, harming or disturbing an endangered species is considered an “incidental take” and requires an Incidental Take Permit (ITP) as well as implementation of certain mitigation measures to offset the damage. The five species involved are California red-legged frog, California tiger salamander (CTS), San Francisco garter snake, Central California Coast steelhead and western pond turtle. As Mr. Mader pointed out, this list does not assume that the Council is not interested in other species. And he said that as Mr. Heiple will point out, the HCP doesn’t address conservation of vegetation, except as it relates to these five species. Mayor Toben asked if those might be things to comment on before the July 15 deadline. Mr. Mader said yes, and that that as an expert in the area, Mr. Heiple will address some of those points further with the Town Council. Mr. Mader also said that Mr. Heiple and the Conservation Committee would make comments in response to the DEIS and would urge residents to weigh in as well.

Mr. Mader distributed his first handout, Figure 4-2, a color-coded Management Zones Map of the 8,188 acres that Stanford owns. Zone 1 (dark green) is the most sensitive and of greatest concern and Zone 4 (orange) is the least sensitive and of very little concern. Zone 1 areas run along San Francisquito Creek, Los Trancos Creek, Deer Creek, Lake Lagunita and some areas along Matadero Creek. Zone 1 also includes the lower part of the foothills going toward Lake Lagunita and along Junipero Serra Boulevard, which is the habitat of the red-legged frog.

- Zone 1 (1,295 acres) supports the covered species; development will be avoided to the maximum extent possible.
- Zone 2 (1,260 acres) is occasionally occupied by covered species; development will be avoided when feasible.
- Zone 3 (2,446 acres) contains generally undeveloped land that has biological value but provides limited and indirect value to the covered species.
- Zone 4 (3,187 acres) does not support covered species.

Mr. Mader noted that a large part of Dish Hill, the area between I-280 and Junipero Serra, is particularly important to Portola Valley. Many residents have views of the ridge (partly in Zone 1) and the southwestern slope (partly in Zone 2) – habitat for the CTS. Some of Dish Hill also falls into Zone 3 on the Management Zones Map. He said that while Felt Lake is in Zone 3, the land along Los Trancos Creek is in Zone 1 and Zone 2.

Although it is in Zone 3, Mr. Mader explained that the Stanford Wedge’s distance from the campus core would not appear to make it attractive for development. Parcels on West Campus Drive north of the driving range, as well as the lower hills along Junipero Serra northwest of Page Mill Road, seem more conducive to future development.

To obtain ITPs, Stanford must accumulate credits in ways such as those described in Mr. Mader’s second handout, Table 4-2. For each acre in Zone 1, the University must preserve three acres elsewhere as habitat for displaced or disturbed species. By and large, one credit accrues for 1) each acre of land placed in the CTS Reserve and 2) each acre put into conservation easements. To his knowledge, Mr. Mader said, Stanford has never before granted conservation easements, and these are in perpetuity easements.

Other items on Table 4-2 illustrate other preservation or enhancement activities that earn credits. For each 200 feet of fixed bank, a credit goes into either the Matadero/Deer or San Francisquito/Los Trancos Riparian Accounts (the latter of which also includes Corte Madera, Sausal and Bear Creeks). Similarly, those accounts get one credit for each additional water quality monitoring station constructed along an affected creek and operated for five years. Other mitigation measures that earn credits include improving creeks for better habitat by increasing minimum bypass flow rates, expanding riparian areas, removing in-stream barriers, stabilizing creek banks and so on.

Mayor Toben asked whether the Santa Clara County would be the approving agency. Mr. Mader said that as he understands it, the federal agencies will have to approve the plan, and over time, the ITPs will be issued within the context of the overall CP/HCP. Mr. Heiple said that the U.S. Fish & Wildlife Service would be the governing federal agency.

Mayor Toben said he supposes that those who feel the HCP isn't stringent enough could claim too much credit is being given for one element or another and therefore the approving agency should raise the requirement. That would be the mitigation/negotiation. Mr. Mader agreed, adding that part of the hearing process is evaluating the plan. He said that Matt Stoecker has written highly critical comments, and others will share his feelings. In addition, parts of the HCP are quite technical.

Mr. Mader said that as the DEIS explains, Stanford proposes establishing a tax-exempt nonprofit land trust to manage conservation easements, with the USFWS and National Marine Fisheries Service (NMFS) as third-party beneficiaries to the easements. In response to Mayor Toben's inquiry whether that would be a 501(c)(3) independent of Stanford, Councilmember Attorney Sloan said she thought it would be.

Of major significance to Portola Valley, the 360 acres along creeks in conservation easements includes 7 miles on San Francisquito Creek, 2.5 miles on Los Trancos Creek, 2 miles on Matadero Creek and 1.5 miles on Deer Creek. Easement widths range from 75 to 600 feet, averaging about 225 feet, Mr. Mader explained, but the precise boundaries won't be described legally until the easements are granted. He considers it very significant in the long run to establish easements over those riparian areas. Mr. Mader indicated that the easement along the portion of Los Trancos Creek within the town boundary – as well as the opposing bank in Santa Clara County – will help protect the natural environment of the eastern side of the Alpine Scenic Corridor,

In addition to easements, the HCP includes a number of other habitat conservation activities, such as water management, creek maintenance, academic programs, utility installation and maintenance, general infrastructure, recreation and athletics, grounds and vegetation, agricultural and equestrian leaseholds, commercial and institutional leaseholds and future development. The HCP also proposes establishment of a Conservation Program Manager function.

Furthermore, Mr. Mader said, the HCP reflects some of Stanford's institutional goals, which include: 1) maintaining land use flexibility; 2) maintaining and enhancing biological resources so that lands will be available for future generations of students and faculty; 3) incorporating sustainable land use policies and practices; 4) using cost-effective conservation measures that efficiently invest University assets; 5) defining legal responsibilities regarding biological resources so the University can develop and operate lands in an environmentally and fiscally responsible manner over the next 50 years; and 6) utilizing Stanford's water resources to benefit research, education and operational activities.

Figure 5-1, another color-coded map that Mr. Mader distributed, shows possible locations of development assumed by the HCP over the next 50 years, along with a diagram indicating relative acreage size. Zone 1 (again, in dark green) contains 20 to 30 acres of assumed development; Zone 2 has 25 to 45 acres; and Zone 3 has 35 to 105 acres. This map also shows the conservation easements as well as no-build areas for the CTS Reserve. The CTS Reserve extends from the ridge down to Junipero Serra and takes in Lake Lagunita, so the HCP pretty much locks in preservation of the lake.

Mr. Mader pointed out that although the southern portion of Dish Hill as it comes down to I-280 lies within Zone 3's boundaries; Stanford is unlikely to develop anything there except maybe low-density field research operations. Another Zone 3 area along Junipero Serra Boulevard, southeast of the CTS Reserve, is much closer to campus. Dish Hill, Felt Lake Reservoir and Jasper Ridge Biological Preserve are also in Zone 3 but all rather remote from the Stanford campus.

It is ironic and unfortunate, Mr. Mader pointed out, that Jasper Ridge Biological Preserve doesn't fall into the protected area; by concentrating so specifically on the five endangered species with respect to ITPs, the plan overlooks other opportunities. It would be good if it addressed more than just the five species.

Mr. Mader distributed a map extracted from Portola Valley's General Plan to illustrate the areas of most interest to the town. He pointed out the incorporated area, spheres of influence (established by San Mateo County's Local Agency Formation Commission, LAFCo) – the area from Ladera and Jasper Ridge up to I-280 and the Los Trancos Woods area up to Page Mill Road. He also identified areas of direct concern, including land along Los Trancos and San Francisquito Creeks, as well as areas of secondary concern, such as the Dish Hill vicinity above I-280.

The DEIS looked at the HCP, as environmental studies and reports typically do, and presented alternatives:

- 1) No action: Do not approve the HCP, analyze future development on a case-by-case basis; approve ITPs as necessary.
- 2) Approve the HCP for the CTS only; handle other four species on a case-by-case basis.
- 3) Proposed action; approve the HCP: The preferred alternative, according to the DEIS, would result in the least damage to the environment while providing benefits related to geology and soils, biological resources and water quality. This alternative has the advantage of a comprehensive conservation program that has broad environmental benefits.

In response to Mayor Toben, Mr. Mader said that of the three alternatives he supports the comprehensive plan. Each ITP issued would have to be reviewed, but it's wise to take a comprehensive look at the Stanford campus environment.

Figure 2-2, is a Land Use Designations diagram excerpted from the Stanford University Community Plan that Santa Clara County adopted in 2000. It delineates a sizeable low-density campus residential area, three small moderate-density residential areas, the academic campus, one public school, several so-called "special conservation" areas and several other areas designated as campus open space. Finally, Stanford could distribute up to 15,000 square feet of building space over time in a large area marked "open space and field research."

Mr. Mader introduced Mr. Heiple, Vice Chair of Conservation Committee, to comment on the HCP based on his reading of the DEIS and considerations of particular importance to Portola Valley. Mr. Heiple began by noting the acreage in Zones 1 and 3 of the HCP map, which indicates these areas are designated as academic reserve. One of the designated uses was meant to be greenway, Mr. Heiple said, presumably along Alpine Road, but that is not reflected in the HCP part of the plan.

Mr. Heiple said this needs to be fixed so that both are covered; it would be more appropriately defined as either "open space" or "recreation" rather than "academic reserve". He reiterated what Mr. Mader said about the HCP focusing solely on the five endangered species and saying nothing about rare plants to conserve. If any development were to disturb many of these plants reported or found only on Jasper Ridge, he said, it would have to go through CEQA first. But since Stanford does not seem to look at Jasper Ridge as anything more, even though it's a mapped area that could be developed.

Also of possible concern to Portola Valley, Mr. Heiple said, is that as Stanford develops, nothing in the HCP ensures that Stanford won't plant invasive species, which would affect not only the environment of the area being developed but undeveloped areas as those invasive species spread. Stanford's plans for development typically include landscaping – such as on Sand Hill Road. In that case, the Conservation

Committee wrote to say that Canary Island palms should not be planted there because they are invasive and will show up in the creeks. Mr. Heiple reported that these palms were planted anyway. He would like to see landscaping plans taken into account in the HCP, because invasive species also degrade habitats. In fact, Mayor Toben added, the invasive species, while initially under Stanford's control, would easily spread beyond its boundaries.

Mr. Heiple did not see anything in the HCP about enhancing the environment with respect to native plants, because one of the major risks to the survival of many native species – whether flora or fauna. He recalled an example from Jasper Ridge, where invasive species are threatening the rare orchid there, the *Piperia michaelii*. Mayor Toben asked whether Mr. Heiple would endorse a mechanism that grants credits for aggressive abatement of invasive species. Mr. Heiple replied with an emphatic, "Yes", and that's something they should look at. They have a tremendous invasive weed problem already and doing very little about it.

According to Mr. Heiple, Stanford has also heard many times (and disregarded) something that Herb Dengler always said, that invertebrates are always ignored. He acknowledged seeing some species noted in the HCP, but for the most part Stanford seems to have no idea what species they have on their land because they don't inventory the insects and invertebrates out there. Indicating that he works at Jasper Ridge, Mr. Heiple said he knows a bee survey is coming up soon. They don't seem to realize that it's the invertebrates that deliver most of the food from the plants up to the animals in the environment.

Thanking Mr. Heiple and the Conservation Committee, Mayor Toben declared, "The knowledge that you all bring to our local environment is just indispensable and we're most grateful." He invited Councilmember comments and questions on the item.

In regard to Stanford's development agenda, Councilmember Richards asked whether the University has shared any of its expansion plans for the future, housing, commercial endeavors and so on. Mr. Mader said that although no details have been provided, the CP adopted in 2000 indicates a current building area of 12.3 million square feet, and an annual growth rate of 200,000 square feet annually for 40 years. In response to a query from Councilmember Derwin, Mr. Mader said those figures apply to only the unincorporated area, excluding, for instance, the new Stanford Hospital in Palo Alto.

Councilmember Richards remarked that Mr. Mader's comments regarding the remoteness of some of the places where development is possible but unlikely made good sense. However, he said that one area that jumps out is along Sand Hill Road, near the horse park. At one point, he said, Stanford wanted to dump a lot of dirt on the tree farm there. To access many of the properties that might be developed would entail crossing the Zone 1 line, but he said he is concerned about the Sand Hill Road property more than anything else.

Councilmember Derwin asked where the Town Council's comments would go. Mayor Toben said that one reason for tonight's discussion is that it's not been even decided yet whether to submit any comments. He added that the idea is to move toward an action that would give Mr. Mader and Mr. Heiple some direction on the nature of submittal that the Town Council would like to offer in response to the HCP and DEIS. Mr. Mader said that the Conservation Committee, or any other committees, could review and comment on these documents as well as the Town Council. With the mid-July deadline, he said, there is some time. "But not a lot," Mayor Toben added.

Councilmember Derwin said that she appreciated Mr. Heiple's observation that the Conservation Committee communicated with Stanford about the Rosewood Sand Hill Hotel project and the landscaping. "I'm not going to be completely cynical," she said, "but I don't think they listened, so what is the likelihood that they're going to listen to our comments?" Mayor Toben said it probably depends in part on how loud the protest is. In the case of Rosewood, he said that Mr. Mader wrote a polite, very thoughtful letter. No one from Portola Valley showed up banging on the table at the public hearing on that project. We didn't mobilize residents to do so. So there's a balance between registering substantive comments and figuring out how much muscle to put behind it.

Also responding to Councilmember Derwin's remarks, Mr. Mader acknowledged that Stanford indeed did not respond to all our concerns, particularly about the redwoods lining I-280, and said it was discouraging. It was really Menlo Park that had a say on that particular project. He added that a big question going forward involves what "future hold the town has over Stanford and to what extent they want to play ball."

Councilmember Derwin noted that Portola Valley will be working on the C-1 Trail with Stanford.

Mayor Toben, remarking that the town has less than five weeks to prepare comments for submission, summarized several themes that emerged in the Council's discussion. He said that he could support each of them if a letter were to be drafted:

- At a fairly high level of generality, this HCP is too species-focused and not community-focused. It seems odd, given today's level of understanding about interrelationships among flora and fauna, that the HCP and DEIS lack more comprehensive treatment of plant-animal communities and those interrelationships. "This notion of five species, to my mind, is really outdated," Mayor Toben said. However, he acknowledged that requesting a more comprehensive treatment would be tantamount to a request for Stanford to start the HCP all over.
- A second theme concerns the danger of introducing more invasive species via landscaping. Portola Valley would certainly have "an oar in the water" in that context, Mayor Toben said, because these invasive plants could spread to the town.
- A third and related theme goes back to a point Mr. Heiple articulated about abatement of existing invasive species in places such as Jasper Ridge, which is not addressed adequately in the HCP. As Mayor Toben sees it, a more inclusive approach actually could give Stanford an opportunity to enhance its toolkit of ITP credit-earning devices.
- Fourth, getting back to the theme pertaining to the whole community of species, is the notion of paying some attention to avians.

Mayor Toben indicated a need to be sensitive to costs in preparing a response. Given sufficient resources, we could research Councilmember Richards' suggestion regarding areas of potential development that might cross Zone 1, and be more specific about future building along Sand Hill Road as a special area of concern. But because the town did not budget for a major HCP dissection, Mayor Toben proposed having Mr. Mader, in concert with the Conservation Committee, draft a letter that highlights these specific points of concern, covers the general themes, expresses the view that in the past the town has been disappointed by Stanford's inattention to Portola Valley's legitimate concerns – and write a letter with "some oomph." Mayor Toben said this would be something the Councilmembers could endorse formally and happily put their names on to register these comments.

Councilmember Derwin, who suggested that the HCP seems more designed to meet legal requirements than protect the environment. Mr. Mader agreed that it is a reactive and unfortunately short-sighted document. Councilmember Richards said that the HCP tries to respond to the Endangered Species Act. Mr. Mader said that going back to reference Stanford's GUP as a direction for habitat conservation, the HCP "doesn't really fill that bill." One provision in the GUP reads, "Maintain and update inventories and maps of important biological resources on Stanford lands, including protected species, species considered at risk of local extinction, and habitat types (biotic communities), for use in conservation efforts, land use decision making, and monitoring of resource status."

Town Planner and Conservation Committee to draft a letter expressing the Town's strong desire to remain involved in the project. Letter will come back to the Council for endorsement at the July 14 Council meeting. Beyond that, Mayor Toben said it is appropriate to think about whether Portola Valley will show up at the hearing and try to impress approving agency about the seriousness about these concerns.

- (5) Presentation by Town Manager – Review Proposed 2010/11 Budget and set Public Hearing [8:43 p.m.]

Ms. Howard introduced Portola Valley's Proposed Operating & Capital Budgets for FY2010-2011 as a "leaner and meaner," with title pages eliminated to reduce paper consumption. It is a balanced budget, with some "wiggle room" for changes that the Town Council might determine. She also has some changes proposed since Councilmembers received their copies.

Mayor Toben said that Councilmembers probably have reviewed the document, and he himself already has had some discussions with staff about it. He invited Councilmembers to interject questions and comments as Ms. Howard goes through it. He welcomed Mr. Urban.

Ms. Howard pointed out that the revenue from FY2009-2010 will be 8% less than budgeted, partly due to decreased sales tax revenues and primarily due to the State borrowing \$137,000.

Although expenses for the next fiscal year appear to be higher, Stanford will refund the \$590,800 budgeted for C-1 Trail, which is a one-time pass-through transaction. Once that \$590,800 is removed, expenses actually go .07% over FY2009-2010 – just a small increase in the town's expenses. Referring to the FY2010-2011 Revenues and Expenses by Governmental Fund chart (Page 1), Ms. Howard noted that to balance this budget, the town will use special reserves: \$42,000 of Fund 10 (Public Safety); \$501,000 of Fund 65 (Road Fees), which has been suspended, and \$75,000 from Fund 15 (Open Space) for some preliminary enhancements at Spring Down.

Vice Mayor Driscoll asked where to find offsetting revenues – the \$590,800 reimbursement from Stanford – for capital improvements to the C-1 Trail. Ms. Howard explained that it's a pass-through transaction, part of Fund 96 (Case Reviews). \$501,410 is included in the \$1,000,800 (in the Service Charges line). Vice Mayor Driscoll suggested breaking out the \$1,000,800 so that the \$590,800 appears as a separate line item on Page 1. Mayor Toben also said that the "Service Charge" terminology seems inaccurate and should be clarified in a useful way. Ms Howard explained that the chart shows only revenues versus expenses, but the \$133,000 (Storm Drain Capital Improvements) is Proposition 1B money already on hand. This was a one-time \$400,000 transaction from FY2007-2008, with \$130,000 used each year.

Ms. Howard indicated that revenue in the FY2010-2011 budget totals \$5,694,480. She confirmed Mayor Toben's observation referencing the FY2010-2011 Fund Activity Summary chart (Page 2), that 1) the net fund balance decreases by almost \$400,000 (specifically, \$394,564) from the end of FY2009-2010 to the end of FY2010-2011 and 2) draw-downs on some of our special reserves make up for it.

Turning to the Government Agency worksheet (Pages 7-8), Ms. Howard pointed out that California predicts a 6% increase under Measure A and all other sales taxes lead to a 6% increase in Portola Valley's revenue (from \$187,348 projected for FY2009-2010 to \$198,590 projected for FY2010-2011).

Based on utilities, Franchise Fees (Page 9) are expected to increase revenues by 3%. Permits & Fees (Page 10) reflect what Ms. Howard described as "an enormous amount" of activity in the last two or three months in building permits. While \$290,000 was projected, those fees total about \$280,000 for FY2009-2010 already. She said she hopes to see that trend continue. Mayor Toben said that most of the permit fee revenue flows right back out the door to consultants. She said no, this is town money.

In the Other Revenues category (Page 11), Ms. Howard said that one final \$20,000 Portola Valley Community Fund pledge is due in December 2010. Two other pledges totaling \$45,000 due this year have not been collected.

Parks & Recreation (Page 12) revenue is fairly modest; mostly from Blues and Barbecue, which is coming up soon. With fee increases adopted in FY2009-2010, the Sports League Field Use Fees line reflects a significant increase for the coming fiscal year.

Nominal amounts appear in Service Charges (Pages 13-14), where pass-through accounts show up, where money comes in and goes right back out. The Service Charges offset appears in corresponding Expenses on Pages 26-27.

Revenue from Taxes (Page 15) includes the big-ticket item. Ms. Howard's observation that FY2010-2011 revenue growth from property taxes is projected at 2% prompted Vice Mayor Driscoll to emphasize that property taxes were not increased. Actually, Ms. Howard said, San Mateo County is projecting no increase county-wide, but Portola Valley historically does a little bit better than the county average. Ms. Howard said that property taxes budgeted for FY2009-2010 would have been right on target had it not been for diverting \$137,000 to the State. Responding to Vice Mayor Driscoll, she confirmed that no diversion is planned for FY2010-2011.

With Town Center Facilities (Page 16), Ms. Howard reported that the item bringing up revenues significantly is class fees (up 85% over the prior year). After payout to teachers, though, Portola Valley nets \$37,000 of that \$188,000 in revenue. At 0.5%, Revenue from Interest (Page 17) is projected at \$60,000. Ms. Howard indicated that the Utility Users Tax (Page 18) once again has been a "real lifesaver." Projected revenue for FY2010-2011 is up 3%, which she considers conservative.

Before moving on to expenditures, Mayor Toben said that he was impressed by Ms. Howard's projections. Comparing the adopted budget's revenue to projected year-end for FY2009-2010, she came in just about 3% under on projected revenue. He called it "a pretty impressive piece of projection" that was "right on" in light of the State withdrawal. Considering the volatility in the town's various revenue streams, it's impressive, but it also underscores the critical importance of diversifying revenue streams, so that a down cycle in one area, such as permit fees, is balanced by pretty steady revenue in another area e.g., from the utility users' tax. Mayor Toben said that this is a real credit to the way in which the town has managed to pull all of this together over the years. He commended the staff for having done a very able job with their sharp pencils and also credited this Council and those that have come before in managing to structure the budget in such a way that Portola Valley has a nice, diversified set of revenue sources.

Following up on Mayor Toben's remarks, Ms. Howard agreed that it's essential to keep these different revenue streams, particularly because Portola Valley lacks some sources to tap that many other communities have – no hotels to tax, no transfer tax, no occupancy tax. That makes the property and utility taxes the town's "saving grace". Mayor Toben agreed that Portola Valley doesn't have the "benefit" of big-box retail to generate sales tax, but it does have "little exotic bits," from Town Center facilities, such as the solar panel installation rebate from PG&E to franchise fees, that produce meaningful contributions to the revenue stream.

Shifting to Expenditures, Ms. Howard indicated a total of \$6,089,044 for FY2010-2011. She highlighted a few items in Administration and Operations (Page 23). Vacation sellback is down dramatically because she does not anticipate any retirements that will affect it in FY2010-2011. PERS has increased a bit (\$231,260 from \$222,739). Medical care continues to rise.

The overall budget does include some funds for raises, particularly for employees who have gone without an increase in some time. Mayor Toben remarked that there were no salary increases at all in FY2009-2010. Ms. Howard agreed, adding that most municipalities and most private industry have step systems, to give employees small increases after the first six months and then another increase after 12 months. Because Portola Valley doesn't do that, some town employees have been on the payroll for almost two years with no increase. She emphasized that she is not envisioning any across-the-board increase. In response to a question from Mayor Toben, she said the town gives only merit increases, and no cost-of-living adjustments.

Since distributing the proposed budget, Ms. Howard explained that Mr. Mader informed her that the ASCC and Planning Department budgets are increasing by 3%. That change increases proposed Committees and Commissions expenditures (Pages 24-25) by \$2,000.

Mayor Toben pointed out that legal fees – in Consultant Services (Pages 26-28) – were 37% greater than budgeted. He corresponded with Ms. Howard about it and understands the reasons, he said, adding that the amount will drop back down in FY2010-2011 to about the same level as projected for FY2009-2010. Asked whether there's reason for confidence in that number, Ms. Sloan said it is rather unpredictable.

Significant litigation last year with the Douglas lawsuit drove those expenses higher than anticipated. The town has enjoyed a fairly good history of no lawsuits.

Ms. Howard went on to say that the good news with the Douglas lawsuit is that the town has now met its \$25,000 deductible, so insurance will cover further expenses. Ms. Sloan clarified; that's for the federal case. The state case remains pending. If Mr. Douglas loses in federal court (which she expects), he might go back to try to pursue the State case. Ms. Sloan explained that ABAG wouldn't be covering the State case. Asked why, she said ABAG doesn't cover just a normal writ of mandate if it's challenging a decision. She believes the reason for coverage in the federal case is that Mr. Douglas claimed a civil rights violation. Mayor Toben asked whether the town would tap its \$100,000 special fund for excess legal expenses. Ms. Howard said that a transfer from that fund could be made at year-end, but she does not consider it necessary at this time.

Councilmember Derwin asked if the cell tower issue might turn into a costly legal expense. Ms. Sloan said that so far, T-Mobile has paid for her time on that because it's T-Mobile's application. That said, an eventual lawsuit could be costly. She attended a Planning Commission meeting about it to outline the parameters, and then expanded on her thoughts and put them into a memorandum that will go to the Planning Commission, which will hear the item at a special meeting on Tuesday, June 22, 2010.

Ms. Sloan pointed out that she tries to minimize legal expenses by controlling her weekly hours, and she said that everybody in Town Hall is pretty disciplined about not calling constantly. Nevertheless, she admitted that the unpredictable does happen. Mayor Toben said that he does not have a sense of whether this year's overrun in legal expenses was anomalous in some way. Interestingly enough, Ms. Sloan said, she hadn't realized until she looked at Ms. Howard's budget that legal expenditures in FY2006-2007 were quite high (\$109,499), particularly considering that was four years ago. She indicated those costs probably related to some Nathhorst Triangle litigation.

Continuing with Consultant Services (Page 28), the contract with a new IT consultant (City of Redwood City) will increase costs. Ms. Howard recommends increasing the Miscellaneous Consultants budget beyond what the proposal that she distributed indicates. In addition to the Septic vs. Sewer Study, the town has received a proposal for the SFO Air Traffic Noise Impact Study, which came in at a fairly expensive \$22,000. She proposes a \$15,000 increase, bringing the total to \$35,000. She said the Septic vs. Sewer Study should not run as high as \$20,000. She pointed out the proposed budget includes about \$26,000 worth of wiggle room; to date, she has increased expenditures by \$17,000 from the version she distributed, so a \$9,000 cushion remains.

Vice Mayor Driscoll asked about the Building Permit & Related Fees Study. Ms. Howard said it was planned for FY2009-2010, but did not happen, and it's important to examine fees. When results come in, the Council can decide a course of action – whether and how much to increase the fees. It's been 10 years since the fees were raised. When Mayor Toben asked if the study would involve comparing Portola Valley to other jurisdictions, Ms. Howard said no, the fees must relate to the actual cost of providing the service.

The Community Services line in Miscellaneous Expenses (Page 29) reflects the addition of \$4,300 to help fund two nonprofit organizations. The Parks Operations title (Page 30), as Mayor Toben suggested, will change to Park & Recreation Operations because some of the activities take place indoors.

Public Works Operations (Page 31), funded primarily by the town's share of the State Gas Tax (Fund 20), has proposed expenditures of \$198,942 for FY2010-2011. Some sizeable expenses came in during FY2009-2010 as a result of storm damage and culvert failures. (The Capital Improvement Programs (CIP) for FY2010-2011 also reflects studies addressing those factors.) Sudden Oak Death Spraying in Right of Way, although listed separately in the projections, is small enough (\$750 proposed for FY2010-2011) that it does not warrant a separate line item and will be consolidated with Right-of-Way Tree Trimming and Mowing. Mayor Toben commented that some of the vulnerable oak trees in Portola Valley aren't necessarily in rights-of-way, but that doesn't mean we won't treat them. Some of the Heritage Oaks at the Town Center, for example, are set back a fair distance from the road.

Ms. Howard described Service Agreements (Page 32) as obviously a big-ticket item. The agreement with the San Mateo County Sheriff's Office, in the second year of a three-year contract, is up another 10% for FY2010-2011 to \$546,189. This is the last year of Portola Valley's Animal Control services contract with the Peninsula Humane Society. Through the Manager's Association, Ms. Howard said that the town is beginning to negotiate the next contract and she predicts an increase. However, she added that if Peninsula Humane Society can be persuaded to distribute the total cost differently, Portola Valley actually might end up paying less.

Councilmember Derwin asked if it's similar to the contract with the Sheriff's Department, where San Mateo County conducts the negotiations versus Portola Valley negotiating directly. Ms. Howard said that the town negotiates directly with the Sheriff's Department, but it is to the town's advantage to negotiate with all municipalities that are using the Animal Control service.

As for the mounting cost of Additional Traffic Patrols, Ms. Howard referenced the Finance Committee's minutes, reporting serious concerns among Committee members over the fact that it has become a \$218,000 budget item. This year \$53,000 of that expense came out of the Special Fund, but the General Fund still took a \$65,000 hit. Mayor Toben wondered, "What are we getting for that?" Ms. Howard said one officer in a patrol car in either Portola Valley or Woodside at all times. That is in addition to the base.

Mayor Toben wanted Mr. Urban's comments as well. Mr. Urban said the Finance Committee talked about this item recently, expressing both concern and frustration, and also had discussed it last year. He said he assumes this expenditure gives us 50% of a full-time cruiser and patrol officer shared with Woodside. Ms. Howard said Portola Valley (with fewer residents) gets less than 50%, but pays a prorated share based on population. Doing the math, Mr. Urban concluded that \$218,000 for less than half a full-time patrol is a "pretty expensive service." If it's limited to traffic patrol, it isn't producing enough ticket revenue – maybe \$11,800 this year – to justify the cost. He said we don't know whether the service brings an additional safety element. There may be some records, but on the surface, the service strikes the Finance Committee as exorbitantly expensive. Committee members do understand that because the town is starting in on the second year of a contract, there's little that can be done about the cost near-term.

However, after the Finance Committee met, Mr. Urban said spoke with Ms. Howard, and suggested that a couple of people might investigate the basis of the costs, somewhat along the lines of the consultant being engaged for the Building Permit & Related Fees Study. This team could explore safety issues and safety improvements, seeking information that would be helpful when the contract ends and we're looking for alternatives. Ms. Howard said she welcomes that investigation; she agrees we need to better understand why this service is so costly. She said it's easy to attribute to salary and benefits, but it warrants a deeper look. She and Police Commissioner Ed Davis had a brief conversation about what kind of information might be available and/or exploring other options, such as perhaps a package that provides \$100,000 worth of services, for example.

Mayor Toben suggested that Mr. Davis, Mr. Urban and another member of the Finance Committee join forces to undertake some analysis and engage in some dialog with the Sheriff's Department. He said this could be a constructive conversation even if it doesn't yield a short-term resolution. It makes sense to take some thoughtful steps now, with a view to restructuring the arrangement when the time comes. It's important as town fiduciaries to ensure value to the town for this service.

Councilmember Richards pointed out that at its May 26, 2010, the Town Council talked about adding patrols to discourage speeders in the context of Safe Routes to School Program. Thus, we're in a bit of a push-pull situation. Vice Mayor Driscoll said that as a percentage of the total budget, police expenditures are substantially less in Portola Valley than in communities with their own police departments.

In response to Councilmember Derwin's question about the Emergency Services Council JPA, Ms Howard explained that it is a county-wide group that handles hazmat and other special services. The \$13,250 budgeted for FY2010-2011 is Portola Valley's dues. Vice Mayor Driscoll said that he would be attending his first meeting as Portola Valley liaison to the Emergency Services Council JPA next week.

Councilmember Derwin asked whether the \$5,000 NPDES Stormwater Program expense (federal National Pollutant Discharge Elimination System) represents the cost of the permit or the staff time or both. Ms. Howard replied that it covered only Portola Valley's share of the permit charges.

Turning to Services & Supplies (Pages 33-34), Ms. Howard reported upping postcard frequency from six to eight times a year in Town Publications, but budgeted only one paper newsletter. The second newsletter will be "electronic only," with postcard notices to residents when it is available online.

Expenses in Office Equipment/Maintenance & Repairs are up, Ms. Howard said, primarily due to requests on hand. The account also is budgeted for going paperless, with provisions for laptops, software, peripherals and so forth. The budget also covers the cost of a new projector.

Ms. Howard said there has been considerable discussion about Fire Prevention/Wood Chipping. In the particular budget she has included Portola Valley's cost of the 2010 chipping and two extra days, plus about \$2,000 for a fire workshop and \$5,000 for the Los Trancos Project. The allocation represents an increase of more than 30% from FY2009-2010 to FY2010-2011. Mayor Toben said that he circulated ideas from Woodside Mayor Dave Burow. Mayor Toben said that demonstrating the town's seriousness about its commitment to fire prevention may prompt the Fire District to beef up its allocation in that regard as well. On the bandwagon to step up fire prevention activities for some years, he said that he pushed for extra resources and Ms. Howard pushed right back, saying the town didn't have a lot of room to maneuver financially.

Ms. Howard said she is willing to spend another \$10,000 on Fire Prevention/Wood Chipping, most of which she expects would be used to remove eucalyptus along the ROW. Mayor Toben said there may be a better use for those funds. Mayor Toben said that so far Ms. Howard has added \$15,000 to the Miscellaneous Consultants, and \$2,000 to Committees and Commissions for ASCC and the Planning Department.

In Town Center Facilities (Pages 35-36), the Building Maintenance Equipment & Supplies budget needs to increase to treat the remaining windows. Mr. Young asked for \$27,000 for that to prevent warping. Vice Mayor Driscoll said he also heard about this from the architects. The Community Hall budget is a new account requested by the KPMG auditors (who do the grant budget) for Community Hall upkeep. The funds would pay for deep cleaning, painting and general maintenance.

The Landscape Supplies and Services, which includes Town Center trees and native plantings. Has a \$20,000 allocation for FY2010-2011. Councilmember Derwin asked whether that money is dedicated to a contractor or represents staff time. Ms. Howard said the funds are used for supplies, outside consultants such as arborists or landscape consultants – everything on the Town Center site except fields, performance lawn, playground, tennis courts. Just the landscaping. Councilmember Derwin said \$20,000 seems low, and indicated that the plantings have not been well-maintained this year. She referred to a letter from Ron Ledasco, and she has heard from a lot of others in town. There was a bid from Actera for \$25,000, which she thought was low. It isn't just a matter of weeding. It's also recognizing which weeds to remove, knowing when, what, how where to prune, dividing plants. She asked if Mr. Heiple could shed any light on this.

Mr. Heiple said that he Mr. Young went out and talked about the number of hours it would take and whether staff could identify what specifically needed to be done. It's expensive, time-consuming and difficult. Mr. Heiple proposed that if the sum were \$20,000, it could handle partial maintenance, dealing with the most pressing problems first and establishing priorities.

Councilmember Derwin is concerned that we tell people to consider planting natives in their gardens because they are drought-resistant, require less water and no fertilizers – but in our own facility, we don't maintaining them properly. We can think of our native gardens as demonstration gardens and as an educational facet of the Town Center. We'll spend \$17,000 on laptops, but won't spend enough to maintain the native gardens properly.

Mr. Heiple said, too, that when the natives were planted, it disturbed the land in the area. Disturbance coupled with freshly turned earth is a recipe for weeds. If you put money in ahead of time, you can get control on the weeds and let the natives fill in, without the bare ground, and spend less on maintenance in the long run. If we eradicate some of these weeds now, he said, they won't return because the natives won't leave them room. Blue-eyed grass and other native grasses are already seeding from the plants put in. As they fill in, it's harder for the weeds to take hold.

Mayor Toben said that he's getting information that he hadn't heard before. Councilmember Derwin seems to give a "C" grade to the town's native plantings. He said that he'd had the impression that we were doing a diligent job of maintaining at maybe a "B" level. He admitted that he doesn't have a good fix on whether the \$18,000 projected through June 30, 2010, or \$20,000 or \$22,000 would improve that grade. Staff indicates that Portola Valley has certain capabilities in-house, which can be enhanced within this budget by going outside on an as-needed basis. Vice Mayor Driscoll asked what that number should be. Ms. Howard said that this year we had a \$12,000 agreement with Shelter Belt.

Councilmember Derwin said that Planning Commissioner Alexandra Von Feldt had been unaware that the original budget held as much as it did (\$35,000), because Shelter Belt was told to stop when there was still more work to do. Had Ms. Von Feldt known there was more to spend, the native gardens would have looked better. Councilmember Derwin said that \$20,000 to \$25,000 for Actera doing the work, with staff doing other things, probably would be enough for the native gardens. She asked how much time is spent on trees

Vice Mayor Driscoll said that the tree work is being done in the back of the playing fields. Ms. Nerdahl said that she and Mr. Young went over this line item to update the FY2009-2010 projection. They calculated coming out at about \$30,000 because \$6,000 remains on the Shelter Belt contract, and Mr. Young said he's planning on using and paying for it by the end of the fiscal year.

Mayor Toben said except for the fact that the tree job may be a one-time affair. Ms. Howard said it was not in the original budget to take all those trees down. Vice Mayor Driscoll said he isn't sure he understands the dialog about Shelter Belt. Are we giving the native plants a "C" but realize that the work stopped short? Ms. Howard said staff did not stop the work. We had a \$12,000 contract with Shelter Belt, but for some reason Shelter Belt came to the conclusion that no more money was left in that contract. Vice Mayor Driscoll summarized that one way or the other, they didn't spend it all and we got an inferior job. Ms Howard said that when we have an agreement, it's important for staff to direct the work, to avoid this sort of confusion. Whatever it was, Vice Mayor Driscoll concluded, we didn't spend what we intended because we had \$6,000 left over. We don't want to short it again next year.

Mayor Toben confirmed that Councilmember Derwin said she'd be happier with \$25,000 versus \$20,000. Yes, she said, but if we spent \$30,000 last year... Ms. Howard interjected the \$30,000 includes taking all those trees down. Vice Mayor Driscoll said that he understands her point, but last year we also apparently under-spent – which led to that "C" grade.

Mr. Heiple added that volunteers have been weeding on the road. Yvonne goes around the building to take out noxious weeds she knows. A lot of people don't even realize that some of the plants coming in by the creek aren't natives. When Mr. Heiple pointed rabbit's foot grass out to Mr. Young, Mr. Young said it was pretty. But it's a weed that will take over. Mr. Heiple said he worries about the some noxious species being missed as well as desirable natives mistaken for weeds. Mr. Heiple pointed out another related issue that does not involve the budget, the creek is starting to be "loved to death." Kids are down there forming paths all over, and he's not sure if the Council wants to think about whether to restrict access to certain paths (which would cost money) or let free access continue. He's happy that the kids love to go down there to play, but wonders if it might be wise to control it "just a little bit," maybe with a few "Try Not to Step on the Plants" signs.

Mayor Toben said that he senses \$30,000 is a better number for this budget, particularly in the early years of the native plantings. Councilmember Derwin said absolutely. Vice Mayor Driscoll agreed, with the

emphasis on getting it done right in the early years. Ms Howard said we'll raise it to \$30,000. Mr. Young and Mr. Heiple will meet periodically to see what needs to be done where and how.

Ms. Howard said that the final budget piece is the Capital Improvement Program. Except for the C-1 Trail previously discussed, it includes only the annual street resurfacing program, totally funded by Fund 60 (Measure A) and 65 (Road Fees). (\$700,000). Mr. Young is not happy about the amount budgeted for Storm Drain Inventory/Repairs, but Ms. Howard said it's what the town can afford (\$70,000 for inventory and reporting and \$100,000 for replacement and repairs). He sees this as a five-year project but it may end up taking longer.

Vice Mayor Driscoll inquired whether it's really likely to cost \$40,000 on lighting issue at the Town Center. He said that he doesn't mind allocating that sum, but hope it is well below that.

Mayor Toben summarized: The budget as presented generally met with the Council's approval. Proposals came forth for a few modifications (including an additional \$15,000 allocation for consultants, \$2,000 for Spangle, \$10,000 more for native plantings. That adds up to \$27,000 confirmed as strong desires or requirements, which doesn't leave anything for additional fire prevention activity. Ms. Howard said she might be able to find \$5,000 more. Vice Mayor Driscoll said that the quantity of material taken out to reduce fire hazards in the last five years has been amazing, one of the town's big successes.

Mr. Urban said that the Finance Committee had been asked to review the Grand Jury report on escalating employee costs. Nothing in the report specifically required Portola Valley to do anything, but looking at the benefits of staff here, the Committee wanted to share a couple of thoughts. They looked at the line item for health insurance and asked a couple of questions about the coverage. As they understand it, staff members make no contribution toward either their own health insurance premiums or for covered dependents. That may be common practice among local and state agencies, but rare in the private sector, given the escalating costs of healthcare and the fact that some free-coverage dependents could be covered through their own employer's low-cost insurance but stay with the plan that costs nothing. In those instances, a plan such as Portola Valley's tends to attract higher-than-appropriate healthcare costs. A suggestion from a couple members of the Committee – one member thought we're okay the way we are – would be 1) consider asking for at least a modest annual contribution for dependents, either a dollar amount or a percentage. Private industry practice tends to charge up to 50% of the total premium cost for dependents – probably more than Portola Valley wants to do. And also even some contribution for employees may be worth considering, just to reset expectations for the future that individuals must bear some modest amount themselves. A third item probably won't be popular, but probably two out of three enterprises in the private sector conduct periodic audits to ensure that people listed as dependents are in fact legal dependents. Councilmembers reacted favorably to what Mr. Urban proposed.

In response to Vice Mayor Driscoll, Ms. Howard said that the town covers 14 employees and 20 spouses and/or dependents. She said 14 employees and 20 dependents; Ms. Nerdahl says it's pretty much divided by thirds – single coverage, single plus dependent, single plus family. Vice Mayor Driscoll judged then that free coverage does potentially double the town's healthcare costs. Mayor Toben inquired about the total annual premium. Ms. Nerdahl said it comes to about \$13,000 a month. Of that, Ms. Howard said, some employees opt to upgrade their coverage. They choose a PPOs rather than Kaiser, and pay the difference themselves. Ms. Howard said that with the total costs for medical insurance projected at \$185,290 for FY2010-2011, a "down and dirty" savings figure to cover employees only would save about \$85,000 annually. Carrying that a step further, Vice Mayor Driscoll said that if employees paid half of the cost of covered dependents we'd save \$42,000.

Councilmember Derwin asked how costly that would be for employees. Mayor Toben said that we have a duty to investigate this and research what neighboring comparable communities are doing. We owe that to the town and its citizens.. The Finance Committee has appropriately called to our attention the situation. From Mayor Toben's personal experience, this tracks exactly what he has encountered in his own career. The days of employer-only health programs are fast fading. It may be that the town's overall benefits package is leaner than in other municipalities. If you were to reach a point where it seems

appropriate to have employees contribute for themselves and/or their dependents, it could squeeze the “balloon tire” and result in pressure to add benefits elsewhere.

Vice Mayor Driscoll agrees it’s worth further examination, but given the fact that employees received no raises last year and are not likely to get much of a raise this year (if any), it’s not necessarily a good idea to at the same time effectively increase their out-of-pocket costs. He’s said he isn’t sure he wants to implement a change before the economy and the town budget improve, but said it’s fine to study it.

Councilmember Derwin called the Council’s attention to a “fantastic” 33-page 2009-10 Santa Clara County Civil Grand Jury Report, “Cities Must Rein In Unsustainable Employee Costs.” She said it’s the best she has seen. The report says, “Cities should expand the comparison of salaries and benefits beyond other nearby cities to include the private sector,” which is what Mr. Urban suggested. She said the report is a particularly good thing for elected officials to read.

<http://www.sccsuperiorcourt.org/jury/GJreports/2010/CitiesMustReinInUnsustainableEmployeeCosts.pdf>

Vice Mayor Driscoll has done the mental calculation, comparing his own employees in the private sector to the salaries he’s seen in Portola Valley. This may have been influenced by bubble numbers and so forth, but Portola Valley was underpaying as a municipality relative to the private sector. Our benefits might have been sweeter; for example, there is no PERS in the private sector. He’s not sure what an investigation will reveal. Councilmember Derwin said the situation is changing rapidly, even within the last six months.

Mayor Toben said we can do some of this work in-house, with capable people on staff who could do some analysis. Depending on how complex the investigation gets, if it goes well beyond what we could expect staff to do, then we would need consultants. And staff may have a certain conflict of interest. He said that we may begin by inviting staff to take an initial pass at some possible modifications with respect to how other comparable communities handle employee contributions to health plans. We don’t want to raise anxieties; we’re not going to be precipitous. Anything would come in true Portola Valley fashion and an enormous amount of deliberation. Mr. Urban agreed, and Mayor Toben thanked him for his excellent input on the Finance Committee’s behalf.

Mayor Toben asked for a motion regarding the budget. Vice Mayor Driscoll moved to prepare the budget for public hearing and set the public hearing for June 23, 2010. Councilmember Richards seconded. The motion carried 4-0.

COUNCIL, STAFF, COMMITTEE REPORTS AND RECOMMENDATIONS

(6) Reports from Commission and Committee Liaisons [9:58 p.m.]

(a) Planning Commission

Councilmember Richards reported that the Planning Commission continues to work through the Safety Element and the Geologic Movement Potential maps.

(b) Library JPA Governing Board

Councilmember Derwin, serving as the Library JPA Vice Chair since the election of new officers, said that the new Chair is Pam Frisella (Foster City). Councilmember Derwin reported that members continued discussing the budget. In all the years she’s been on the JPA, she said it was the most robust budget discussion she’s experienced – very comprehensive, lots of questions. The group enjoyed a presentation by the California Digital Storytelling Project, which the San Mateo County Library received some grant money to undertake. Four communities are now engaged in digital storytelling, and the library wants to roll it out to additional communities. Since Nancy Lund (Historic Resource Committee Chair), has been doing interviews, Councilmember Derwin said that it would be a natural for Portola Valley and a great thing for the town to do. The members will be looking at the library’s strategic plan. Councilmember

Derwin said she is open to the idea of the Library JPA meeting more often than every other month, which the group also discussed. She described the current Governing Board as a more hands-on and spirited than some of its predecessors. The Committee held a closed session on director performance.

(c) Trails & Paths Committee

Vice Mayor Driscoll said that the June meeting was cancelled, and that it may be appropriate for the Town Council to take a hard look at the Committee's charter to see whether updating is warranted, particularly in light of the Safe Routes to School issue and the need to balance competing demands of various constituencies. In response to Councilmember Derwin, Vice Mayor Driscoll indicated that the Trails & Paths Committee had three vacancies – now four, since Vice Chair Mary Hufty resigned and three applications. He said that no one is opposed to attention to equestrian uses, but the Committee needs balance that represents the distribution of trail use.

(d) SFO Airport/Community Roundtable

Mayor Toben reported that the Committee has recommended discontinuing publication of the semi annual report on overflights above southern San Mateo County. As a consequence, Portola Valley will no longer receive any data on compliance with the standard negotiated 10 years ago. Although the decision to discontinue the report came as a surprise, in response to a question from Vice Mayor Driscoll, Mayor Toben explained that the rationale was that a lot of time has been spent on this issue over the last several years, and now the Roundtable must attend to more pressing business. Mayor Toben said that he registered his concern; he in fact made a motion that the Committee go from semi-annual to annual publication and volunteered to take the data himself. Elizabeth Lewis of Atherton, the only other southern San Mateo County representatives present, supported his motion but it was defeated by a 7-2-2. This decision, Mayor Toben suggested, obviates Portola Valley's purpose on the Roundtable. The fact that all the arrivals at SFO funnel in over southern San Mateo County and northern Santa Clara County is what prompted Vice Mayor's Driscoll becoming a Roundtable representative 10 years ago. The Council has already endorsed approaching Congresswoman Anna Eshoo that we would do some data analysis first.

Councilmember Derwin asked if Mayor Toben would continue on the Roundtable. I wholly sympathize with people in Brisbane about run ups of engines at SFO, and never discounted the severity of the problem around the airport, but was disappointed that the north county contingent did not reciprocate in terms of respecting the issue in the south county. In response to a question from Councilmember Derwin about representation from other south county Roundtable members, Mayor Toben said that Mayor Burow of Woodside was quite disappointed and surprised to hear about the vote, and the Menlo Park representative never shows up for the meetings. Redwood City and San Carlos representatives did not attend, either. Mayor Toben said we need to get a clear picture of the problem, because we really don't have a sense of what the noise readings are (aside from anecdotal reports). Councilmember Richards said he talked with his neighbor, a merchant pilot, asking him about limits on low-flying planes; he said the rules are so broad that they can fly legally within 500 feet over rural areas. Mayor Toben said that thankfully, low-flying planes are "a very rare happenstance," but he agreed that the volume is increasing. Vice Mayor Driscoll inquired whether military aircraft have rights that civilian or commercial aircraft do not. Mayor Toben said he assumes they do. Mayor Toben, recalling that the Town Council authorized him three months ago to pursue gathering the data, which is needed to write a thoughtful, measured letter to Congresswoman Eshoo, said that is his project for August.

WRITTEN COMMUNICATIONS [10:09 p.m.]

(7) Town Council 5/28/2010 Weekly Digest

- (a) #1: E-mail to Council from Sharon Driscoll, Teen Committee Chair, regarding proposal from the Teen Committee "Low Hanging Fruit: Sharing the Bounty" – May 27, 2010

This proposed project involves enlisting participation of residents who have excess fruit and vegetables from their property, with teens collecting the produce and arranging drop-off points for delivery to homeless shelters. Councilmember Derwin suggested that the Council should tell Ms. Driscoll to go forward with the proposal. Mayor Toben said he loves the idea. The Council unanimously supports the proposal. Ms. Howard said that she would call Ms. Driscoll to let her know.

(8) Town Council 6/4/2010 Weekly Digest

(a) #2: E-mail to Town Council from Ronald Boyer – Ordinance Enforcement (June 3, 2010)

Councilmember Derwin said she spent quite some time with Mr. Boyer, who complained about lack of enforcement of town ordinances, specifically referring to Section 18.41.018 of the Portola Valley Municipal Code, and suggested potential steps for improvement. She said that she was disappointed that it took so long for the situation he complained about to be resolved. She also indicated that Mr. Boyer offered some good points, and suggested perhaps the town could start doing a little more community outreach and “friendly education.” Councilmember Derwin said that she is willing to write something that could appear on the website, in a postcard or other means. Portola Valley has a tradition of working with people to abide by town rules and regulations, but perhaps has been too accommodating at times. Mayor Toben said that he wrote Mr. Boyer a letter, pointing out that he disagreed with his assertion that Portola Valley never enforces ordinances, but acknowledging that he raised some interesting questions about evolving tastes and changing demographics. Mayor Toben said that the issue – regarding residents’ rights to dark night skies – “goes very much to the heart of our identity in this community.” He indicated that perhaps prioritizing is appropriate, so that enforcement is consistent with ensuring health, safety and quality of life. He also suggested an appropriate balance between the “short fuse” and “conflict resolution” approaches. A problem with code enforcement, he pointed out, is that it is very labor intensive for very little payout. There might be one offending neighbor, two complaining neighbors and 4,500 people who aren’t involved with the dispute. Mayor Toben also suggested a community conversation, such as a Saturday morning gathering. It would be important to frame that meeting appropriately. Would it be about uplighting only? Or a larger conversation that included fences not installed appropriately and other matters? Councilmember Derwin said that the fences are among her peeves. Ms. Howard said that although there has not been much luck in getting people to go to the Peninsula Conflict Resolution Center, that approach may be particularly appropriate when there are underlying issues. In this particular situation, she pointed out that Mr. Boyer had complained about many things, which led to his neighbor becoming even less cooperative. Mayor Toben agreed, calling that a classic problem of “baggage.” He had told Mr. Boyer that he would mediate the conflict himself, but Mr. Boyer ultimately declined the offer. When Mayor Toben asked whether the Council wanted to do more specifically about Mr. Boyer’s points at this time, Vice Mayor Driscoll said the problem does not rise to the level of a systemic failure that requires correction. Councilmember Richards said that it is more in the style of the town to “creep up and correct” such problems. Mayor Toben expressed concern that such an undercurrent may be corrosive, in which case it is appropriate to surface the issues and conduct engaged conversation. Councilmember Derwin said that when the Planning Department contacted Mr. Boyer’s neighbor, his response was along the lines of, “Why pick on me when other people have the same thing?” Ms. Lambert informed him that if he told her about those situations, she would do follow up. Councilmember Richards suggested that at this point maybe more educational material on the web would be helpful, rather than launching the Saturday meetings. Mayor Toben proposed that Planning Manager Leslie Lambert draft a letter to Mr. Boyer; Mayor Toben would be happy to review it, and invited Vice Mayor Driscoll to do so as well. Mayor Toben said it would be appropriate to monitor for more evidence of this undercurrent, in which case the town could consider a more public conversation about the issue of enforcing standards and meeting community expectations.

ADJOURNMENT: 10:20 p.m.

Mayor

Town Clerk

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Vendor Address	Vendor Number		Due Date	
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ALMANAC	May Advertising	10851	06/23/2010	
			06/23/2010	
PO BOX 1610	0048		06/23/2010	
MENLO PARK	BOA	43481	06/23/2010	0.00
CA 94302				754.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4320	Advertising	754.00	0.00

Check No.	43481	Total:	754.00
Total for	ALMANAC		754.00

ALPINE MOTORS INC	May Fuel Statement	10852	06/23/2010	
			06/23/2010	
115 PORTOLA ROAD	422		06/23/2010	
PORTOLA VALLEY	BOA	43482	06/23/2010	0.00
CA 94028				402.76

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4334	Vehicle Maintenance	402.76	0.00

Check No.	43482	Total:	402.76
Total for	ALPINE MOTORS INC		402.76

KENDRA ANDERSON	Spring Instructor Fees	10853	06/23/2010	
			06/23/2010	
302 PORTOLA ROAD	2016		06/23/2010	
PORTOLA VALLEY	BOA	43483	06/23/2010	0.00
CA 94028				80.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	80.00	0.00

Check No.	43483	Total:	80.00
Total for	KENDRA ANDERSON		80.00

AT&T	May Statements	10854	06/23/2010	
			06/23/2010	
PO BOX 989048	441		06/23/2010	
WEST SACRAMENTO	BOA	43484	06/23/2010	0.00
CA 95798-9048				259.74

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4318	Telephones	259.74	0.00

Check No.	43484	Total:	259.74
Total for	AT&T		259.74

BAY AREA PAVING CO	Woodside Highlands Maint Distr	10896	06/23/2010	
	Various Paving Repairs		06/23/2010	
P.O. BOX 6339	567		06/23/2010	
SAN MATEO	BOA	43485	06/23/2010	0.00
CA 94403	C46-227			10,900.00

GL Number	Description	Invoice Amount	Amount Relieved
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State/Province Zip/Postal	Invoice Number			Check Amount

90-00-4375	General Expenses	10,900.00	0.00	
		Check No. 43485	Total:	10,900.00
		Total for	BAY AREA PAVING CO	10,900.00

BOB-WIRE ELECTRIC	Repair & Install LED Lighting	10891	06/23/2010	
	Town Center Seat Lighting		06/23/2010	
PO BOX 808	0024		06/23/2010	
REDWOOD CITY	BOA	43486	06/23/2010	0.00
CA 94064	12790			210.00

GL Number	Description	Invoice Amount	Amount Relieved	
05-68-4419	CIP2009/10 TC Improvements	210.00	0.00	

BOB-WIRE ELECTRIC	Repairs to Town Hall Lighting	10892	06/23/2010	
		5873	06/23/2010	
PO BOX 808	0024		06/23/2010	
REDWOOD CITY	BOA	43486	06/23/2010	0.00
CA 94064	12781			715.00

GL Number	Description	Invoice Amount	Amount Relieved	
05-66-4346	Mechanical Sys Maint & Repair	715.00	0.00	

		Check No. 43486	Total:	925.00
		Total for	BOB-WIRE ELECTRIC	925.00

CLEANSTREET	May Street/Litter Clean Up	10893	06/23/2010	
			06/23/2010	
1937 W. 169TH STREET	0034		06/23/2010	
GARDENA	BOA	43487	06/23/2010	0.00
CA 90247-5254	60588			1,425.55

GL Number	Description	Invoice Amount	Amount Relieved	
20-60-4262	Street Sweeping & ROW Mowing	614.65	0.00	
20-60-4266	Litter Clean Up Program	810.90	0.00	

		Check No. 43487	Total:	1,425.55
		Total for	CLEANSTREET	1,425.55

COPYMAT	Copies of Design Guidelines	10856	06/23/2010	
			06/23/2010	
1918 EL CAMINO REAL	0046		06/23/2010	
REDWOOD CITY	BOA	43488	06/23/2010	0.00
CA 94063-2113	61835			122.36

GL Number	Description	Invoice Amount	Amount Relieved	
05-64-4308	Office Supplies	122.36	0.00	

		Check No. 43488	Total:	122.36
		Total for	COPYMAT	122.36

COTTON SHIRES & ASSOC. INC.	Applicant Charges, 4/19-5/30	10857	06/23/2010	
			06/23/2010	
330 VILLAGE LANE	0047		06/23/2010	
LOS GATOS	BOA	43489	06/23/2010	0.00
CA 95030-7218				18,540.25

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State/Province Zip/Postal	Invoice Number			Check Amount

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4190	Geologist - Charges to Appls	18,540.25	0.00
		Check No. 43489	Total: 18,540.25
		Total for	COTTON SHIRES & ASSOC. INC. 18,540.25

CSG CONSULTANTS INC	Building Inspection, May 2010	10858	06/23/2010	
1700 S. AMPHLETT BLVD	622		06/23/2010	
SAN MATEO	BOA	43490	06/23/2010	0.00
CA 94402	018375			3,198.00

GL Number	Description	Invoice Amount	Amount Relieved
05-50-4062	Temp Bldg Inspection	3,198.00	0.00
		Check No. 43490	Total: 3,198.00
		Total for	CSG CONSULTANTS INC 3,198.00

AMY DEBENEDICTIS	Spring Instructor Fees	10859	06/23/2010	
819 LAUREL AVENUE	2130		06/23/2010	
MENLO PARK	BOA	43491	06/23/2010	0.00
CA 94025				300.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	300.00	0.00
		Check No. 43491	Total: 300.00
		Total for	AMY DEBENEDICTIS 300.00

JIM GIBBONS	Deposit Refund	10860	06/23/2010	
15 REDBERRY RIDGE	604		06/23/2010	
PORTOLA VALLEY	BOA	43492	06/23/2010	0.00
CA 94028				272.80

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4207	Deposit Refunds, Other Charges	272.80	0.00
		Check No. 43492	Total: 272.80
		Total for	JIM GIBBONS 272.80

MARIA GODINEZ	Community Hall Deposit Refund	10862	06/23/2010	
6420 LAFAYETTE AVENUE	825		06/23/2010	
NEWARK	BOA	43493	06/23/2010	0.00
CA 94560				500.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	500.00	0.00
		Check No. 43493	Total: 500.00
		Total for	MARIA GODINEZ 500.00

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City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

JEANNIE GOLDMAN	Spring Instructor Fees	10863	06/23/2010	
			06/23/2010	
741 MANZANITA ROAD	706		06/23/2010	
WOODSIDE	BOA	43494	06/23/2010	0.00
CA 94062				672.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	672.00	0.00

Check No.	43494	Total:	672.00
Total for	JEANNIE GOLDMAN		672.00

JOHN GOULDEN	C&D Refund	10864	06/23/2010	
			06/23/2010	
132 CORTE MADERA	826		06/23/2010	
PORTOLA VALLEY	BOA	43495	06/23/2010	0.00
CA 94028				1,000.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4205	C&D Deposit	1,000.00	0.00

Check No.	43495	Total:	1,000.00
Total for	JOHN GOULDEN		1,000.00

BECKY HILDERBRAND	Bond Refund, 140 Meadowood	10865	06/23/2010	
			06/23/2010	
451 LA MESA	343		06/23/2010	
PORTOLA VALLEY	BOA	43496	06/23/2010	0.00
CA 94028				9,500.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4207	Deposit Refunds, Other Charges	9,500.00	0.00

Check No.	43496	Total:	9,500.00
Total for	BECKY HILDERBRAND		9,500.00

INTEGRATED DESIGN ASSOC INC	TC Lighting Design	10894	06/23/2010	
			06/23/2010	
1084 FOXWORTHY AVENUE	2029		06/23/2010	
SAN JOSE	BOA	43497	06/23/2010	0.00
CA 95118	14151			1,750.00

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4214	Miscellaneous Consultants	1,750.00	0.00

Check No.	43497	Total:	1,750.00
Total for	INTEGRATED DESIGN ASSOC INC		1,750.00

J. CRAWFORD ASSOCIATES	Tees, Ribbons, Medals	10866	06/23/2010	
	Town Picnic	5872	06/23/2010	
1191 CHESS DRIVE	0295		06/23/2010	
FOSTER CITY	BOA	43498	06/23/2010	0.00
CA 94404	22430			1,776.52

GL Number	Description	Invoice Amount	Amount Relieved
05-52-4147	Picnic/Holiday Party	1,776.52	0.00

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State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	43498	Total:	1,776.52
Total for	J. CRAWFORD ASSOCIATES		1,776.52

JORGENSON SIEGEL MCCLURE & FLEGEL	May Statement	10867	06/23/2010	
1100 ALMA STREET	0089		06/23/2010	
MENLO PARK	BOA	43499	06/23/2010	0.00
CA 94025				5,714.43

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4182	Town Attorney	4,926.93	0.00
96-54-4186	Attorney - Charges to Appls	787.50	0.00

Check No.	43499	Total:	5,714.43
Total for	JORGENSON SIEGEL MCCLURE &		5,714.43

KUTZMANN & ASSOCIATES	May Plan Check	10868	06/23/2010	
39355 CALIFORNIA STREET	0090		06/23/2010	
FREMONT	BOA	43500	06/23/2010	0.00
CA 94538				7,927.64

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4200	Plan Check Services	7,927.64	0.00

Check No.	43500	Total:	7,927.64
Total for	KUTZMANN & ASSOCIATES		7,927.64

STEVE LEVIN	Class Registration Refund	10869	06/23/2010	
5 THISTLE STREET	630		06/23/2010	
PORTOLA VALLEY	BOA	43501	06/23/2010	0.00
CA 94028				66.00

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	66.00	0.00

Check No.	43501	Total:	66.00
Total for	STEVE LEVIN		66.00

DAVID R MAAHS	Fee Refund (Overpayment)	10870	06/23/2010	
360 GROVE DRIVE	636		06/23/2010	
PORTOLA VALLEY	BOA	43502	06/23/2010	0.00
CA 94028				25.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4228	Miscellaneous Refunds	25.00	0.00

Check No.	43502	Total:	25.00
Total for	DAVID R MAAHS		25.00

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Vendor Address	Vendor Number		Due Date	
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

CORINNE MANSOURIAN	Spring Instructor Fees	10871	06/23/2010	
			06/23/2010	
492 NINTH AVENUE	2027		06/23/2010	
MENLO PARK	BOA	43503	06/23/2010	0.00
CA 94025				475.20

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	475.20	0.00

Check No.	43503	Total:	475.20
Total for	CORINNE MANSOURIAN		475.20

NEXTEL COMMUNICATIONS	May Field Cellular	10872	06/23/2010	
			06/23/2010	
P.O. BOX 4181	0200		06/23/2010	
CAROL STREAM	BOA	43504	06/23/2010	0.00
IL 60197-4181				153.44

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4318	Telephones	153.44	0.00

Check No.	43504	Total:	153.44
Total for	NEXTEL COMMUNICATIONS		153.44

NICHOLS CONSULTING ENGG	09-10 CIP Road Project	10895	06/23/2010	
	Progress Pmt		06/23/2010	
1885 S. ARLINGTON AVE	0183		06/23/2010	
RENO	BOA	43505	06/23/2010	0.00
NV 89509	2			11,780.46

GL Number	Description	Invoice Amount	Amount Relieved
05-68-4503	CIPStreetDesignFutureFY	11,780.46	0.00

Check No.	43505	Total:	11,780.46
Total for	NICHOLS CONSULTING ENGG		11,780.46

NO FAULT ASPHALT	Deposit Refund	10861	06/23/2010	
			06/23/2010	
P.O. BOX 50877	518		06/23/2010	
PALO ALTO	BOA	43506	06/23/2010	0.00
CA 94303				1,450.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4207	Deposit Refunds, Other Charges	1,450.00	0.00

Check No.	43506	Total:	1,450.00
Total for	NO FAULT ASPHALT		1,450.00

NOLTE ASSOCIATES INC.	Applicant Charges, 4/16-5/13	10873	06/23/2010	
			06/23/2010	
2495 NATOMAS PARK DRIVE	0104		06/23/2010	
SACRAMENTO	BOA	43507	06/23/2010	0.00
CA 95833-2935				1,038.81

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4194	Engineer - Charges to Appls	1,038.81	0.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST
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TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	43507	Total:	1,038.81
Total for	NOLTE ASSOCIATES INC.		1,038.81

OFFICE DEPOT	Office Supplies	10874	06/23/2010	
P.O. BOX 70025	0105		06/23/2010	
LOS ANGELES	BOA	43508	06/23/2010	0.00
CA 90074-0025	521629240001			102.96

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4308	Office Supplies	102.96	0.00

Check No.	43508	Total:	102.96
Total for	OFFICE DEPOT		102.96

OFFICE EQUIPMENT FINANCE SERV	June Copier Lease	10875	06/23/2010	
P. O. BOX 790448	472		06/23/2010	
ST. LOUIS	BOA	43509	06/23/2010	0.00
MO 63179	152201620			396.91

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4312	Office Equipment	396.91	0.00

Check No.	43509	Total:	396.91
Total for	OFFICE EQUIPMENT FINANCE SE		396.91

PENINSULA DIGITAL IMAGING	Blueprints for CIP Road Proj	10878	06/23/2010	
599 FAIRCHILD DRIVE	0135		06/23/2010	
MOUNTAIN VIEW	BOA	43510	06/23/2010	0.00
CA 94043	187749R,187748			814.63

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4308	Office Supplies	814.63	0.00

Check No.	43510	Total:	814.63
Total for	PENINSULA DIGITAL IMAGING		814.63

PLANBAGS.COM	Office Supplies	10876	06/23/2010	
2720 TAYLOR STREET	679		06/23/2010	
SAN FRANCISCO	BOA	43511	06/23/2010	0.00
CA 94133-1204	30143			64.14

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4308	Office Supplies	64.14	0.00

Check No.	43511	Total:	64.14
Total for	PLANBAGS.COM		64.14

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TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

RELIABLE FIRE EXTINGUISHER CO	Annual Service	10877	06/23/2010	
		5854	06/23/2010	
			06/23/2010	
P.O. BOX 3461	2028			
REDWOOD CITY	BOA	43512	06/23/2010	0.00
CA 94064	65584			734.92

GL Number	Description	Invoice Amount	Amount Relieved
05-66-4346	Mechanical Sys Maint & Repair	734.92	0.00

Check No.	43512	Total:	734.92
Total for	RELIABLE FIRE EXTINGUISHER C		734.92

SAN MATEO COUNTY HR DEPT	Class Excel Calcs, Nerdahl	10879	06/23/2010	
			06/23/2010	
455 COUNTY CENTER	610		06/23/2010	
REDWOOD CITY	BOA	43513	06/23/2010	0.00
CA 94063	CI10-0044			120.00

GL Number	Description	Invoice Amount	Amount Relieved
05-64-4326	Education & Training	120.00	0.00

Check No.	43513	Total:	120.00
Total for	SAN MATEO COUNTY HR DEPT		120.00

SHELTERBELT BUILDERS INC	Native Plant Maintenance	10880	06/23/2010	
	Progress Pmt		06/23/2010	
1207 - 10TH STREET	338		06/23/2010	
BERKELEY	BOA	43514	06/23/2010	0.00
CA 94710	0916-04			4,873.00

GL Number	Description	Invoice Amount	Amount Relieved
05-66-4342	Landscape Supplies & Services	4,873.00	0.00

Check No.	43514	Total:	4,873.00
Total for	SHELTERBELT BUILDERS INC		4,873.00

MATT TAGER	Community Hall Deposit Refund	10881	06/23/2010	
			06/23/2010	
737 ESTHER LANE	848		06/23/2010	
REDWOOD CITY	BOA	43515	06/23/2010	0.00
CA 94062				500.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	500.00	0.00

Check No.	43515	Total:	500.00
Total for	MATT TAGER		500.00

BARBARA TEMPLETON	May Transcription	10882	06/23/2010	
			06/23/2010	
304 MELVEN COURT	369		06/23/2010	
SAN LEANDRO	BOA	43516	06/23/2010	0.00
CA 94577-2011	595			2,126.25

GL Number	Description	Invoice Amount	Amount Relieved
05-54-4188	Transcription Services	2,126.25	0.00

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TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	43516	Total:	2,126.25
Total for	BARBARA TEMPLETON		2,126.25

BARBARA THURSTON	Lot Deposit Refund	10883	06/23/2010	
225 PORTOLA ROAD	691		06/23/2010	
PORTOLA VALLEY	BOA	43517	06/23/2010	0.00
CA 94028				100.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	100.00	0.00

Check No.	43517	Total:	100.00
Total for	BARBARA THURSTON		100.00

TOWNSEND MGMT, INC	May Applicant Charges	10884	06/23/2010	
P.O. BOX 24442	609		06/23/2010	
SAN FRANCISCO	BOA	43518	06/23/2010	0.00
CA 94124				1,900.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4194	Engineer - Charges to Appls	1,900.00	0.00

Check No.	43518	Total:	1,900.00
Total for	TOWNSEND MGMT, INC		1,900.00

TREE SPECIALIST	ROW Weed/Tree Trimming	10885	06/23/2010	
1198 NEVADA AVE	839		06/23/2010	
SAN JOSE	BOA	43519	06/23/2010	0.00
CA 95125				9,600.00

GL Number	Description	Invoice Amount	Amount Relieved
20-60-4264	ROW Tree Trimming Program	9,600.00	0.00

TREE SPECIALIST	Tree Removal & Pruning Town Center	10886	06/23/2010	
1198 NEVADA AVE	839		06/23/2010	
SAN JOSE	BOA	43519	06/23/2010	0.00
CA 95125				7,000.00

GL Number	Description	Invoice Amount	Amount Relieved
05-66-4342	Landscape Supplies & Services	7,000.00	0.00

Check No.	43519	Total:	16,600.00
Total for	TREE SPECIALIST		16,600.00

SIGAL TZOORE	C&D Refund	10887	06/23/2010	
320 CERVANTES	702		06/23/2010	
PORTOLA VALLEY	BOA	43520	06/23/2010	0.00
CA 94028				2,600.00

GL Number	Description	Invoice Amount	Amount Relieved
96-54-4205	C&D Deposit	2,600.00	0.00

INVOICE APPROVAL LIST REPORT - DETAIL WITH GL DIST
 JUNE 23, 2010

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TOWN OF PORTOLA VALLEY

Vendor Name	Invoice Description1	Ref No.	Discount Date	
Vendor Name Line 2	Invoice Description2	PO No.	Pay Date	
Vendor Address	Vendor Number		Due Date	
City	Bank	Check No.	Check Date	Discount Amount
State/Province Zip/Postal	Invoice Number			Check Amount

Check No.	43520	Total:	2,600.00
Total for	SIGAL TZOORE		2,600.00

SCOTT WEBER	Reimb for Work Boots	10888	06/23/2010	
1610 MONTE DIABLO AVE	793		06/23/2010	
SAN MATEO	BOA	43521	06/23/2010	0.00
CA 94401				137.42

GL Number	Description	Invoice Amount	Amount Relieved
05-60-4267	Tools & Equipment	137.42	0.00

Check No.	43521	Total:	137.42
Total for	SCOTT WEBER		137.42

ELIZABETH WRIGHT	Spring Instructor Fees	10889	06/23/2010	
147 HEDGE ROAD	620		06/23/2010	
MENLO PARK	BOA	43522	06/23/2010	0.00
CA 94025				58.40

GL Number	Description	Invoice Amount	Amount Relieved
05-58-4246	Instructors & Class Refunds	58.40	0.00

Check No.	43522	Total:	58.40
Total for	ELIZABETH WRIGHT		58.40

LINDA YATES	Community Hall Deposit Refund	10890	06/23/2010	
170 MAPACHE DRIVE	707		06/23/2010	
PORTOLA VALLEY	BOA	43523	06/23/2010	0.00
CA 94028				500.00

GL Number	Description	Invoice Amount	Amount Relieved
05-56-4226	Facility Deposit Refunds	500.00	0.00

Check No.	43523	Total:	500.00
Total for	LINDA YATES		500.00

Total Invoices:	45	Grand Total:	112,638.59
		Less Credit Memos:	0.00
		Net Total:	112,638.59
		Less Hand Check Total:	0.00
		Outstanding Invoice Total:	112,638.59

TOWN OF PORTOLA VALLEY
Warrant Disbursement Journal
June 23, 2010

Claims totaling \$112,638.59 having been duly examined by me and found to be correct are hereby approved and verified by me as due bills against the Town of Portola Valley.

Date _____

Angela Howard, Treasurer

Motion having been duly made and seconded, the above claims are hereby approved and allowed for payment.

Signed and sealed this (Date) _____

Sharon Hanlon, Town Clerk

Mayor



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Janet McDougall, Assistant Town Manager

DATE: June 23, 2010

RE: **2010/2011 Woodside Highlands and Wayside II Road Maintenance District Tax Assessments**

Recommendation: It is recommended that the Town Council adopt the attached resolutions authorizing the Controller to apply charges to the 2010-2011 tax roll for the two road maintenance districts, and authorizing the tax collector to collect the taxes at the same time and in the same manner as the general county taxes are collected.

Discussion: In July 1997, the Town Council, acting as the Governing Boards for the Woodside Highlands and Wayside II Road Maintenance Districts, adopted Ordinances 1997-300 and 1997-301 respectively, imposing special taxes for private road maintenance on each improved parcel in the Districts. In November 1997, more than two-thirds of the voters within each district approved Measure C (Woodside Highlands) and Measure D (Wayside II), enacting the taxes.

On an annual basis, the San Mateo County Controller's Office requires the submittal of updated assessment information and resolutions authorizing the tax collector to collect the taxes at the same time and in the same manner as the general county taxes are collected. The attached resolutions authorize this tax collection.

Approved:

Angela Howard, Town Manager

Attachments

RESOLUTION NO. _____ 2010

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PORTOLA VALLEY
AUTHORIZING THE SAN MATEO COUNTY CONTROLLER
TO APPLY THE SPECIAL TAX FOR THE
WOODSIDE HIGHLANDS ROAD MAINTENANCE DISTRICT TO THE
2010-2011 TAX ROLL AND TO COLLECT THE
TAX AT THE SAME TIME AS GENERAL COUNTY TAXES**

WHEREAS, at its July 25, 1997 meeting, the Portola Valley Town Council, acting as the Governing Board for the Woodside Highlands Road Maintenance District (District), adopted Ordinance No. 1997-300, imposing a special tax for private road maintenance; and

WHEREAS, in November 1997, more than two-thirds of the voters within the District approved Measure C on the ballot enacting the tax; and

WHEREAS, each improved parcel within the district is required to remit \$250.00 annually; and

WHEREAS, Ordinance No. 1997-300 has not been amended nor have any of the parcels been modified over the past year.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Portola Valley that:

1. The Town of Portola Valley authorizes the San Mateo County Controller to apply the charges to the 2010-2011 tax roll in accordance with documents supplied by the District; and
2. The Town of Portola Valley authorizes the tax collector to collect the taxes at the same time and in the same manner as the general county taxes are collected.

PASSED AND ADOPTED this 23rd day of June, 2010.

By: _____

Mayor

ATTEST:

Town Clerk

RESOLUTION NO. _____-2010

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PORTOLA VALLEY
AUTHORIZING THE SAN MATEO COUNTY CONTROLLER
TO APPLY THE SPECIAL TAX FOR THE
WAYSIDE II ROAD MAINTENANCE DISTRICT TO THE 2010/2011 TAX ROLL
AND TO COLLECT THE TAX AT THE SAME TIME AS GENERAL COUNTY TAXES**

WHEREAS, at its July 9, 1997 meeting, the Portola Valley Town Council, acting as the Governing Board for the Wayside II Road Maintenance District (District), adopted Ordinance No. 1997-301, imposing a special tax for private road maintenance; and

WHEREAS, in November 1997, more than two-thirds of the voters within the District approved Measure D on the ballot enacting the tax; and

WHEREAS, each improved parcel within the district is required to remit \$625.00 annually; and

WHEREAS, Ordinance No. 1997-301 has not been amended nor have any of the parcels been modified over the past year.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Portola Valley that:

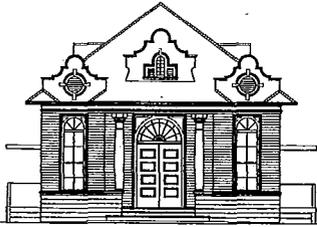
1. The Town of Portola Valley authorizes the San Mateo County Controller to apply the charges to the 2010-2011 tax roll in accordance with documents supplied by the District; and
2. The Town of Portola Valley authorizes the tax collector to collect the taxes at the same time and in the same manner as the general county taxes are collected.

PASSED AND ADOPTED this 23rd day of June, 2010.

By: _____
Mayor

ATTEST:

Town Clerk



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Stacie Nerdahl, Administrative Services Officer

DATE: June 23, 2010

RE: Investment Policy

Per State law and California Debt and investment Advisory Commission (CDIAC) requirements, it is necessary for the Council to review and accept its Investment Policy on an annual basis. The Council initially adopted this policy on December 10, 2003 pursuant to the recommendation of the Finance Committee. There have been no revisions since its adoption.

Recommendation

It is recommended that the Town Council adopt the attached resolution reaffirming its acceptance of the Town's Investment Policy.

Attachment



Angela Howard, Town Manager

RESOLUTION NO. _____-2010

RESOLUTION OF THE TOWN OF PORTOLA VALLEY
ADOPTING TOWN INVESTMENT POLICY

WHEREAS, the Town Council of the Town of Portola Valley ("Town") has adopted the attached Investment Policy on December 10, 2003;

WHEREAS, the Town desires to reaffirm its acceptance of the Investment Policy in its entirety as the official investment policy of the Town;

NOW, THEREFORE, the Town of Portola Valley does RESOLVE as follows:

The Town hereby approves and accepts the Investment Policy as the official Investment Policy of the Town.

PASSED AND ADOPTED this 23rd day of June, 2010.

By: _____
Mayor

ATTEST:

Town Clerk



Town of Portola Valley Investment Policy

Adopted December 10, 2003

1.0 MISSION STATEMENT

It is the policy of the Town of Portola Valley to invest public funds in a manner which will provide the maximum security with best investment returns, while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds.

2.0 SCOPE

This investment policy applies to all financial assets of the Town of Portola Valley. These funds are audited annually and accounted for in the Financial Statements. Funds include the General Fund, Special Revenue and Restricted Funds, Trust Funds and any other Town Funds.

2.1 Pooling of Funds Except for cash in certain restricted funds, the Town will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

3.0 OBJECTIVES

In order of priority, the primary objectives of the investment activities shall be:

3.1 Safety Safety of the principal is the foremost objective of the investment program. Investments of the Town shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

3.2 Liquidity The investment portfolio will remain sufficiently liquid to enable the Town of Portola Valley to meet all operating requirements that might be reasonably anticipated.

3.3 Total Return The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

4.0 STANDARDS OF CARE

4.1 Prudence Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence and discretion

and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used shall be the "prudent investor" standard (CGC 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's risk or market price changes, provided deviations from expectation are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.2 Delegation of Authority Authority to manage the investment program is derived from CGC53600/1, et seq. Management responsibility for the investment program is hereby delegated to the Treasurer, who shall establish procedures and operate the investment program consistent with this investment policy. Procedures may include, but not be limited to, references to: safekeeping, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer.

4.3 Ethics and Conflict of Interest Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Town.

5.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer may select any financial institution/broker/dealer selected by credit worthiness that is authorized to provide investment services in the State of California. For broker/dealers of government securities and other investments, the Treasurer shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission and the National Association of Securities Dealers.

6.0 AUTHORIZED INVESTMENTS

6.1 Investment Types The Town of Portola Valley is empowered by CGC53601 et seq. to invest in the following:

- Local Agency Investment Fund (LAIF), a special fund of the State Treasury in which local agencies are allowed to pool their funds for

investment purposes up to a maximum of \$40 million. LAIF will have its own investment policy that will differ from the Town.

- Bonds issued by the Town of Portola Valley.
- United States Treasury Bills, Notes and Bonds, or mutual funds or exchange traded funds holding 80% or more of its total investments in these security types.
- Pools and other investment structures incorporating investments permitted in CGC 53601 and 53635, such as Local Government Investment Pools sponsored by Counties and Joint Powers Authorities. These entities may have their own investment policy that will differ from that of the Town.
- Negotiable Certificates of Deposit issued by federally or state chartered banks or associations. No more than 30% of surplus funds can be invested in certificates of deposit.

Investment in derivatives of the above instruments shall require authorization by the Town Council.

6.2 Collateralization All certificates of deposit must be collateralized by U.S. Treasury obligations held by a third party with whom the Town has a current written custodial agreement. The Treasurer may waive this requirement up to the amount already insured by federal or state deposit insurance (FDIC).

7.0 APPROVAL AND REVISION

The Investment Policy shall be adopted by resolution of the Town of Portola Valley. The Policy will be reviewed as part of the annual budget process with any amendments to be approved by the Council.

TOWN OF PORTOLA VALLEY



PROPOSED BUDGET
FOR THE FISCAL YEAR
2010-2011

TOWN OF PORTOLA VALLEY

PROPOSED OPERATING & CAPITAL BUDGETS

FISCAL YEAR 2010-2011

Presented to:

Mayor Steve Toben
Vice Mayor Ted Driscoll
Councilmember Maryann Moise Derwin
Councilmember John Richards
Councilmember Ann Wengert

Prepared by:

Angela Howard, Town Manager
Stacie Nerdahl, Administrative Services Officer

June 2010



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council
FROM: Angela Howard, Town Manager
Stacie Nerdahl, Administrative Services Officer
DATE: June 23, 2010
RE: **Proposed 2010-11 Town Budget**

We are pleased to present the proposed 2010-11 Fiscal Year budget that represents staff's best estimates for revenues and expenditures for the coming year. Please note that we have also made changes in the budget document itself to reduce paper consumption and improve its overall appearance.

Noteworthy fiscal highlights:

- While global and state economic indicators remain mixed, there are reasons for cautious optimism. For instance, *Permits & Fees* revenues will finish the year at 25% over budget. Additionally, the average monthly interest rate with LAIF (Local Agency Investment Fund) has finally ended its downward trend of the past several years.
- Due to the one-time Prop 1B diversion of property taxes by the State and decreased sales tax revenues, actual *Revenue from Taxes* for 2009-10 is projected to be 8% less than budgeted. However, the diverted property taxes must be returned to the Town within three years, and the State has projected an *increase* of 6% in sales tax for the coming 2010-11 fiscal year.
- Reserve funds within the Safety Tax, Gas Tax, and Road Impact funds will be tapped to meet expenditures in the proposed 2010-11 budget related to supplementary law enforcement services and capital improvement projects.
- The impact of the C-1 Trail project is reflected in both revenues and expenditures of the proposed budget, although this project is fully funded by Stanford University.

Summary of 2010-11 Adopted Budget

Revenues	+/- FY 09/10	Expenditures	+/- FY 09/10	Rev/Exp Diff
Overall Budget				
\$5,694,480	+5.4%	\$6,116,217	+10.5%	(\$421,737)
General Fund Budget				
\$3,884,000		\$3,738,138		
		(CIP) <u>\$147,000</u>		
(Total) \$3,884,000	+0.2%	(Total) \$3,885,138	+ .2%	(\$1,138)

Revenue Estimates

While the *Revenues Budget Summary* on page 4 indicates an overall 5% increase in revenues over last year, this percentage reflects the impact of revenues related to the C-1 Trail. With this taken into consideration, the Town's overall revenue reflects a 5.6% decrease over the prior fiscal year budget.

- **Government Agency:** The State is allowing Costs Reimbursements requests again and sales tax revenues are predicted to increase by 6%. Gas Tax revenue has been reduced by 10%.
- **Permits & Fees:** Building permit activity is currently at 12% over the prior year, and 31% over budget.
- **Other Revenues:** Includes a new temporary revenue stream relating to the solar panel installation rebate offered by PG&E for the Town Center project.
- **Service Charges:** Includes revenues related to the C-1 Trail (Stanford) project.
- **Town Center Facilities:** The Town's classes continue to increase in popularity, with new classes in every quarter. Projected revenues for classes is 85% over the prior year.

Expenditure Estimates

While this year's expenditures budget reflects an overall 10% increase over last year, this is impacted by the self-funded C-1 Trail. With this project's impact factored out, the overall expenditures budget decreases by 0.2% over the prior fiscal year. The Operating budget reflects an increase of 4.8% over last year.

- **Administration:** The Town's participation rate for PERS retirement increased by 0.25%, and medical expenses increased by 4%. Additionally, a 3% increase has been included to provide some employees with a modest salary increase (no salary increases in 2009-10).
- **Consultant Services:** The Town has once again included a fee study to review the Town's current building permit and related fees (it has been a decade since the last fees' review).
- **Miscellaneous Expenses:** Contributions for local non-profit agencies have been reduced.
- **Parks & Fields:** Additional expenditures are related to the increased classroom revenue and usage for Town Center classes.
- **Public Works Operations:** This category reflects the reduction in Gas Tax revenues.
- **Service Agreements:** The Town will once again use funds from the Public Safety fund to support the General Fund in offsetting costs related to Additional Traffic Patrols.
- **Services & Supplies:** This category includes equipment purchases related to producing "paperless" agenda packets and additional wood chipping expenses.
- **Town Center Facilities:** To fulfill auditor requirements, costs relating to the Community Hall (including the annual performance audit) are now included in this category.
- **Capital Improvements:** Staff has budgeted \$700,000 for the Town's annual street resurfacing project. Other projects relate to improved lighting at Town Center, improvements to the Spring Down open space parcel (funded by the Open Space fund), inventory and repairs to the Town's storm drains, and the self-funded C-1 Trail. Once again, there is no Capital Equipment budget.

Final Thoughts and Recognition

With the state economy remaining in flux, the Town is fortunate to not have the extreme challenges facing many other California municipalities. We would like to once again acknowledge and express our appreciation to Town staff, consultants and committees for their assistance in the preparation of this year's budget.

Finance Committee Action

By unanimous vote at its May 27 meeting, the Finance Committee recommended that the proposed 2010-11 budget be presented to the Town Council for consideration. The committee also recommended that the draft minutes from their meeting be presented to the Council for their consideration.

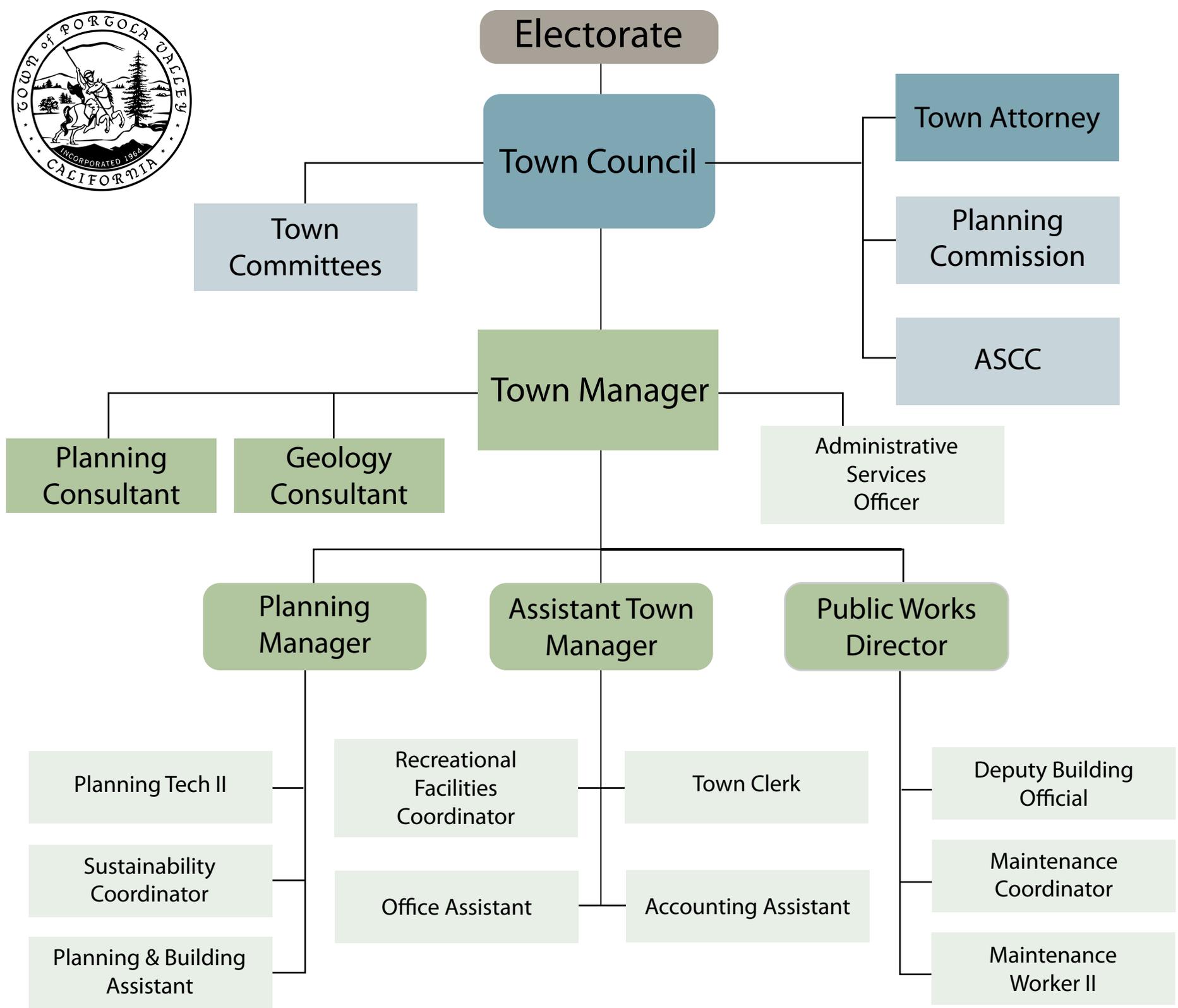
Town Council Action

At its June 9 meeting, The Town Council scheduled a Public Hearing for the Proposed Budget for June 23, 2010.

Recommendation

Upon completion of the Public Hearing on June 23, 2010, the Town Council adopted the attached resolution approving the Proposed 2010-11 Operating and Capital Budget for the Town of Portola Valley.

Attachments
Organization Chart
Fund Descriptions





Town of Portola Valley

Fund Descriptions

5	General Fund	The Town's operating fund; all general operating revenues and expenditures are processed through it.
8	Grants	Used to record all revenues and expenditures related to county, State, and Federal grants.
10	Safety Tax	A half-cent State sales tax revenue designated exclusively for local agency public safety services. (Sec. 35 of Art. XIII of Cal Const)
15	Open Space	Used solely for the acquisition and maintenance of open space land parcels in Town.
20	Gas Tax	For maintenance and repairs to streets.
25	Library Fund	Library service revenue from San Mateo County Library JPA to be spent on library related activities as mutually agreed by the JPA and Town Council.
30	COPS – Public Safety	Citizens' Options for Public Safety: a supplemental State law enforcement fund for special law and traffic enforcement.
40	Park-in-Lieu	Subdivision developer's fee that can only be used for parks or recreational purposes.
45	Inclusionary-in-Lieu	A subdivision developer's fee, payable by fee or land, that can only be used for affordable housing.
60	Measure A Funds	A half-cent County sales tax revenue designated for the improvement of local transportation, including streets and roads.
65	Road Impact Fee	Recovers the cost of repairs from building permit applicants to Town roads due to wear and tear from construction vehicles (suspended 2010).
75	Crescent M.D.	Maintenance District Funds
80	PVR M.D.	
85	Wayside I M.D.	
86	Wayside II M.D.	
90	Woodside H'lands M.D.	
95	Arrowhead M'dows M.D.	
96	Customer Deposits	Deposit fund for customer fees to pay for consulting costs associated with individual building projects. Any remaining deposit amounts are refunded to customer when project is completed.
98	Portola Valley Community Fund (PVCF)	A restricted fund for the sole purpose of receipt and expenditure of funds from the Portola Valley Community Fund, via the Silicon Valley Foundation. Funds can only be spent for the fundraising expenses of the PVCF and the design, development and construction costs of the Town Center project.

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2010-11 Revenues and Expenses by Governmental Fund

Revenues	Fund 5	Fund 10	Fund 15	Fund 20	Fund 25	Fund 30	Fund 60	Fund 65	Fund 96	TOTALS
	GENERAL FUND	PUBLIC SAFETY	OPEN SPACE	TRANSPORTATION	LIBRARY	C O P S	MEASURE A	ROAD FEES	CASE REVIEWS	
Government Agency	\$ 40,400	11,240		127,310		100,000	198,590			477,540
Franchise Fees	\$ 243,380									243,380
Permits & Fees	\$ 345,300									345,300
Other Revenues	\$ 52,000		5,000		120,000					177,000
Parks & Recreation	\$ 179,230									179,230
Service Charges	\$ 62,900								410,000	472,900
C-1 Trail	\$ -								590,800	590,800
Revenue from Taxes	\$ 2,116,600									2,116,600
Town Center Facilities	\$ 229,000									229,000
Interest	\$ 60,000									60,000
Utility Users' Taxes	\$ 555,190		247,540							802,730
Revs. Sub-Totals	3,884,000	11,240	252,540	127,310	120,000	100,000	198,590	0	1,000,800	5,694,480
Expenditures										
Admin & Operations	\$ 1,722,458									1,722,458
Committees	\$ 169,490									169,490
Consultant Services	\$ 503,200			10,000					410,000	923,200
Miscellaneous	\$ 36,140									36,140
Parks Operations	\$ 219,140									219,140
Public Works	\$ 4,000			159,000						163,000
Service Agreements	\$ 661,760	53,279				100,000				815,039
Services & Supplies	\$ 288,970									288,970
Town Center Facilities	\$ 132,980									132,980
Exp. Sub-Totals	3,738,138	53,279	0	169,000	0	100,000	0	0	410,000	4,470,417
Capital Improvements										
Street Resurface 10/11							198,590	501,410		700,000
Street Design / Inspections	\$ 70,000									70,000
Lighting at Town Center	\$ 40,000									40,000
Springdown Imp, Ph 1			75,000							75,000
Storm Drain Imps	\$ 37,000			133,000						170,000
C-1 Trail									590,800	590,800
Capital Improvements	\$ 147,000	0	75,000	133,000	0	0	198,590	501,410	590,800	1,645,800
Revenue - Expenses	145,862	-42,039	252,540	-41,690	120,000	0	198,590	0	590,800	1,224,063
Revenue - (Exp+CIP)	-1,138	-42,039	177,540	-174,690	120,000	0	0	-501,410	0	-421,737

Town of Portola Valley 2010-2011 Fund Activity Summary

FUND	7/1/2010 ESTIMATED BALANCE	2010-2011 ESTIMATED REVENUES	2010-2011 ESTIMATED EXPENDITURES	6/30/2011 PROJECTED BALANCE
General Purpose Funds				
General Fund Unrestricted	2,053,390	3,884,000	3,885,138	2,052,252
Historic Museum Designation	2,879			2,879
Loss Designation	100,000			100,000
Open Space Acquisition Desig.	377,499			377,499
Children's Theater Designation	2,659			2,659
Town Center Project Designation	6,214			6,214
<i>General Fund T/fer</i>	0			0
Sub-Total	\$ 2,542,641	\$ 3,884,000	\$ 3,885,138	\$ 2,541,503
Restricted Funds				
Bonds and Grants (8)	0	0	0	0
Public Safety (10)	148,025	11,240	53,279	105,986
Open Space (15)	2,676,395	252,540	75,000	2,853,935
Transportation/Public Works (20)	266,000	127,310	302,000	91,310
Library Fund (25)	281,111	120,000	0	401,111
Public Safety/COPS (30)	0	100,000	100,000	0
Park In Lieu (40)	6,160	0	0	6,160
Inclusionary In Lieu (45)	157,235	0	0	157,235
Measure A (60)	0	198,590	198,590	0
Road Fee Fund (65)	1,139,812	0	501,410	638,402
Applicant Deposits (96)	515,005	1,000,800	1,000,800	515,005
Sub-Total	\$ 5,189,743	\$ 1,810,480	\$ 2,231,079	\$ 4,769,144
Grand Total	\$ 7,732,384	\$ 5,694,480	\$ 6,116,217	\$ 7,310,647

REVENUES

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Motor Vehicle Fees		Lease Income – Parks	
Measure A Sales Tax		Sports League Field Use	
Proposition 172 Funds		Annual Community Events	
Public Safety COPS Grant		Field Activity Fees	
State Gas Tax		Teen Committee	
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California Water		Architectural Review	
Greenwaste Recovery		Geology/Engineer Fees	
Comcast Cable		Applicant Charges	
Permits & Fees	10	Miscellaneous Revenues	
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Encroachment		Sales & Use Tax	
Conditional Use		Business License Tax	
Building Permit Review/Planning		Real Property Transfer Tax	
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Construction & Demolition		Town Center Facilities.....	16
Other	11	Community Hall & Room Rentals	
Fines & Forfeitures		Parking Lot & Field Rentals	
Miscellaneous Contributions		Class Fees	
Open Space		Interest	17
Library Fund		Utility Users' Taxes	18
PVCF		General Purpose Use (4.5%)	
PG&E Solar Rebate		Open Space Use (2%)	

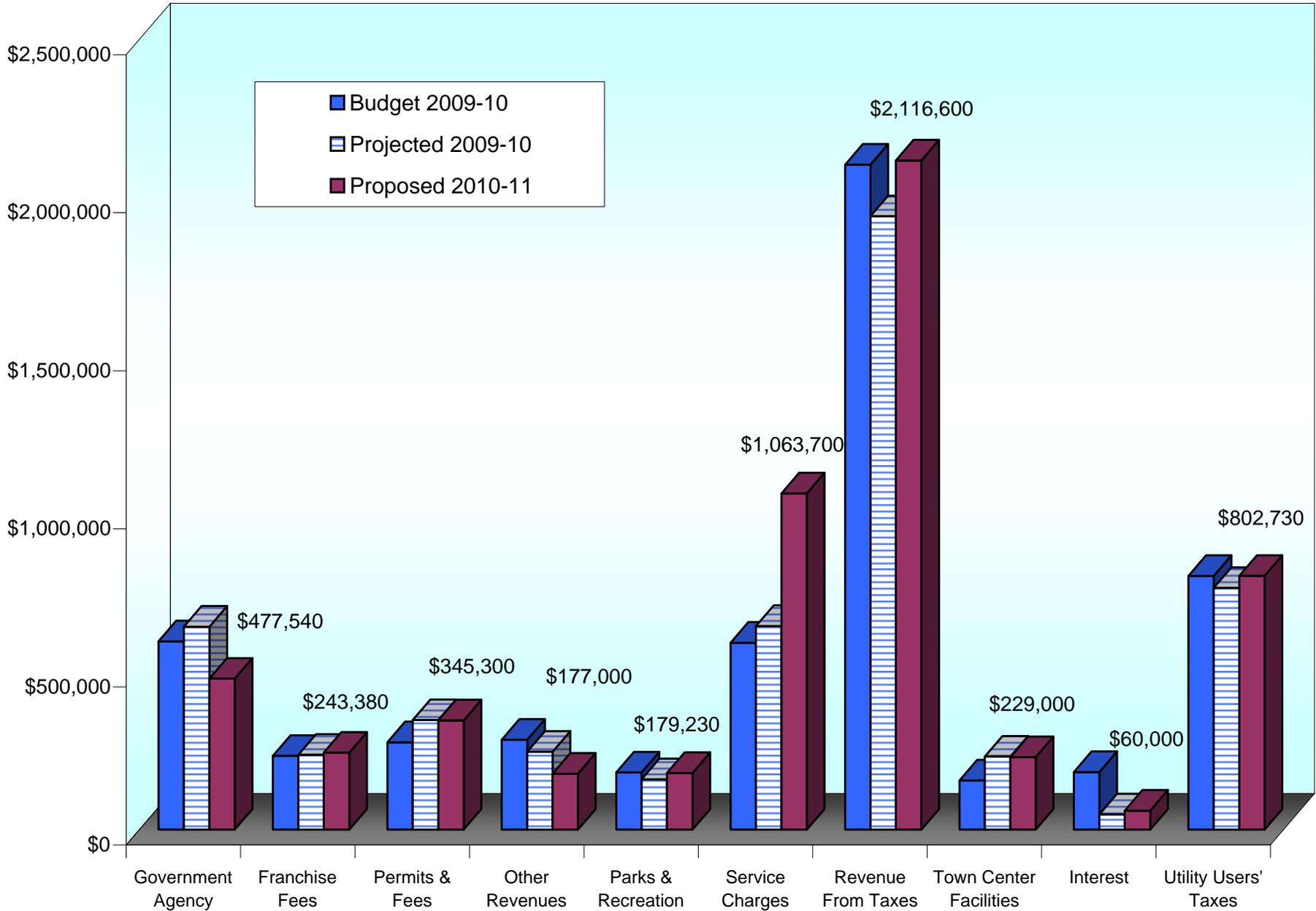
TOWN OF PORTOLA VALLEY

2010-2011 Total Revenues Budget Summary

Revenues	2009-10 Adopted Budget	2009-10 Projected at Year End	2010-11 Proposed Budget	%/Change per Adopted 09/10 Budget	%/Change per Projected Year End
Government Agency	595,375	641,953	477,540	(19.79)	(25.61)
Franchise Fees	233,242	236,886	243,380	4.35	2.74
Permits & Fees	276,317	346,370	345,300	24.97	(0.31)
Other Revenues	284,156	246,539	177,000	(37.71)	(28.21)
Parks & Recreation	181,000	159,028	179,230	(0.98)	12.70
Service Charges	591,001	644,092	1,063,700	79.98	65.15
Revenue From Taxes	2,103,350	1,940,163	2,116,600	0.63	9.09
Town Center Facilities	155,700	231,000	229,000	47.08	(0.87)
Interest	182,000	48,000	60,000	(67.03)	25.00
Utility Users' Taxes	802,378	764,513	802,730	0.04	5.00
Grand Total	5,404,519	5,258,544	5,694,480	5%	8%



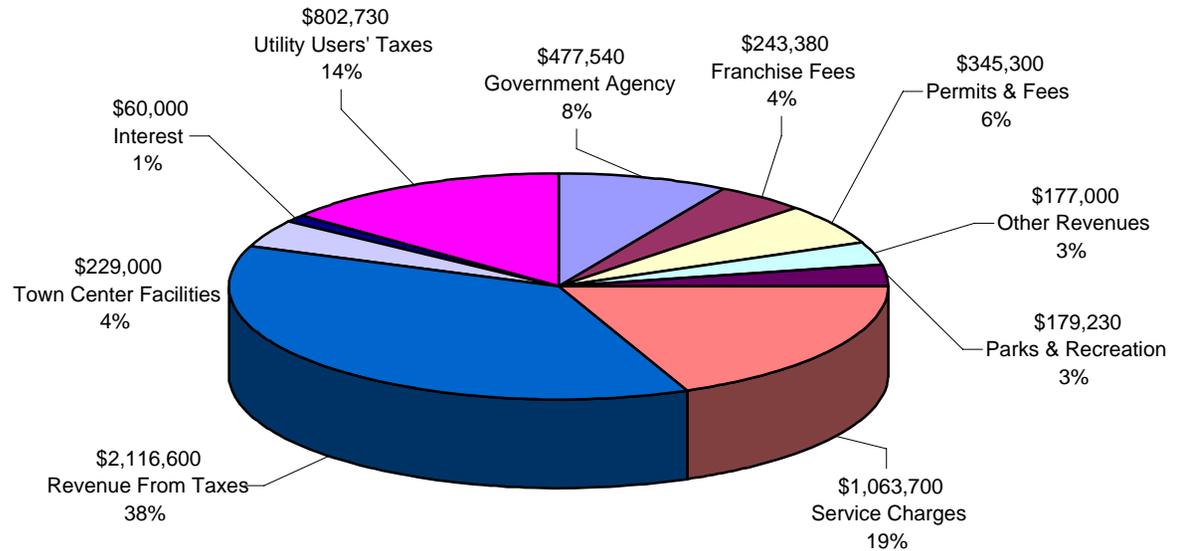
2009/10 Budget/Projected Rev. vs 2010/11 Proposed Revenue



2010-11 REVENUE BUDGET by TOTAL and GENERAL FUND

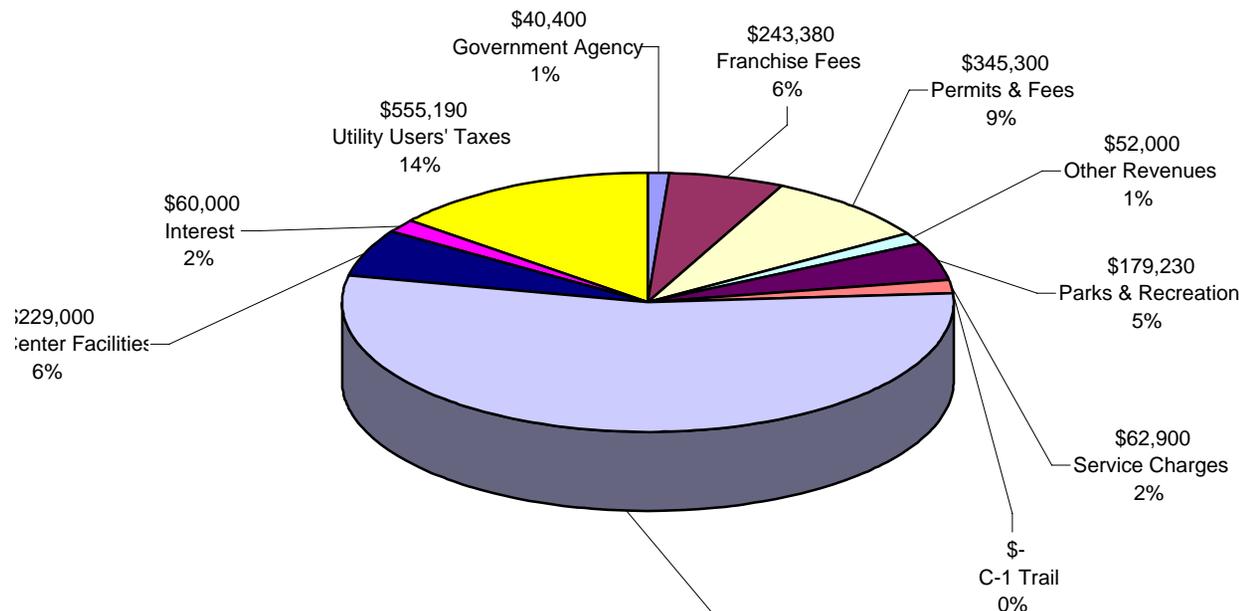
2010-11 Total Revenue Total: \$5,694,480

Government Agency	\$477,540
Franchise Fees	\$243,380
Permits & Fees	\$345,300
Other Revenues	\$177,000
Parks & Recreation	\$179,230
Service Charges	\$1,063,700
Revenue From Taxes	\$2,116,600
Town Center Facilities	\$229,000
Interest	\$60,000
Utility Users' Taxes	\$802,730



2010-11 General Fund Revenue Total: \$3,884,000

Government Agency	\$40,400
Franchise Fees	\$243,380
Permits & Fees	\$345,300
Other Revenues	\$52,000
Parks & Recreation	\$179,230
Service Charges	\$62,900
C-1 Trail	\$-
Revenue from Taxes	\$2,116,600
Town Center Facilities	\$229,000
Interest	\$60,000
Utility Users' Taxes	\$555,190

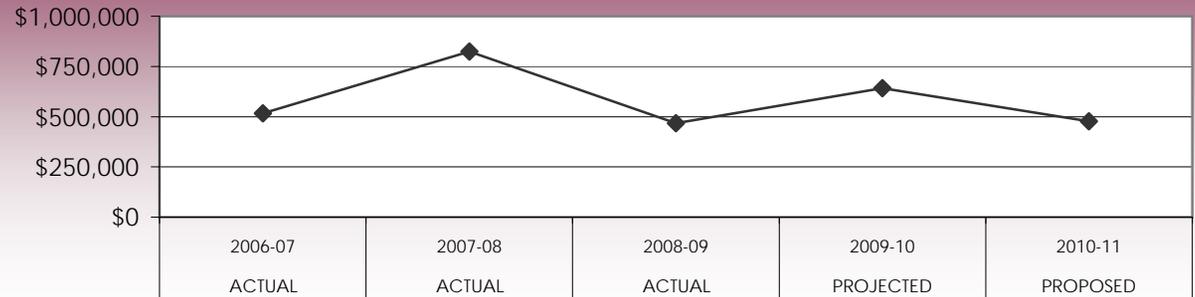


TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Government Agency



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 Motor Vehicle Portion of the State motor vehicle registration returned to local agencies. As of 2005/06 the State limited VLF revenues to the 0.65% collected from citizens.	31,050	20,473	15,788	16,020	14,000	14,000	05-10-3001
2 Measure A Sales Tax 1/2 cent sales tax restricted for transportation uses. State is predicting a 6% increase.	210,014	218,049	193,750	177,750	187,348	198,590	60-10-3002
3 Proposition 172 Funds - Public Safety Sales Tax 1/2 cent sales tax restricted for public safety issues.	12,002	11,123	10,170	10,600	10,600	11,240	10-10-3004
4 Public Safety COPS Grant Annual state allotment which can only be used for public safety.	100,588	100,266	93,957	100,000	100,000	100,000	30-10-3006
5 State Gas Tax Pooled Statewide and reallocated based upon population and other factors. Town's allocation represents a small portion of this State revenue source, most of which stays in Sacramento.	90,515	68,228	104,531	90,205	87,000	81,110	20-10-3008 20-10-3010 20-10-3012 20- 10-3014
6 Homeowners' Property Tax Relief (HOPTR)	5,346	5,142	5,198	4,800	5,235	5,000	05-10-3016

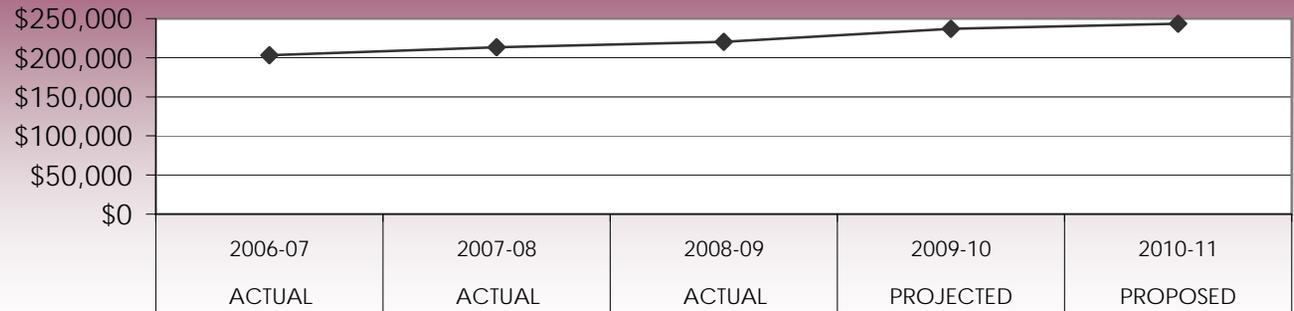
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
7	State Mandated Costs Reimbursements	33,170	1,556	5,028	0	0	21,400	5-10-3017
	State reimbursements totalling \$42,800 filed for 2-4 years' legislated municipal expenses.							
8	Proposition 42 Funds	33,359	-	39,316	0	41,770	46,200	20-10-3015
	Traffic Congestion Relief funds expired, Prop 42 funding replaces.							20-10-3036
	<i>Miscellaneous Grants - All grants are on hold</i>							
	<i>2000 Park Bond Act - provides funds for park/rec construction and renovation.</i>				0	0	0	08-10-3030
	<i>Roberti-Z'berg Grant - provides funds for parks/rec purposes, including development and renovation.</i>				0			08-10-3032
	Prop 1B - State funds to be expended for road projects		400,000		0	0	0	20-10-3007
	American Recovery & Reinvestment Project Funds (for Street Resurfacing)				196,000	196,000	0	8
	Sub-Total	516,044	824,837	467,737	595,375	641,953	477,540	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Franchise Fees



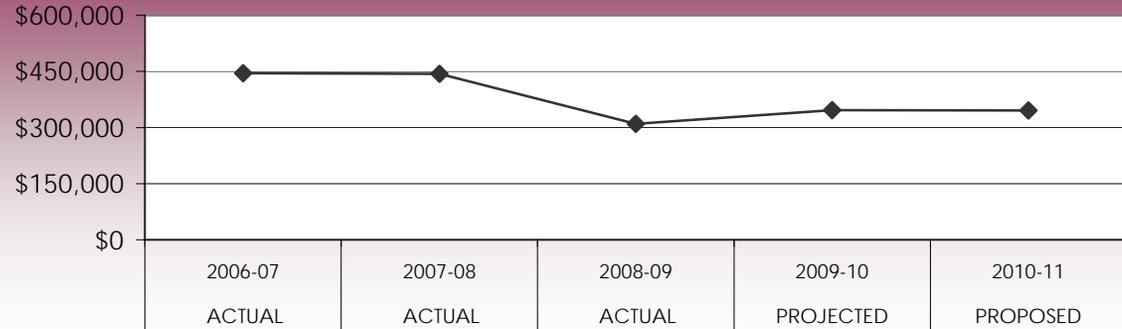
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 PG&E Franchise fee for PG&E regulated by the State through a Town franchise ordinance.	81,033	79,632	84,160	85,842	78,886	81,250	05-12-3040
2 California Water Company Fees based upon 1% of total water revenues generated by Cal-Water in the Town; increase due to higher water cost.	21,259	22,599	24,070	36,400	36,400	37,490	05-12-3042
3 Greenwaste Recovery Company Franchise fees based upon 7.7% of total revenues generated by GWR within the Town. Second year of 10-year agreement. (2%)	58,796	59,390	54,741	55,500	60,600	61,810	05-12-3044
4 Comcast and AT&T Cable Services Franchise fees based upon 5% of total revenues generated by Comcast Cable Services within the Town. Includes \$450/mo PEG fees.	42,209	51,737	57,419	55,500	61,000	62,830	05-12-3046
Sub-Total	203,297	213,358	220,390	233,242	236,886	243,380	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Permits & Fees



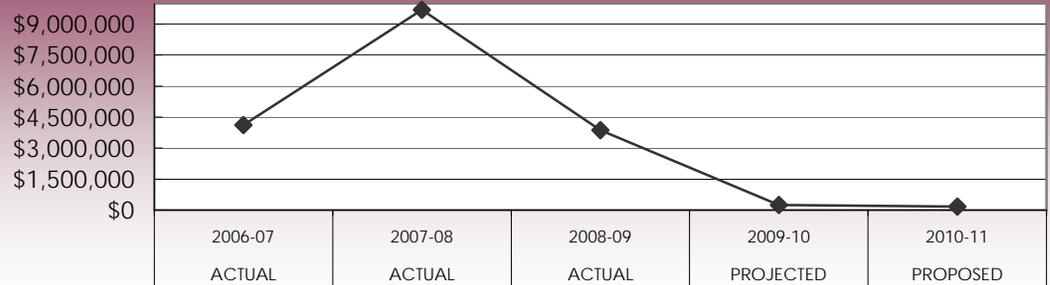
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 Building Permits/Plan Check Fees Issued for all building construction within the Town.	384,204	391,593	260,018	221,558	290,000	290,000	05-14-3060 <i>Plan Check</i>
2 Site Development Permits Filing fee for permits required to prepare a private property site as a result of property improvements or construction.	33,230	25,000	25,150	30,874	31,000	31,000	05-14-3062
3 Encroachment Permits Filing fee for permits required to conduct work in public right-of-way.	6,120	5,760	7,590	6,000	7,000	6,000	05-14-3064
4 Conditional Use Permits Permits required for a special use on private property.	420	2,380	700	1,200	1,270	1,200	05-14-3066
5 Building Permit Review/Planning Fee Building permit fee for review of building permits for ASCC/Planning compliance.	5,320	4,660	4,266	4,000	4,000	4,000	05-14-3068
6 Horsekeeping Permits Permits required to keep horses on private property. There are currently 248 permitted horses.	4,315	4,520	2,700	4,600	4,600	4,600	05-14-3070
7 Construction & Demolition Fee Fee to offset cost of implementing C&D Ordinance.	11,550	9,725	9,100	8,085	8,500	8,500	05-14-3072
Sub-Total	445,159	443,638	309,524	276,317	346,370	345,300	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Other Revenues



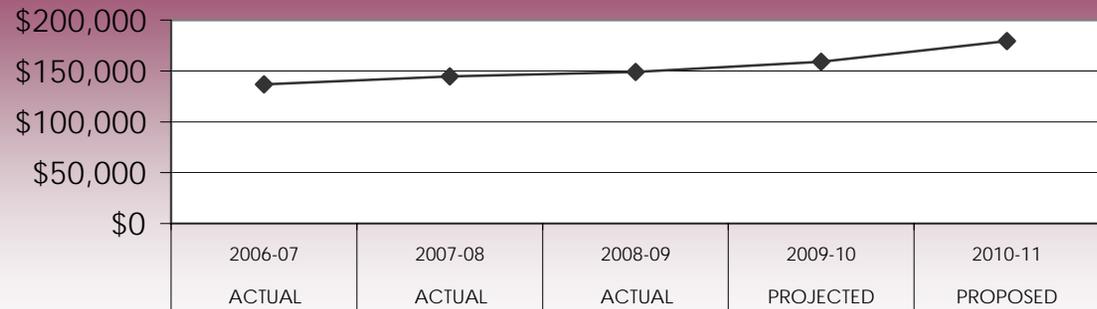
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 Fines and Forfeitures	9,750	12,540	11,206	8,156	11,773	11,500	05-16-3082
Town's portion of traffic and parking citations.							
Historic Museum	13	0	0	0	38	0	05-16-3084
Contributions received for the Historic Restoration including sale of Portola Valley Primer.							
2 Misc Contribs - received for designated projects	4,100	32,650	2,950	3,000	3,818	3,000	05-16-3086
Sausal Creek Contribs - for daylighting project		542,745	371,721	0	180	0	05-16-3091
3 Open Space	2,579	1,336,030	13,124	5,000	3,230	5,000	15-16-3090
Contributions towards the Town's Open Space funds.							
Lease from 725 Portola Road	76,046	79,121	25,106	0	0	0	05-16-3094
Revenue derived from leaseback of both parcels of Springdown Equestrian Center. Lease was discontinued in November 2008.							
4 Library Fund		120,000	125,489	168,000	150,000	120,000	25-16-3092
Donor city revenue from SMC Library JPA.							
5 Portola Valley Community Fund (PVCF)	4,025,000	5,561,368	3,311,050	100,000	60,000	20,000	
Revenue received from PVCF fundraising, final pledge to be received in 2010/11.							5
6 PG&E Solar Rebate					17,500	17,500	
Temporary rebate related to installation of Town Center panels.							
Hasso Plattner Grant for TC Project		1,999,965				0	
Sub-Total	4,117,488	9,684,419	3,860,646	284,156	246,539	177,000	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Parks & Recreation



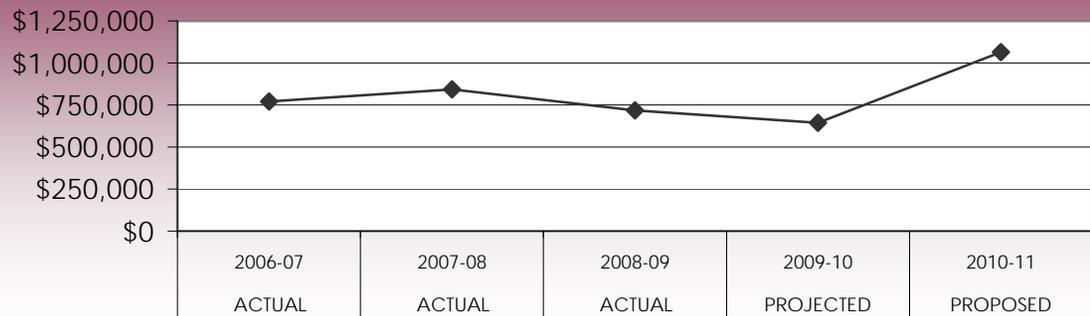
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT NUMBER
1	Lease Income - Parks	9,498	9,464	9,771	9,500	9,500	7,230	05-18-3100
	Lease of Town property for private uses (Alpine Inn Parking Lot and Ladera Oaks). New lower lease.							
2	Sports League Field Use	14,880	21,000	20,945	55,000	43,000	50,000	05-18-3102
	Use fees charged to organized sports leagues for the use of Town fields. New fees adopted in 2009/10.							
3	Annual Community Events							
	Town Picnic	2,111	3,274	1,514	2,000	1,800	2,000	05-18-3104
	Blues and Barbecue	99,315	101,300	102,618	100,000	85,889	100,000	05-18-3106
	Class Fees							05-18-3110
	<i>This item has been moved to Town Center Revenues.</i>							
4	Field Activity Fees	7,575	9,625	12,895	13,000	18,060	19,000	05-18-3112
	Revenue stream stemming from activities of Adult Soccer.							
5	Teen Committee	3,280	0	1,274	1,500	779	1,000	05-18-3114
	Revenue from teen events and dances.							
	Sub-Total	136,659	144,663	149,018	181,000	159,028	179,230	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Service Charges



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 Zoning and Planning Permits	500	2,240	-10	370	930	500	05-20-3120
Fee for permits required for commercial use changes.							
2 Variances	0	890	890	1,780	0	1,780	05-20-3122
Filing fee required for consideration of variance requests.							
3 Subdivision Fees	620	620	560	620	1,240	620	05-20-3124
Filing fee required to process a subdivision.							
4 Residential Data Reports	8,600	7,080	5,700	6,200	8,900	8,000	05-20-3126
Filing fee required for a property status report.							
<i>Drainage Fees - Subdivision fee.</i>							45-20-3128
<i>Park In-Lieu Fees - Subdivision fee.</i>							40-20-3130
5 Architectural Review Fees	24,520	17,880	20,850	20,000	22,000	20,000	05-20-3132
Filing fee for consideration of improvements to private property.							
6 Construction Traffic Road Fee	238,661	306,729	179,086	155,031	153,022	0	65-20-3134
Fee collection suspended in 2010. Town is using over \$500k in 2010/11 for street repairs.							

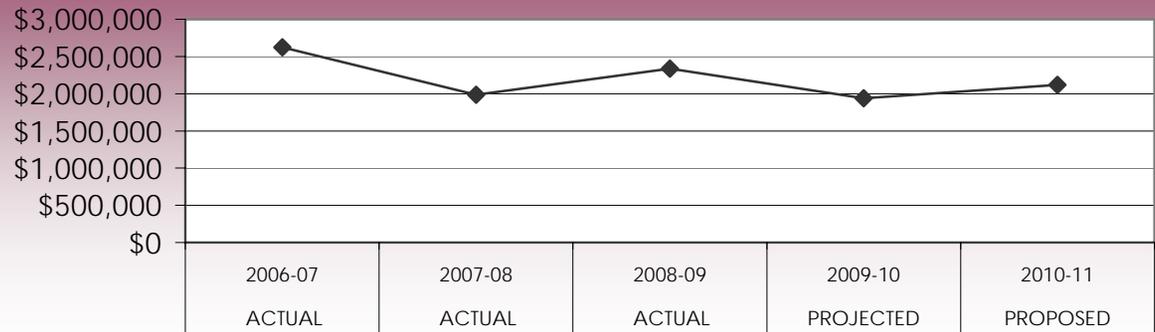
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
7	Geology Fees	6,120	5,950	3,740	4,000	5,000	4,000	05-20-3136
	Filing fee for review by Town Geologist for private property improvements, when deemed necessary.							
8	Town Engineer Fees	4,625	4,290	3,080	3,000	3,000	3,000	05-20-3138
	Charges to applicant for Town Engineer's review of plans for improvements to private property.							
9	Planning Services - Charges to Applicants				220,000		250,000	96-20-3140
	Charges to applicants for Planning Consultant's review of applications.							
10	Geological Services - Charges to Applicants				110,000		110,000	96-20-3140
	Charges to applicants for Geological Consultant's review of applications.					425,000		
11	Engineering Services - Charges to Applicants				35,000		35,000	96-20-3140
	Charges to applicants for Engineering Consultant's review of applications.							
12	Attorney Services - Charges to Applicants				15,000		15,000	96-20-3140
	Charges to applicants for legal review of private applications.							
13	C-1 Stanford Trail - Charges for Applicant						590,800	96-20-3140
	Misc. Consultants - Charges to Applicants	464,892	470,304	472,426				96-20-3140
14	Miscellaneous	23,213	26,013	31,883	20,000	25,000	25,000	05-20-3154
	Sub-Total	771,751	841,996	718,205	591,001	644,092	1,063,700	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Revenue From Taxes



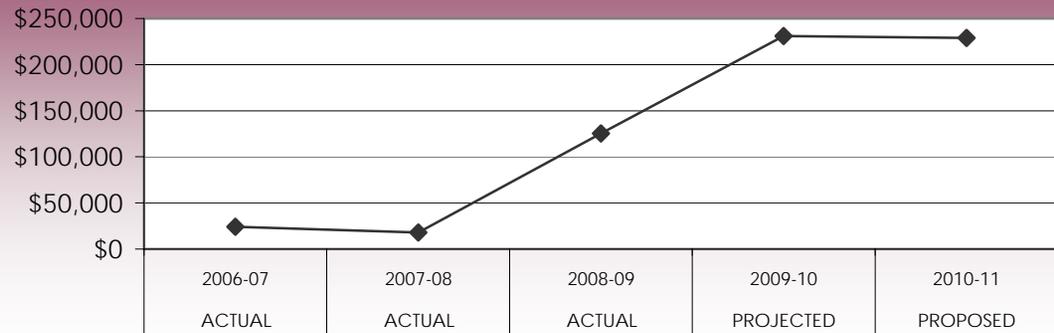
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1	Property Taxes - Secured Town now receives 7% of collected property tax revenues from the County, which is an increase from the minimal 4% previously collected. Additional factors are a 2% growth rate. State diverted \$137K in 09/10, to be returned to Town by 2012/13.	2,220,254	1,535,599	1,957,068	1,729,391	1,603,000	1,775,000	05-22-3160
2	Property Taxes - Unsecured Non-property fixed assets (boats, airplanes, capital equipment, etc).	37,743	41,706	46,813	45,259	48,297	49,260	05-22-3162
3	Sales & Use Tax State projects a increase of 6% in sales tax.	148,788	190,328	175,925	158,700	89,000	94,340	05-22-3164
4	Business License Tax	115,460	119,205	101,500	125,000	120,000	120,000	05-22-3166
5	Real Property Transfer Tax Transaction tax charged when private property transfers.	92,548	94,604	46,660	40,000	70,000	70,000	05-22-3168
6	Miscellaneous Other Taxes	8,111	6,321	10,029	5,000	9,866	8,000	05-22-3170
Sub-Total		2,622,904	1,987,763	2,337,995	2,103,350	1,940,163	2,116,600	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



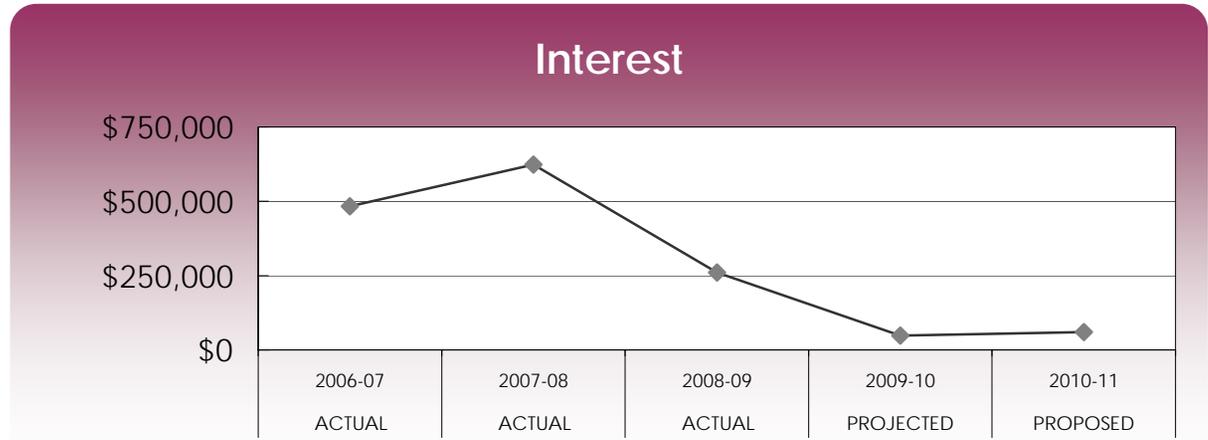
Town Center Facilities



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
Art Studio Leases <i>Studios have been eliminated.</i>	2,592	0	0	0	0	0	05-24-3180
Gallery Lease <i>Gallery has relocated to Menlo Park.</i>	525	0	0	0	0	0	05-24-3182
1 Community Hall / Activity Room Rentals Facilities are available for private use no more than 24 times per calendar year.	0	0	20,335	23,700	38,000	36,000	05-24-3184
2 Parking Lot & Field Rentals Short term rentals of the Town Center parking lot for private parties and events.	1,836	800	3,429	2,000	5,000	5,000	05-24-3188
3 Class Fees Revenue was reduced during Town Center construction; four activity rooms now available. This revenue is offset by instructor fees, see page 31.	19,287	17,117	101,601	130,000	188,000	188,000	05-24-3190
Sub-Total	24,240	17,917	125,365	155,700	231,000	229,000	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



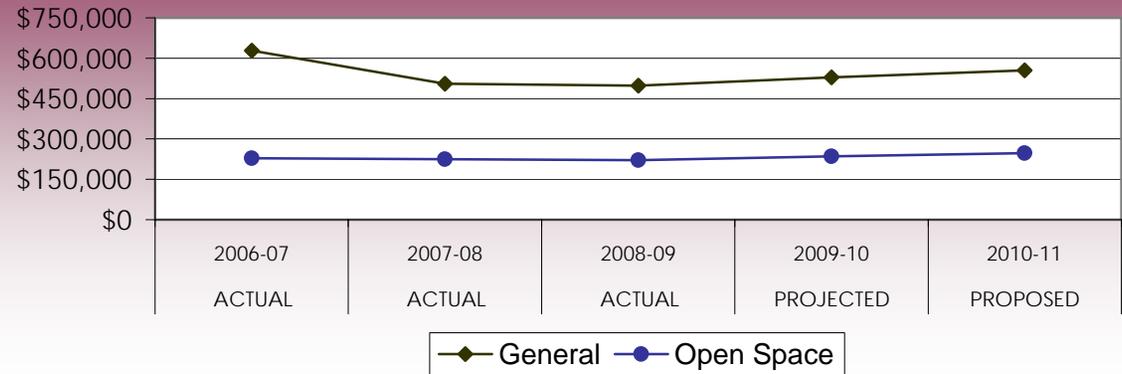
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODE
1 Interest	320,546	422,315	145,293	182,000	48,000	60,000	05-26-3200
The Town's reserves are invested in the State Local Agency Investment Fund, currently accruing approximately .5% interest.							
<i>Interest - Restricted</i>	163,153	201,400	115,288				
Sub-Total	483,699	623,715	260,581	182,000	48,000	60,000	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Utility Users Tax



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 General Purpose Use							
2006 election lowered to 4.5%. The UUT revenue can only be used for Council designated expenditures.							
Electricity and Gas	402,060	370,875	362,738	381,100	385,000	404,250	05-28-3220
Telephone	62,090	32,815	26,637	27,810	29,000	30,450	05-28-3222
Water	109,606	101,675	108,344	146,900	114,755	120,490	05-28-3224
<i>Sub-Total</i>	628,666	505,366	497,718	555,810	528,755	555,190	
2 Open Space Use							
2% applied to total utility revenues generated by Town residents and businesses. Use restricted for the preservation and purchase of open space. Originally approved by the voters in November 1997.							
Electricity and Gas	140,616	164,825	161,220	169,208	171,448	180,020	15-28-3220
Telephone	43,190	14,560	13,545	12,360	13,309	13,970	15-28-3222
Water	40,443	45,190	46,444	65,000	51,001	53,550	15-28-3224
<i>Sub-Total</i>	228,606	224,575	221,209	246,568	235,758	247,540	
Sub-Total	857,272	729,941	718,927	802,378	764,513	802,730	

EXPENDITURES

Administration & Operations	23	Tools and Equipment	
Permanent, Part-time and Temporary Staff		Street Signs & Striping	
Benefits		Trails Surface Rehabilitation	
Committees & Commissions	24	Storm Damage/Emergency Repairs	
Architectural and Site Control Commission		Service Agreements	32
Cable & Utilities Undergrounding		Animal Control	
Conservation		San Mateo County Sheriff's Office, COPS	
Community Events		Emergency Services Council JPA	
Cultural Arts		NPDES – Stormwater Program	
Emergency Preparedness		Services & Supplies.....	33
Historic Resources		Codification	
Open Space Acquisition Advisory		Elections	
Parks & Recreation		Liability Insurance	
Planning Commission		Office Supplies	
Science & Nature		Town Publications	
Sustainability		Web Site Hosting & Spam Filtering	
Teen		Office Equipment – Maintenance & Repairs	
Consultant Services.....	26	Equipment Services Contracts	
Accounting & Auditing		Postage	
Attorney		Telephones	
Transcription		Advertising	
Geologist		Dues	
Engineer		Education & Training	
Planner		Mileage Reimbursement	
Plan Check		Utilities	
Miscellaneous Consultants		Fire Prevention / Wood Chipping	
Miscellaneous.....	29	Vehicle Maintenance	
Contingency		Miscellaneous	
Community Services		Sustainability Series	
H.E.A.R.T. JPA		Town Center Facilities.....	35
Parks Operations.....	30	Building Maintenance Equipment & Supplies	
Parks & Fields Maintenance		Landscape Supplies & Services	
Portable Lavatories		Janitorial Services	
Special Events Insurance		Mechanical Systems Maintenance/Repair	
Instructors		Repairs/Vandalism	
Public Works Operations	31	Property Insurance	
Public Road Surface & Drainage		Capital Improvements Program.....	36
Street Sweeping and ROW Maintenance			
ROW Tree Trimming			
Litter Cleanup			

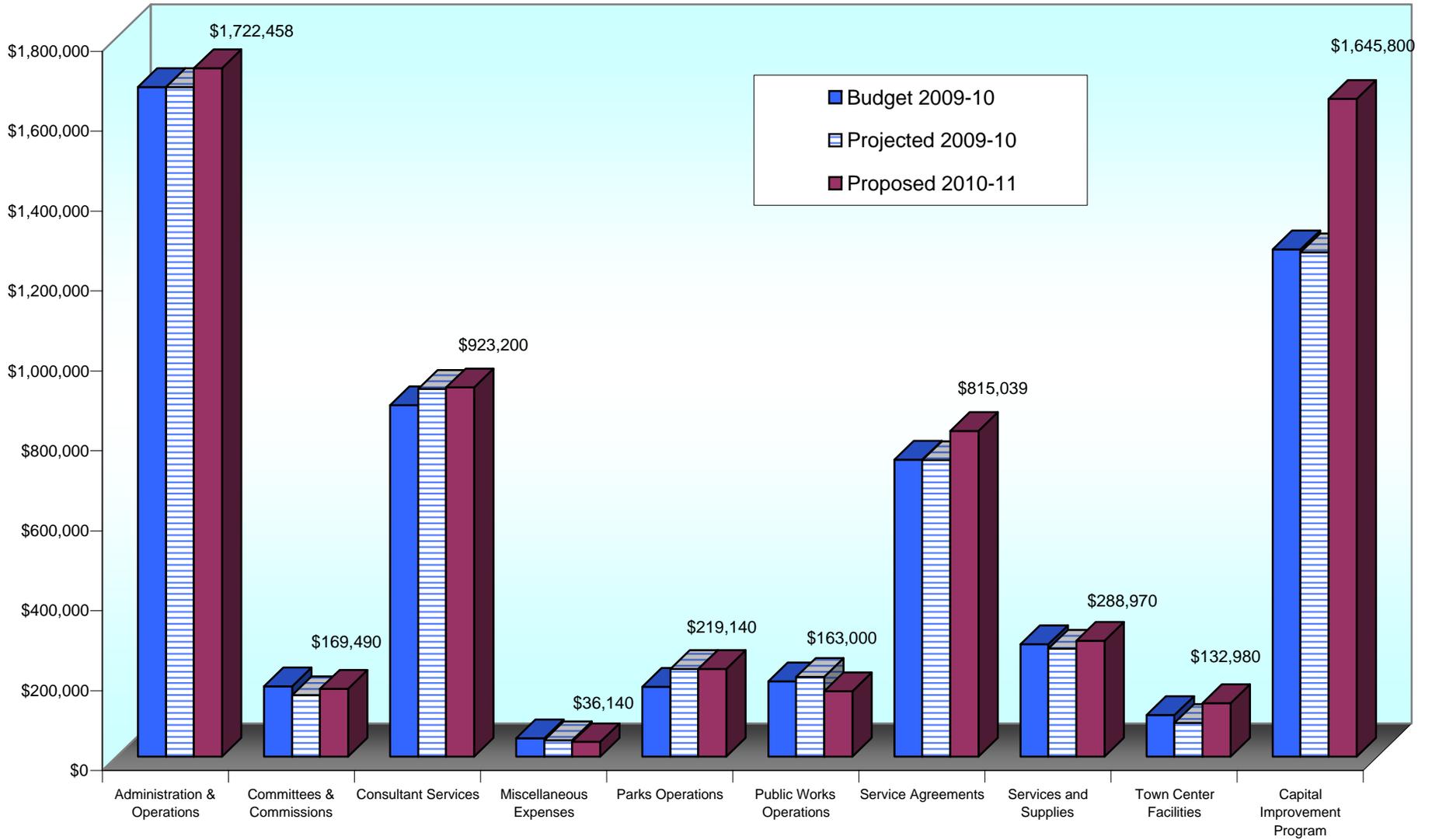
TOWN OF PORTOLA VALLEY

2010-2011 Total Expenditures Budget Summary

Expenditures	2009-10 Adopted Budget	2009-10 Projected at Year End	2010-11 Proposed Budget	%/Change per Adopted 09/10 Budget	%/Change per Projected Year End
Administration & Operations	1,675,732	1,675,578	1,722,458	2.79	2.80
Committees & Commissions	175,068	153,349	169,490	(3.19)	10.53
Consultant Services	878,565	919,451	923,200	5.08	0.41
Miscellaneous Expenses	45,141	40,141	36,140	(19.94)	(9.97)
Parks Operations	174,158	218,983	219,140	25.83	0.07
Public Works Operations	187,600	198,942	163,000	(13.11)	(18.07)
Service Agreements	742,177	741,875	815,039	9.82	9.86
Services and Supplies	280,755	269,568	288,970	2.93	7.20
Town Center Facilities	103,365	83,797	132,980	28.65	58.69
Subtotal	4,262,561	4,301,684	4,470,417	4.88	3.92
Capital Improvement Program					
Programs	1,269,400	1,261,300	1,645,800	29.65	30.48
Equipment	0	0	0	-	-
Subtotal	1,269,400	1,261,300	1,645,800	29.65	30.48
Grand Total	5,531,961	5,562,984	6,116,217	11%	10%



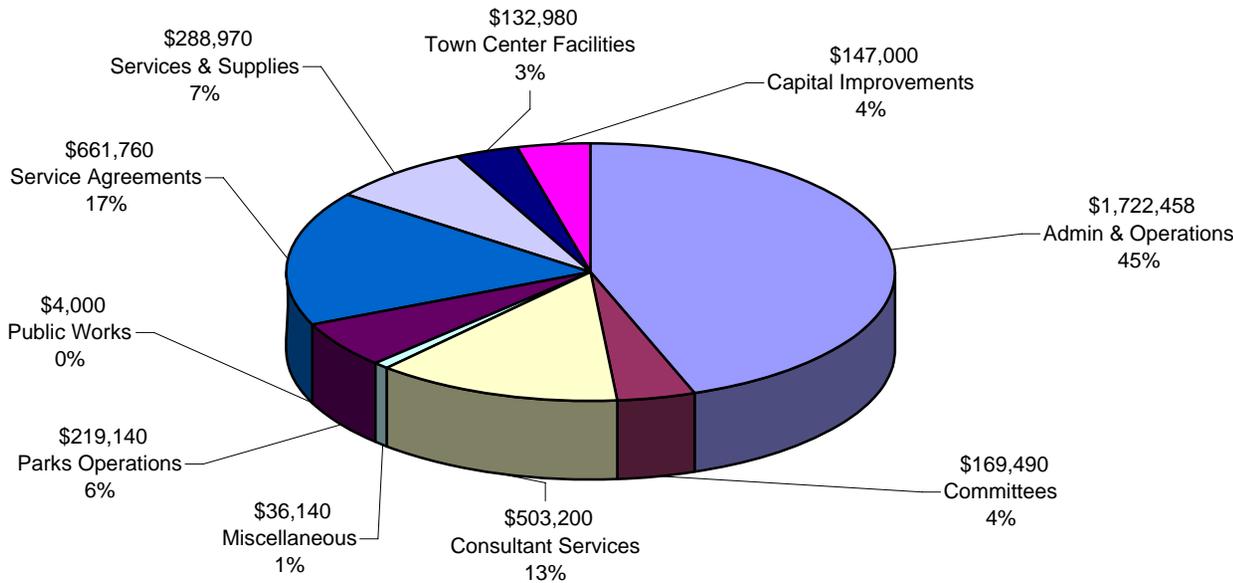
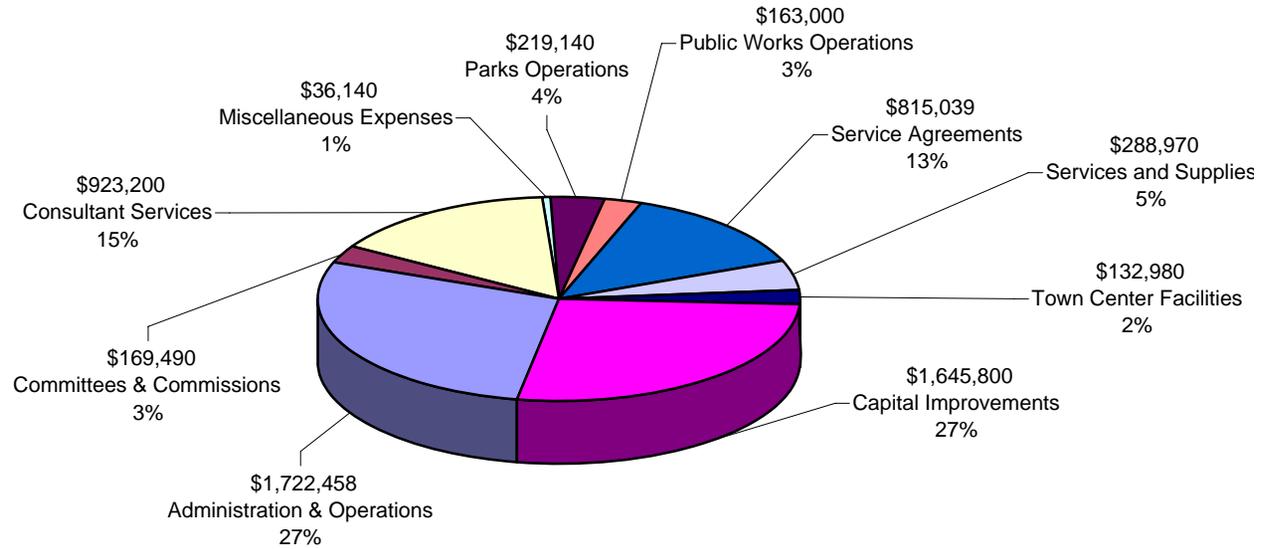
2009-10 Budget/Projected Exps. vs 2010-11 Proposed Expenditures



2010-11 EXPENDITURES BUDGET by TOTAL and GENERAL FUND

2010-11 Total Expenditures Total: \$6,116,217

Administration & Operations	\$1,722,458
Committees & Commissions	\$169,490
Consultant Services	\$923,200
Miscellaneous Expenses	\$36,140
Parks Operations	\$219,140
Public Works Operations	\$163,000
Service Agreements	\$815,039
Services and Supplies	\$288,970
Town Center Facilities	\$132,980
Capital Improvements	\$1,645,800



2010-11 General Fund Expenditures Total: \$3,885,138

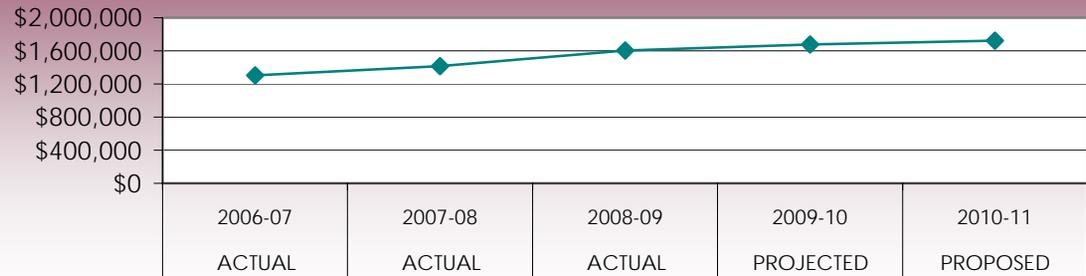
Admin & Operations	\$1,722,458
Committees	\$169,490
Consultant Services	\$503,200
Miscellaneous	\$36,140
Parks Operations	\$219,140
Public Works	\$4,000
Service Agreements	\$661,760
Services & Supplies	\$288,970
Town Center Facilities	\$132,980
Capital Improvements	\$147,000

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Administration and Operations



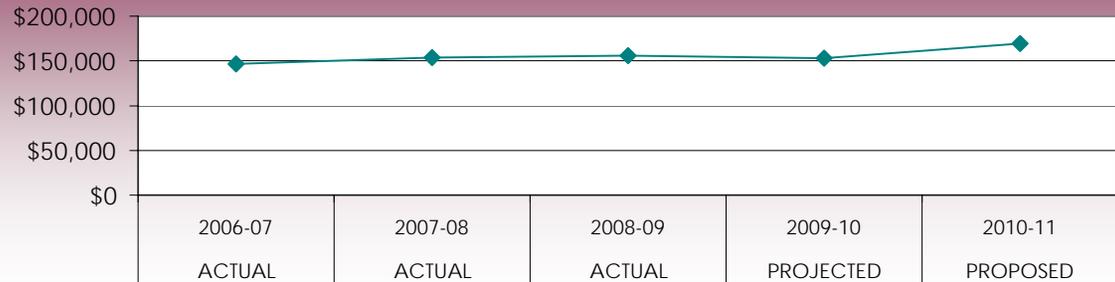
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 Permanent Full-Time Staff (13)							
Administration/Finance (4)	303,570	317,946	361,713	371,452	371,452	382,595	
Planning/Building (6)	345,697	416,002	476,112	501,284	501,284	516,320	
Maintenance (3)	158,093	165,987	174,788	174,612	174,638	179,850	
2 Permanent Part-Time Staff (3)							
Administrative (2)	78,924	85,237	97,379	95,746	95,043	100,105	05-50-4040
Horsekeeping (1)	-	660	1,079	350	350	350	05-50-4044
3 Temporary Staff							
Building Inspection (3 weeks)	35,438	3,450	4,680	7,500	16,752	7,500	05-50-4062
4 Benefits							
Retirement - PERS	171,571	189,892	223,695	224,299	222,739	231,260	05-50-4080
Retirement - Social Security	51,655	57,115	64,318	65,938	66,114	67,210	05-50-4082
Medicare	12,916	14,370	16,242	16,580	16,721	17,100	05-50-4084
Health Insurance/Retiree Service Charges	116,303	132,825	152,699	168,971	179,100	184,168	05-50-4086
Unemployment/Workers' Compensation	26,881	26,222	22,698	22,000	25,822	27,000	05-50-4092
Automobile Allowance	4,004	5,004	5,004	5,000	4,254	5,000	05-50-4096
Overtime	486	234	3,458	2,000	0	2,000	05-50-4100
5 Vacation Sell Back				20,000	1,310	2,000	
Sub-Total	1,305,538	1,414,944	1,603,865	1,675,732	1,675,578	1,722,458	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Committees and Commissions



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 ASCC	24,430	26,064	26,820	26,825	26,825	27,630	05-52-4140
Town Planner retainer for Architectural and Site Control Commission meetings.							
<i>Special Study: Post Construction Analysis</i>	470	-	-				
2 Cable & Utilities Undergrounding	2,000	2,000	2,000	500	500	1,500	05-52-4142
The Town's final membership fee in SAMCAT is reflected here.							
3 Conservation	130	0	0	500	413	1,480	05-52-4144
4 Community Events							
Blues & Barbecue	33,053	34,295	33,818	40,000	36,817	40,000	05-52-4146
Town Picnic	15,404	20,132	13,742	12,000	12,000	10,000	05-52-4147
Holiday Party				12,000	8,139	10,000	05-52-4147
5 Cultural Arts				4,000	600	4,900	05-52-4150
Holiday Fair, Movie Night, Art Show							
6 Emergency Preparedness	2,945	2,364	12,433	5,000	2,000	5,000	05-52-4152
Includes cost of microwave line to County and emergency supplies.							

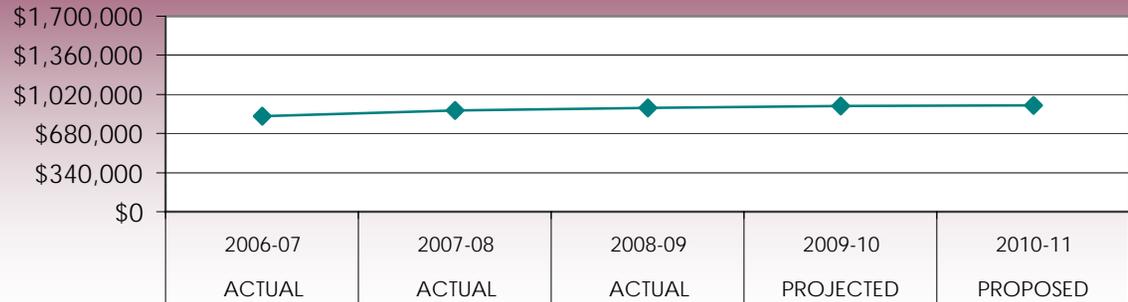
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
7 Historic Resources	177	410	3,437	3,200	2,200	2,950	05-52-4154
Requesting new file cabinets for Heritage Room							
Open Space Acquisition Advisory	0	-	-	4,000	3,637	0	05-52-4156
8 Parks & Recreation		5,239					
Zots to Tots Run	175	-	1,926	5,000	2,000	3,000	05-52-4158
Adult Sports Leagues	5,961	6,576	8,012	6,000	3,900	6,000	05-52-4160
9 Planning	49,352	52,056	53,568	53,568	53,568	55,180	05-52-4162
Town Planner retainer for Commission and Council meetings.							
10 Science & Nature		92	70	975	500	850	5-52-4163
11 Teen	2,254	-	338	1,500	250	1,000	05-52-4166
Teen dances, co-sponsor one movie night.							
Ad Hoc Sausal Creek Committee	10,268	4,678		0			05-52-4168
Sub-Total	146,619	153,906	156,164	175,068	153,349	169,490	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Consultant Services



Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1	Accounting and Auditing Preparation of the Town's annual audit and other accounting services. Expenditures for Community Hall audit has been moved to Town Center	23,166	43,408	41,054	22,465	22,322	24,000	05-54-4180
2	Town Attorney Town Attorney is appointed by the Town Council to provide legal advice to the Town Council, committees, and staff.	109,499	94,937	70,667	87,000	121,162	88,000	05-54-4182
3	Town Attorney - Charges to Applicants Charges to applicants for legal reviews of applications. Paid through the applicant deposit system.	11,957	14,749	2,925	15,000	13,841	15,000	96-54-4186
4	Transcription Services Cost to transcribe the proceedings of the Town Council and Planning Commission meetings.	11,786	19,924	16,080	22,000	18,223	22,000	05-54-4188
5	Town Geologist The Town Geologist is retained to provide geology reviews and to provide advice to the Town Council and staff.	9,662	1,705	16,634	14,000	13,970	10,000	05-54-4189

Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
6	Town Geologist - Charges to Applicants	115,092	125,633	95,511	110,000	94,749	110,000	96-54-4190
	Charges to applicants for geological consultant reviews of applications. Paid through applicant deposit system.							
7	Engineer Services	2,516	180	360	5,000	9,939	10,000	20-54-4192
	This provides backup to the Town Engineer (e.g., traffic analysis, surveying, NPDES).							
8	Engineer - Charge to Applicants	36,408	23,949	50,728	35,000	35,644	35,000	96-54-4194
	Charges to applicants for engineering consultant review of applications. Public Works inspections paid through applicant deposit system.							
9	Planner	109,573	224,868	203,000	180,000	180,000	180,000	05-54-4196
	The Town Planner is retained to oversee all planning and land use issues within the Town and works on Town Council and Planning Commission authorized projects on a fee-for-service basis. The Planner is retained for services to the Planning Commission (\$53,568 annually) and the Architectural and Site Control Commission (\$26,825 annually). These line items can be found in the Committees & Commissions budget.							
	<i>Assistance on Town Center Design</i>	28,532	22,215	7,573	0	0	0	5-54-4197
10	Planner - Charge to Applicants	229,110	167,839	218,506	220,000	298,944	250,000	96-54-4198
	Charges to applicants for planning consultant reviews of applications. Paid through applicant deposit system.							
11	Plan Check	91,894	68,759	64,606	70,000	63,991	68,000	05-54-4200
	applicants for consistency with conditions and codes.							

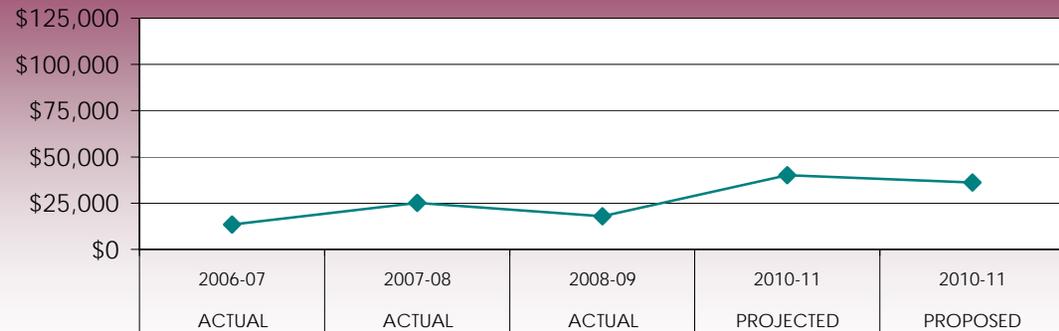
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
12	Miscellaneous Consultants							
	<i>Personnel Services - Classification study and salary survey.</i>	10,994						05-54-4209
	Consultant for Bldg Permit & Related Fees Study				37,400	0	37,000	05-54-****
	Peelle - Scanning & Indexing Town Documents	5,645			16,000	12,164	13,000	05-54-4208
	Lynx Tech - GIS Training, Updates, Completion of General Plan Diagrams		660	5,465	6,100	520	3,600	05-54-4208
	Waste Management Consultants - Includes annual report to CIWMB.	990		6,030	1,000	1,000	1,000	05-54-4212
	Website and IT Consulting & Training Services	1,315	17,498	70,512	17,600	12,982	21,600	05-54-4216
	<i>Parks & Rec Committee - Requested design consultant for Ford Field infrastructure.</i>			6,859	0	0	0	05-54-4210
	<i>Grapefruit Media - Documentary of TC green construction.</i>		6,875		0			05-54-4211
	<i>Emergency Preparedness Community Outreach</i>			2,324	0	0	0	
	Miscellaneous Consultants (Septic/Sewer Study, SFO Noise Study)	31,120	46,516	23,049	20,000	20,000	35,000	05-54-4214
	Sub-Total	829,260	879,715	901,882	878,565	919,451	923,200	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Miscellaneous Expenses

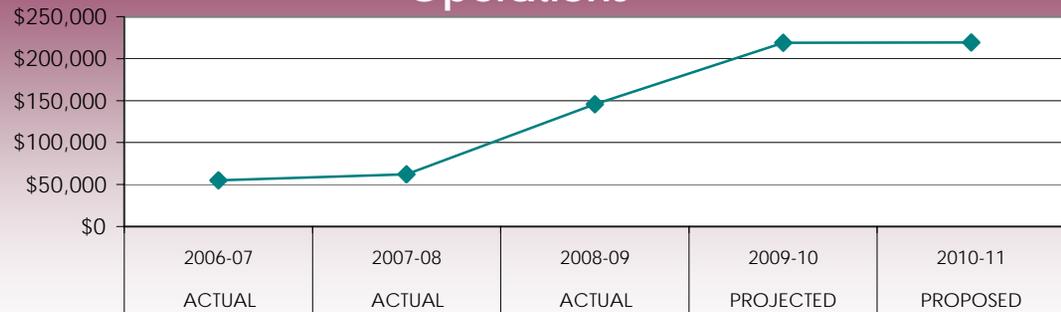


Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2010-11	PROPOSED 2010-11	ACCOUNT CODE
1 Contingency Contingency funding provides for unexpected funding needs; cannot be spent without Town Council authorization. (It is advisable for the Town to have funds budgeted for unexpected expenses, the alternative being transferral of funds within the budget.)				30,000	30,000	30,000	05-56-4220
2 Community Services Funds the Town Council appropriates to non-profit community organizations and agencies.	11,788	13,288	13,300	13,300	8,300	4,300	05-56-4222
3 H.E.A.R.T. JPA For participation in endowment to create a regional approach to affordable housing.	1,705	1,841	1,841	1,841	1,841	1,840	05-56-4223
Sausal Creek Fundraising Council approved a total of \$22,000 during 2007/08 for this new expense. To be paid from Friends of Sausal Creek revenue.		10,025	2,826	0	0	0	
Sub-Total	13,493	25,154	17,967	45,141	40,141	36,140	

**TOWN of
PORTOLA VALLEY**
2010-11 BUDGET WORKSHEET



**Parks & Recreation
Operations**



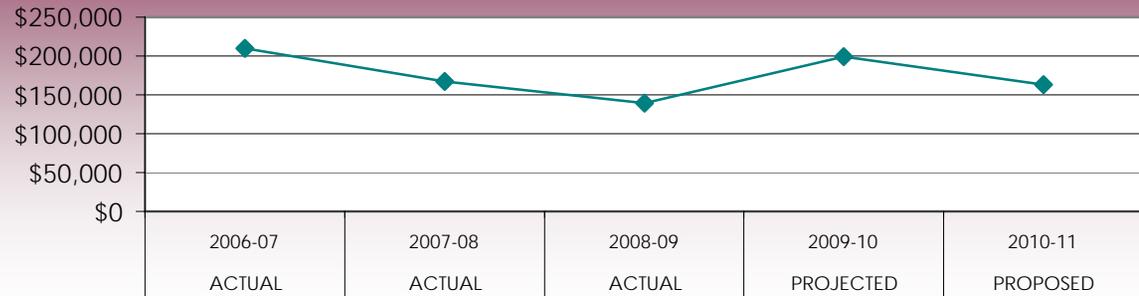
Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 Parks and Fields Maintenance Maintenance cost for all Town-owned playing fields and parks.	50,677	58,743	60,960	64,058	60,000	60,140	05-58-4240
2 Portable Lavatories Portables at both Rossotti and Ford playing fields.	3,698	3,117	2,382	2,600	2,583	2,600	05-58-4244
3 Special Event Insurance Insurance to cover classes held at Town Center.	672	336	2,467	3,500	6,000	6,000	05-58-4338
4 Instructors Percentage of fees (80%) remitted to instructors from classroom revenues.			79,774	104,000	150,400	150,400	05-58-43**
Sub-Total	55,047	62,196	145,582	174,158	218,983	219,140	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Public Works Operations

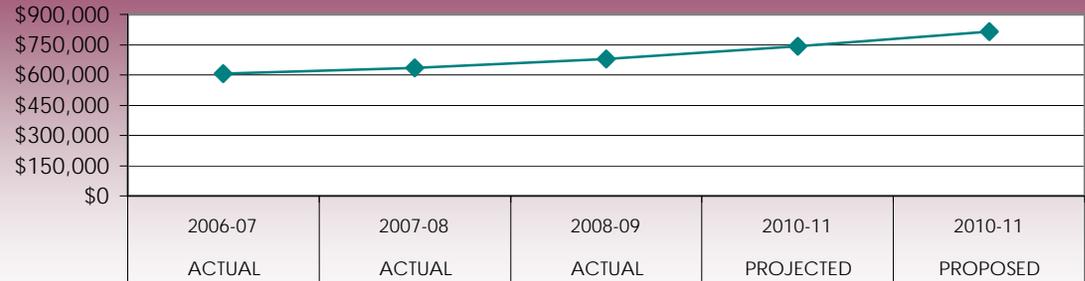


Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 Public Road Surface & Drainage Maintenance	50,035	32,703	22,271	40,000	64,447	40,000	20-60-4260
2 Street Sweeping	28,302	31,215	31,410	25,000	17,808	20,000	20-60-4262
3 Right of Way Tree Trimming & Mowing	37,450	15,150	26,686	30,000	15,000	30,000	20-60-4264
4 Public Right of Way Litter Clean-up Program	8,026	10,150	9,731	9,000	9,728	9,000	20-60-4266
5 Tools and Equipment Includes safety garments, hand tools, and small mowers.	7,571	2,055	3,569	7,000	2,000	4,000	05-60-4267
6 Street Signs & Striping	14,172	20,447	14,528	15,000	3,554	10,000	20-60-4268
7 Trail Surface Rehabilitation	49,592	41,117	26,475	40,000	30,000	30,000	20-60-4270
8 Storm Damage/Emergency Repairs Non-disaster related storm damage.	14,580	14,316	5,019	20,000	55,655	20,000	20-60-4271
<i>Sudden Oak Death Spraying in Right of Way</i> <i>Included in ROW Tree Trimming budget</i>				1,600	750	0	5-60-****
Sub-Total	209,729	167,153	139,689	187,600	198,942	163,000	

**TOWN of
PORTOLA VALLEY**
2010-11 BUDGET WORKSHEET



Service Agreements



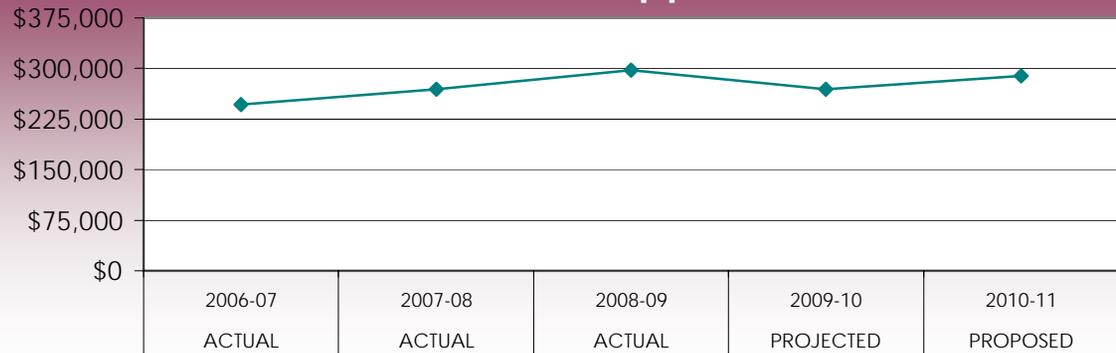
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2010-11	PROPOSED 2010-11	ACCOUNT CODES
1	Animal Control Animal Control services are provided by the Peninsula Humane Society through a contract with San Mateo County.	30,861	29,592	27,013	27,338	27,338	32,321	05-62-4280
2	San Mateo County Sheriff's Office Contract law enforcement through San Mateo County. This is the second year of a renegotiated three-year agreement.	398,983	418,114	449,623	498,601	498,601	546,189	05-62-4282
3	Additional Traffic Patrols Portion of program to be funded by General Fund.	100,000	126,000	90,000	100,000	100,000	100,000	30-62-4284
	Portion of program to be funded by Public Safety Fund.	62,320	47,334	95,050	85,000	85,000	65,000	05-62-4284
					13,270	13,270	53,279	10-62-4284
4	Emergency Services Council JPA	11,995	12,269	12,653	12,968	12,968	13,250	05-62-4286
5	NPDES Stormwater Program Cost of county-wide stormwater discharge permit as mandated by Federal and State legislation.	2,963	2,963	4,149	5,000	4,698	5,000	05-62-4288
	CLEEP Program State funds for purchase of equipment for use by Sheriff's Office. Revenue received FY 2001/02.	662	0	0				30-62-4290
Sub-Total		607,784	636,272	678,488	742,177	741,875	815,039	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Services & Supplies



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 Codification Annual codification of the Town's ordinances.	3,069	0	2,569	0	0	3,100	05-64-4300
2 Elections <i>Bi-annual Town elections. Funds used to pay County to administer Town elections; no elections in 2010-</i>	5,240	585	0	8,300	15,070	0	05-64-4302
3 Liability Insurance/Bonds Town's liability insurance, automobile insurance and officials' bonding. ABAG has increased liability cap from \$10 to \$15 million.	64,908	45,557	32,121	32,520	33,325	30,000	05-64-4304
4 Office Supplies Includes outside printing, purchase of building code books, and various training books. 100% recycled purchasing when possible.	19,236	16,037	16,808	20,000	16,000	18,000	05-64-4308
5 Town Publications Production costs for two newsletters per year (one paper, one electronic) and eight postcards.	2,428	24,364	24,405	22,350	21,300	18,600	05-64-4310
6 Web Site Hosting & Spam Filtering Includes offsite hosting of Municipal Code, security certificate for website, website hosting, and spam filtering services.	652	947	3,630	4,340	3,817	4,000	05-64-4311
7 Office Equipment - Maintenance & Repairs Includes copier lease, Council & Commission "paperless packet" equipment, new projector.	17,069	19,066	28,794	18,850	16,000	25,240	05-64-4312

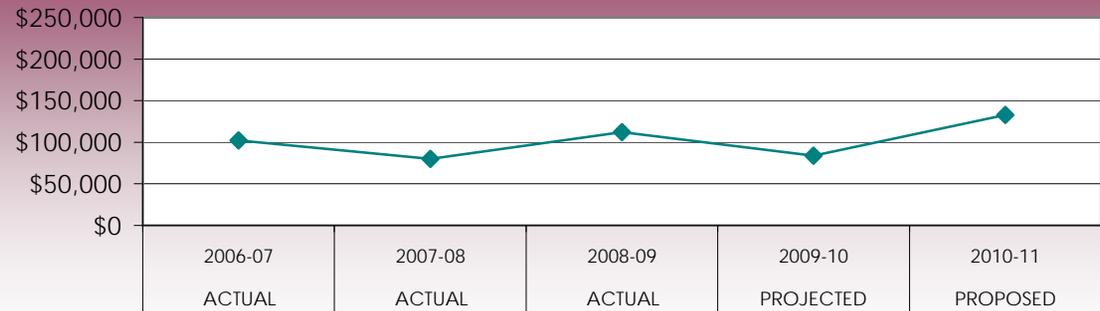
Account Description/Activity		ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
8	Equipment Service Contracts Maintenance agreements for GIS/financial software, postal meter and other servicing as needed.	14,886	21,364	26,594	10,723	11,305	11,740	05-64-4314
9	Postage	9,459	15,684	12,180	11,000	11,000	11,000	05-64-4316
10	Telephones Includes long distance, cell phones, and Nextel phones in addition to basic service.	4,935	5,836	7,458	7,000	6,800	7,000	05-64-4318
11	Advertising Legal notices and advertisements.	6,544	12,213	10,753	10,000	6,000	7,000	05-64-4320
12	Dues	27,026	21,288	21,200	24,000	23,000	23,720	05-64-4322
13	Staff Development	1,037	425	0	0	0	0	05-64-4324
14	Education & Training - Staff	1,972	3,645	5,469	1,600	1,400	4,850	05-64-4326
15	Education & Training - Council, Commissions, & Committees	1,042	1,657	2,071	3,000	2,071	3,000	05-64-4327
16	Mileage Reimbursement (2010 rate is 0.50/mile)	2,679	4,717	3,325	4,000	2,750	3,500	05-64-4328
17	Utilities PG&E and water expenses for Town Center buildings and fields.	37,071	43,885	54,358	40,000	52,950	52,000	05-64-4330
18	Fire Prevention/Wood Chipping Woodside Fire Protection District fire prevention/wood chipping. Includes 2 extra chipping days in October for high risk areas, fire workshop, Los Trancos Project.	8,000	8,747	13,953	20,142	20,142	32,270	05-64-4333
19	Vehicle Maintenance Includes yearly service of all vehicles and fuel costs.	12,432	13,996	11,060	15,500	10,707	12,000	05-64-4334
20	Miscellaneous	6,774	9,232	20,554	15,000	9,000	15,000	05-64-4336
21	Bank Fees				4,000	4,000	0	05-64-4337
22	Sustainability Series				8,430	2,931	6,950	05-64-4335
	Sub-Total	246,458	269,245	297,305	280,755	269,568	288,970	

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



Town Center Facilities



Account Description/Activity	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	BUDGET 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	ACCOUNT CODES
1 Building Maintenance Equipment & Supplies	6,539	6,875	18,790	20,000	14,043	40,000	05-66-4340
2 Community Hall				7,365	8,003	21,600	
New account for maintenance costs, deep cleaning and annual usage audit.							
3 Landscape Supplies and Services	858	13,010	19,013	35,000	32,000	30,000	05-66-4342
Includes care of native plantings and trees.							
4 Janitorial Services	2,967	4,671	5,240	10,000	10,000	12,000	05-66-4344
5 Mechanical Systems Maintenance/Repairs	2,966	3,367	30,983	25,000	18,168	23,000	05-66-4346
Includes maintenance of electrical, photovoltaic, & dashboard							
6 Repairs/Vandalism	0	0	170	1,000	137	1,000	05-66-4348
7 Property Insurance	2,163	1,299	1,281	5,000	1,446	5,380	05-66-4350
Leases for Temporary Offices	34,783	0	0	0	0	0	05-66-4352
Temporary Facilities & Units							
Village Square lease for temp classes, July 2008	30,822	33,492	6,184	0			5-66-4354
Lavs (per OSHA requirements) at TC during construction.	6,165	17,281	13,766	0			5-66-4355
Purchase and setup of temporary storage units (4). Includes containers, shelving and electrical installation.	15,108						5-66-4356
Town Hall Move			9,860	0			
Window Coverings (as needed)			6,893	0			
Sub-Total	102,371	79,995	112,181	103,365	83,797	132,980	

TOWN of PORTOLA VALLEY

2010-11
BUDGET WORKSHEET



Capital Improvements: Programs Account Description/Activity		ACCOUNT CODE	APPROVED 2009-10	PROJECTED 2009-10	PROPOSED 2010-11	FY 2010-11	FY 2011-12	FY 2012-13
1	Annual Street Resurfacing Program							
	Construction	\$700,000	177,750	177,750	198,590			
			522,250	522,250	501,410			
2	2010/11 Street Resurfacing - Testing & Inspections	05-68-4503	30,000		30,000			
	2011/12 Street Resurfacing Program - Design	05-68-4503	55,000	53,410	40,000			
3	Lighting at Town Center	5			40,000			
4	Phase I Springdown Open Space Improvement	15			75,000			
5	Storm Drain Inventory/Repairs (Phase 1 of 5)							
	Inventory and report	5			37,000			
	Inventory and report	20 (1B)			33,000			
	Replacement and repairs	20 (1B)			100,000			
6	C-1 Trail (Stanford University)	96-00-4528			590,800			
	<i>Town Center Improvements (Carryover)</i>	5-68-4420	69,000	177,410				
	<i>Town Center Improvements (New Projects)</i>	5-68-4419	112,000	30,000				
	<i>Sausal Creek Improvements (Carryover)</i>	5-68-4425	24,000	53,420				
	<i>ARRA Project</i>	8/65-68-4483	279,400	247,060				
	Sub-Total		1,269,400	1,261,300	1,645,800	0	0	0

TOWN of PORTOLA VALLEY

2010-11 BUDGET WORKSHEET



5-70-4477

Capital Improvements: Equipment Account Description/Activity	ADOPTED 2009-10	PROJECTED 2009-10	PROPOSED 2010-11
			0
Sub-Total	0	0	0

RESOLUTION NO. ____-2010

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN
OF PORTOLA VALLEY ADOPTING THE OPERATING
AND CAPITAL BUDGETS FOR FISCAL YEAR 2010-2011**

WHEREAS, the Town Manager has reviewed and analyzed the Town's finances and has projected revenues and expenditures for Fiscal Year 2010-2011;

WHEREAS, the Town Manager presented her proposed budget to the Town's Finance Committee and Council for review and consideration; and

WHEREAS, the Town Council conducted a noticed public hearing to review the proposed operating and capital budget

NOW, THEREFORE, the Town Council of the Town of Portola Valley does **RESOLVE** the following:

1. To adopt the Town's Fiscal Year 2010-2011 operating and capital budgets, overall reflecting the following:
 - a. Projected revenues: **\$ 5,694,480**
 - b. Projected expenditures: **\$ 6,116,217**
2. The budget shall be effective July 1, 2010.
3. The amount of the 2010-2011 Fiscal Year operating and capital budget for each account area of the budget may be drawn upon in the form of warrants issued for payment of demands and certified in accordance with the provisions of the California Government Code Sections 37208 and 37209.
4. The Town Manager shall periodically report to the Town Council the amount and classification of revenues received and expenditures made.
5. A copy of the adopted budget shall be kept on file with the Town Clerk of the Town of Portola Valley, as the official budget of the Town of Portola Valley for the 2010-2011 Fiscal Year.

REGULARLY PASSED AND ADOPTED this 23rd day of June 2010.

Mayor

ATTEST

Clerk



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Janet McDougall, Assistant Town Manager

DATE: June 23, 2010

RE: **Consultant Services Agreements Between the Town of Portola Valley &**

- a. **Cotton, Shires & Associates, Inc. for Geologic Services**
- b. **Spangle Associates for Planning Services**
- c. **Nolte Associates, Inc. for Engineering Services**
- d. **CleanStreet for Street Sweeping Services**
- e. **CSG Consultants, Inc. for Building Plan Review/Inspection Services**
- f. **Kutzmann and Associates, Inc. for Plan Review Services**

Recommendation:

Authorize entry into each of the agreements indicated above.

Discussion:

The Town's consultant services agreements with the above firms are set to expire June 30, 2010. The existing agreements have been in place for several years and had been amended each year to extend the term, modify hourly rates, or make other typically minor changes.

The Town Attorney has recently amended the standard agreement to both update some of the language, as well as make the document consistent with Association of Bay Area Governments (ABAG) standards. The agreements under consideration have been prepared utilizing the new format.

Staff has prepared the agreements with a three-year term, as opposed to the one-year term that had been used in the past. This will not only result in eliminating the need for annual amendments, but will also aid in the Town's annual budgeting process.

Staff believes that all of these consulting firms have provided very good service to the Town and on that basis, is comfortable with the proposed three-year term.

The scope of services provided by each of the consultants will remain the same as in past years. The following will highlight changes in rates or other significant changes for each of the agreements:

Cotton, Shires & Associates, Inc. for Geologic Services (Exhibit A)

The most significant change is the combining of the Sr. Principal Geologist/Engineer and Principal Geologist/Engineer into one category, eliminating the Sr. designation. This change necessitated a careful review to determine how this change would ultimately affect overall costs.

The following table reflects the proposed changes to all hourly rates, as well as the percentage increase in the next fiscal year and in the final year of the contract:

Personnel	Current	2010/ 2011	1 st Yr. % Change	2011/ 2012	2012/ 2013	3 rd Yr. % Change (Cum- mulative)
Sr. Principal Geologist/ Engineer	170	Position title has been eliminated. Now referred to as Principal Geologist/Eng.				
Principal Geologist/ Engineer	140	145	+ 3.57	152	160	+14.28
Sr. Geologist/Engineer	113	115	+ 1.76	115	120	+ 6.19
Staff Geologist/Engineer	98	100	+ 2.04	100	105	+ 7.14
Clerical	-0-	-0-	-0-	-0-	-0-	-0-

It is important to note that while the \$170 rate for the Sr. Principal Geologist/Engineer will be reduced, that does not necessarily mean that the cost of the services will be reduced.

An analysis of invoices for the current fiscal year indicates that only 24.5 hours of time were billed at the higher, Sr. Principal rate of \$170. The vast majority of the charges for the current year (464.5 hours) have been at the lower rate of \$140. Based upon this, it should be assumed that the Town will see an overall increase in costs for the Principal Geologist's time.

It should be noted that Cotton, Shires & Associates requested a change in rates in 2008 to bring them closer to the rates charged their other clients. In response to Council comments, the firm significantly reduced the increases they had requested for fiscal year 2008/2009, and the rates have remained unchanged since then.

Finally, Ted Sayre has indicated that the requested rate increases are still considerably less than those his firm charges other municipalities in the area.

Spangle Associates for Planning Services (Exhibit B)

Rates reflect a 3% increase in all rates and the monthly retainer. Rates have not been increased since 2008.

Nolte Associates, Inc. for Engineering Services (Exhibit C)

No increase in rates was sought. Rates have not been increased since 2008.

CleanStreet for Street Sweeping Services (Exhibit D)

No increase for 2010/2011 was sought, however, rates in each of the two subsequent years will be increased to reflect any change in the Consumer Price Index (CPI).

CSG Consultants, Inc. for Engineering Services (Exhibit E)

No increase in rates was sought. Rates have not been increased since 2008.

Kutzmann and Associates, Inc. for Plan Review Services (Exhibit F)

Rates reflect a 5.6% increase. Rates have not been changed since 2007. A yearly retainer of \$450.00 has been added to provide three hours of consultation relative to advice on the Americans With Disabilities Act (ADA). Beginning July 1, 2010, all public agencies must employ or retain a certified access specialist. This retainer brings us into compliance with this new law.

Sufficient funds have been included in the proposed budget for fiscal year 2010/2011 to cover costs associated with each of these contracts for the upcoming fiscal year.

Approved: _____


Angela Howard, Town Manager

Attachments – Contracts – Exhibits A - F

EXHIBIT A

AGREEMENT FOR GEOTECHNICAL AND ENGINEERING SERVICES

THIS AGREEMENT is made and entered into this ___ day of _____, ____ by and between the Town of Portola Valley, a municipal corporation, ("Town") and Cotton Shires & Associates, Inc. ("Consultant").

RECITALS

A. The Town desires to retain the professional consulting services of Consultant as an independent contractor to provide geotechnical and engineering services to the Town, as described in more detail in Exhibit A. Consultant will work with the Town to provide review, investigation and recommendations relative to geologic and geotechnical matters affecting private development and public infrastructure within the Town's jurisdiction.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE AND LEVEL OF SERVICES. The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit A attached hereto.

2. TIME OF PERFORMANCE. The services shall be performed in accordance with the Schedule of Performance attached hereto as Exhibit B, or upon receipt of a Notice to Proceed setting forth the specific tasks to be completed. All services provided shall be performed on a timely basis.

3. STANDARD OF PERFORMANCE. As a material inducement to the Town to enter into this Agreement, Consultant hereby represents that it has the qualifications and experience necessary to undertake the services to be provided pursuant to this Agreement. Consultant shall perform all work in accordance with customary professional standards and in a manner reasonably satisfactory to the Town. Consultant hereby covenants that it shall follow professional standards in performing all services required hereunder and will perform the services to a standard of reasonable professional care.

4. COMPLIANCE WITH LAW. All services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the Town, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered.

5. TERM. This Agreement is effective on the date set forth in the initial paragraph of this Agreement and shall remain in effect for three (3) years or until terminated in accordance with Section 17 below.

6. COMPENSATION. The Town agrees to compensate Consultant for its services according to the fee schedule set forth in Exhibit C. The Town also agrees to compensate Consultant for its out-of-pocket expenses to the extent authorized in Exhibit C.

7. METHOD OF PAYMENT. Consultant shall invoice the Town for work performed after each task is completed as set forth in Exhibit B, or as identified within the Notice to Proceed. All work must be completed to the satisfaction of the Town. Payments to Consultant by Town shall be made within thirty (30) days after receipt by Town of Consultant's itemized invoices.

8. REPRESENTATIVE. Ted Sayre is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Ted Sayre were a substantial inducement for Town to enter into this Agreement. Therefore, Ted Sayre shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the Town.

9. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the Town, a wholly independent contractor and not an agent or employee of Town. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the Town except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Town or otherwise act on behalf of the Town as an agent. Neither the Town, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the Town. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Town harmless from any and all taxes, assessments, penalties, and interest asserted against the Town by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Town harmless from any failure of Consultant to comply with applicable worker's compensation laws. The Town shall not have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Town from Consultant as a result of Consultant's failure to promptly pay the Town any reimbursement or indemnification arising under this Section.

10. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the Town. Consultant covenants that all data, documents, discussion, or other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the Town. The Town shall grant such authorization if disclosure is required by law. Upon request, all Town data shall be returned to the Town upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

11. OWNERSHIP OF MATERIAL. All reports, documents, or other written materials developed or discovered by Consultant or any other person engaged directly or indirectly by Consultant in the performance of this Agreement shall be and remain the property of the Town without restriction or limitation upon its use or dissemination by the Town.

12. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the Town on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the Town.

13. ASSIGNABILITY; SUBCONTRACTING. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the Town Council, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

14. INDEMNIFICATION.

14.1. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, employees agents and volunteers against any claims, losses, or liability that may arise out of or result from damages to property or personal injury received by reason of, or in the course of work performed under this Agreement due to the acts or omissions of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion

of the services or the termination of this Agreement. The acceptance of such services shall not operate as a waiver of such right of indemnification.

14.2 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including, but not limited to, reasonable attorneys' fees, court costs and costs of alternative dispute resolution regardless of nature or type that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of said services and duties by Town shall not operate as a waiver of such right of indemnification.

14.3 The Town does not and shall not waive any rights that they may possess against Consultant because of the acceptance by the Town or the deposit with the Town of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. INSURANCE REQUIREMENTS. Consultant agrees to have and maintain the policies set forth in Exhibit D entitled "INSURANCE REQUIREMENTS," which is attached hereto and incorporated herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the Town Attorney as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the Town Attorney. Consultant agrees to provide Town with a copy of said policies, certificates, and/or endorsements before work commences under this Agreement. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

16. SUSPENSION. The Town may, in writing, order Consultant to suspend all or any part of Consultant's services under this Agreement for the convenience of the Town, or for work stoppages beyond the control of the Town or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding 120 days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

17. TERMINATION.

17.1 This Agreement may be terminated by either the Town or Consultant following five (5) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed to the last working day the Agreement is in effect. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the Town. The Town's right of termination shall be in addition to all other remedies available under law to the Town.

17.2 In the event of termination, Consultant shall deliver to the Town copies of all reports, documents, computer disks, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is contained on a hard computer disk, Consultant shall, in addition to providing a written copy of the information on the hard disk, immediately transfer all written work from the hard computer disk to a soft computer disk and deliver said soft computer disk to Town. Town shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the Town.

18. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to Town for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement.

19. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the Town of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the Town's making of any payment to Consultant constitute or be construed as a waiver by the Town of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the Town shall in no way impair or prejudice any right or remedy available to the Town with regard to such breach or default.

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20. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To Town:

Town Manager
Town of Portola Valley
765 Portola Road
Portola Valley, CA 94028
Fax: (650) 851-4677

To Consultant:

Ted Sayre
Cotton, Shires & Associates
330 Village Lane
Los Gatos, CA 95030
Fax: (408) 354-1852

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.

22. ATTORNEYS' FEES; VENUE. In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled. The venue for any litigation shall be San Mateo County.

23. COOPERATION. In the event any claim or action is brought against the Town relating to Consultant's performance or services under this Agreement, Consultant shall render any reasonable assistance and cooperation which Town might require.

24. EXHIBITS, PRECEDENCE. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.

25. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT. This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the Town and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or agreements. No prior oral or written understanding shall be of any force or effect with

respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

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

TOWN:

By: _____
Mayor

CONSULTANT:

By: 

Name (printed): Patrick O. Shires

Title: President

EIN 94-2246887

ATTEST:

Town Clerk

EXHIBIT A

(SCOPE AND LEVEL OF SERVICES)

PROFESSIONAL SERVICES

The following geotechnical services shall be provided by the Town Geologist/ Geotechnical Consultant, Cotton Shires and Associates, Inc. ("Consultant") to the Town of Portola Valley ("Town") and will be compensated for by the deposit of each private application:

1. Review of applications pursuant to the zoning, subdivision, site development and building ordinances. Review of other applications as may be required by the Town Manager.
2. Definition of the geologic and geotechnical engineering site conditions of each application and recommendation of the type and scope of geotechnical investigation(s) needed to evaluate any technical problems.
3. Critical review of engineering geologic and/or soil engineering reports submitted to the Town in support of any application.
4. Provision of recommendations for consideration by the Planning Commission and/or Council as conditions of approval for each.
5. Attendance of Subdivision Committee meetings in regard to specific subdivision applications.
6. Written responses to applications should be received by the Town within two weeks or less for all but very complex cases. Exceptions to this shall be requested, in writing, by the Consultant and approved by the Town Manager.

CONDITIONS OF SERVICE

The Consultant shall agree to the following conditions of service to the Town:

1. Keep abreast of geological and planning developments in the Town and advise the Town on those matters which the Consultant believes deserve Town attention.
2. Attend Town Council, Planning Commission or Subdivision Committee meetings as may be required by the Town Manager.
3. Receive and respond in a timely manner to phone calls and written communications from Town staff, Town consultants, Chairperson of the Planning Commission, and Chairpersons of Committees.

4. Designate and provide, from the Consultant's staff, a professional individual(s) to be delegated responsibility to perform work for the Town under the direction of the Consultant, and see that Town requests are met in a timely manner.
5. Detailed project time sheets will be provided to the Town and will accompany monthly statements. These time sheets will contain the following information: job name and number, date of each entered item, time spent, nature of time spent, identification of the individual performing the work, billing rate, charges and total. Project charges will not be forwarded to the Town prior to the Town's receipt of a written report.
6. Whenever it appears that a request for information is generating more than \$500 in chargeable time, then authorizations must be submitted to and approved by the Town Manager. Processing should cease until further authorization is received.
7. Assist the Town staff in providing details regarding billing at Applicant's request.
8. Applicants will be advised through the Deposit Application form that the Consultant and other officials may visit the site. However, applicants should have the option to request being present during the visits. In cases where the Applicant wishes, the Town staff will provide telephone numbers, and an appointment must be arranged by the Consultant's office with the Applicant. However, it should be understood by the Applicant that the arrangement of a site visit and associated phone calls may require more time, and hence, add to the Applicant's costs.
9. Any unauthorized work by the Consultant shall not be reimbursed by the Town.

FIELD EXPLORATION

Unless otherwise agreed, Town will furnish right-of-entry on land for planned field operations. Town will also provide Consultant with locations and depths of buried utilities and structures. Consultant will take responsible precautions to minimize damage to land from use of equipment, but Consultant's fee does not include cost of restoration of damage resulting from Consultant's exploration operations. Consultant will not be liable for damage or injury arising from damage to subterranean structures (pipes, tanks, telephone cables, etc.) which are not called to Consultant's attention and correctly shown on plans furnished to Consultant.

AVAILABILITY FOR SPECIAL PROJECTS

The Consultant shall be available for special projects as requested by the Town Manager and authorized by the Town Council, and for emergency projects (e.g. landslides, litigation support, etc.) as requested by the Town Manager. Special and emergency projects shall be billed in accordance with the current standard Schedule of Charges of the Consultant (see Exhibit C). Clerical time and expenses for these projects will not be charged by the Consultant.

EXHIBIT B

(SCHEDULE OF PERFORMANCE)

Not Applicable

EXHIBIT C

(COMPENSATION)

Cotton, Shires and Associates, Inc.

<u>Personnel</u>	<u>2010-11 FY</u>	<u>2011-12 FY</u>	<u>2012-13 FY</u>
Principal Geologist/Engineer	\$145/hr	\$152/hr	\$160/hr
Senior Geologist/Engineer	\$115/hr	\$115/hr	\$120/hr
Staff Geologist/Engineer	\$100/hr	\$100/hr	\$105/hr
Support/Clerical	0	0	0

The indicated fees reflect an approximate 20 percent reduction from our 2010 Schedule of Charges for private clients. We are able to offer the Town this discount because the ongoing work generated from a Town Geotechnical Consultant agreement typically proceeds without significant proposal costs. In addition, such consulting work does not involve us directly as a design professional for proposed structures, and consequently results in somewhat reduced liability exposure.

EXHIBIT D

(INSURANCE REQUIREMENTS)

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to or interference with property which may arise from, or in connection with, the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees or subcontractors.

1. MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1.1 Insurance Services Office (ISO) Form No. CG 0001 covering Commercial General Liability on an "occurrence" basis, including products-completed operations, personal injury and advertising injury.

1.2 Insurance Services Office Form (ISO) No. CA 0001 covering Automobile Liability, Code 1 (any auto), or if Consultant has no owned autos Code 8 (hired autos) and Code 9 (non-owned autos).

1.3 Workers' Compensation Insurance as required by the Labor Code of the State of California and Employer's Liability Insurance.

1.4 Errors and Omissions Liability Insurance appropriate to the Consultant's profession. Architects' and Consultants' coverage is to be endorsed to include contractual liability.

2. MINIMUM LIMITS OF INSURANCE. Consultant shall maintain limits no less than:

2.1 Commercial General Liability. (Including products-completed operations, personal & advertising injury) One Million Dollars (\$1,000,000) per occurrence. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2.2 Automobile Liability. One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance with Statutory Limits as required by the Labor Code of the State of California, and Employer's Liability Insurance with One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

2.4 Errors and Omissions Liability. One Million Dollars (\$1,000,000) per occurrence or claim, Two Million Dollars (\$2,000,000) aggregate.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to, and approved by, the Town. At the option of the Town, either: the Consultant shall purchase insurance to reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officials, employees, agents and contractors; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the Town. The Town may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. OTHER INSURANCE PROVISIONS.

4.1 General Liability and Automobile Liability Coverages. The General Liability and Automobile Liability insurance policies required pursuant to Sections 1.1 and 1.2 shall contain or be endorsed contain the following provisions:

4.1.1 The Town, its officials, employees, agents, contractors and volunteers are covered as additional insureds with respect to liability arising out of work or operations performed by, or on behalf of, the Consultant including materials, parts or equipment furnished in connection with such work or operations, and products and completed operations of the Consultant on premises owned, leased or used by the Consultant. The coverage shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 if later versions used.

4.1.2 The Consultant's insurance coverage is the primary insurance as respects the Town, its officials, employees, agents, contractors, and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, agents, contractors, and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

4.1.3 The Insurance Company agrees to waive all rights of subrogation against the Town, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Town's insurer.

4.1.4 Coverage shall not be canceled by either party, except after thirty (30) days prior written notice (10 days for non-payment) by regular mail has been given to the Town.

4.1.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, agents or contractors.

4.1.6 Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4.2 Worker's Compensation Insurance. The Worker's Compensation Policy required pursuant to Section 1.3 shall contain or be endorsed to contain the provisions set forth in subsections 4.1.3 and 4.1.4 above.

4.3 Acceptability of Insurers. All required insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

4.3 Claims Made Policies. If any of the required policies provide claims-made coverage, the Town requires that coverage with a Retroactive Date prior to the contract effective date, or extended reporting period, be maintained by Consultant for a period of 5 years after completion of the contract.

5. VERIFICATION OF COVERAGE. Consultant shall furnish the Town with original certificates and amendatory endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Consultant's obligation to provide them. The Town reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Proof of insurance shall be mailed to the following address:

Town of Portola Valley
Attn: Town Clerk
765 Portola Road
Portola Valley, CA 94028

6. SUBCONTRACTORS. Consultant shall include all subcontractors as insureds under its policies or shall require and verify that all subcontractors maintain insurance meeting all the requirements of this contract.

EXHIBIT B

AGREEMENT FOR PROFESSIONAL PLANNING SERVICES

THIS AGREEMENT is made and entered into this ___ day of _____, 2010 by and between the Town of Portola Valley, a municipal corporation, ("Town") and Spangle Associates ("Consultant").

RECITALS

A. The Town desires to retain the professional consulting services of Consultant as an independent contractor to provide professional planning services to the Town, as described in more detail in Exhibit A. Consultant will work with the Town to provide general and specialized professional planning services to the Town's Planning Commission, Architectural and Site Control Commission ("ASCC"), Town staff, and Town Council.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE AND LEVEL OF SERVICES. The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit A attached hereto.

2. TIME OF PERFORMANCE. The services shall be performed on a timely, regular basis in accordance with Exhibit A.

3. STANDARD OF PERFORMANCE. As a material inducement to the Town to enter into this Agreement, Consultant hereby represents and warrants that it has the qualifications and experience necessary to undertake the services to be provided pursuant to this Agreement. Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession and in a manner reasonably satisfactory to the Town. Consultant hereby covenants that it shall follow professional standards in performing all services required hereunder and will perform the services to a standard of reasonable professional care.

4. COMPLIANCE WITH LAW. All services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the Town, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered.

5. TERM. This Agreement is effective on the date set forth in the initial paragraph of this Agreement and shall remain in effect for three (3) years or until terminated in accordance with Section 17 below.

6. COMPENSATION. The Town agrees to compensate Consultant for its services in the manner set forth in Exhibit A and in accordance with the fee schedule set forth in Exhibit B. Exhibits A and B shall be reviewed annually. Compensation shall not exceed the annual budget, as set forth in Exhibit A, unless specifically approved in writing by the Town Council. The Town also agrees to compensate Consultant for its out-of-pocket expenses provided they have been authorized by the Town prior to Consultant incurring the expense.

7. METHOD OF PAYMENT. Consultant shall invoice the Town monthly for work performed. Payments to Consultant by Town shall be made within thirty (30) days after receipt by Town of Consultant's itemized invoices.

8. REPRESENTATIVE. Thomas C. Vlasic is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Thomas C. Vlasic were a substantial inducement for Town to enter into this Agreement. Therefore, Thomas C. Vlasic shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the Town.

9. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the Town, a wholly independent contractor and not an agent or employee of Town. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the Town except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Town or otherwise act on behalf of the Town as an agent. Neither the Town, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the Town. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Town harmless from any and all taxes, assessments, penalties, and interest asserted against the Town by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Town harmless from any failure of Consultant to comply with applicable worker's compensation laws. The Town shall not have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Town from

Consultant as a result of Consultant's failure to promptly pay the Town any reimbursement or indemnification arising under this Section.

10. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the Town. Consultant covenants that all data, documents, discussion, or other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the Town. The Town shall grant such authorization if disclosure is required by law. Upon request, all Town data shall be returned to the Town upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

11. OWNERSHIP OF MATERIAL. All reports, documents, or other written materials developed or discovered by Consultant or any other person engaged directly or indirectly by Consultant in the performance of this Agreement shall be and remain the property of the Town without restriction or limitation upon its use or dissemination by the Town.

12. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the Town on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the Town.

13. ASSIGNABILITY; SUBCONTRACTING. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the Town Council, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

14. INDEMNIFICATION.

14.1. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, employees agents and volunteers against any claims, losses, or liability that may arise out of or result from damages to property or personal injury received by reason of, or in the course of work performed under this

Agreement due to the acts or omissions of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of such services shall not operate as a waiver of such right of indemnification.

14.2 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. Notwithstanding Section 14.1 above, the Town agrees to provide coverage for Consultant's professional services.

14.3 The Town does not and shall not waive any rights that they may possess against Consultant because of the acceptance by the Town or the deposit with the Town of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. INSURANCE REQUIREMENTS. Consultant agrees to have and maintain the policies set forth in Exhibit C entitled "INSURANCE REQUIREMENTS," which is attached hereto and incorporated herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the Town Attorney as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the Town Attorney. Consultant agrees to provide Town with a copy of said policies, certificates, and/or endorsements before work commences under this Agreement. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

16. SUSPENSION. The Town may, in writing, order Consultant to suspend all or any part of Consultant's services under this Agreement for the convenience of the Town, or for work stoppages beyond the control of the Town or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding 120 days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

17. TERMINATION.

17.1 This Agreement may be terminated by either the Town or Consultant following five (5) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed to the last working day the Agreement is in effect. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the Town. The Town's right of termination shall be in addition to all other remedies available under law to the Town.

17.2 In the event of termination, Consultant shall deliver to the Town copies of all reports, documents, computer disks, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is contained on a hard computer disk, Consultant shall, in addition to providing a written copy of the information on the hard disk, immediately transfer all written work from the hard computer disk to a soft computer disk and deliver said soft computer disk to Town. Town shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the Town.

18. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks or check images, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to Town for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement.

19. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the Town of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the Town's making of any payment to Consultant constitute or be construed as a waiver by the Town of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the Town shall in no way impair or prejudice any right or remedy available to the Town with regard to such breach or default.

20. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To Town:

Town Manager
Town of Portola Valley
765 Portola Road
Portola Valley, CA 94028
Fax: (650) 851-4677

To Consultant:

Spangle Associates
770 Menlo Avenue, #200
Menlo Park, CA 94025
Fax: (650) 324-8604

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.

In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.

22. ATTORNEYS' FEES; VENUE.

In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled. The venue for any litigation shall be San Mateo County.

23. COOPERATION.

In the event any claim or action is brought against the Town relating to Consultant's performance or services under this Agreement, Consultant shall render any reasonable assistance and cooperation which Town might require.

24. EXHIBITS, PRECEDENCE.

All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.

25. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT.

This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the Town and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or agreements. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

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

TOWN:

By: _____
Mayor

CONSULTANT:

By: George Mader

Name (printed): George Mader

Title: President

EIN 94-2369147

ATTEST:

Town Clerk

EXHIBIT A

(SCOPE AND LEVEL OF SERVICES)

RETAINER SERVICES

The Town of Portola Valley ("Town") shall provide Spangle Associates ("Consultant") with a monthly retainer of \$4,598.00 to provide the following general services. Where these same services are chargeable to a current application, they will be billed to that application (applicant hereinafter referred to as the "Applicant") in accordance with the current standard schedule of charges of the Consultant, attached to the Agreement as Exhibit B.

1. Town Council and Planning Commission Services. The following retainer services shall be provided to the Town:

A. Meetings.

1. Preparation for and attendance at all Planning Commission meetings, except for time chargeable to applicants.

2. Preparation for and attendance at Town Council meetings at the request of the Town, except for time chargeable to applicants.

3. Review and provide advice on Planning Commission agendas, as well as having discussions with the Planning Commission Chair.

B. Routine Services.

1. Provide assistance to Staff on matters requiring small amounts of time, generally no more than 30 minutes.

a. Provide advice to staff on applications under zoning, subdivision and site development ordinances prior to acceptance for filing.

b. Answer questions of staff and officials.

c. Review correspondence referred from Town and respond to Town, as appropriate.

2. Read minutes of Planning Commission and suggest corrections as necessary. Review minutes of Town Council, and pertinent Town committee meetings to stay informed on Town matters, especially as they relate to planning matters.

3. **Planning Practice.**

a. Keep abreast of planning procedures, ordinances and plans, and advise Town of areas where changes may be needed.

b. Keep abreast of planning matters in other jurisdictions if of importance to Town, and advise Town as appropriate.

C. **Non-Routine Services.** Perform special planning tasks requested by the Planning Manager, Planning Commission Chair, Town Manager, Town Attorney or Mayor, no one of which the Consultant estimates to require more than 1 hour of charge time.

2. **Architectural and Site Control Commission (ASCC) Services.** The retainer covers all time related to providing services to the ASCC except for time chargeable to applicants. Accordingly, it includes work in preparation for, at and in follow-up to ASCC meetings. Included is time spent in reviewing and advising staff on the ASCC agendas as well as discussions with the ASCC Chair. Considerable retainer time is also spent in advising staff with regard to questions on the scope of necessary ASCC reviews and application requirements prior to the time a proposal is actually filed as an ASCC application. Retainer time also includes advising staff and the ASCC as to procedures and requirements in order to resolve problems or facilitate administering ASCC provisions of the zoning ordinance and the ASCC design guidelines. The monthly retainer for these services shall be \$2,300.00.

OTHER PROFESSIONAL PLANNING SERVICES

The following professional planning services shall be provided by the Consultant:

1. **Applications.** Services in connection with applications, including the review of and recommendations associated with applications submitted under planning ordinances will be provided on a "demand" basis in response to applications submitted to the Consultant by the Town. Detailed time sheets for applications will be provided to the Town and will accompany the monthly statements. These time sheets will contain the following information: applicant name, application number, authorization amount, date of each entered item, time spent, nature of work, individual performing the work, billing rate, charges and total.

2. **Planning Budget Administration.** The planning budget is authorized as a single line item in the Town budget. The budget to be approved by the Town Council in June 2010 lists individual items that are anticipated to be undertaken during the fiscal year. The Consultant will submit proposals to undertake the individual items along with proposed budgets to the Town Manager during the year. The Town Manager may approve such proposals. Also, during the year, should the Town request the Consultant to undertake items not listed in the budget, the Town Planner shall request reallocation of funds in the budget to provide funds for the new request. The Town Manager may approve such reallocation, as well as reallocations requested by the Consultant during the year to increase amounts necessary for completion of work on items in process.

The Consultant shall submit monthly reports on the budget and expenditures to the Town Manager. It is anticipated that the Town Manager will submit copies of such reports quarterly to the Town Council and Planning Commission.

3. Budget Augmentations. If during the year the Consultant is requested to undertake projects that are of such a magnitude that they would seriously threaten the ability of the Town to achieve the major objectives of the planning budget, he shall discuss the situation with the Town Manager and a decision shall be made as to whether a budget augmentation should be requested of the Town Council. Such augmentation would be in addition to the planning budget specified in the FY 2010/11 planning budget.

4. Compensation. All work except that under Retainer shall be billed in accordance with the current standard Schedule of Charges of the Consultant (See Exhibit B).

EXHIBIT B

(COMPENSATION)

Costs for services other than those included under Retainer will be charged at normal hourly rates at amounts within the ranges listed below. Accounting time (time sheet records and invoicing) and administration/management will be covered under the \$4,598.00 monthly retainer. Word processing and clerical time costs will not be charged to the Town.

	<u>Charge Rate/Hr.</u>	<u>Charge Rate Range/Hr.</u>
Principal Planner		\$139 - \$251
George Mader	\$223	
Tom Vlastic	\$214	
Karen Kristiansson	\$157	
Senior Planner		\$119 - \$139
Associate Planner		\$102 - \$119
Assistant Planner		\$87 - \$102
Planning Assistant		\$74 - \$87

EXHIBIT C

(INSURANCE REQUIREMENTS)

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to or interference with property which may arise from, or in connection with, the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees or subcontractors.

1. MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1.1 Insurance Services Office (ISO) Form No. CG 0001 covering Commercial General Liability on an "occurrence" basis, including products-completed operations, personal injury and advertising injury.

1.2 Insurance Services Office Form (ISO) No. CA 0001 covering Automobile Liability, Code 1 (any auto), or if Consultant has no owned autos Code 8 (hired autos) and Code 9 (non-owned autos).

1.3 Workers' Compensation Insurance as required by the Labor Code of the State of California and Employer's Liability Insurance.

2. MINIMUM LIMITS OF INSURANCE. Consultant shall maintain limits no less than:

2.1 Commercial General Liability. (Including products-completed operations, personal & advertising injury) One Million Dollars (\$1,000,000) per occurrence. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2.2 Automobile Liability. One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance with Statutory Limits as required by the Labor Code of the State of California, and Employer's Liability Insurance with One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to, and approved by, the Town. At the option of the Town, either: the Consultant shall purchase insurance to reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officials, employees, agents and contractors; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an

amount specified by the Town. The Town may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. OTHER INSURANCE PROVISIONS.

4.1 General Liability and Automobile Liability Coverages. The General Liability and Automobile Liability insurance policies required pursuant to Sections 1.1 and 1.2 shall contain or be endorsed contain the following provisions:

4.1.1 The Town, its officials, employees, agents, contractors and volunteers are covered as additional insureds with respect to liability arising out of work or operations performed by, or on behalf of, the Consultant including materials, parts or equipment furnished in connection with such work or operations, and products and completed operations of the Consultant on premises owned, leased or used by the Consultant. The coverage shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 if later versions used.

4.1.2 The Consultant's insurance coverage is the primary insurance as respects the Town, its officials, employees, agents, contractors, and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, agents, contractors, and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

4.1.3 The Insurance Company agrees to waive all rights of subrogation against the Town, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Town's insurer.

4.1.4 Coverage shall not be canceled by either party, except after thirty (30) days prior written notice (10 days for non-payment) by regular mail has been given to the Town.

4.1.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, agents or contractors.

4.1.6 Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4.2 Worker's Compensation Insurance. The Worker's Compensation Policy required pursuant to Section 1.3 shall contain or be endorsed to contain the provisions set forth in subsections 4.1.3 and 4.1.4 above.

4.3 Acceptability of Insurers. All required insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

4.3 Claims Made Policies. If any of the required policies provide claims-made coverage, the Town requires that coverage with a Retroactive Date prior to the contract effective date, or extended reporting period, be maintained by Consultant for a period of 5 years after completion of the contract.

5. VERIFICATION OF COVERAGE. Consultant shall furnish the Town with original certificates and amendatory endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Consultant's obligation to provide them. The Town reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Proof of insurance shall be mailed to the following address:

Town of Portola Valley
Attn: Town Clerk
765 Portola Road
Portola Valley, CA 94028

6. SUBCONTRACTORS. Consultant shall include all subcontractors as insureds under its policies or shall require and verify that all subcontractors maintain insurance meeting all the requirements of this contract.

EXHIBIT C

AGREEMENT FOR ENGINEERING SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, _____ by and between the TOWN OF PORTOLA VALLEY, a municipal corporation, ("Town") and NOLTE ASSOCIATES, INC., ("Consultant").

RECITALS

A. The Town desires to retain the professional consulting services of Consultant as an independent contractor to provide certain technical and administrative engineering services to the Town, as described in more detail in Exhibit A. Consultant will work with the Town to provide engineering services in connection with public works and other projects requiring civil engineering within the Town's jurisdiction.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE AND LEVEL OF SERVICES. The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit A attached hereto.

2. TIME OF PERFORMANCE. The services shall be performed in accordance with the Schedule of Performance attached hereto as Exhibit B, or upon receipt of a Notice to Proceed setting forth the specific tasks to be completed. All services provided shall be performed on a timely basis.

3. STANDARD OF PERFORMANCE. As a material inducement to the Town to enter into this Agreement, Consultant hereby represents and warrants that it has the qualifications and experience necessary to undertake the services to be provided pursuant to this Agreement. Consultant will perform the services consistent with that level of care and skill ordinarily exercised by other professional consultants under similar circumstances at the time the services are performed and to the reasonable satisfaction of the Town.

4. COMPLIANCE WITH LAW. All services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the Town, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered.

5. TERM. This Agreement is effective on the date set forth in the initial paragraph of this Agreement and shall remain in effect for three (3) years or until terminated in accordance with Section 17 below.

6. COMPENSATION. The Town agrees to compensate Consultant for its services according to the fee schedule set forth in Exhibit C. The Town also agrees to compensate Consultant for its out-of-pocket expenses to the extent authorized in Exhibit C.

7. METHOD OF PAYMENT. Consultant shall invoice the Town for work performed after each task is completed as set forth in Exhibit B, or as identified within the Notice to Proceed. All work must be completed to the reasonable satisfaction of the Town. Payments to Consultant by Town shall be made within thirty (30) days after receipt by Town of Consultant's itemized invoices.

8. REPRESENTATIVE. Charmaine Zamora is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Charmaine Zamora were a substantial inducement for Town to enter into this Agreement. Therefore, Charmaine Zamora shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the Town.

9. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the Town, a wholly independent contractor and not an agent or employee of Town. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the Town except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Town or otherwise act on behalf of the Town as an agent. Neither the Town, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the Town. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Town harmless from any and all taxes, assessments, penalties, and interest asserted against the Town by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Town harmless from any failure of Consultant to comply with applicable worker's compensation laws. The Town shall not have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Town from Consultant as a result of Consultant's failure to promptly pay the Town any reimbursement or indemnification arising under this Section.

10. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the Town. Consultant covenants that all data, documents, discussion, or other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the Town. The Town shall grant such authorization if disclosure is required by law. Upon request, all Town data shall be returned to the Town upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

11. OWNERSHIP OF MATERIAL. All reports, documents, or other written materials developed or discovered by Consultant or any other person engaged directly or indirectly by Consultant in the performance of this Agreement shall be and remain the property of the Town without restriction or limitation upon its use or dissemination by the Town. Any unauthorized reuse or alteration of the Consultant's work product by the Town will be at the Town's sole risk.

12. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the Town on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the Town.

13. ASSIGNABILITY; SUBCONTRACTING. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the Town Council, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

14. INDEMNIFICATION.

14.1. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, employees agents and volunteers against any claims, losses, or liability that may arise out of or result from damages to property or personal injury received by reason of, or in the course of work performed under this Agreement due to the acts or omissions of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion

of the services or the termination of this Agreement. The acceptance of such services shall not operate as a waiver of such right of indemnification.

14.2 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including, but not limited to, reasonable attorneys' fees, court costs and costs of alternative dispute resolution regardless of nature or type that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of said services and duties by Town shall not operate as a waiver of such right of indemnification.

14.3 The Town does not and shall not waive any rights that they may possess against Consultant because of the acceptance by the Town or the deposit with the Town of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. INSURANCE REQUIREMENTS. Consultant agrees to have and maintain the policies set forth in Exhibit D entitled "INSURANCE REQUIREMENTS," which is attached hereto and incorporated herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the Town Attorney as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the Town Attorney. Consultant agrees to provide Town with a copy of said policies, certificates, and/or endorsements before work commences under this Agreement. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

16. SUSPENSION. The Town may, in writing, order Consultant to suspend all or any part of Consultant's services under this Agreement for the convenience of the Town, or for work stoppages beyond the control of the Town or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding 120 days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

17. TERMINATION.

17.1 This Agreement may be terminated by either the Town or Consultant following five (5) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed to the last working day the Agreement is in effect. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the Town. The Town's right of termination shall be in addition to all other remedies available under law to the Town.

17.2 In the event of termination, Consultant shall deliver to the Town copies of all reports, documents, computer disks, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is contained on a hard computer disk, Consultant shall, in addition to providing a written copy of the information on the hard disk, immediately transfer all written work from the hard computer disk to a soft computer disk and deliver said soft computer disk to Town. Town shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the Town.

18. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to Town for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement.

19. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the Town of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the Town's making of any payment to Consultant constitute or be construed as a waiver by the Town of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the Town shall in no way impair or prejudice any right or remedy available to the Town with regard to such breach or default.

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20. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To Town:

Town Manager
Town of Portola Valley
765 Portola Road
Portola Valley, CA 94028
Fax: (650) 851-4677

To Consultant:

Contracts and Legal Affairs
Nolte Associates, Inc.
2495 Natomas Park Drive, 4th Floor
Sacramento, CA 95833
Fax: (916) 641-9222

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.

22. ATTORNEYS' FEES; VENUE. In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled. The venue for any litigation shall be San Mateo County.

23. COOPERATION. In the event any claim or action is brought against the Town relating to Consultant's performance or services under this Agreement, Consultant shall render any reasonable assistance and cooperation which Town might require.

24. EXHIBITS, PRECEDENCE. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.

25. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT. This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the Town and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or

agreements. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

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

TOWN:

By: _____
Mayor

CONSULTANT:

By: 
Name (printed): Bob Mullany
Title: Senior Vice President
EIN 94-2206173

ATTEST:

Town Clerk

EXHIBIT A

(SCOPE AND LEVEL OF SERVICES)

1. Acting Town Engineer Services.

1.1 During absences of the Town Engineer, the Town may, with written notice by the Town Manager, appoint Charmaine Zamora or another licensed civil engineer from Consultant as acting Town Engineer for the Town ("Acting Town Engineer"). The Acting Town Engineer shall perform the following professional services as directed by the Town Manager or his/her designee:

1.1.1 Review and signing of all maps, plans and other documents which require the approval and signature of the Town Engineer as a registered Civil Engineer.

1.1.2 Review, inspect and check of permit applications for subdivisions, site development, encroachments, grading plans, improvement plans, and other subdivision documents for compliance with all applicable laws, the Town of Portola Valley Municipal Code, the Town standards, the Subdivision Map Act, and accepted engineering practices.

1.1.3 In connection with capital improvement projects,

1.1.3.1 Make recommendations for and assist with preparation of budgets for capital improvements.

1.1.3.2 Design and prepare plans, specifications and probable construction cost estimates for specific capital improvement projects.

1.1.3.3 Provide on-site construction observation services for the Town's capital improvement projects and subdivisions.

1.1.4 Prepare Federal, State and local funding and loan applications.

1.1.5 Coordinate with and provide consultation regarding planning issues on a regular basis, including but not limited to providing master planning and site planning services to the Town Planner.

1.1.6 Assist Town with engineering administration matters, including, but not limited to, the formulation and updating of standards, specifications and building codes.

1.1.7 Attend meetings, make presentations and provide consultation to Town staff, Planning Commission, Town Council and property owners and developers, as required.

1.1.8 Perform any other specific services as requested by the Town Manager, including, but not limited to making recommendations regarding staff priorities and conducting a general survey or inspection of the public improvements within the Town.

2. Consulting Services:

2.1 Upon request of the Town Manager, Consultant shall perform the following consulting services:

- 2.1.1 Civil Engineering
- 2.1.2 Hydraulic and Hydrological Engineering
- 2.1.3 Traffic Engineering
- 2.1.4 Structural and Seismic Engineering
- 2.1.5 Right-of-Way Engineering
- 2.1.6 Surveying, Mapping, GIS, and Construction Staking Services
- 2.1.7 Utilities Engineering
- 2.1.8 Construction Inspection and Management
- 2.1.9 Cost Estimates
- 2.1.10 Bid Assistance
- 2.1.11 Permit Assistance
- 2.1.12 CADD
- 2.1.13 Planning
- 2.1.14 Assessment District Assistance
- 2.1.15 Sanitary Engineering

2.2 In connection with the performance of any of the foregoing services, Consultant shall coordinate the design and engineering work with other Town consultants or subconsultants to Consultant, including, but not limited to geotechnical engineers, planners, architects, or municipal financial consultants.

EXHIBIT B

(SCHEDULE OF PERFORMANCE)

Not Applicable

NOLTE ASSOCIATES, INC.**Northern California
2010 Charge Rates Schedule****Office:****Technical Services**

Engineering Aide/Planning Aide	\$70.00/hour
Project Assistant	\$96.00/hour
Project Administrator	\$120.00/hour
CADD Technician I	\$105.00/hour
CADD Technician II	\$130.00/hour
CADD Technician III	\$137.00/hour
Senior CADD Technician/Designer	\$145.00/hour
Design Supervisor	\$170.00/hour

Professional

Junior Engineer/Planner/Surveyor	\$120.00/hour
Assistant Engineer/Planner/Surveyor	\$140.00/hour
Associate Engineer/Planner/Surveyor	\$165.00/hour
Senior Engineer/Planner/Surveyor	\$176.00/hour
Manager	\$198.00/hour
Structural Engineer	\$210.00/hour
Associate	\$221.00/hour
Principal	\$255.00/hour

Field:**Construction Management**

Junior Field Engineer	\$111.00/hour
Assistant Field Engineer	\$125.00/hour
Associate Field Engineer	\$147.00/hour
Senior Field Engineer	\$172.00/hour
Construction Manager	\$186.00/hour

Surveying

1-Person Survey Crew (GPS) (Robotic)	\$173.00/hour
1-Person Survey Crew	\$137.00/hour
2-Person Survey Crew	\$220.00/hour
3-Person Survey Crew	\$315.00/hour

Expenses:

Plotting and In-house Reproduction	1.15 x Cost
Subsistence	1.15 x Cost
Other Expenses - Including Subconsultants & Purchased Services through Subcontracts ..	1.15 x Cost
Mileage - Outside local area	Per accepted IRS rate

Rates are effective through October 01, 2010. If contract assignment extends beyond that date, a new rate schedule will be added to the contract. Litigation support will be billed at \$300.00 per hour. Rates based on "Prevailing Wage" (PW) for Construction Management and Surveying will be determined by Project and County per California law.

EXHIBIT D

(INSURANCE REQUIREMENTS)

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to or interference with property which may arise from, or in connection with, the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees or subcontractors.

1. MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1.1 Insurance Services Office (ISO) Form No. CG 0001 covering Commercial General Liability on an "occurrence" basis, including products-completed operations, personal injury and advertising injury.

1.2 Insurance Services Office Form (ISO) No. CA 0001 covering Automobile Liability, Code 1 (any auto), or if Consultant has no owned autos Code 8 (hired autos) and Code 9 (non-owned autos).

1.3 Workers' Compensation Insurance as required by the Labor Code of the State of California and Employer's Liability Insurance.

1.4 Errors and Omissions Liability Insurance appropriate to the Consultant's profession. Architects' and Consultants' coverage is to be endorsed to include contractual liability.

2. MINIMUM LIMITS OF INSURANCE. Consultant shall maintain limits no less than:

2.1 Commercial General Liability. (Including products-completed operations, personal & advertising injury) One Million Dollars (\$1,000,000) per occurrence. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2.2 Automobile Liability. One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance with Statutory Limits as required by the Labor Code of the State of California, and Employer's Liability Insurance with One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

2.4 Errors and Omissions Liability. One Million Dollars (\$1,000,000) per occurrence or claim, Two Million Dollars (\$2,000,000) aggregate.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to, and approved by, the Town. At the option of the Town, either: the Consultant shall purchase insurance to reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officials, employees, agents and contractors; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the Town. The Town may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. OTHER INSURANCE PROVISIONS.

4.1 General Liability and Automobile Liability Coverages. The General Liability and Automobile Liability insurance policies required pursuant to Sections 1.1 and 1.2 shall contain or be endorsed contain the following provisions:

4.1.1 The Town, its officials, employees, agents, contractors and volunteers are covered as additional insureds with respect to liability arising out of work or operations performed by, or on behalf of, the Consultant including materials, parts or equipment furnished in connection with such work or operations, and products and completed operations of the Consultant on premises owned, leased or used by the Consultant. The coverage shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 if later versions used.

4.1.2 The Consultant's insurance coverage is the primary insurance as respects the Town, its officials, employees, agents, contractors, and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, agents, contractors, and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

4.1.3 The Insurance Company agrees to waive all rights of subrogation against the Town, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Town's insurer.

4.1.4 Coverage shall not be canceled by either party, except after thirty (30) days prior written notice (10 days for non-payment) by regular mail has been given to the Town.

4.1.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, agents or contractors.

4.1.6 Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4.2 Worker's Compensation Insurance. The Worker's Compensation Policy required pursuant to Section 1.3 shall contain or be endorsed to contain the provisions set forth in subsections 4.1.3 and 4.1.4 above.

4.3 Acceptability of Insurers. All required insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

4.3 Claims Made Policies. If any of the required policies provide claims-made coverage, the Town requires that coverage with a Retroactive Date prior to the contract effective date, or extended reporting period, be maintained by Consultant for a period of 5 years after completion of the contract.

5. VERIFICATION OF COVERAGE. Consultant shall furnish the Town with original certificates and amendatory endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Consultant's obligation to provide them. The Town reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Proof of insurance shall be mailed to the following address:

Town of Portola Valley
Attn: Town Clerk
765 Portola Road
Portola Valley, CA 94028

6. SUBCONTRACTORS. Consultant shall include all subcontractors as insureds under its policies or shall require and verify that all subcontractors maintain insurance meeting all the requirements of this contract.

EXHIBIT D

AGREEMENT

THIS AGREEMENT is made and entered into on the ____ day of ____ 2010, by and between the TOWN OF PORTOLA VALLEY ("Town") and CLEANSTREET ("Contractor"). In consideration of their mutual covenants, the parties hereto agree as follows:

1. CONTRACTOR. Shall provide or furnish the following specified services and/or materials:

Perform street sweeping and litter clean-up services for the Town on a schedule as outlined in the proposal attached as Exhibit A, provided that the services shall be performed only Mondays through Fridays (excepting holidays) between the hours of 6:00 a.m. and 5:30 p.m.

Complete a monthly report of sweeping activities for the Town. This report shall be in the standard form used as a part of the San Mateo Countywide Stormwater Pollution Prevention Program.

2. EXHIBITS. The following attached exhibits are hereby made part of this Agreement:

Exhibit A-proposal

3. TERMS. The services and/or materials furnished under this Agreement shall be provided from July 1, 2010 to June 30, 2013.

4. COMPENSATION. After full performance of this Agreement:

Town shall pay Contractor: As set forth in Exhibit A, on a monthly basis, upon receipt of invoice.

Contractor shall pay Town:

5. GENERAL TERMS AND CONDITIONS

- a. **HOLD HARMLESS.** Contractor agrees to indemnify, defend and hold harmless the Town, its officers, agents and employees from any and all demands, claims or liability of any nature caused by, or arising out of the performance of Contractor under this Agreement.
- b. **INSURANCE.** Contractor shall file with the Town a certificate of insurance before commencing any services under this Agreement meeting minimum coverage requirements established by the Town Manager. The contractor must have a Town business license.
- c. **NON-DISCRIMINATION.** No discrimination shall be made in the employment of persons under this Agreement because of the race, color, national origin, age, sexual orientation, ancestry, religion or sex of such person.
- d. **INTEREST OF CONTRACTOR.** It is understood and agreed that this Agreement is not a contract of employment in the sense that the relation of master and servant exists between the Town and undersigned. At all times Contractor shall be deemed to be an independent Contractor and Contractor is not authorized to bind the Town to any contracts or other obligations. In executing this Agreement, Contractor certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of Town.
- e. **CHANGES.** This Agreement shall not be assigned or transferred without the written consent of the Town. No changes or variations of any kind are authorized without the written consent of the Town Manager.

AGREEMENT

f. **TERMINATION.** This Agreement may be terminated immediately, with or without cause, by Town upon written notice to Contractor. Monies then owing based upon work satisfactorily accomplished shall be paid to Contractor.

6. **INVOICING.** Send all invoices to the contract coordinator at the address below.

This Agreement shall become effective upon its approval and execution by Town. In witness whereof, the parties have executed this agreement the day and year first written above.

Contract Representatives:

Town of Portola Valley

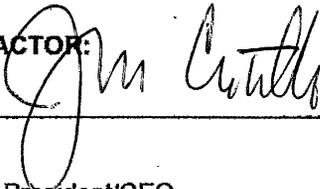
Town Manager
765 Portola Road
Portola Valley, CA 94028
(650) 851-1700, ext. 215

CleanStreet

Jere Costello, President/CEO
1918 West 169th Street
Gardena, CA 90247
(800) 225-7316

CONTRACTOR:

By: _____



Title: President/CEO

Social Security or I.R.S. Number: 95-4147708

TOWN OF PORTOLA VALLEY:

By: _____

Mayor

Attest: _____

Town Clerk

EXHIBIT A

Contractor shall provide street sweeping and litter clean-up services to the Town as follows:

- | | |
|---|------------|
| 1. Monthly Sweep Service, Route 1: | \$ 614.65 |
| 2. Biweekly Right of Way Litter Cleanup; per service: | \$ 405.45 |
| 3. Quarterly service for all remaining streets. The amount of debris on the streets after three (3) months of non-sweeping is greater than expected. This causes the time to sweep the streets to increase along with the amount of debris collected. | \$2,762.21 |

The above prices shall be in effect from July 1, 2010 through June 30, 2011. The prices shall be increased on July 1, 2011 and on July 1, 2012 in accordance with the increase in the prior year's Consumer Price Index (CPI) for All Urban Consumers for the San Francisco-Oakland Metropolitan Area in any year an increase to the CPI has occurred. In those instances when the CPI is unchanged or reduced, the prices shall remain unchanged.

For purposes of the adjustment, the base rates shall be the rates in effect on January 1 of the year in which the adjustment is made. Each rate shall be adjusted based on the changes in the index from the prior December to the December of the current adjustment year.

EXHIBIT E

**AGREEMENT FOR
BUILDING PLAN REVIEW AND INSPECTION SERVICES**

THIS AGREEMENT is made and entered into this ___ day of _____, _____ by and between the Town of Portola Valley, a municipal corporation, ("Town") and CSG Consultants, Inc., ("Consultant").

RECITALS

A. The Town desires to retain the professional consulting services of Consultant as an independent contractor to provide building plan review and inspection services to the Town, as described in more detail in Exhibit A. Consultant will work with the Town to provide review of building plans and inspection of construction relating to private development within the Town's jurisdiction.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE AND LEVEL OF SERVICES. The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit A attached hereto.

2. TIME OF PERFORMANCE. The services shall be performed in accordance with the Schedule of Performance attached hereto as Exhibit B, or upon receipt of a Notice to Proceed setting forth the specific tasks to be completed. All services provided shall be performed on a timely basis.

3. STANDARD OF PERFORMANCE. As a material inducement to the Town to enter into this Agreement, Consultant hereby represents and warrants that it has the qualifications and experience necessary to undertake the services to be provided pursuant to this Agreement. Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession and in a manner reasonably satisfactory to the Town.

4. COMPLIANCE WITH LAW. All services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the Town, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered.

5. TERM. This Agreement is effective on the date set forth in the initial paragraph of this Agreement and shall remain in effect for three (3) years or until terminated in accordance with Section 17 below.

6. COMPENSATION. The Town agrees to compensate Consultant for its services according to the fee schedule set forth in Exhibit C. The Town also agrees to compensate Consultant for its out-of-pocket expenses to the extent authorized in Exhibit C.

7. METHOD OF PAYMENT. Consultant shall invoice the Town for work performed after each task is completed as set forth in Exhibit B, or as identified within the Notice to Proceed. All work must be completed to the satisfaction of the Town. Payments to Consultant by Town shall be made within thirty (30) days after receipt by Town of Consultant's itemized invoices.

8. REPRESENTATIVE. Doug Rider is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Doug Rider were a substantial inducement for Town to enter into this Agreement. Therefore, Doug Rider shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the Town.

9. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the Town, a wholly independent contractor and not an agent or employee of Town. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the Town except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Town or otherwise act on behalf of the Town as an agent. Neither the Town, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the Town. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Town harmless from any and all taxes, assessments, penalties, and interest asserted against the Town by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Town harmless from any failure of Consultant to comply with applicable worker's compensation laws. The Town shall not have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Town from Consultant as a result of Consultant's failure to promptly pay the Town any reimbursement or indemnification arising under this Section.

10. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the Town. Consultant covenants that all data, documents, discussion, or

other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the Town. The Town shall grant such authorization if disclosure is required by law. Upon request, all Town data shall be returned to the Town upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

11. OWNERSHIP OF MATERIAL. All reports, documents, or other written materials developed or discovered by Consultant or any other person engaged directly or indirectly by Consultant in the performance of this Agreement shall be and remain the property of the Town without restriction or limitation upon its use or dissemination by the Town.

12. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the Town on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the Town.

13. ASSIGNABILITY; SUBCONTRACTING. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the Town Council, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

14. INDEMNIFICATION.

14.1. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, employees agents and volunteers against any claims, losses, or liability that may arise out of or result from damages to property or personal injury received by reason of, or in the course of work performed under this Agreement due to the acts or omissions of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of such services shall not operate as a waiver of such right of indemnification.

14.2 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including, but not limited to, reasonable attorneys' fees, court costs and costs of alternative dispute resolution regardless of nature or type that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of said services and duties by Town shall not operate as a waiver of such right of indemnification.

14.3 The Town does not and shall not waive any rights that they may possess against Consultant because of the acceptance by the Town or the deposit with the Town of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. INSURANCE REQUIREMENTS. Consultant agrees to have and maintain the policies set forth in Exhibit D entitled "INSURANCE REQUIREMENTS," which is attached hereto and incorporated herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the Town Attorney as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the Town Attorney. Consultant agrees to provide Town with a copy of said policies, certificates, and/or endorsements before work commences under this Agreement. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

16. SUSPENSION. The Town may, in writing, order Consultant to suspend all or any part of Consultant's services under this Agreement for the convenience of the Town, or for work stoppages beyond the control of the Town or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding 120 days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

17. TERMINATION.

17.1 This Agreement may be terminated by either the Town or Consultant following five (5) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed to the last working day the Agreement is in effect. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the Town. The Town's right of termination shall be in addition to all other remedies available under law to the Town.

17.2 In the event of termination, Consultant shall deliver to the Town copies of all reports, documents, computer disks, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is contained on a hard computer disk, Consultant shall, in addition to providing a written copy of the information on the hard disk, immediately transfer all written work from the hard computer disk to a soft computer disk and deliver said soft computer disk to Town. Town shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the Town.

18. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to Town for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement.

19. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the Town of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the Town's making of any payment to Consultant constitute or be construed as a waiver by the Town of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the Town shall in no way impair or prejudice any right or remedy available to the Town with regard to such breach or default.

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20. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To Town:

Town Manager
Town of Portola Valley
765 Portola Road
Portola Valley, CA 94028
Phone: (650) 851-1700, x 215
Fax: (650) 851-4677

To Consultant:

Doug Rider
CSG Consultants, Inc.
1700 S. Amphlett Blvd., 3rd Floor
San Mateo, CA 94402
Phone: (650) 522-2500
Fax: (650) 522-2599

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.

In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.

22. ATTORNEYS' FEES; VENUE.

In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled. The venue for any litigation shall be San Mateo County.

23. COOPERATION.

In the event any claim or action is brought against the Town relating to Consultant's performance or services under this Agreement, Consultant shall render any reasonable assistance and cooperation which Town might require.

24. EXHIBITS, PRECEDENCE.

All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.

25. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT.

This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the Town and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or

agreements. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

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

TOWN:

By: _____
Mayor

CONSULTANT:

By:  _____
Name (printed): CYRUS KIANPOUR, P.E. PLS
Title: CHIEF OPERATING OFFICER
EIN 91-2053749

ATTEST:

Town Clerk

EXHIBIT A

(SCOPE AND LEVEL OF SERVICES)

Consultant shall provide the following services to the Town upon request:

A. Building inspections to enforce all applicable codes. Consultant shall provide each inspector with code books, safety equipment, cell phones, vehicles, and any other equipment necessary to carry out inspection services.

B. In-house and over the counter plan review of submitted residential, commercial and industrial (non-structural) building plans as coordinated by the Town.

EXHIBIT B

(SCHEDULE OF PERFORMANCE)

Not applicable

EXHIBIT C

BUILDING SERVICES FEE SCHEDULE

CSG invoices monthly for services provided the previous month. The City will receive a detailed account of work performed and cost.

Plan Review Services

Building Plan Review	75% of City's fee
Includes up to 3 resubmittals	
Building Plan Review (Hourly)	\$89.00 per hour
Plan review includes revisions, deferred submittals, etc.	
Structural Plan Review Only	50% of City's fee
Fire Plan Review	\$94.00 per hour
Expedited Plan Review	90% of City's fee
Expedited Plan Review (Hourly)	1.5 x CSG's hourly review fee

Building Inspection Services

Residential Combination Building Inspector	\$78.00 per hour
Four (4) hour minimum per request Work beyond four (4) hours, billed at eight (8) hours	
Senior Building Inspector	\$89.00 per hour
Four (4) hour minimum per request Work beyond four (4) hours, billed at eight (8) hours	

Building Department Services

Permit Counter Technician	\$68.00 per hour
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Should the scope of work change or circumstances develop which necessitate special handling, we will notify the City prior to proceeding. Annual adjustments may be made by mutual agreement based upon current CPI. At the City's request, CSG staff can be available for special overtime and night hourly requests, at one and one-half time compensation, and weekend and holiday hourly requests, at double time compensation.

EXHIBIT D

(INSURANCE REQUIREMENTS)

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to or interference with property which may arise from, or in connection with, the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees or subcontractors.

1. MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1.1 Insurance Services Office (ISO) Form No. CG 0001 covering Commercial General Liability on an "occurrence" basis, including products-completed operations, personal injury and advertising injury.

1.2 Insurance Services Office Form (ISO) No. CA 0001 covering Automobile Liability, Code 1 (any auto), or if Consultant has no owned autos Code 8 (hired autos) and Code 9 (non-owned autos).

1.3 Workers' Compensation Insurance as required by the Labor Code of the State of California and Employer's Liability Insurance.

1.4 Errors and Omissions Liability Insurance appropriate to the Consultant's profession. Architects' and Consultants' coverage is to be endorsed to include contractual liability.

2. MINIMUM LIMITS OF INSURANCE. Consultant shall maintain limits no less than:

2.1 Commercial General Liability. (Including products-completed operations, personal & advertising injury) One Million Dollars (\$1,000,000) per occurrence. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2.2 Automobile Liability. One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance with Statutory Limits as required by the Labor Code of the State of California, and Employer's Liability Insurance with One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

2.4 Errors and Omissions Liability. One Million Dollars (\$1,000,000) per occurrence or claim, Two Million Dollars (\$2,000,000) aggregate.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to, and approved by, the Town. At the option of the Town, either: the Consultant shall purchase insurance to reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officials, employees, agents and contractors; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the Town. The Town may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. OTHER INSURANCE PROVISIONS.

4.1 General Liability and Automobile Liability Coverages. The General Liability and Automobile Liability insurance policies required pursuant to Sections 1.1 and 1.2 shall contain or be endorsed contain the following provisions:

4.1.1 The Town, its officials, employees, agents, contractors and volunteers are covered as additional insureds with respect to liability arising out of work or operations performed by, or on behalf of, the Consultant including materials, parts or equipment furnished in connection with such work or operations, and products and completed operations of the Consultant on premises owned, leased or used by the Consultant. The coverage shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 if later versions used.

4.1.2 The Consultant's insurance coverage is the primary insurance as respects the Town, its officials, employees, agents, contractors, and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, agents, contractors, and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

4.1.3 The Insurance Company agrees to waive all rights of subrogation against the Town, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Town's insurer.

4.1.4 Coverage shall not be canceled by either party, except after thirty (30) days prior written notice (10 days for non-payment) by regular mail has been given to the Town.

4.1.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, agents or contractors.

4.1.6 Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4.2 Worker's Compensation Insurance. The Worker's Compensation Policy required pursuant to Section 1.3 shall contain or be endorsed to contain the provisions set forth in subsections 4.1.3 and 4.1.4 above.

4.3 Acceptability of Insurers. All required insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

4.3 Claims Made Policies. If any of the required policies provide claims-made coverage, the Town requires that coverage with a Retroactive Date prior to the contract effective date, or extended reporting period, be maintained by Consultant for a period of 5 years after completion of the contract.

5. VERIFICATION OF COVERAGE. Consultant shall furnish the Town with original certificates and amendatory endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Consultant's obligation to provide them. The Town reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Proof of insurance shall be mailed to the following address:

Town of Portola Valley
Attn: Town Clerk
765 Portola Road
Portola Valley, CA 94028

6. SUBCONTRACTORS. Consultant shall include all subcontractors as insureds under its policies or shall require and verify that all subcontractors maintain insurance meeting all the requirements of this contract.

EXHIBIT F

AGREEMENT FOR

THIS AGREEMENT is made and entered into this ___ day of _____, _____ by and between the Town of Portola Valley, a municipal corporation, ("Town") and KUTZMANN AND ASSOCIATES, INC., ("Consultant").

RECITALS

A. The Town desires to retain the professional consulting services of Consultant as an independent contractor to provide full service building plan review services to the Town, as described in more detail in Exhibit A. Consultant will work with the Town to provide plan review services for conformance of development plans with the current editions of the Uniform Codes and any local amendments to the codes, including without limitation, a review of architectural, structural, disabled access, energy, plumbing, mechanical and electrical code items.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants and conditions contained herein, the parties hereby agree as follows:

1. SCOPE AND LEVEL OF SERVICES. The nature, scope and level of the specific services to be performed by Consultant are as set forth in detail in Exhibit A attached hereto.

2. TIME OF PERFORMANCE. The services shall be performed in accordance with the Schedule of Performance attached hereto as Exhibit B, or upon receipt of a Notice to Proceed setting forth the specific tasks to be completed. All services provided shall be performed on a timely basis.

3. STANDARD OF PERFORMANCE. As a material inducement to the Town to enter into this Agreement, Consultant hereby represents and warrants that it has the qualifications and experience necessary to undertake the services to be provided pursuant to this Agreement. Consultant shall perform all work to the highest professional standards and in a manner reasonably satisfactory to the Town. Consultant hereby covenants that it shall follow the highest professional standards in performing all services required hereunder and will perform the services to a standard of reasonable professional care.

4. COMPLIANCE WITH LAW. All services rendered hereunder by Consultant shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the Town, and any federal, state or local governmental agency having jurisdiction in effect at the time the service is rendered.

5. TERM. This Agreement is effective on the date set forth in the initial paragraph of this Agreement and shall remain in effect for three (3) years or until terminated in accordance with Section 17 below.

6. COMPENSATION. The Town agrees to compensate Consultant for its services according to the fee schedule set forth in Exhibit C. The Town also agrees to compensate Consultant for its out-of-pocket expenses to the extent authorized in Exhibit C.

7. METHOD OF PAYMENT. Consultant shall invoice the Town for work performed after each task is completed as set forth in Exhibit B, or as identified within the Notice to Proceed. All work must be completed to the satisfaction of the Town. Payments to Consultant by Town shall be made within thirty (30) days after receipt by Town of Consultant's itemized invoices.

8. REPRESENTATIVE. Patricia Kutzmann is hereby designated as the representative of Consultant authorized to act on its behalf with respect to the services specified herein. It is expressly understood that the experience, knowledge, capability and reputation of Patricia Kutzmann were a substantial inducement for Town to enter into this Agreement. Therefore, Patricia Kutzmann shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. The representative may not be changed by Consultant without the express written approval of the Town.

9. INDEPENDENT CONTRACTOR. Consultant is, and shall at all times remain as to the Town, a wholly independent contractor and not an agent or employee of Town. Consultant shall receive no premium or enhanced pay for work normally understood as overtime, nor shall Consultant receive holiday pay, sick leave, administrative leave, or pay for any other time not actually worked. The intention of the parties is that Consultant shall not be eligible for benefits and shall receive no compensation from the Town except as expressly set forth in this Agreement. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Town or otherwise act on behalf of the Town as an agent. Neither the Town, nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall at no time, or in any manner, represent that it or any of its agents or employees are in any manner employees of the Town. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold the Town harmless from any and all taxes, assessments, penalties, and interest asserted against the Town by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the worker's compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold the Town harmless from any failure of Consultant to comply with applicable worker's compensation laws. The Town shall not have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Town from Consultant as a result of Consultant's failure to promptly pay the Town any reimbursement or indemnification arising under this Section.

10. CONFIDENTIALITY. Consultant, in the course of its duties, may have access to financial, accounting, statistical and personal data of private individuals and employees of the Town. Consultant covenants that all data, documents, discussion, or other information developed and received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by the Town. The Town shall grant such authorization if disclosure is required by law. Upon request, all Town data shall be returned to the Town upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

11. OWNERSHIP OF MATERIAL. All reports, documents, or other written materials developed or discovered by Consultant or any other person engaged directly or indirectly by Consultant in the performance of this Agreement shall be and remain the property of the Town without restriction or limitation upon its use or dissemination by the Town.

12. CONFLICT OF INTEREST. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. Consultant further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, Consultant shall avoid the appearance of having any interest which would conflict in any manner with the performance of its services pursuant to this Agreement. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may make Consultant "financially interested" (as provided in California Government Code Sections 1090 and 87100) in any decision made by the Town on any matter in connection with which Consultant has been retained pursuant to this Agreement. Nothing in this section shall, however, preclude Consultant from accepting other engagements with the Town.

13. ASSIGNABILITY; SUBCONTRACTING. The parties agree that the expertise and experience of Consultant are material considerations for this Agreement. Consultant shall not assign, transfer, or subcontract any interest in this Agreement, nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the Town Council, and any attempt by Consultant to do so shall be void and of no effect and a breach of this Agreement.

14. INDEMNIFICATION.

14.1. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, employees agents and volunteers against any claims, losses, or liability that may arise out of or result from damages to property or personal injury received by reason of, or in the course of work performed under this Agreement due to the acts or omissions of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion

of the services or the termination of this Agreement. The acceptance of such services shall not operate as a waiver of such right of indemnification.

14.2 With regard to Consultant's professional services, Consultant agrees to use that degree of care and skill ordinarily exercised under similar circumstances by members of Consultant's profession, including without limitation adherence to all applicable safety standards. To the fullest extent permitted by law, Consultant shall indemnify, defend (with independent counsel approved by the Town) and hold harmless the Town, and its elective or appointive boards, officers, and employees from and against all liabilities, including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including, but not limited to, reasonable attorneys' fees, court costs and costs of alternative dispute resolution regardless of nature or type that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of Consultant or Consultant's officers, employees, agents or subcontractors. The provisions of this Section survive completion of the services or the termination of this Agreement. The acceptance of said services and duties by Town shall not operate as a waiver of such right of indemnification.

14.3 The Town does not and shall not waive any rights that they may possess against Consultant because of the acceptance by the Town or the deposit with the Town of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15. INSURANCE REQUIREMENTS. Consultant agrees to have and maintain the policies set forth in Exhibit D entitled "INSURANCE REQUIREMENTS," which is attached hereto and incorporated herein. All policies, endorsements, certificates, and/or binders shall be subject to approval by the Town Attorney as to form and content. These requirements are subject to amendment or waiver only if so approved in writing by the Town Attorney. Consultant agrees to provide Town with a copy of said policies, certificates, and/or endorsements before work commences under this Agreement. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

16. SUSPENSION. The Town may, in writing, order Consultant to suspend all or any part of Consultant's services under this Agreement for the convenience of the Town, or for work stoppages beyond the control of the Town or the Consultant. Subject to the provisions of this Agreement relating to termination, a suspension of work does not void this Agreement. In the event that work is suspended for a period exceeding 120 days, the schedule and cost for completion of the work will be adjusted by mutual consent of the parties.

17. TERMINATION.

17.1 This Agreement may be terminated by either the Town or Consultant following five (5) days written notice of intention to terminate. In the event the Agreement is terminated, Consultant shall be paid for any services properly performed to the last working day the Agreement is in effect. Consultant shall substantiate the final cost of services by an itemized, written statement submitted to the Town. The Town's right of termination shall be in addition to all other remedies available under law to the Town.

17.2 In the event of termination, Consultant shall deliver to the Town copies of all reports, documents, computer disks, and other work prepared by Consultant under this Agreement, if any. If Consultant's written work is contained on a hard computer disk, Consultant shall, in addition to providing a written copy of the information on the hard disk, immediately transfer all written work from the hard computer disk to a soft computer disk and deliver said soft computer disk to Town. Town shall not pay Consultant for services performed by Consultant through the last working day the Agreement is in effect unless and until Consultant has delivered the above described items to the Town.

18. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, supplies, materials, or equipment provided to Town for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant pursuant to this Agreement.

19. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either party of any breach or violation of any one or more terms or conditions of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. Acceptance by the Town of the performance of any work or services by Consultant shall not be deemed to be a waiver of any term or condition of this Agreement. In no event shall the Town's making of any payment to Consultant constitute or be construed as a waiver by the Town of any breach of this Agreement, or any default which may then exist on the part of Consultant, and the making of any such payment by the Town shall in no way impair or prejudice any right or remedy available to the Town with regard to such breach or default.

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20. NOTICES. Any notices, bills, invoices, reports or other communications required or permitted to be given under this Agreement shall be given in writing by personal delivery, by facsimile transmission with verification of receipt or by U.S. mail, postage prepaid, and return receipt requested, addressed to the respective parties as follows:

To Town:

Town Manager
Town of Portola Valley
765 Portola Road
Portola Valley, CA 94028
Fax: (650) 851-4677

To Consultant:

Patricia Kutzmann
Kutzmann and Associates, Inc.
39355 California Street, #200
Fremont, CA 94538
Fax: (510) 796-9422

Notice shall be deemed communicated on the earlier of actual receipt or forty-eight (48) hours after deposit in the U.S. mail, the date of delivery shown on deliverer's receipt, or by acknowledgment of facsimile transmission.

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition. Consultant will take affirmative action to ensure that employees are treated without regard to race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental handicap, or medical condition.

22. ATTORNEYS' FEES; VENUE. In the event that any party to this Agreement commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which the successful party may be entitled. The venue for any litigation shall be San Mateo County.

23. COOPERATION. In the event any claim or action is brought against the Town relating to Consultant's performance or services under this Agreement, Consultant shall render any reasonable assistance and cooperation which Town might require.

24. EXHIBITS, PRECEDENCE. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement.

25. PRIOR AGREEMENTS AND AMENDMENTS; ENTIRE AGREEMENT. This Agreement, and any other documents incorporated herein by specific reference, represent the entire and integrated agreement between the Town and Consultant. This Agreement supersedes all prior oral and written negotiations, representations or agreements. No prior oral or written understanding shall be of any force or effect with

respect to those matters covered hereunder. This Agreement may only be modified by a written amendment duly executed by the parties to this Agreement. Any amendment relating to compensation for Consultant shall be for only a not-to-exceed sum.

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

TOWN:

By: _____
Mayor

CONSULTANT:

By: 
Name (printed): Patricia Kutzmann
Title: President
EIN 94-3132142

ATTEST:

Town Clerk

EXHIBIT A

(SCOPE AND LEVEL OF SERVICES)

Consultant will provide the Town full service plan review services for conformance of plans with the current editions of the Uniform Codes and any local amendments to the codes, including without limitation, a review of architectural, structural, disabled access, energy, plumbing, mechanical and electrical code items.

In providing services pursuant to this agreement, the Consultant shall interface with the Town's designated representatives, as well as permit applicants or their representatives to ensure effective and timely communication of plan check comments.

EXHIBIT B

(SCHEDULE OF PERFORMANCE)

Consultant shall provide services in a professional and diligent manner, and shall endeavor to complete project review and other services in accordance with the following schedule:

Major Projects: Upon receipt of project plans and all other necessary documents from the Town relating to major projects Consultant shall perform review and provide comments to the Town no more than twenty (20) business days following receipt of the documents to be reviewed. Major projects are defined as those involving a new structure or a major remodel of one thousand (1,000) square feet or more of an existing structure.

Small Projects: Upon receipt of project plans and all other documents from the Town that are necessary to review minor projects that Consultant shall perform review and provide comments to the Town no more than fifteen (15) business days following receipt of the documents to be reviewed. Minor projects are defined as those that do not meet the criteria of major projects, as set forth in the preceding paragraph.

When necessary, projects subsequently submitted to Consultant to be re-checked shall be returned to the Town with final comments within five (5) business days. The parties hereto acknowledge that in those instances where project plans are substantially incomplete, the subsequent review period may be longer. When the Consultant deems project plans are substantially incomplete, the initial letter to the applicant providing detailed comments concerning the plan deficiencies shall also indicate that subsequent review may require additional time to complete.

Review of revised plans for projects for which permits have already been issued shall be completed as expeditiously as possible, with comments returned to the Town no more than five (5) business days following Consultant's receipt of the plans to be reviewed.

Exhibit C

COMPENSATION

For a complete plan review including architectural, structural, plumbing, mechanical, electrical, energy and disabled access review (as applicable): 75% of the plan check fee collected by the Town. This fee covers the initial plan review and one recheck. Additional reviews and revisions to projects which have obtained a permit are invoiced based on our hourly billing rate.

The yearly retainer for CASp is \$450.00 which entitles the jurisdiction to 3 hours of consultation.

HOURLY CHARGES

The hourly billing rates and charges indicated below are reviewed in July of each year and modified when appropriate. Unless other arrangements have been made, charges on all projects will be based on the latest schedule of charges.

<u>A. PERSONNEL CHARGES</u>	<u>HOURLY BILLING RATE</u>
Plan Checkers	\$95.00
Support Services (including plan sheet insertion and collating as needed).	\$47.50
CASp consultation	\$150.00

Personnel charges are not billed for general secretarial services, office management, accounting and maintenance; these items are included in overhead.

B. MISCELLANEOUS CHARGES

- | | |
|--|-------------------|
| 1. Car travel (includes mileage from our office to jurisdiction and return, and mileage within the jurisdiction) | \$0.50 per mile |
| 2. Printing and copying | \$0.25 per page |
| 3. Other outside services | Actual cost + 10% |

EXHIBIT D

(INSURANCE REQUIREMENTS)

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to or interference with property which may arise from, or in connection with, the performance of the work hereunder and the results of that work by the Consultant, its agents, representatives, employees or subcontractors.

1. MINIMUM SCOPE OF INSURANCE. Coverage shall be at least as broad as:

1.1 Insurance Services Office (ISO) Form No. CG 0001 covering Commercial General Liability on an "occurrence" basis, including products-completed operations, personal injury and advertising injury.

1.2 Insurance Services Office Form (ISO) No. CA 0001 covering Automobile Liability, Code 1 (any auto), or if Consultant has no owned autos Code 8 (hired autos) and Code 9 (non-owned autos).

1.3 Workers' Compensation Insurance as required by the Labor Code of the State of California and Employer's Liability Insurance.

1.4 Errors and Omissions Liability Insurance appropriate to the Consultant's profession. Architects' and Consultants' coverage is to be endorsed to include contractual liability.

2. MINIMUM LIMITS OF INSURANCE. Consultant shall maintain limits no less than:

2.1 Commercial General Liability. (Including products-completed operations, personal & advertising injury) One Million Dollars (\$1,000,000) per occurrence. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2.2 Automobile Liability. One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.

2.3 Workers' Compensation and Employer's Liability. Workers' compensation insurance with Statutory Limits as required by the Labor Code of the State of California, and Employer's Liability Insurance with One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

2.4 Errors and Omissions Liability. One Million Dollars (\$1,000,000) per occurrence or claim, One Million Dollars (\$1,000,000) aggregate.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to, and approved by, the Town. At the option of the Town, either: the Consultant shall purchase insurance to reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officials, employees, agents and contractors; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the Town. The Town may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

4. OTHER INSURANCE PROVISIONS.

4.1 General Liability and Automobile Liability Coverages. The General Liability and Automobile Liability insurance policies required pursuant to Sections 1.1 and 1.2 shall contain or be endorsed contain the following provisions:

4.1.1 The Town, its officials, employees, agents, contractors and volunteers are covered as additional insureds with respect to liability arising out of work or operations performed by, or on behalf of, the Consultant including materials, parts or equipment furnished in connection with such work or operations, and products and completed operations of the Consultant on premises owned, leased or used by the Consultant. The coverage shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 if later versions used.

4.1.2 The Consultant's insurance coverage is the primary insurance as respects the Town, its officials, employees, agents, contractors, and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, agents, contractors, and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

4.1.3 The Insurance Company agrees to waive all rights of subrogation against the Town, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Town's insurer.

4.1.4 Coverage shall not be canceled by either party, except after thirty (30) days prior written notice (10 days for non-payment) by regular mail has been given to the Town.

4.1.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, agents or contractors.

4.1.6 Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

4.2 Worker's Compensation Insurance. The Worker's Compensation Policy required pursuant to Section 1.3 shall contain or be endorsed to contain the provisions set forth in subsections 4.1.3 and 4.1.4 above.

4.3 Acceptability of Insurers. All required insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

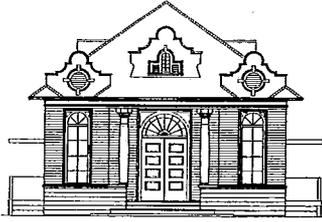
4.3 Claims Made Policies. If any of the required policies provide claims-made coverage, the Town requires that coverage with a Retroactive Date prior to the contract effective date, or extended reporting period, be maintained by Consultant for a period of 5 years after completion of the contract.

5. VERIFICATION OF COVERAGE. Consultant shall furnish the Town with original certificates and amendatory endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Consultant's obligation to provide them. The Town reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Proof of insurance shall be mailed to the following address:

Town of Portola Valley
Attn: Town Clerk
765 Portola Road
Portola Valley, CA 94028

6. SUBCONTRACTORS. Consultant shall include all subcontractors as insureds under its policies or shall require and verify that all subcontractors maintain insurance meeting all the requirements of this contract.



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Angela Howard, Town Manager

DATE: June 23, 2010

RE: **Salary Range Adjustments**

During the budget process, the Town Council authorizes that the salary schedule be adjusted as deemed necessary, and adopts a resolution setting the salary range for the new fiscal year. This is usually a combination of the Consumer Price Index and market studies for positions that may no longer be in keeping with current salary ranges of other similar municipalities.

It continues to be my policy to keep the Town's salary rates as competitive as possible. As the salary ranges have not been adjusted since 2008 I am recommending that the ranges be increased by 3%. The Annual Consumer Price Index (CPI) for the Bay Area ending 2008 was .20%, and the CPI for the year ending 2009 was 2.61%. There is currently sufficient flexibility to accommodate whatever increases are deemed appropriate after the performance evaluations are concluded. Specific increases for some staff member will be awarded through the evaluation process, which will be completed in July and August.

Sufficient funds have been provided in the 2010-2011 budget to cover any increases.

Recommendation

It is recommended that the Town Council adopt the attached resolution adjusting staff salary ranges for 2010-2011.

Attachments

RESOLUTION NO. _____-2010

**A RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF PORTOLA VALLEY
MODIFYING THE SALARY SCHEDULE
FOR FISCAL YEAR 2010-2011**

WHEREAS, the Town Manager has recommended salary adjustments for selected classifications for the 2010-2011 Fiscal Year; and

WHEREAS, the Town Council has considered such recommendations and wishes to fix salary schedules for the benefit of the employees of the Town,

NOW, THEREFORE, the Town Council of the Town of Portola Valley does RESOLVE that the salary schedule attached as Exhibit A is adopted by the Town effective June 23, 2010.

REGULARLY PASSED AND ADOPTED this 23 day of June 2010.

Mayor

ATTEST:

Town Clerk

Exhibit A

Town of Portola Valley Salary Schedule

2010-11 Fiscal Year

Full-Time Classifications	Monthly Range 2010-11	
Assistant Town Manager	7,677	10,978
Administrative Services Officer	5,002	7,152
Deputy Building Inspector	6,763	9,671
Town Clerk	5,616	8,031
Office Assistant	3,001	4,292
Planning Manager	5,503	7,868
Sustainability Resource Efficiency Coordinator	4,375	6,256
Planning Technician II	3,719	5,318
Planning Technician I	3,412	4,879
Building & Planning Assistant	3,242	4,637
Senior Maintenance Worker	4,175	5,970
Maintenance Worker II	3,531	5,050
Maintenance Worker I	3,185	4,554
Recreational Facilities Coordinator	4,175	5,970
Public Works Director/Engineer	9,058	12,952
Engineering Technician	3,886	5,558
Part-Time Classifications		
Office Assistant	18.87	25.01
Accounting Assistant	23.11	30.50
Stable Inspector	17.31	24.85

TOWN COUNCIL WEEKLY DIGEST

Friday – June 11, 2010

- 1. E-mail from Steve Toben to Angela Howard regarding Agenda for June 15, 2010 Ad Hoc Firewise Committee Meeting – June 8, 2010
- 2. Memorandum to Council from Janet McDougall regarding Support for Implementation of AB 32 – June 9, 2010
- 3. Memorandum to Council from Leslie Lambert regarding Ron Boyer’s letter concerning Code Enforcement – June 7, 2010
- 4. Memorandum to Planning Commission from Leslie Lambert regarding Cancellation of Planning Commission Meeting scheduled for Wednesday, June 16, 2010 – June 8, 2010
- 5. Agenda – Sustainability Committee Meeting – Monday, June 14, 2010
- 6. Agenda – ASCC Meeting – Monday, June 14, 2010
- 7. Action Agenda – Regular Planning Commission Meeting – Wednesday, June 2, 2010
- 8. Action Agenda – Regular Town Council Meeting – Wednesday, June 9, 2010

Attached Separates (Council Only)

- 1. Grand Jury Report 2009/2010 - The Effectiveness of Red Light Traffic Camera Enforcement – June 7, 2010
- 2. Information from the San Mateo County Historical Association regarding The Courthouse Centennial Ceremony on Sunday, July 4, 2010
- 3. Estuary News – June 2010
- 4. League of California Cities “Western City” – June 2010

TOWN COUNCIL WEEKLY DIGEST

Friday – June 18, 2010

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- 📁 1. Notice that Portola Valley Town Hall will be closed Monday, July 5, 2010 in recognition of Independence Day
 - 📁 2. Agenda – Parks & Recreation Committee Meeting – Monday, June 21, 2010
 - 📁 3. Agenda – Conservation Committee – Tuesday, June 22, 2010
 - 📁 4. Action Agenda – ASCC Meeting – Monday, June 14, 2010

Attached Separates (Council Only)

- 📁 1. The Sequoian – June 2010
- 📁 2. San Mateo County Mosquito and Vector Control's "Entomology Report" – May 2010
- 📁 3. Comcast California – May 2010
- 📁 4. "Guide to Key Community Issues for the Stanford University Medical Center Renewal Project"