

TOWN OF WOODSIDE

TOWN COUNCIL MEETING AGENDA

January 13, 2009

Independence Hall, 2955 Woodside Road, Woodside

7:00 p.m.

CALL TO ORDER

ROLL CALL

7:00 P.M. CLOSED SESSION

Conference with Legal Counsel - Anticipated Litigation [Government Code Section 54956.9(b)]: One Potential Case

7:30 P.M. REGULAR SESSION

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

COMMUNICATIONS

Persons wishing to address the Council on any matter not on the posted agenda are invited to do so. Please note, however, that the Council is not able to undertake extended discussion or to act on non-agendized items. Such items can be referred to staff for appropriate action, which may include placement on a future agenda. This communication period is limited to five persons, three minutes each. Any additional persons wishing to be heard will be scheduled at the end of Regular Business.

CONSENT CALENDAR

All items on the Consent Calendar are considered to be routine and will be approved by one roll call motion unless a request is made at the beginning of the meeting that an item be withdrawn or transferred to the regular agenda.

1. Acceptance of 2007-08 Memorandum on Internal Control and Required Communications.
2. Resolution Authorizing the Town Manager to Proceed with the Disposal of Two Vehicles and One Wood Chipper. Resolution No. 2009 - ____
3. Resolution Approving and Authorizing the Town Manager to Execute the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in Accordance with the 2004 Measure A, Effective January 1, 2009. Resolution No. 2009 - ____
4. Resolution Adopting a Risk Management Policy for the Town of Woodside. Resolution No. 2009 - ____
5. Approval of Minutes: Special Meeting Minutes of November 24, and December 8, 2008.

NEW BUSINESS

6. Review and Discussion of Draft Historic Preservation Element and Referral of Draft to the Planning Commission for Public Hearing.

REPORTS

7. Mayor and Councilmember Communications.

COMMUNICATIONS

ADJOURNMENT

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITY ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE TOWN CLERK AT (650) 851-6790. NOTIFICATION IN ADVANCE OF THE MEETING WILL ENABLE THE TOWN TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

PLEASE NOTE THAT PURSUANT TO THE STATE OF CALIFORNIA'S OPEN MEETING RULES, THIS MEETING IS BEING AUDIO TAPED.

ANY WRITINGS OR DOCUMENTS PROVIDED TO A MAJORITY OF THE TOWN COUNCIL REGARDING ANY ITEM ON THIS AGENDA WILL BE MADE AVAILABLE FOR PUBLIC INSPECTION AT THE ADMINISTRATION COUNTER AT TOWN HALL LOCATED AT 2955 WOODSIDE ROAD DURING NORMAL BUSINESS HOURS.

**SUBJECT: ACCEPTANCE OF 2007-08 MEMORANDUM ON INTERNAL CONTROL AND
REQUIRED COMMUNICATIONS****RECOMMENDATION**

It is recommended that the Town Council accept into the public record the attached 2007-08 Memorandum on Internal Control and Required Communications.

BACKGROUND

The attached document represents Maze & Associates' "Memorandum on Internal Control" and "Required Communications" for the 2007-08 fiscal year. The former report is required by Statement on Auditing Standards (SAS) No. 112 and the latter report is required by SAS No. 114.

Statements on Auditing Standards are promulgated by the Auditing Standards Board, which is a senior technical committee designated by the American Institute of Certified Public Accountants to issue audit, attestation, and quality control statements, standards, and guidance to certified public accountants (CPA's) for non-public company audits. Created in October of 1978, it is composed of 19 members representing various industries and sectors, including public accountants and private, educational, and governmental entities. It issues pronouncements in the form of statements, interpretations, and guidelines, which all CPAs must adhere to when performing audits and attestations.

SAS No. 112 supersedes SAS No. 60. Its objective is to provide new definitions and guidance to assist auditors in better communicating internal control deficiencies. In addition, SAS No. 112 heightens the auditor's awareness that his/her clients are ultimately responsible for their system of internal control and financial statements and, therefore, must weigh and manage the associated risks. SAS No. 112 "...establishes standards and provides guidance on communicating matters related to an entity's internal control over financial reporting identified in an audit of financial statements." It is applicable whenever an auditor expresses an opinion on financial statements (including a disclaimer of opinion). In particular, SAS No. 112:

- Defines the terms *significant deficiency* and *material weakness*.
- Provides guidance on evaluating the severity of control deficiencies identified in an audit of financial statements.
- Requires the auditor to communicate, in writing, to management and those charged with governance, significant deficiencies and material weaknesses identified in an audit.

114 supersedes SAS No. 61, *Communication With Audit Committees*, as amended. This SAS establishes standards and provides guidance to an auditor on matters to be communicated with those charged with governance. The SAS uses the term *those charged with governance* to refer to those with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, including overseeing the entity's financial reporting process. It uses the term *management* to refer to those who are

responsible for achieving the objectives of the enterprise and who have the authority to establish procedures and make decisions by which those objectives are to be pursued. Management is responsible for the entity's financial statements.

DISCUSSION

The "Memorandum on Internal Control Structure" for the Town includes an overview of the audit firm's consideration of the Internal Control Structure and its relationship to the design of this year's audit procedures. It also includes a "Schedule of Other Matters" that are recommendations that the firm believes to be of potential benefit to the Town. There are three items included in this section. The first has to do with Information Technology Best Practices and the second and third deal with upcoming Governmental Accounting Standards Board (GASB) Statements No. 49 and 51, neither of which are expected to impact the Town's reporting procedures.

The "Required Communications" includes a discussion of a GASB Statement that was implemented by the Town during 2007-08 and provides a summary of the audit firm's interaction with the Town during the course of the audit. There is nothing of note in this communication.

CONCLUSION

It is appropriate for the Town Council to accept the "Memorandum on Internal Control" and "Required Communications" for the 2007-08 fiscal year so that they become a part of the formal public record, available for public review.

Attachment

TOWN OF WOODSIDE
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED
JUNE 30, 2008

This Page Left Intentionally Blank

TOWN OF WOODSIDE
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2008

Table of Contents

	<u>Page</u>
<i>Memorandum on Internal Controls</i>	1
Schedule of Other Matters.....	2
<i>Required Communications</i>	7
Financial Statement Audit Assurance.....	7
Other Information Included with the Audited Financial Statements.....	7
Accounting Policies	7
Unusual Transactions, Controversial or Emerging Areas	8
Estimates.....	8
Disagreements with Management.....	8
Retention Issues	8
Difficulties.....	8
Audit Adjustments	9
Uncorrected Misstatements	9

This Page Left Intentionally Blank

MEMORANDUM ON INTERNAL CONTROL STRUCTURE

September 4, 2008

To the Honorable Mayor and Members of the Town Council
Woodside, California

In planning and performing our audit of the financial statements of the Town of Woodside as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we noted no matters that we consider to be material weaknesses.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe to be of potential benefit to the Town.

The Town's written responses included in this report have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, Town Council, others within the organization, and agencies and pass-through entities requiring compliance with generally accepted government auditing standards, and is not intended to be and should not be used by anyone other than these specified parties.

Maze & Associates

**TOWN OF WOODSIDE
SCHEDULE OF OTHER MATTERS**

2008-01 – Information Technology Best Practices

We conducted an Information Systems Review with our audit which encompassed the financial information system and the network environment that houses it. We significantly expanded our work from previous years beyond looking solely at financial information systems as a result of greater risks of unauthorized access caused by overall industry growth of web-based commerce and internet based financial systems. Internal controls that are present in the overall network environment have become more important and relevant to understanding the internal controls over financial systems. We believe Information System controls must be continuously improved and enhanced to stay ahead of the ever increasing sophistication of hackers and criminals.

Currently, there are no Information Technology standards which local governments are required to conform to. Indeed there are a wide variety of informal guidelines and suggested controls from many different organizations which local governments may use to implement appropriate controls to ensure adequate security over information technology. Our Information Technology staff have reviewed these informal guidelines and concluded that the certification and accreditation framework developed by the National Institute of Standards and Technology (NIST) for the Federal Information Security Management Act (FISMA) are the most appropriate for local government. NIST and FISMA represent the minimum security requirements for federal government agencies information systems. We understand the U.S. Department of Justice recommends these for local governments. Our procedures included performing an external network scan based on NIST criteria and in determining that internal control provides for:

- Internet access defenses including hacker prevention, detection and deterrent systems.
- Security of data from physical or network access
- Adequately protecting data from unauthorized internal access
- Reasonable measures to ensure continuation of service

A summary of our “best practices” recommendations are as follows:

- *General Information Systems Controls* - We compared the Town’s information systems controls with the various NIST standards and believe improvements should be considered for implementation such as formalizing business continuity plans including alternate processing site locations, contingency planning and training. We provided a detailed report to the Town Auditor and the Town’s Administrative Services staff which describes the relevant standards and the control status for their consideration.

As noted above, the Town is not required to conform to NIST standards and could use another set of guidelines to ensure the adequacy of controls. However, we recommend the Town select an appropriate industry standard such as NIST to plan, organize and monitor information security proactively.

**TOWN OF WOODSIDE
SCHEDULE OF OTHER MATTERS**

In addition, we also recommend that staff review setup of new user accounts by consultant. Ideally, audit/event logs on the financial server and Active Directory domain controller should log any additions, deletions or modifications to user accounts, followed by regular review by Town staff.

Management Response:

Town concurs with the recommendation. As part of the Town's Technology Master Plan, staff will be incorporating the recommendation into the plan.

2008-02 Upcoming GASB - Statement No. 49 - Accounting and Financial Reporting for Pollution Remediation Obligations (Effective for Fiscal Year 2008-2009)

This Statement addresses accounting and financial reporting for pollution remediation obligations (including contamination), which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. This Statement excludes pollution prevention and landfill closure or post-closure costs. A municipality must estimate expected outlays for pollution remediation if it knows a site is polluted and any of the following recognition triggers occur:

- Pollution poses an imminent danger to the public or environment and a government has little or no discretion to avoid fixing the problem.
- A government has violated a pollution prevention-related permit or license.
- A regulator has identified (or evidence indicates it will identify) a government as responsible (or potentially responsible) for cleaning up pollution, or for paying all or some of the cost of the clean up.
- A government is named (or evidence indicates that it will be named) in a lawsuit to compel it to address the pollution.
- A government begins or legally obligates itself to begin cleanup or post-cleanup activities (limited to amounts the government is legally required to complete).

Liabilities and expenses would be estimated using an "expected cash flows" measurement technique, which is used by environmental professionals but will be employed for the first time by governments. Statement 49 also will require governments to disclose information about their pollution obligations associated with clean up efforts in the notes to the financial statements.

Pollution remediation outlays should be capitalized in the proprietary fund statements when goods and services are acquired if acquired for any of the following circumstances:

- a. To prepare property for sale. Capitalized costs (including pollution remediation costs) continue to be limited to lower of cost or net realizable value
- b. To prepare property for use when the property was acquired with known or suspected pollution that was expected to be remediated. Governments should capitalize only those pollution remediation outlays expected to be necessary to place the asset into its intended location and condition for use.

TOWN OF WOODSIDE
SCHEDULE OF OTHER MATTERS

- c. To perform pollution remediation that restores a pollution-caused decline in service utility that was recognized as an asset impairment. Governments should capitalize only those pollution remediation outlays expected to be necessary to place the asset into its intended location and condition for use.
- d. To acquire property, plant, and equipment that has a future alternative use. Outlays should be capitalized only to the extent of the estimated service utility that will exist after pollution remediation activities uses have ceased.

For outlays under criteria a and b, capitalization is appropriate only if the outlays take place within a reasonable period prior to the expected sale or following acquisition of the property, respectively, or are delayed, but the delay is beyond the government's control.

Management Response:

The Town has noted the requirements of this Pronouncement. It does not appear to have any direct impact for the Town at this time.

2008-03 - Upcoming GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets (Effective for fiscal 09/10) - Retroactive Application Required

Governments have different types of intangible assets, such as easements, water rights, patents, trademarks, and computer software. Easements are referred to in the GASB 34 description of capital assets, which has raised questions about whether and when intangible assets should be considered capital assets for financial reporting purposes.

The absence of specific authoritative guidance has resulted in inconsistencies in the recognition, initial measurement, and amortization of intangible assets among governments. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce inconsistencies and enhance comparability.

A summary of the statement:

- Intangible assets should be classified, accounted for and reported as capital assets, unless excluded from the scope. Guidance in this statement is in addition to existing capital asset guidance.
- GASB 51 specifically addresses the nature of intangible assets.
 - *Lack of physical substance.* An asset may be contained in or on an item with physical substance, for example, a compact disc in the case of computer software. An asset also may be closely associated with another item that has physical substance, for example, the underlying land in the case of a right-of-way easement. These modes of containment and associated items should not be considered when determining whether or not an asset lacks physical substance.

**TOWN OF WOODSIDE
SCHEDULE OF OTHER MATTERS**

- *Nonfinancial nature.* In the context of this Statement, an asset with a nonfinancial nature is one that is not in a monetary form similar to cash and investment securities, and it represents neither a claim or right to assets in a monetary form similar to receivables, nor a prepayment for goods or services.

- *Initial useful life greater than one year.*

- GASB 51 excludes:
 - Assets acquired or created primarily for the purpose of directly obtaining income or profit.
 - Assets resulting from capital lease transactions reported by lessees.
 - Goodwill created through the combination of a government and another entity.

- Recognition of an intangible asset occurs only if it is considered identifiable. That is when either of the following apply:
 - The asset is separable from the government. That is it can be sold, transferred, licensed, rented, or exchanged.
 - The asset arises from contractual or other legal rights, regardless of whether transferable or separable.

- Specific conditions must be present to recognize internally generated intangibles. Capitalization of costs begins after all of the following criteria are met:
 - Determination of specific objectives of the project and the nature of the service capacity expected upon the completion.
 - Demonstration of the feasibility that the completed project will provide its expected service capacity
 - Demonstration of the current intention, ability, and effort to complete or continue development of the intangible asset.
 - Internally generated computer software is used as an example in applying the specific conditions approach.

- Amortization lives are addressed:
 - Limited by contractual or legal provisions.
 - Renewal periods for rights may be considered if there is evidence that the government will seek and be able to achieve renewal and that any anticipated outlays to be incurred as part of achieving the renewal are nominal. Such evidence should consider the required consent of a third party and the satisfaction of any conditions required to achieve renewal.

**TOWN OF WOODSIDE
SCHEDULE OF OTHER MATTERS**

An indefinite life (no amortization) is permitted so long as there are:

- No limiting legal, contractual, regulatory, technological, or other factors, and
- No subsequent change in circumstances.
- A permanent right-of-way easement is an example.

Retroactive Application. For GASB 34 Phase I & II governments, retroactive reporting is required for intangible assets acquired in fiscal years ending after June 30, 1980. Retroactive reporting is not required for intangible assets with indefinite useful lives or internally generated intangibles, as of the effective date of this Statement.

Management Response:

The Town has noted these requirements and will comply to the extent that the Pronouncement applies to it.

ACCOUNTANCY CORPORATION
3478 Buskirk Ave. - Suite 215
Pleasant Hill, California 94523
(925) 930-0902 • FAX (925) 930-0135
maze@mazeassociates.com
www.mazeassociates.com

TOWN OF WOODSIDE
REQUIRED COMMUNICATIONS

September 4, 2008

To the Honorable Mayor and Members of the Town Council
Woodside, California

We have audited the financial statements of the Town of Woodside as of and for the year ended June 30, 2008 and have issued our report thereon dated September 4, 2008. Professional standards require that we advise you of the following matters relating to our audit.

Financial Statement Audit Assurance: Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit in accordance with generally accepted auditing standards does not provide absolute assurance about, or guarantee the accuracy of, the financial statements. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is an inherent risk that material errors, fraud, or illegal acts may exist and not be detected by us.

Other Information Included with the Audited Financial Statements: Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Town's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. Our responsibility also includes communicating to you any information that we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements. This other information and the extent of our procedures is explained in our audit report.

Accounting Policies: Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in Note 1 to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2008. As described in notes to the financial statements, during the year, the Town implemented the following new standards:

- **GASB Statement No. 50 *Pension Disclosures — an amendment of GASB Statements No. 25 and No. 27***

This Statement amends current disclosures for cost sharing defined benefit pension plans by requiring among other things, funding trend data for cost sharing pools. Note 9 to the financial statements was modified and enhanced primarily by the inclusion of trend funding tables for the State-wide pool the Town participates in.

**TOWN OF WOODSIDE
REQUIRED COMMUNICATIONS**

Unusual Transactions, Controversial or Emerging Areas: No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2008.

Estimates: Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are depreciation and compensated absences.

Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 5. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Accrued compensated absences is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disagreements with Management: For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the Town's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Retention Issues: We did not discuss any major issues with management regarding the application of accounting principles and auditing standards that resulted in a condition to our retention as the Town's auditors.

Difficulties: We encountered no serious difficulties in dealing with management relating to the performance of the audit.

**TOWN OF WOODSIDE
REQUIRED COMMUNICATIONS**

Audit Adjustments: For purposes of this communication, professional standards define an audit adjustment, whether or not recorded by the Town, as a proposed correction of the financial statements that, in our judgment, may not have been detected except through the audit procedures performed. These adjustments may include those proposed by us but not recorded by the Town that could potentially cause future financial statements to be materially misstated, even though we have concluded that the adjustments are not material to the current financial statements.

We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the entity's financial reporting process.

Uncorrected Misstatements: Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the audit committee.

This report is intended solely for the information and use of the Town Council, its committees, and management and is not intended to be and should not be used by anyone other than these specified parties.

Maze & Associates

This Page Left Intentionally Blank

TOWN OF WOODSIDE

Report to Town Council

Agenda Item 2

Prepared by: Kevin Bryant, Assistant Town Manager

January 13, 2009

Reviewed by: Susan George, Town Manager

SUBJECT: RESOLUTION AUTHORIZING THE TOWN MANAGER TO PROCEED WITH THE DISPOSAL OF TWO VEHICLES AND ONE WOOD CHIPPER

RECOMMENDATION

It is recommended that the Town Council adopt the attached resolution, authorizing the Town Manager to proceed with the disposal of two vehicles and one wood chipper.

DISCUSSION

As part of the 2008-09 budget, the Town Council authorized the purchase of two 2009 Ford Escape Hybrids to replace the 1997 Toyota RAV4 and the 1998 Ford F-150 pickup used by the Planning and Building Department. Additionally, the Council authorized the purchase of a 2008 Carlton Chipper to replace the 1994 Brush Chipper. Both of the Escape Hybrids and the new Chipper have been purchased and are now in service by the Town.

The RAV4 has an estimated value of between \$3,600 and \$4,700, the Ford F-150 has an estimated value of between \$1,600 and \$1,900, and the 1994 Chipper is estimated to be worth less than \$1,000.

Municipal Code Section 34.32 states that the Town Council may empower the Town Manager to dispose of any item that exceeds \$1,000 in value. Staff has made arrangements to auction both the vehicles and the chipper through the Town's vehicle service agreement with the City of Redwood City.

CONCLUSION

Following the Town Council's approval of the resolution, staff will take the steps necessary to auction the two surplus vehicles and chipper.

Attachments

RESOLUTION NO. 2009 -

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WOODSIDE
AUTHORIZING THE TOWN MANAGER TO PROCEED WITH THE DISPOSAL OF TWO
VEHICLES AND ONE WOOD CHIPPER

RESOLVED, by the Council of the Town of Woodside, that:

WHEREAS, the Town has put into service two 2009 Ford Escape Hybrids and a 2008 Carlton Chipper; and

WHEREAS, the Town no longer needs the 1997 Toyota RAV4, 1998 Ford F-150 and 1994 Brush Chipper; and

WHEREAS, the Town seeks to receive the best price for this equipment through auction.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WOODSIDE that the Town Manager is authorized to proceed with the disposal of the 1997 Toyota RAV4, 1998 Ford F-150, and 1994 Brush Chipper on behalf of the Town

* * * * *

Passed and adopted by the Town Council of the Town of Woodside, California, at a meeting thereof held on the 13th day of January 2009, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers:
NOES, Councilmembers:
ABSENT, Councilmembers:
ABSTAIN, Councilmembers:

Mayor of the Town of Woodside

ATTEST:

Clerk of the Town of Woodside

TOWN OF WOODSIDE

Report to Town Council

Agenda Item 3

Prepared by: Kevin Bryant, Assistant Town Manager

January 13, 2009

Reviewed by: Susan George, Town Manager

SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE AGREEMENT FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE A FUNDS FOR LOCAL TRANSPORTATION PURPOSES IN ACCORDANCE WITH THE 2004 MEASURE A, EFFECTIVE JANUARY 1, 2009

RECOMMENDATION

It is recommended that the Town Council adopt the attached resolution, authorizing the Town Manager to execute the Agreement for distribution of Measure A transportation funds.

DISCUSSION

On June 7, 1988, San Mateo County voters passed Measure A, which instituted a one-half of one percent sales tax for transportation purposes within the County. To govern the disbursement of funds raised by the tax, an agreement was entered into between the San Mateo County Transportation Authority and each city or town within the County. The Town Council approved the agreement on June 13, 1989.

The original Measure A expired on December 31, 2008, as did the agreement for the disbursement of Measure A funds. In anticipation of the expiration date, San Mateo County voters voted on November 2, 2004 to extend the one-half of one percent sales tax for twenty-five years beginning on January 1, 2009. In order to receive funds, the Town must enter into a new agreement with the Transportation Authority for the distribution of funds.

The agreement attached to the draft resolution would formalize the process, terms and conditions governing the allocation and expenditure of Measure A funds, in accordance with the 2004 Measure A.

CONCLUSION

Following the Town Council's approval of the resolution, the Town Manager will execute the agreement and the Town will be eligible to receive the Measure A funds due to the Town. The first fund disbursement is expected in March 2009.

Attachments

RESOLUTION NO. 2009 -

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WOODSIDE
APPROVING AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE AGREEMENT
FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE A FUNDS FOR LOCAL
TRANSPORTATION PURPOSES IN ACCORDANCE WITH THE 2004 MEASURE A,
EFFECTIVE JANUARY 1, 2009

RESOLVED, by the Council of the Town of Woodside, that:

WHEREAS, on June 7, 1988, the voters of San Mateo County approved Measure A, which imposed a one-half of one percent sales tax for transportation purposes, which expired December 31, 2008; and

WHEREAS, on June 13, 1989, the Town Council authorized the Town Manager to execute an Agreement whereby the process and terms and conditions governing the allocation of Measure A funds would be established; and

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the one-half of one percent sales tax for transportation purposes for an additional twenty-five years beginning January 1, 2009; and

WHEREAS, the Agreement for distribution of Measure A funds expired on December 31, 2008; and

WHEREAS, the San Mateo County Transportation Authority and the Town wish to enter a new Agreement for distribution of Measure A funds for local transportation purposes in accordance with the 2004 Measure A.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WOODSIDE that the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in Accordance with the 2004 Measure A, effective January 1, 2009, attached hereto as Exhibit "A" is hereby approved, and the Town Manager is authorized to execute said Agreement on behalf of the Town.

* * * * *

Passed and adopted by the Town Council of the Town of Woodside, California, at a meeting thereof held on the 13th day of January 2009, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers:
NOES, Councilmembers:
ABSENT, Councilmembers:
ABSTAIN, Councilmembers:

Mayor of the Town of Woodside

ATTEST:

Clerk of the Town of Woodside

**AGREEMENT FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE A FUNDS
FOR LOCAL TRANSPORTATION PURPOSES IN ACCORDANCE WITH
THE 2004 MEASURE A, EFFECTIVE JANUARY 1, 2009**

This Agreement is made this _____ day of _____, 200___, by and between the SAN MATEO COUNTY TRANSPORTATION AUTHORITY ("Authority"), a political subdivision, and _____ ("City"), a municipal corporation, with reference to the following:

WHEREAS, at the General Election of June 7, 1988, the voters of San Mateo County approved Measure A, "An ordinance providing for the creation of the San Mateo County Transportation Authority, for the Imposition of a [1/2 cent] Transactions and Use Tax, for the Issuance of Limited Tax Bonds, and for Other Purposes," which Measure will expire December 31, 2008; and

WHEREAS, Measure A contained the San Mateo County Transportation Expenditure Plan, authorizing the collection and distribution by the Transportation Authority of the 1/2 cent transactions and use tax; and

WHEREAS, at the General Election of November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the Authority of the Measure A 1/2 cent transactions and use tax ("Transactions and Use Tax") for an additional 25 years, beginning January 1, 2009; and

WHEREAS, the new Measure A referenced above contains a new San Mateo County Transportation Expenditure Plan ("TEP") attached hereto as Exhibit A; and

WHEREAS, the State legislation which enabled the original and continued Measure A to be presented to the voters (Public Utilities Code Section 131100 et seq.) was adopted with the intention that the funds generated by the Transactions and Use Tax shall not constitute replacement by local entities of funds previously provided by property tax revenues or other local revenues for transportation purposes; and

WHEREAS, the TEP enacted by the continuation of Measure A includes an annual allocation of 22.5% of the total revenue generated by the Transactions and Use Tax (previously 20% under the 1988 Measure A) to the cities of San Mateo County and to the County of San Mateo for the improvement or maintenance of local transportation, including streets and roads, in accordance with the formula specified in Exhibit B and incorporated herein by this reference; and

WHEREAS, the Authority entered into agreements with each city in the County, and with the County, for distribution of San Mateo County Measure A funds for local transportation purposes to formalize the process and the terms and conditions governing the allocation of transactions and use tax revenues under the 1988 Measure A for the aforementioned purposes; and

WHEREAS, as the 1988 Measure A will expire December 31, 2008, its related agreements for distribution of Transactions and Use Tax revenues for local transportation purposes will also be terminated by their own terms; and

WHEREAS, the Authority and the City desire to adopt this new Agreement to formalize the process, terms and conditions governing the allocation and expenditure of Transactions and Use Tax revenues provided to the City for the improvement or maintenance of local transportation, including streets and roads, under the 2004 Measure A ("Funds Provided Pursuant to this Agreement").

NOW, THEREFORE, the parties agree as follows:

I

AUTHORITY agrees:

That it shall, within ten (10) days of receipt by the Authority or its fiscal agent of Transactions and Use Tax revenues from the State Board of Equalization, typically occurring monthly but not less than twice each quarter, and evincing Transactions and Use Tax revenues for the previous month(s), remit or instruct its fiscal agent to remit to the City the City's portion of the revenues, calculated by the Authority or its fiscal agent according to the formula set forth in Exhibit B.

II

CITY agrees:

1. To use any Funds Provided Pursuant to this Agreement to supplement existing local revenue being used for public transportation purposes listed in the TEP, that said Funds Provided Pursuant to this Agreement may not be used to replace funds previously provided by property tax or other local revenues for public transportation purposes, and that City will limit the use of Funds Provided Pursuant to this Agreement to the improvement and maintenance of local transportation, including streets and roads improvements, as described in the TEP.

2. No later than ninety (90) days from the end of each of its fiscal years during the term of this Agreement, to submit to the Authority a summary of the projects and/or programs funded in whole or in part with Funds Provided Pursuant to this Agreement during the prior fiscal year. Such summary shall provide a brief description of the various projects and/or programs, including, where appropriate and applicable, project and/or program locations and a list of other sources of funding leveraged/matched with Funds Provided Pursuant to this Agreement.

3. No later than one hundred eighty (180) days from the end of each fiscal year during the term of this Agreement, to submit to the Authority a compliance audit prepared by the City's own internal independent auditor or by a Certified Public Accountant, to substantiate that the City has complied with the requirements of this Agreement, including the TEP, concerning the purpose for which Funds Provided Pursuant to this Agreement have been spent.

III

AUTHORITY and **CITY** agree:

If the Authority determines, based on the information provided as detailed above, that the City has used Funds Provided Pursuant to this Agreement for projects or purposes other than those contemplated in this Agreement and the TEP, the Authority will notify the City of its determination. The City shall, within thirty (30) days of notification of the Authority's

determination, either (a) repay such funds to the Authority, or (b) provide to the Authority an answer detailing the City's understanding of how the funds in question were spent for projects or purposes contemplated in this Agreement and the TEP, to which the Authority will respond within thirty (30) days of receipt. The Authority's response will be final, unless otherwise stated in the response.

IV

TERM:

The term of this contract shall commence upon receipt by the Authority, or its fiscal agent, of its first transfer of Transactions and Use Tax revenues under the 2004 Measure A. The term of this contract shall end when the Authority, or its fiscal agent, has disbursed, and the City has spent, its last disbursement under the 2004 Measure A, the reporting and audit processes contemplated in Sections II.2 and II.3 of this Agreement have been completed, and the Authority has accepted the City's final audit concerning the Funds Provided Pursuant to this Agreement.

IV

MODIFICATION:

The parties may modify or amend this Agreement, in writing, by mutual consent.

**SAN MATEO COUNTY TRANSPORTATION
AUTHORITY**

APPROVED AS TO FORM:

By: _____

Attest: _____

Attorney for the Authority

CITY/TOWN OF _____

By: _____

Title: _____

Attest: _____

[Attach Transportation Expenditure Plan as Exhibit A]

EXHIBIT B

**FUNDS DISTRIBUTION TO CITIES AND COUNTY FOR
LOCAL STREETS/ TRANSPORTATION UNDER
2004 MEASURE A AND TRANSPORTATION EXPENDITURE PLAN**

Formula: The distribution shall be based 50% on population and 50% on road miles, which shall be adjusted annually.

Estimated annual distribution illustrating application of the Formula, based on 2008 data:

CITY	ROAD MILES	% OF MILES	POPULATION	% OF POPULATION	% OF TOTAL ALLOCATION
Atherton	50.54	2.77%	7,475	1.01%	1.89%
Belmont	64.17	3.51%	26,078	3.53%	3.52%
Brisbane	25.70	1.41%	3,861	0.52%	0.96%
Burlingame	83.42	4.56%	28,867	3.90%	4.23%
Colma	7.80	0.43%	1,613	0.22%	0.32%
Daly City	113.57	6.22%	106,361	14.38%	10.30%
East Palo Alto	38.66	2.12%	32,897	4.45%	3.28%
Foster City	47.20	2.58%	30,308	4.10%	3.34%
Half Moon Bay	26.73	1.46%	13,046	1.77%	1.61%
Hillsborough	82.20	4.50%	11,272	1.52%	3.01%
Menlo Park	98.40	5.39%	31,490	4.26%	4.82%
Millbrae	54.04	2.96%	21,387	2.89%	2.93%
Pacifica	91.47	5.01%	39,616	5.36%	5.18%
Portola Valley	42.47	2.32%	4,639	0.63%	1.48%
Redwood City	154.18	8.44%	77,269	10.45%	9.45%
San Bruno	78.88	4.32%	43,444	5.88%	5.10%
San Carlos	86.59	4.74%	28,857	3.90%	4.32%
San Mateo	194.44	10.64%	95,776	12.95%	11.80%
So. San Francisco	123.09	6.74%	63,744	8.62%	7.68%
Woodside	50.33	2.75%	5,625	0.76%	1.76%
San Mateo County Unincorporated	313.12	17.13%	65,844	8.90%	13.02%
<i>Total</i>	<i>1,827.00</i>	<i>100%</i>	<i>739,469</i>	<i>100%</i>	<i>100%</i>



SAN MATEO COUNTY
*Transportation
Authority*

2004 Transportation Expenditure Plan

- Developed with extensive public input
- Approved by the San Mateo County Transportation Authority, San Mateo County Board of Supervisors, each of the 20 cities within San Mateo County and the Metropolitan Transportation Commission

TRANSPORTATION EXPENDITURE PLAN

TABLE OF CONTENTS

	<u>Page</u>
I. Summary	TRANS - 2
II. Goals and Objectives	TRANS - 5
III. Expenditure Plan Summary	TRANS - 7
IV. Project Descriptions	TRANS - 10
V. Governing Board/Organization Structure	TRANS - 17
VI. Implementation Guidelines	TRANS - 18

I. SUMMARY

Measure A: Effective and Essential

The 1988 voter approval of Measure A, San Mateo County's half-cent transportation sales tax, adopted under provisions of the California Public Utilities Code commencing at Section 131000, has provided the County with a resource to meet its multi-faceted transportation challenges during the past 16 years. The measure also marked the development of the San Mateo County Transportation Authority (hereafter referred to as the TA), the agency created to administer the sales-tax funds. Because the measure ends in 2008, its extension is at the heart of the County's ability to continue meeting its growing transportation needs.

Growth in employment during the 1990s has increased traffic congestion along several highway segments in the County. Significant progress has been achieved in the County through investments in Caltrain and highway improvements; however, the task is not yet complete. As the economy rebounds and then continues to grow, we need to maintain our infrastructure to accommodate the accompanying traffic congestion in commute corridors and on local streets and roads.

Continuing traffic growth also has underscored the importance of additional safety measures, particularly grade separations along the Caltrain rail line and safe bicycle and pedestrian facilities. Local transit service, especially for the elderly and people with disabilities, has become increasingly important in communities throughout the County.

The extension of Measure A will provide San Mateo County with the resources to continue shaping the transportation program to best meet the needs of County residents. In nearly 20 years since the drafting of the current Transportation Expenditure Plan, the County has seen the emergence of a new set of challenges, which must be met if the quality of life in the County is to be preserved.

Developing the Next Transportation Expenditure Plan

The Transportation Expenditure Plan for the extension of Measure A began with a blank sheet of paper and was assembled through a process which embraced the many and varied constituencies that make up San Mateo County. Beginning in the Spring of 2003, we embarked on a process that included melding technical evaluations with the feedback from the public and elected officials throughout the County.

The TA provided an important forum for public input into the Transportation Expenditure Plan by sponsoring focus groups, three public workshops and hosting more than 30 outreach events to civic organizations, service groups and neighborhood associations. Through this public process, the TA gained perspectives of residents

representing both the general public and groups with special needs. The opinions and suggestions heard at these public outreach events were evaluated by professional staff from the TA, cities and local agencies who worked together to recommend a program which addresses both current and anticipated congestion needs.

While all projects were considered for the Transportation Expenditure Plan, not every project could be included because the total estimated cost of all the suggested projects was more than the current estimated income of an extended Measure A.

The Transportation Expenditure Plan reflects programs and projects identified by cities and local agencies plus additions from public workshops.

When creating the Transportation Expenditure Plan, the TA focused on building a balanced plan, consistent with the Countywide Transportation Plan, reflecting the wants and needs of the public combined with the recommendations of engineers and the support of elected officials.

Plan Vision

Through this multi-party process, a strategy has emerged.

- Target key, congested corridors for highway and transit improvements
- Continue to improve connections with regional transportation facilities
- Enhance safety in all aspects of the transportation system.
- Meet local mobility needs, especially those of seniors and people with disabilities
- Meet the Cities' and County's unique local transportation needs
- Leverage local, state and federal funds
- Encourage transportation projects that support transit-oriented development

These broad themes have been translated into a balanced plan which provides for the multi-faceted needs of San Mateo County. Specific programs and projects have emerged as components in a countywide strategy.

Transportation Expenditure Plan Program Categories

The Transportation Expenditure Plan provides for investment in six program categories. Each program category receives a percentage share of sales tax revenues, currently estimated at \$1.5 billion (in 2004 dollars) over a 25-year period.

<u>Program Category</u>	<u>Percent Share</u>	<u>25-Year Estimated Revenue</u>
1. Transit	30 %	\$450 Million
2. Highways	27.5 %	\$412.5 Million
3. Local Streets/Transportation	22.5 %	\$337.5 Million
4. Grade Separations	15 %	\$225 Million
5. Pedestrian and Bicycle	3 %	\$ 45 Million
6. Alternative Congestion Relief Programs	1 %	\$ 15 Million

Up to one percent of the revenues is allocated for TA staff salaries and benefits.

Further detail on the specific program within each category is provided in the Transportation Expenditure Plan Summary and Project Description sections of this plan.

Oversight and Administration

The implementation of the Transportation Expenditure Plan will be the continuing responsibility of the current San Mateo County Transportation Authority. The TA is composed of seven elected officials representing the Cities in the County, the County of San Mateo and the San Mateo County Transit District.

The TA will be responsible for developing and updating a strategic plan to guide allocation decisions. The TA will develop the initial strategic plan by December 31, 2008, and prepare and update it at least every five years during the term of the Measure.

The Citizens Advisory Committee established under the original Measure A will continue to advise the TA. The TA also will work closely and cooperatively with the California Department of Transportation (Caltrans), the Metropolitan Transportation Commission (MTC) and the San Mateo City and County Association of Governments (C/CAG) on the programming of grant funding for Transportation Expenditure Plan programs and projects.

II. GOALS AND OBJECTIVES

The programs and projects contained in the Transportation Expenditure Plan are based upon the Countywide Transportation Plan and are essential to meeting the mobility requirements of San Mateo County. Four broad goals for the plan are supported by 15 more specific objectives, many of which are reflective of public feedback heard in workshops and at outreach events. Taken together, these Goals and Objectives are the strategy through which San Mateo County can shape its transportation future.

Goal 1. Reduce Commute Corridor Congestion

- A. Improve mass transit serving the County through investments in Caltrain, BART, ferries and local shuttle services.
- B. Construct key highway projects which remove bottlenecks in the most congested commute corridors as indicated by engineers and confirmed by public opinion.
- C. Provide funding for supplemental countywide highway projects determined to be critical for congestion reduction.
- D. Implement information technologies to optimize the efficiency of the transportation system.
- E. Provide incentives for employers to continue and expand their financial support for commute alternatives.

Goal 2. Make Regional Connections

- A. Improve Caltrain's Baby Bullet service as an alternative to driving on Highway 101 along the Peninsula.
- B. Provide San Mateo County's station and route improvements for the Dumbarton rail line connection with Alameda County.
- C. Provide financial assistance as SanTrans' local match for capital investments and operating expenditures associated with the existing San Mateo County/SFO BART Extension.
- D. Provide financial assistance as local match funds for cost-effective ferry service to South San Francisco and Redwood City.

Goal 3. Enhance Safety

- A. Construct roadway under and overcrossings (grade separations) along the Caltrain and Dumbarton rail lines in San Mateo County.
- B. Provide safe paths for bicyclists and pedestrians.
- C. Improve or maintain local streets, roads and other transportation facilities.

Goal 4. Meet Local Mobility Needs

- A. Provide adequate paratransit service for eligible seniors and people with disabilities through the Redi-Wheels and other accessible services administered by SamTrans.
- B. Improve local shuttle services to provide a viable option to the private automobile for local trips, and to meet the needs of transit dependents.
- C. Provide an assured source of funding to Cities and the County for local street and road improvement and maintenance and to meet the unique transportation needs of each community.

III. TRANSPORTATION EXPENDITURE PLAN SUMMARY

The Transportation Expenditure Plan contains six transportation program categories providing a balanced approach to meeting the mobility needs of San Mateo County. This summary lists the six program categories along with the major projects within each category. The percentage distribution of Measure A sales tax funding for each program category and project is listed along with the estimated dollars of Measure A, other funding and total cost. All dollar estimates are in 2004 dollars.

	Percent Share	Estimated Measure A Funding	Estimated Other Funding	Estimated Total Cost
A. Transit				
1. Improve Caltrain service through a combination of capital investments and operational expenditures.	16%	\$240M	\$250M	\$490M
2. Provide local shuttle services to meet local mobility needs and access to regional transit services.	4%	\$60M	\$60M	\$120M
3. Annually, 4 percent of the total revenue will be allocated to meet the special mobility needs of county residents through paratransit and other accessible services.	4%	\$60M	\$228M	\$288M
4. Provide financial assistance as local match funds for cost-effective ferry service to South San Francisco and Redwood City.	2%	\$30M	\$92M	\$122M
5. Provide financial assistance as SamTrans' local match for capital investments and operating expenditures associated with the existing San Mateo County/SFO BART Extension.	2%	\$30M	\$120M	\$150M
6. Provide station facilities and enhancements for the Dumbarton rail corridor through East Palo Alto, Menlo Park and Redwood City.	2%	\$30M	\$415M	\$445M
Transit Total	30%	\$450M	\$1,165M	\$1,615M

TRANS - 7

	Percent Share	Estimated Measure A Funding	Estimated Other Funding	Estimated Total Cost
B. <u>Highways</u>				
1. Funding for projects in key congested corridors throughout the County.	17.3%	\$260M	\$260M	\$520M
2. Funding for supplemental roadway projects throughout the County.	10.2%	\$153M	\$65M	\$218M
Highway Total	27.5%	\$413M	\$325M	\$738M
C. <u>Local Streets/Transportation</u>				
1. Annually, 22.5 percent of the total revenue will be allocated to the 20 Cities and the County for the improvement and maintenance of local transportation, including streets and roads.	22.5%	\$338M	\$527M	\$865M
D. <u>Grade Separations</u>				
1. Construction or upgrade of underpasses or overpasses at key road crossings along the Caltrain and Dumbarton rail lines.	15%	\$225M	\$125M	\$350M
E. <u>Pedestrian and Bicycle</u>				
1. Provide safe paths for bicyclists and pedestrians.	3%	\$45M	\$25M	\$70M
F. <u>Alternative Congestion Relief Programs</u>				
1. One percent of the total revenue will be allocated to fund traffic management projects and creative congestion relief programs.	1%	\$15M	\$15M	\$30M
	TOTAL	\$1,486M	\$2,182M	\$3,668M

TRANS - 8

Although the Transportation Expenditure Plan contains projects with inter-county implications, seeking the support of adjacent counties, as outlined in Section 131051(i) of the California Public Utilities Code, is unnecessary because Alameda, San Francisco and Santa Clara counties all have approved Transportation Expenditure Plans, which have been coordinated with San Mateo County.

IV. PROJECT DESCRIPTIONS

A. Transit Each of these projects is deemed to be of equal importance and they are not expressed in any priority order.

Project: *1. Caltrain Improvements*
Cost: \$490 million. Sales tax contribution estimated at \$240 million, Federal \$125-million and State \$125-million.
Sponsor: SamTrans, Peninsula Corridor Joint Powers Board
Description: Continue the current program to rebuild and upgrade Caltrain. Funding would be provided for San Mateo County's share of the capital cost of system wide improvements, including conversion of the line from diesel to electric operation. Funding would also be provided for existing stations upgrades, including expanded parking. Up to one-half of the available funding may be utilized to support operating costs.

Project: *2. Local Shuttle Service*
Cost: \$120 million. Sales tax contribution estimated at \$60 million. Other public and private \$60 million.
Sponsor: SamTrans
Description: This project sponsored by SamTrans would provide matching funding for the operation of local shuttle services.

Priority will be given to shuttle services which include a portion of the funding from businesses, employers and other private sector sources. Priority shall also be given to local services which connect with Caltrain, BART and future Ferry Terminals.

Project: *3. Accessible Services for Eligible Seniors and People with Disabilities*
Cost: \$288 million. Sales tax contribution estimated at \$60 million. Other funding of \$228 million from existing sources and fare revenues.
Sponsor: SamTrans
Description: Annually, 4% of the tax revenue will be allocated to support the operating and capital needs of providing paratransit or other accessible services to eligible seniors and people with disabilities.

Project: 4. *San Mateo County Ferry Service*
Cost: \$122 million. Sales tax contribution estimated at \$30 million, \$91 million from bridge tolls, \$1 million from federal grants.
Sponsors: South San Francisco and Redwood City
Description: Provide financial assistance as local match funds for cost-effective ferry service to South San Francisco and Redwood City.

Project: 5. *Existing San Mateo County/SFO BART Extension*
Cost: \$150 million. Sales tax contribution estimated \$30 million, \$120 million from federal grants.
Sponsor: SamTrans
Description: Provide financial assistance as SamTrans' local match for capital investments and operating expenditures associated with the existing San Mateo County/SFO BART Extension.

Project: 6. *Dumbarton Rail Corridor*
Cost: \$445 million. Sale tax contribution estimated at \$30 million, \$415 million from bridge tolls and existing sales tax funding in Alameda, San Mateo and Santa Clara counties.
Sponsor: SamTrans
Description: Funding provided for station facilities and rail corridor improvements in the communities of Redwood City, Menlo Park and East Palo Alto in conjunction with the Dumbarton Rail Corridor.

B. Highways The Highway Program is divided into two components; funding for highway projects in key congested areas as designated by city, county and TA engineers and confirmed by public input; and funding for supplemental projects for all types of roadways (local-collector-arterial-state route) anywhere in the County.

1. *Key Congested Areas* Each of these projects is deemed to be of equal importance and they are not expressed in any priority order

Project: a. *Highway 280 North Improvements*
Cost: \$154 million. Sales tax contribution estimated at \$77 million. State \$77 million.
Sponsor: Caltrans, Daly City
Description: 1) Reconstruct I-280/Route 1 Interchange;
2) Construct Auxiliary Lanes between I-380 and Hickey Blvd.;

Project: *b. Coastside Highway Improvements*
Cost: \$48 million. Sales tax contribution estimated at \$24 million. State \$24 million.
Sponsors: Pacifica, Caltrans, Half Moon Bay
Description: 1) Route 1 /San Pedro Creek Bridge Replacement;
2) Route 1/ Manor Drive overcrossing improvement and widening;
3) Route 1 and 92 safety and operational improvements within and in the proximity of Half Moon Bay

Project: *c. Highway 92 Improvements*
Cost: \$100 million. Sales tax contribution estimated at \$50 million. State \$50 million.
Sponsors: City of San Mateo, Caltrans, Foster City
Description: Auxiliary lanes and interchange improvements between I-280 and the San Mateo Hayward Bridge.

Project: *d. Highway 101 Mid-County Improvements*
Cost: \$98 million. Sales tax contribution estimated at \$49 million. State \$49 million.
Sponsors: Caltrans, Burlingame, San Mateo
Description: 1) Reconstruction of the Highway 101-Broadway Interchange;
2) Modification of the Highway 101/Peninsula Avenue Interchange;
3) Operational improvements on Highway 101 from Hillsdale to Route 92.

Project: *e. Highway 101 South Improvements*
Cost: \$120 million. Sales tax contribution estimated at \$60 million. State \$60 million.
Sponsor: Caltrans
Description: 1) Reconstruct the Highway 101/Woodside Road Interchange;
2) Highway 101 improvements between Highway 84 and the Santa Clara county line and access improvements to the Dumbarton Bridge.

Project: *2. County-wide Supplemental Roadway Projects*
Cost: \$218 million. Sales tax contribution estimated at \$153 million. State \$65 million.
Sponsors: Caltrans, Cities and San Mateo County
Description: This project provides funding for supplemental roadway projects critical for congestion reduction in addition to those identified in the key congested areas. Supplemental roadway projects may include any type of roadway (local-collector-arterial-state route) anywhere in the County. A partial list of Candidate Projects is included below. Additional Candidate Projects may be submitted to the TA for

consideration to account for changing needs during the 25-year term. Funds will not be adequate to construct all Candidate Projects. The TA will determine Candidate Project selection criteria and prioritization in the Strategic Plan as provided in the Implementation Guidelines.

PARTIAL LIST OF CANDIDATE SUPPLEMENTAL ROADWAY PROJECTS

Route 35 (I-280-Sneath Lane) widening
US 101/Produce Avenue Interchange
Route 92 (I-280-Route 35) truck climbing lane
Willow Road adaptive signal control system
US 101 (Sierra Point Parkway – SF/SM County Line) auxiliary lanes
Geneva Avenue extension
I-280/John Daly Boulevard-Overcrossing (north side) widening
Junipero Serra Boulevard Improvements in Daly City, Colma and South San Francisco
US 101/Candlestick Point Interchange
US 101 (Sierra Point Parkway – San Bruno Avenue) auxiliary lanes
I-280/I-380 local access improvement
Highway 101/Sierra Point Pkwy Interchange replacement and Lagoon Way extension
Triton Drive widening (Foster City)
Sand Hill Road signal coordination
Woodside Road Widening (US 101-El Camino Real)

C. Local Streets/Transportation

Project: *1. Local Streets/Transportation*
Cost: \$865 million. Sales tax contribution estimated at \$338-million, Local and State sources \$527 million.
Sponsors: Cities and County of San Mateo
Description: Annually, 22.5% of the tax revenue will be allocated to Cities and the County to fund the improvement or maintenance of local transportation, including streets and roads. The County and Cities may use funding to: maintain or improve local streets and roads by paving streets and sidewalks and repairing potholes; promote or operate alternative modes of transportation, which may include funding shuttles or sponsoring carpools, bicycling and pedestrian programs, and develop and implement traffic operations and safety projects including signal coordination, bike/pedestrian safety projects, eliminating hazardous conditions or acquiring right-of-way.

The annual distribution shall be based 50% on population and 50% on road miles, which will be adjusted annually.

Estimated annual distribution percentage (based on 2004) and dollars to each City and the County are shown below:

	<u>Allocation Percentage</u>	<u>Estimated Funding</u>
Atherton	1.886	\$ 6,365,250
Belmont	3.543	\$ 11,957,625
Brisbane	0.818	\$ 2,760,750
Burlingame	4.206	\$ 14,195,250
Colma	0.299	\$ 1,009,125
Daly City	10.413	\$ 35,143,875
East Palo Alto	3.215	\$ 10,850,625
Foster City	3.364	\$ 11,353,500
Half Moon Bay	1.596	\$ 5,386,500
Hillsborough	3.000	\$ 10,125,000
Menlo Park	4.851	\$ 16,372,125
Millbrae	2.917	\$ 9,844,875
Pacifica	5.174	\$ 17,462,250
Portola Valley	1.488	\$ 5,022,000
Redwood City	9.612	\$ 32,440,500
San Bruno	5.034	\$ 16,989,750
San Carlos	4.271	\$ 14,414,625
San Mateo	11.797	\$ 39,814,875
South San Francisco	7.649	\$ 25,815,375
Woodside	1.683	\$ 5,680,125
County of San Mateo	13.184	\$ 44,496,000
 County Total	 100.000	 \$337,500,000

D. Grade Separations

Project: 1. Rail Grade Separations

Cost: \$350 million. Sales tax contribution estimated at \$225 million, State \$125 million.

Sponsors: SamTrans, San Mateo County, Cities and Peninsula Corridor Joint Powers Board

Description: This project provides funding for the construction or upgrade of overpasses and underpasses (grade separations) along the Caltrain and Dumbarton rail lines. The Candidate Projects are listed below. Funds will not be adequate to construct or upgrade all Candidate Projects. The TA will determine Candidate Project selection and prioritization in conjunction with the project sponsors, based upon the California Public Utilities Commission formula and the desire of the City involved.

CANDIDATE GRADE SEPARATION PROJECTS

City	Street	City	Street
South San Francisco	Linden Avenue	San Mateo	25 th Avenue
San Bruno	Scott Street	Redwood City	Whipple Avenue
San Bruno	San Bruno Avenue	Redwood City	Brewster Avenue
San Bruno	San Mateo Avenue	Redwood City	Broadway
San Bruno	Angus Avenue	Redwood City	Maple Street
Millbrae	Center Street	Redwood City	Main Street
Burlingame	Broadway	Redwood City	Chestnut Street
Burlingame	Oak Grove Avenue	Redwood City	Middlefield Road
Burlingame	North Lane	Redwood City	2 nd Avenue
Burlingame	South Lane	Redwood City	5 th Avenue
Burlingame	Howard Avenue	Atherton	Fair Oaks Lane
Burlingame	Bayswater Avenue	Atherton	Watkins Avenue
Burlingame	Peninsula Avenue	Menlo Park	Encinal Avenue
San Mateo	Villa Terrace	Menlo Park	Glenwood Avenue
San Mateo	Bellevue Avenue	Menlo Park	Oak Grove Avenue
San Mateo	1 st Avenue	Menlo Park	Ravenswood
San Mateo	2 nd Avenue	Menlo Park	Marsh Road
San Mateo	3 rd Avenue	Menlo Park	Chilco Street
San Mateo	4 th Avenue	Menlo Park	Willow Road SR 84
San Mateo	5 th Avenue	East Palo Alto	University Avenue
San Mateo	9 th Avenue		

CANDIDATE UPGRADE OF EXISTING GRADE SEPARATION PROJECTS

San Mateo	Poplar Avenue	San Mateo	Mt. Diablo Ave.
San Mateo	Santa Inez Avenue	San Mateo	Tilton Avenue
		Menlo Park	Highway 101

E. Pedestrian and Bicycle

Project: *I. Pedestrian and Bicycle Facilities*

Cost: \$70 million. Sales tax contribution estimated at \$45 million. State \$25 million.

Sponsors: Cities and County of San Mateo

Description: This project provides funding for the construction of facilities for bicyclists and pedestrians. Eligible projects include paths, trails and bridges over roads and highways. A partial list of Candidate Projects is included below. Additional Candidate Projects may be submitted to the TA for consideration to account for changing needs during the 25-year term. Funds will not be adequate to construct all Candidate Projects. The TA will determine Candidate Project selection criteria and prioritization in the Strategic Plan as provided in the Implementation Guidelines.

PARTIAL LIST OF CANDIDATE BICYCLE AND PEDESTRIAN PROJECTS

Route 1/Santa Rosa Avenue Pedestrian Overcrossing
Route 1 pedestrian/bike trail from Montara through Half Moon Bay
Route 35/Route 1 pedestrian/bike overcrossing
Millbrae Avenue/US 101 pedestrian/bike overcrossing
Hillcrest Blvd./US 101 pedestrian/bike overcrossing to Bay Trail
US 101 near Hillsdale pedestrian/bike overcrossing
Ralston Avenue/US 101 pedestrian/bike overcrossing
Willow Road/Bayfront Expressway pedestrian/bike tunnel upgrade
Willow Road/US 101 pedestrian/bike overcrossing
Portola Road pedestrian/bike path paving

F. Alternative Congestion Relief

Project: 1. *Alternative Congestion Relief Projects*
Cost: \$30 million. Sales tax contribution estimated at \$15 million. \$15 million from local sources.
Sponsors: Cities and San Mateo County
Description: This program category provides 0.8 percent of the tax revenue to encourage efficient use of the transportation network through ride sharing, flexible work hours and other commute alternatives. It also provides 0.2 percent of the tax revenue for the planning and design of information systems and Intelligent Transportation Systems, which facilitate more efficient use of available highway and transit capacities.

V. GOVERNING BOARD/ORGANIZATIONAL STRUCTURE

The Transportation Expenditure Plan recommends:

- A. That the voters authorize the Transportation Authority to continue administering the funds. The make up of the Transportation Authority shall continue to be as follows:

Two members of the County Board of Supervisors.

Four representatives selected by the City Selection Committee (one representative from each Judicial Division and one at-large representative).

One member of SamTrans (elected city official) selected by SamTrans prior to City Selection Committee selections.

All representatives shall be elected officials.

- B. That the Transportation Authority be authorized to continue to contract its administrative duties to SamTrans or to the County, MTC, or other qualified agency.
- C. That the Citizens Advisory Committee shall continue to advise the Transportation Authority on the administration of the Transportation Expenditure Plan. The membership of this committee will reflect a broad spectrum of interests and geographic areas of the County.

IMPLEMENTATION GUIDELINES

- A. The duration of the tax will be 25 years, beginning on January 1, 2009 and expiring on December 31, 2034.
- B. Environmental reporting, review and approval procedures as provided for under the National Environmental Policy Act, the California Environmental Quality Act, or other applicable laws will be adhered to as a prerequisite to the implementation of any project.
- C. Upon expiration of the 1988 Measure A tax, the Transportation Authority will bear responsibility for any outstanding debt incurred under the 1988 Measure A program and all remaining assets under that program will remain assets of the Transportation Authority to be administered under this Transportation Expenditure Plan. In the event that any funds from the 1988 Measure A program remain unexpended as of the expiration of the 1988 Measure A tax, the Transportation Authority will reallocate such funds to complete any project that was commenced under any category in the 1988 Measure A program. If any funds remain unexpended after reallocation to complete projects under the 1988 Measure A program, the funds will be allocated in accordance with the percentage distributions to the Program Categories contained in this Transportation Expenditure Plan.
- D. Use of the retail transactions and use tax under this Transportation Expenditure Plan will be subject to the following restrictions:
 1. The tax proceeds must be spent for the purposes of funding the transportation programs and projects as allowed in this Transportation Expenditure Plan and may not be used for other purposes.
 2. In accordance with California Public Utilities Code Section 131100, the tax proceeds will be used to supplement, and may not be used to replace, existing local property tax or other local revenues used for transportation purposes.
 3. The tax proceeds will be expended in San Mateo County, except that any expenditure for the Caltrain Improvement Project under the Transit Program Category may be made for systemwide costs and expenditures for the Highway Program Category may be made for projects that reasonably include project costs that minimally extend into adjacent counties.

4. The Transportation Authority is charged with a fiduciary duty in administering the tax proceeds in accordance with the applicable laws and this Transportation Expenditure Plan. Receipt of tax proceeds may be subject to appropriate terms and conditions as determined by the Transportation Authority in its reasonable discretion, including, but not limited to, the right to require recipients to execute funding agreements and the right to audit recipients' use of the tax proceeds.
- E. Actual tax proceeds may be higher or lower than estimated in this Transportation Expenditure Plan over the 25-year term. This Transportation Expenditure Plan is based on the percentage distributions to each Program Category and Project and the dollar values included are estimates only. Actual tax proceeds will be programmed annually in accordance with the percentage distributions in this Transportation Expenditure Plan.
 - F. The Transportation Authority will prepare a Strategic Plan prior to January 1, 2009, which will identify funding prioritization criteria consistent with the goals and objectives of the Countywide Transportation Plan and this Transportation Expenditure Plan. The Strategic Plan will include general procedures for project sponsors to initiate a project and identify an implementation schedule and the programming of funds for each listed project. Criteria will include priority for transportation projects which support transit-oriented development. For those projects which include a list of Candidate Projects (the County-wide Supplemental Project under the Highway Program Category, the Grade Separation Program Category, and the Pedestrian and Bicycle Program Category), the Strategic Plan will also include the evaluation criteria and prioritization for selection of Candidate Projects. Once a Candidate Project is selected, it will become a listed project in the Strategic Plan. Lastly, the Strategic Plan will include the evaluation criteria for reallocation of tax proceeds that become available pursuant to Section VI.G below. The Strategic Plan will be updated at least every five years during the term of the Measure.
 - G. The ability to fully fund or complete all programs or projects in this Transportation Expenditure Plan may be impacted by changing circumstances over the duration of the tax. Tax proceeds originally allocated to a listed project may become available for reallocation due to any of the following reasons:
 1. a listed project is completed under budget;

2. a listed project is partially or fully funded by funding sources other than tax proceeds;
3. a Project Sponsor requests deletion of a listed project because of unavailability of matching funds;
4. a listed project cannot be completed due to an infeasible design, construction limitation or substantial failure to meet specified implementation milestones;

Upon a finding that tax proceeds are available for reallocation due to one of the conditions above, the Transportation Authority may reallocate such tax proceeds subject to the following guidelines:

1. Available tax proceeds can be reallocated only to project(s) within the same Program Category as the original listed project.
2. Reallocation of tax proceeds within a Program Category will be based on criteria specified in the Strategic Plan, which may include impact on congestion, cost-effectiveness, availability of matching funds, project readiness and schedule adherence as determined by the Transportation Authority; provided, however, that in the case of the Highway Program, proceeds made available from any County-wide Supplemental listed project must be reallocated within the County-wide Supplemental component and may not be reallocated to the listed projects in the Key Congested Areas component of the Highway Program Category.
3. Reallocation of tax proceeds within the Transit Program Category only will also require the approval of a majority of the County Board of Supervisors and a majority of the cities representing a majority of the population in the incorporated area of the County by a majority vote of their respective City Councils.

H. The Transportation Authority may take the following actions administratively in accordance with these Implementation Guidelines and such actions will not be considered an amendment to the Transportation Expenditure Plan, which adds or deletes a project or is of major significance under California Public Utilities Code Section 131304:

1. The reallocation of tax proceeds.

2. The addition of a new project to the list of Candidate Projects in the County-wide Supplemental Roadway project or Pedestrian and Bicycle Program Category.
- I. The Transportation Authority is authorized to bond for the purposes of advancing the commencement of or expediting the delivery of transportation programs or projects. The Transportation Authority may issue limited tax bonds, from time to time, to finance any program or project in this Transportation Expenditure Plan as allowed by applicable law and as approved by the Transportation Authority, and the maximum bonded indebtedness shall not exceed the total amount of proceeds of this retail transactions and use tax, estimated to be \$1.5 Billion in 2004 dollars. Such bonds will be payable solely from the proceeds of the retail transactions and use tax and may be issued prior to the collection of such taxes beginning January 1, 2009.

TOWN OF WOODSIDE

Report to Town Council

Agenda Item 4

Prepared by: Kevin Bryant, Assistant Town Manager

January 13, 2009

Reviewed by: Susan George, Town Manager

SUBJECT: RESOLUTION ADOPTING A RISK MANAGEMENT POLICY FOR THE TOWN OF WOODSIDE

RECOMMENDATION

It is recommended that the Town Council adopt the attached resolution, which adopts a formal Risk Management Policy.

DISCUSSION

Under the authority of California Government Code, the Town of Woodside joined other Bay Area cities in 1986 to form the Association of Bay Area Governments Pooled Liability Assurance Network Corporation (ABAG PLAN), which is a joint risk sharing insurance program. Woodside is now one of 31 cities and towns that pool general liability risk through ABAG PLAN.

As a pooled liability network that pays for claims directly out of member premium payments and the financial resources of the corporation, ABAG PLAN is motivated to reduce both the premiums and claims paid. To do this, ABAG PLAN provides grant assistance to the member agencies to support risk management activities. Through this program, the Town has conducted a safety evaluation of the playground at Barkley Fields and Park and will have a member of the staff trained to be a Certified Playground Safety Inspector.

ABAG PLAN has established both a risk management framework and operational best practices target for its member agencies. The purpose of these is to minimize the number of liability claims based on the collected knowledge and experience of the cities and towns. As an incentive, the PLAN offers more grant money to those agencies that have met a minimum threshold of the framework and best practices.

As part of the risk management framework, each agency is asked to have a risk management policy adopted by its Council. The attached draft Risk Management Policy would formalize the elements of the Town's risk management goals, strategies, and responsibilities.

CONCLUSION

Adoption of the Risk Management Policy would formalize the Town's risk management goals and strategies and allow the Town to access additional funding for risk management activities from ABAG PLAN.

Attachment

RESOLUTION NO. 2009 -

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WOODSIDE
ADOPTING A RISK MANAGEMENT POLICY

RESOLVED, by the Council of the Town of Woodside, that:

WHEREAS, the Town of Woodside is a self-insured local government and a member of the Association of Bay Area Governments Pooled Liability Assurance Network Corporation (ABAG PLAN); and

WHEREAS, the Town seeks to make a formal statement of risk management goals, a framework for addressing and reducing risks, and responding to accidents and claims that may occur.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WOODSIDE that the Risk Management Policy, incorporated as Exhibit A, is adopted.

* * * * *

Passed and adopted by the Town Council of the Town of Woodside, California, at a meeting thereof held on the 13th day of January 2009, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers:
NOES, Councilmembers:
ABSENT, Councilmembers:
ABSTAIN, Councilmembers:

Mayor of the Town of Woodside

ATTEST:

Clerk of the Town of Woodside

TOWN OF WOODSIDE

RISK MANAGEMENT POLICY

Purpose: The Town of Woodside has an obligation to protect its citizens, employees, and assets. It will meet its duty by ensuring that risk management plays an integral part in sound governance at both a strategic and operational level.

Risk Management Goals:

- To eliminate or reduce the risk of loss.
- To apply responsive claims management techniques to losses that do occur.
- To protect the Town's finances from catastrophic losses, or an annual accumulation of losses that would cause financial hardship.
- To transfer the Town's risk of loss to others whenever possible and practical.

Risk Management Responsibilities:

TOWN MANAGER: The Town Manager shall have overall responsibility for risk management and for assigning responsibilities to Town staff. The Town Manager shall serve as the Town's member on the board of the ABAG Pooled Liability Assurance Network (PLAN), to which the Town belongs.

RISK MANAGEMENT PROGRAM ADMINISTRATOR: The Risk Management Program Administrator shall have the responsibility for the day-to-day administration of the Town's risk coverage and safety training program. The Risk Management Program Administrator shall serve as the Town's alternate member on the board of the ABAG PLAN. The Town Manager shall designate the Risk Management Program Administrator. The Risk Management Program Administrator shall serve as an advisor to the Town Manager and Town Council on risk-related matters.

TOWN CLERK: The Town Clerk shall serve as the Town's liaison to insurance brokers, carriers, and claims administrators.

Risk Management & Safety Committee:

The Town of Woodside Risk Management & Safety Committee is comprised of the Assistant Town Manager (Chair), Town Clerk, Building Official, Deputy Town Engineer, and Supervising Maintenance Worker.

The Risk Management & Safety Committee will meet on a quarterly basis and do the following:

- Participate in and review the results of periodic, scheduled work site inspections;
- Participate in and review investigations of occupational accidents and causes of incidents resulting in occupational injury, occupational illness, or exposure to hazardous substances, and where appropriate, submitting suggestions for the prevention of future accidents;

- Review investigations of alleged hazardous conditions brought to the attention of any committee member. When determined necessary by the Committee, the Committee may conduct its own inspection and investigation to assist in remedial solutions;
- Review any corrective action taken to address accidents that have occurred or hazards that have been identified;
- Prepare and make available to employees written records of the safety and health issues discussed at the Committee meetings.
- Review equipment purchases or new practices and programs to evaluate risk exposure that may be created for the Town.

All meetings of the Risk Management & Safety Committee will be documented with attendance and minutes taken.

Accident Investigation and Claims Processing:

The Risk Management Program Administrator shall review all incident reports and shall have them submitted to the appropriate claims investigator as soon as possible. Managers and supervisors shall review all accident reports, incident reports, and claims affecting their departments and provide timely information to the Risk Management Program Administrator for forwarding to the appropriate claims investigator. The Risk Management Program Administrator shall keep the Town Manager apprised of all incidents and claims.

The Risk Management Program Administrator shall be responsible for all paperwork and documentation of claims and any required OSHA reporting.

Hazard Identification Program:

All Town employees who work in the field are responsible for identifying and reporting hazards to the head of the department that is responsible for correcting them. The responsible department head shall investigate and correct the hazard in a time-frame appropriate to their severity.

Transfer of Risk:

The Town shall transfer the risk of loss to others whenever possible and practical.

The Town Engineer, in consultation with the Town Attorney, shall be responsible for determining indemnity requirements for contractors.

The Risk Management Program Administrator, in consultation with the Town Attorney, shall be responsible for determining indemnity requirements for users of Town facilities.

The Town Clerk shall be responsible for monitoring certificates of insurance and insurance endorsements required.

TOWN OF WOODSIDE

Report to Town Council

Agenda Item 5

From: Janet Koelsch, Town Clerk

January 13, 2009

SUBJECT: MINUTES FOR APPROVAL

The minutes of the Special Town Council Meetings of November 24, and December 8, 2008, are attached for review and approval.

Attachment

TOWN OF WOODSIDE

TOWN COUNCIL SPECIAL MEETING MINUTES

November 24, 2008

Independence Hall, 2955 Woodside Road, Woodside

CALL TO ORDER

Mayor Romines called the Special Meeting to order at 6:35 P.M.

ROLL CALL

Present: Councilmember Burow, Boynton, Gordon, Hodges, Mason, Tanner, Mayor Romines

Absent: None

Staff Present:

Susan George, Town Manager

COMMUNICATIONS

There were no Communications

CLOSED SESSION

**Public Employee Appointment: Director of Planning and Building
(Government Code Section 54957)**

REPORT FROM CLOSED SESSION

There was no report from Closed Session.

ADJOURNMENT

The Meeting was adjourned at 8:25 P.M.

TOWN OF WOODSIDE

TOWN COUNCIL SPECIAL MEETING MINUTES
Independence Hall, 2955 Woodside Road, Woodside

December 8, 2008

CALL TO ORDER

ROLL CALL

COMMUNICATIONS

WOODSIDE COMMUNITY MUSEUM TOUR

The Town Council was to be given a tour of the Woodside Community Museum, 2961 Woodside Road.

ADJOURNMENT

The Special Town Council Meeting was cancelled due to lack of a quorum.

TOWN OF WOODSIDE

Report to Town Council

Agenda Item 6

Prepared by: Kevin Bryant, Assistant Town Manager

January 13, 2009

Reviewed by: Susan George, Town Manager

SUBJECT: REVIEW AND DISCUSSION OF DRAFT HISTORIC PRESERVATION ELEMENT AND REFERRAL OF DRAFT TO THE PLANNING COMMISSION FOR PUBLIC HEARING

RECOMMENDATION

It is recommended that the Town Council review this report and the attached Draft Historic Preservation Element, accept public comment, and provide direction to Staff, the Planning Commission, and the Woodside History Committee on how to proceed toward adoption of a Historic Preservation Element in the General Plan.

BACKGROUND

The Woodside General Plan, adopted April 6, 1988, includes in the Open Space Element Section 2269, "Areas of Historical and Cultural Significance" which specifies 15 sites that have open space values. The Plan also includes two actions for preservation:

- Cooperate with the County Historical Association, County, and State agencies to "identify, mark, record and preserve these sites"; and
- "Consider amending the zoning ordinance to require Architectural and Site Review of each development project proposed on or adjacent to officially recorded historical sites."

Additionally, Land Use, Community Design and Aesthetics Policy P25 of the General Plan states that "structures of historic or architectural significance shall be identified and documented, and efforts shall be made to preserve them."

A historic preservation element for the General Plan has been on the Town's Work Plan for many years. In 2004, the Town Council appropriated funds to contract with the firm of Page & Turnbull to prepare a draft historic preservation element. The Woodside History Committee has been working on finalizing a recommended draft historic preservation element since receiving a draft from Page & Turnbull in March 2007. The Committee did a considerable amount of work to tailor the draft element to the Town. On November 6, 2008, the Committee unanimously recommended the attached version to the Town Council for review.

DISCUSSION

To be formally adopted and become part of the General Plan, the Draft Historic Preservation Element will need to be the subject of formal public hearings before the Planning Commission and the Town Council. However, before beginning that process, the Woodside History Committee and staff are recommending that the Town Council review the draft document and provide general direction, as appropriate.

The Draft Historic Preservation Element provides a historical overview of the Town, defines the purpose of the Preservation Element, provides a description of State and Federal regulations and programs, and identifies historic resources within the Planning Area.

The Areas of Historic & Cultural Significance are the fifteen sites currently identified in Section 2269 of the Open Space Element of the General Plan, with the following recommended additions:

- The Folger Estate Stable Historic District and Green Gables (Fleishhacker Estate), which are both listed on the National Register of Historic Places;
- The Woodside Community Museum;
- Three private properties: the Jenkins House, the MacArthur/Velliquette House, and the Little Store, all at the request of the owners; and
- The site of the settlement of West Union.

The properties listed on the National Register of Historic Places should be identified in the Town's General Plan. The Community Museum, in addition to being the restored Mathisen farmhouse, is the home to the Town's historic resources. The owners of the Jenkins House, MacArthur/Velliquette House, and the Little Store, are interested in having their properties preserved as historic resources. The settlement of West Union is now commemorated by a plaque along Canada Road.

The Goals and Implementing Policies and Programs that are recommended by the Woodside History Committee emphasize a voluntary approach to preserving historic resources. As part of the implementation of the Preservation Element, the Town Council will be asked to consider establishing a Historic Landmarks program and a Mills Act program, both of which would be voluntary. Other implementing programs would be:

- To maintain and make available information about the history of the Town;
- To cooperate with federal, state, and other local agencies to identify and record the Town's historic resources; and
- To consider amending the Woodside History Committee's charter to include the review of applications for demolition or significant exterior alterations to historic and potentially historic structures.

Relationship with General Plan Review

The Town will be conducting a review of the entire General Plan beginning in 2009. At this time, staff would recommend proceeding with the review and adoption of the draft Historic Preservation Element. If action is taken to adopt the Preservation Element relatively quickly (i.e., before the General Plan review is deep into the review of individual elements), the adopted element can be blended with the review process and incorporated into the new General Plan draft. If it appears that significant work is necessary, review of the draft Historic Preservation Element can be incorporated into the process laid out for the entire General Plan review.

CONCLUSION

The Draft Historic Preservation Element represents an effort to make historic preservation an important goal of the community by providing the framework for building a voluntary program for preservation. Staff recommends that the Draft Preservation Element, including any comments from the Town Council, be forwarded to the Planning Commission in order to begin the formal adoption process.

Attachment

DRAFT HISTORIC PRESERVATION ELEMENT NOVEMBER, 2008

I. INTRODUCTION

A. HISTORICAL OVERVIEW

1. ORIGINAL INHABITANTS, SPANISH & MEXICAN PERIODS

The story of Woodside begins with the local Ohlone/Costanoan Indian people, who made their home in this area for thousands of years before Spanish explorers arrived. These native people were attracted to the mild climate, plentiful good water and abundant food supply. The Lamchin band of Ohlone made their living by hunting, fishing and gathering in this Valley's lush terrain of grassy meadows and forested hillsides. Their presence is evidenced by the frequent discovery of burials and artifacts near creeks and other watercourses.

In 1769, a group of explorers led by Gaspar de Portola` set out from Mexico in search of a great bay that had been noted during earlier sailings up the coast. That expedition camped near present day Woodside and marked the first time that the appearance of Europeans was documented in this area. As exploration and settlement increased, many of the Ohlone were moved to Mission Santa Clara to work in the vineyards, orchards and in the raising of cattle.

Mexico won independence from Spain in 1821, after almost 300 years of colonial rule. With independence, California came under Mexican rule until it was acquired by the United States in 1848. The Mexican government, never committed to the mission system, secularized the rich lands and holdings and transferred them from the padres over to new settlers and colonists, many of whom were veterans of the Mexican War.

Following the secularization decree of 1833, Mexican authorities granted to friends and loyalists some 18 ranchos in present day San Mateo County. One of those, Rancho Canada de Raymundo, was a large piece in the middle of the Peninsula. The boundaries of the ranch encompassed virtually all of present day Woodside. John Copinger, a lieutenant in the British Navy, deserted his ship in San Francisco and hid out in this valley. He was awarded the rancho after assisting Mexican government official Juan Bautista Alvarado in a dispute with Mexican authorities.

2. ANGLO-AMERICAN SETTLERS & THE LOGGING INDUSTRY

In the 1830s the Woodside area became home to some of the first English-speaking settlers on the San Francisco Peninsula. Their appearance would signal the start of the lumbering economy. Many of those seeking their fortunes in the redwoods were deserters and drifters, but occasionally among them would emerge community builders and leaders.

John Copinger married Maria Luisa Soto, the daughter of another rancho owner whose property included modern day downtown Palo Alto. In 1840 the couple built an adobe home at the corner of Kings Mountain Road and Woodside Road which was destroyed in the 1906 Earthquake. Copinger was a respected and industrious man who made many improvements to his land

including a dam and a grist mill on Bear Gulch Creek. He also raised cattle and planted many crops. He died in 1847 at the age of 37.

Charles Brown purchased one major portion of the Copinger land grant. In 1846 he received a deed for 2,880 acres of timbered slopes that he called "Mountain Home Ranch". He was credited with having built one of the first sawmills on the Peninsula as well as an 1839 adobe house that still stands along Portola Road.

Another early resident of note was Dennis Martin who came in the first wagon party over the Truckee Pass in 1845. He bought land from John Copinger, built sawmills, a house, planted orchards and built St. Denis Chapel as a place of worship near Searsville. That area was named for John Sears who bought land from Dennis Martin in 1854 and built a hotel and other businesses there. Searsville was the largest village in this area until 1890, when the Spring Valley Water Company displaced the community and built a dam creating the reservoir called Searsville Lake.

Dentist Robert Orville Tripp left his native Massachusetts, came west in 1849 to recuperate from an illness and stayed, establishing a business and home. He joined Matthias A. Parkhurst and Charles Ellis to establish a sawmill and, along with partners from San Francisco, opened a direct road from the redwood forests to the head of the tidewater in Redwood Creek – now the heart of Redwood City. Oxen and mules dragged the lumber down this road to the Bay to be floated to San Francisco on ebb tides.

3. EARLY COMMERCIAL & SOCIAL DEVELOPMENT

By 1852 there was regular stagecoach service from Woodside to San Francisco and more people were attracted to the area. Recognizing the need to service the increased traffic and workers, Tripp and Parkhurst opened a general food and supply market called the Woodside Store. In 1854, Andre Neuman established a nursery and grocery store on Woodside Road where it crosses Bear Gulch. Soon after Tripp and Parkhurst re-located their store to its present location on the corner of Kings Mountain and Tripp Roads. That building is now preserved as a San Mateo County Museum. Dr. Tripp also established the first post office and, in 1858, a circulating library. The men named their area Woodside.

John Greer, an Irish sea captain who arrived in San Francisco in 1850, explored the creeks and sloughs of the Bay at what is now Redwood City. He became acquainted with John Copinger's widow, Maria Luisa, they married and resided in the Copinger adobe in Woodside. The Greers became community leaders, and in 1851, donated land for the first schoolhouse in the area. It was called Greersburg Elementary School because the name Woodside was claimed by Dr. Tripp and his partners. Other schools serving the area included West Union School and Searsville School.

The Woodside area consisted of several small clusters of businesses and residences that developed at important intersections. Like Searsville, Whiskey Hill grew in importance because it was located between the sawmills and Redwood City. As the more accessible redwoods were depleted the mills moved up the steep hills and over the ridge making it a two-day journey to the Bay. The teamsters would typically spend the night at hotels at Whiskey Hill and partake of the beverage from which the name derives. Cornelius Dalve built the Pioneer Hotel at that location in 1882.

Along the road known as the Redwood City-Pescadero Road, today's Woodside Road, other important additions were added to this young community. Independence Hall, built in 1884, was originally located next to the Woodside Elementary School. Following several moves, it was placed at its present site next to Town Hall in 1991, and rehabilitated for use as a community meeting space. The Woodside Village Church Chapel dates from 1893 and has continuously served the community along with the newer, larger sanctuary added in 1961.

By the 1870s and 1880s, the formerly luxuriant stands of redwoods in this Valley had been clear cut. The soil and climate were both good and entrepreneurs began to seek other uses for the rich bottomlands and hillsides. One of these entrepreneurs was a San Francisco lawyer named Emmett H. Rixford, who purchased land near the corner of Canada and Woodside Roads and in 1884 established La Questa Vineyards. The popularity of his cabernet sauvignon inspired others to begin planting grapes. John A. Hooper, a San Francisco banker, bought the old Charles Brown estate and in 1894 began planting a thirty acre vineyard, marking the beginning of an interest in viticulture that actively continues.

4. EARLY ESTATES

The absence of the redwoods resulted in tremendous vistas of the valley and from higher elevations, the Bay. This factor, combined with the largely fog-free climate and ease of access to San Francisco, lured many successful City families to seek country estates in the Woodside area. Large tracts of land became available as the original pioneer families passed on and their landholdings were subdivided, beginning an era of estate building.

Among the first San Franciscans to locate in Woodside was John A. Hooper with the purchase of the Mountain Home Ranch. Coffee magnate James Folger II followed with the purchase of 1,500 acres in 1902, to create Hazelwood Hills. About the same time, Charles Josselyn, owner of a ship chandlery business in San Francisco began building his Vinegrove Estate. San Francisco banker Mortimer Fleishhacker started building Green Gables in 1911. Just outside the Town's limits is one of Woodside's largest and most intact estates, Filoli, built between 1915 and 1917. Later examples of notable estates include the Selah Chamberlain residence, built in 1912, and the Daniel Jackling house and stable built in 1925.

An enduring feature of Woodside's history has been the presence of horses. Originally, they were a necessity for work and transportation and later for pleasure, leisure, and sport. In 1931 the horse trail system was documented throughout the area for the use of residents, friends and neighbors. Early equestrian activities included Los Altos Hunt, the Playpen on Fox Hollow Road and the Junior Riders program for children which continues to this day.

Two parks are adjacent to the Town: Huddart Park, 974 acres acquired by the County in 1944 from the James M. Huddart Estate, and Wunderlich Park, 942 acres donated to the County by Martin Wunderlich in 1972. These parks aid the tradition of the trails by connecting the community through access to public and private space. Horses continue to be a popular reminder of Woodside's frontier past and countrified present.

5. SUBDIVISIONS & GROWTH OF TOWN CENTER

The first subdivision of land in Woodside occurred in 1885 when John Greer's estate was split among the heirs. Within several years, many of the tracts were acquired by the Bear Gulch Water Company, later the Spring Valley Water Company. The property included much of the watershed land on the western side of Woodside. Meanwhile, the first known residential subdivision was laid out in 1888, a tract known as Woodside Villas. The larger lots were accessed from Albion Avenue and the smaller half-acre residential lots were located along Woodside Road and became known as village lots. One of the oldest surviving dwellings of Woodside Villas is the 1889 Jenkins House. The U.S. Post Office was located on this property from 1901-1915.

Woodside experienced a spurt of subdivision activity and commercial development during the 1920s. Many larger properties were divided into lots including Portola Woods, Lakeshore Hills, Portola Hill, Toyon Knolls, and Woodside Glens.

The area stretching along Woodside Road from Whiskey Hill to Mountain Home Road also experienced commercial growth during the 1920s. In addition to the businesses already serving community needs of food, beverages and shelter was George E. Shine's Blacksmith Shop and the Neuman Brothers General Merchandise store re-located to the corner of Woodside and Canada Roads. Built after the 1906 Earthquake, it was remodeled and a gas station added in the triangle now known as Alec Donald Park. Donald was Road Commissioner in the 1960s and involved in local politics. In 1928, Pacific Telephone and Telegraph Company built a telephone exchange north across from that same corner, initiating the first direct dial telephone service in Woodside. That structure remains in commercial use.

The Depression and War Years in the 1930s and 1940s did not so much alter life in Woodside, as it slowed development activity. It was not until 1950 that San Mateo County's real estate market fully recovered, unleashing a flood of development in neighboring communities. Several major tracts of nearby land were subdivided and developed, especially in areas adjacent to Redwood City. Some of these included East Greenwood Terrace, Woodside Heights, Woodside Oaks, Woodside Knolls, Greenways and Woodside Hills.

6. TOWN INCORPORATION TO THE PRESENT DAY

The steady encroachment of suburban style development alarmed many Woodside residents. Their concern for the effects that growth might have on their way of life caused residents to re-visit incorporating as a Town, an idea first considered in 1928. This time a group called "Woodsiders for Woodside" filed papers, collected signatures and established boundaries encompassing twelve square miles. Their stated goal was to preserve Woodside's rural atmosphere. By a close vote, on October 20, 1956, Woodside favored incorporation and elected its first Town Council. William L. Lowe was elected by the Council to serve as its first Mayor.

The government of the new Town was quickly pressed into action. Meeting at the Woodside School, the Council passed ordinances setting up building codes, zoning restrictions, established tax rates and contracted for fire and police protection. In 1958 the Town faced a controversial proposal by the California Department of Transportation for the routing of the Junipero Serra Freeway (I-280). The 1960s brought additional controversy with the attempt by Stanford

University and the Atomic Energy Commission to build high tension power lines through Woodside to the new Linear Accelerator. Instead, voters approved a property tax increase to bury utility wires underground.

On November 16, 2006 Woodside celebrated the 50th anniversary of incorporation. The ensuing years have seen unprecedented growth in surrounding communities due to the success of technology, research, investment and other industries in the area. Yet thanks to the diligence of Woodside's citizens and officials through the years, it maintains a rural charm with magnificent vistas, historic buildings and sites dating back to the early days of European settlement in San Mateo County. With cherished annual traditions like the May Day Parade dating since the early 1930s to newer ones like the Environment Fest and the annual "Day of the Horse", Town celebrations offer residents the opportunity to enjoy and reflect on the rich history of Woodside's enduring good fortune in both resources and residents.

B. PURPOSE

This Historic Preservation Element of the General Plan articulates Woodside's goals and policies on historic preservation. It serves as a source of information regarding Woodside's development, resources and character-defining features. It is also a guide for the identification, recognition, and retention of those historic and cultural resources. The continued preservation of the historic environment is dependent upon the continued stewardship by its citizens. By understanding its history, the Town of Woodside can preserve its unique sense of place and quality of life. Preservation celebrates the historic and cultural resources that define the community, and ensures historic Woodside will survive to enrich lives for generations to come.

C. HISTORIC RESOURCES

1. Definition: Man-made or natural physical features which are of value because they document the history of the Town and represent an architectural, cultural, archaeological, community or aesthetic value and possess one or more of the following attributes:

- Yield or be likely to yield information that is important in pre-history or history.
- Be associated with events that have made a significant contribution to the patterns of life in the Town.
- Be associated with lives and cultures significant with the Town's past.
- Embody the distinctive characteristics of the time, period or method of construction, especially if it is one of the last remaining such structures, represents the work of a master, and/or possesses high artistic value.
- Possess integrity of location, design, setting, materials, workmanship and feeling of its original nature.

2. AREAS OF HISTORIC & CULTURAL SIGNIFICANCE

Sites designated with "***" are listed on the National Register of Historic Places. Sites designated with "**" are California Historical Landmarks.

H1	**Independence Hall	In Town Center, on Woodside Road
H2	**/*Woodside Store (Tripp Store)	Tripp Road at Kings Mountain Road
H3	**Folger Estate Stable Historic District	Wunderlich Park, Woodside Road
H4	**Green Gables (Fleishhacker Estate)	Albion Avenue
H5	*Site of the Town of Searsville	At Searsville Lake; historic marker at Sand Hill Road & Portola Road intersection
H6	Charles Brown Adobe	East of Woodside Road, near La Honda Road
H7	Tripp Winery & Home	In vicinity of Tripp Road and Kings Mountain Road
H8	Jenkins House	Woodside Road and Albion Avenue
H9	MacArthur/Velliquette House	Woodside Road, west of Woodside School
H10	Woodside Community Museum	In Town Center, behind commercial buildings
H11	Original School House	South of Woodside Road near Albion Road, on Woodside School grounds
H12	Woodside Church Chapel	North of Woodside Road; across from school
H13	Albert Shine House	East of Canada Road, south of Laning Drive
H14	Little Store	North of Woodside Road near Miramontes
H15	Octagon Barn, Why Worry Farm	South of Woodside Road, east of Tripp Road
H16	Spreckles Barn	Runnymede Road, west of Canada Road
H17	Portola Expedition Site	In vicinity of the junction of Woodside Road & Portola Road
H18	Copinger Adobe Site	In vicinity of Woodside Road at its crossing of West Union Creek, at Kings Mountain Road
H19	Site of the settlement of West Union	East of Canada Road south of Edgewood Road
H20	Site of San Mateo County's First	On Alambique Creek, east of Portola Road, near

	Sawmill	Junction of La Honda Road
	Site of other early sawmills	At various locations in the Woodside Planning Area
H21	Portola Vineyard	Near junction of Portola Road with Old La Honda Road
H22	Early Concrete Bridges	On Mountain Home Road, about 1/8 mile south of Woodside Road, and on Portola Road at crossing of Alambique Creek

3. In future designation of historic resources, the following examples will be considered: Historic Sites, Pioneer Dwellings, Crossroad Settlements, Estates, Stables and Corrals, Vineyards, Barns and Tankhouses, Early Subdivisions, Summer Cottages, Stone Walls, Fences, Gates, and Bridges.

D. STATE AND FEDERAL REGULATIONS / PROGRAMS

Projects which have the potential to effect or impact Woodside’s significant cultural landscapes and historic resources are subject to regulations of the State of California and, in some cases, to regulations of the federal government.

1. California Environmental Quality Act (CEQA)

A project that may cause a substantial adverse change in the significance of a historic resource, or a project for which a fair argument has been presented that a substantial adverse change in the significance of a historic resource may occur, is subject to provisions of the California Environmental Quality Act (CEQA). A substantial adverse change in the significance of a historic resource means physical demolition, destruction, or alteration of the resource or its setting, such that the significance of the historic resource would be materially impaired. A historic resource is considered to be materially impaired when a project either demolishes or materially alters, adversely, those physical features or elements of a historic resource that convey its significance.

As defined in California’s Public Resources Code, a historic resource is a resource that is either listed, or determined to be eligible for listing, in the California Register of Historical Resources. In general, a resource may be considered historic once it is 50 years old.

In order to determine the significance of a historic resource, CEQA relies upon criteria of the California Register of Historical Resources. A resource is considered to be historically significant, and therefore eligible for listing in the California Register of Historical Resources, if it meets one or more of the following criteria:

- It is associated with events that have made a significant contribution to the broad patterns of California history and cultural heritage;
- It is associated with the lives of persons important in our past;

- It embodies the distinctive characteristics of a type, period, region or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or
- It has yielded, or may be likely to yield, information important in prehistory or history.

Beyond meeting one or more of these criteria, a historic resource also must possess historic integrity in order to be found eligible for listing in the California Register of Historical Resources. Integrity is the ability of a resource to convey its significance.

2. The Mills Act

The State of California Mills Act provides the possibility of property tax relief for record owners of historic properties that are: 1) located within a local jurisdiction which has adopted a Mills Act program that is tailored to local conditions and includes certain Mills Act requirements; and 2) listed on an official register of historic properties.

3. Section 106 of the National Historic Preservation Act of 1966

A project, activity or program funded in whole or in part under the direct or indirect jurisdiction of a federal agency, and that has the potential to cause an effect on a historic resource, is subject to provisions of Section 106 of the National Historic Preservation Act of 1966. Within the purview of Section 106, projects, activities or programs, referred to in the 1966 Act as “undertakings”, include:

- Those carried out by or on behalf of the federal agency;
- Those carried out with federal financial assistance;
- Those requiring a federal permit, license, or approval; and
- Those subject to state or local regulation administered pursuant to a delegation or approval by a federal agency.

In practice, an “undertaking” essentially is anything a federal agency undertakes to do itself, has done for it, assists someone else in doing, permits anyone else to do, or delegates to or oversees a state or local regulatory body in doing.

Woodside’s cultural landscape and its character-defining features potentially are subject to effects caused by projects that involve federal funding and/or license. Power transmission lines, highway construction and creek restoration are but three examples of “undertakings” that may involve federal funding and/or license, and accordingly, trigger Section 106 review in order to determine the potential of such “undertaking” to cause an effect on Woodside’s historic resources.

Section 106 defines historic resource as a property, i.e., a building, structure, object or place, that is listed, or determined eligible for listing, in the National Register of Historic Places. Further, it defines an effect as being adverse when an undertaking may alter, directly or indirectly, any of the characteristics of a historic property that qualify the property for inclusion in the National Register in a manner that would diminish the integrity of the property’s location, design, setting, materials, workmanship, feeling or association.

Section 106 projects involve consultation and review by the State Office of Historic Preservation, and a Section 106 project that causes adverse effect(s) requires execution of a memorandum of agreement. In some cases, a Section 106 project will involve participation and review by the federal Advisory Council on Historic Preservation.

II. GOALS

- G1 To promote awareness of local history and historic resources for the education, pleasure, and welfare of the community.
- G2 To preserve, protect and enhance the historical, archeological and aesthetic resources located within or related to Woodside.
- G3 To build civic pride in Woodside's unique qualities by fostering citizen efforts to preserve, maintain and enhance its historic resources.
- G4 To encourage adaptive reuse of structures and features so as to encourage the preservation of these historic resources.

III. IMPLEMENTING POLICIES AND PROGRAMS

The following policies and programs are intended to achieve and support the goals of the Historic Preservation Element.

1. The Town will maintain, and make available, information about the history of the community.
2. The Town Council may consider an amendment to the Woodside History Committee purpose, objectives, and activities to include notification and review of applications for demolition or significant exterior alteration of structures:
 - greater than 50 years old,
 - listed on or eligible for the National Register of Historic Places,
 - listed on or eligible for the California Register of Historic Places, or
 - listed as a Town Historic Landmark.
3. The Town will cooperate with appropriate federal, state, and local agencies to identify and record Woodside's Historic Resources (see Section I.C of this Element).
4. The Town Council may consider amending the Municipal Code to establish a voluntary Historic Landmarks program.
5. The Town Council may consider the development and adoption of a Mills Act program (see Section I.D.2 of this Element).