

AGENDA ITEM 1(b)

**TOWN OF SAN ANSELMO
STAFF REPORT
April 15, 2003**

For the Meeting of April 22, 2003

TO: Town Council
FROM: Janet Pendoley, Finance & Administrative Services Director
SUBJECT: Report of Warrants Issued, March 2003

RECOMMENDATION

That Council acknowledge and file warrant numbers 45058 to 45264 issued during the month of March 2003 in the amount of \$821,077.22. The following warrant numbers were voided: 44167, 44729, 44741, 44827, 44983, 45049, 45056 and 45057.

BACKGROUND

This report is an itemization of payments made to vendors during the month just ended. It also includes warrants written to Bank of America for the month's two regular payrolls as well as reimbursements to employees for work-related approved expenditures.

Respectfully submitted,

Janet Pendoley
Finance and Administrative Services Director

Attachment 1 - Warrant Registers, March 2003

AGENDA ITEM 1(c)

**TOWN OF SAN ANSELMO
STAFF REPORT
April 11, 2003**

For the Meeting of April 22, 2003

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: Quarterly Treasurer's Investment Report and Revenue and Expenditure Report, March 2003

RECOMMENDATION

That Council approve the Treasurer's Investment Report for the quarter ending March 2003 and the Revenue and Expenditure Report for the period ending March 2003.

BACKGROUND

The Treasurer's Investment Report is a quarterly itemization of the market value of Town investments. The Revenue and Expenditure report is a year-to-date summary report of revenues and expenditures that is presented to the Town Council on a monthly basis. The General Fund is included in the monthly report. The purpose of these reports is to present financial information for review and discussion.

ANALYSIS

Treasurer's Investment Portfolio Report

The attached report itemizes the Town's investments and states the market value of each investment as of March 31, 2003. The Wells Fargo Money Market account is the Town's primary checking account used for the deposit and expenditure of operating funds. Interest earnings for the current quarter were at an average rate of .15%.

The Town maintains 3 Local Agency Investment Fund accounts (LAIF) for the purpose of maximizing interest income on funds not needed for immediate expenditure. One is for investment of general operating funds; the other two LAIF accounts are for the series 2000 and 2003 Measure G bond proceeds, required by law to be maintained in segregated accounts. Interest earnings for the current quarter were at an average rate of 1.98%.

The Tax Revenue Anticipation Note (TRAN) is a tax-free bond that is issued on a one-year basis specifically for the purpose of improving cash flow to public entities heavily reliant on sporadic property tax distributions. Projected annual earnings from the reinvestment of these funds were estimated earlier in the fiscal year at \$9,527. However, due to lower than projected LAIF interest rates, it is now estimated that the TRAN will cost the Town \$2,785. The Town did use \$292,000 of these funds during December 2002 while awaiting the first distribution of property taxes.

Revenue and Expenditure Report

The revenue and expenditure data as of March 31st reflects financial activity transacted during 75% of the budget year. Revenue received, at 60%, includes the first distribution of 55% of property taxes. The second distribution of 40% will occur during April and the final distribution of 5% will occur in June. The largest portion of the Town's taxes come from Secured Taxes, which have been received at exactly 55%. The first ERAF distribution was received during this period and it indicates that annual income from this source will exceed the budgeted amount by approximately \$45,000. This increased revenue will help to offset anticipated losses in interest earnings and sales tax income (see below). Other sources of revenue show the normal lag in receipt of periodic payments. Items of note include the following:

- Sales tax income, at 64%, represents revenue through February only (i.e. 67% of the year) and as such trails the budgeted amount by 3%. The current economic uncertainties have resulted in a reduced quarterly advance of these funds from the state.
- Annual business license fees received to date, in the amount of \$168,694 (69%), have been collected in large part in the past few months. It is anticipated that revenue from this source will be significant during the current month due to the April 15th deadline and will approach 100% of the budgeted amount within the next month or two.
- Interest income, at 30%, includes first and second quarterly earnings only. As anticipated, they were substantially lower than the budgeted amount due to a declining interest rate. LAIF's apportionment rate for the quarter ending March 2003 was 1.98% as compared to 2.89% for the quarter ending March 2002.
- Motor Vehicle License Fee income, in the amount of \$539,225 (72%), continues to be received from the State in a timely manner.
- Planning and construction fee income, at 57% and 64% respectively, reflects the seasonality of winter months as well as refunds of prior years' planning and road bond deposits.

Expenditures, at 73%, appear to be at a stable level across major categories presented on page 1 of the report with the exception of the Office Supplies & Library Materials category. This category has been consistently high across virtually all departments. Utilities expense, at 58%, continues to be significantly under budget. It may in part reflect the savings realized by the LED traffic signal conversion. Utility costs for stormy winter months has not appeared to affect these savings.

Expenditures also appear to be at a stable level across departments presented on page 2 of the report with only a few exceptions:

- Legal services, at 83%, are at a somewhat higher proportion of budget as a result of recent litigation and legal activities. This percentage is calculated on the revised budget which was increased \$50,000 during the mid-year budget revision.

- Non-departmental expenses (at 88%) are at a significantly higher proportion of budget due to payment of the \$106,000 annual contribution for Marin County Animal Control services.
- Parks expenditures at 66%, Streets expenditures at 67%, and Finance & Administration at 69% are all at a lower proportion of budget as a result of employee vacancies and the transitions resulting from in-house promotions. In addition, the Streets budget includes streetsweeping and a large portion of utilities, both of which continue to reflect savings despite the seasonality of the recent winter months.
- Transfers Out (transfer of the Town's General Fund money to other Town Funds) in the amount of \$1,005,097 have all been processed. In comparison, last year's transfers were at 88% as of this report period.

BUDGET REVISIONS:

The following budget revisions were made to Town funds during this report period:

- \$8,500 budget decrease in the Recreation Fund reserve and a corresponding budget increase in the Capital Reconstruction Fund revenue and expenditure budgets to implement development of the Recreation masterplan as authorized by the Town Council at their March 25, 2003 meeting. This revision reduces the Recreation Fund year end reserve to \$64,872. It has no impact on the Capital Reconstruction Fund's year end reserve.
- \$44,981 budget transfer within the Capital Reconstruction Fund from the Town Hall Roof Repair budget and \$48,500 from the ADA access budget to cover the Corporation Yard renovation expenses, per Town Council approval on March 25, 2003. These transfers have no impact on the year end reserve.
- \$6,395 budget increase in the Safety Fund to develop procedures for traffic calming. This revision will eliminate the funds in this reserve \$7,132 budget increase in the General Fund reserve as a result of an increased actual year end balance over the estimated level. This revision increases the year end reserve to \$36,236.
- \$16,148 budget transfer from the General Fund contingency to the Capital Reconstruction Fund to cover the Corporation Yard renovation expenses, per Town Council approval on March 25, 2003. This revision reduces the General Fund contingency to \$20,188.
- The following budgets were updated as a result of the final audited 01-02 ending balances:
 - ✓ \$100 budget decrease in the General Fund safety committee carryover budget and corresponding increase in the General Fund reserve as a result of increased 01-02

- expenditures over the estimated level. This revision increases the year end reserve to \$36, 336.
- ✓ \$165,902 budget decrease in the Capital Reconstruction expenditure budget as a result of increased 01-02 expenditures over the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$88 budget decrease in the Capital Reconstruction expenditure budgets for Elders Garden and Memorial Playground as a result of increased 01-02 expenditures over the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$6,807 budget decrease in the Traffic Congestion Relief Fund expenditure budget as a result of decreased 4th quarter 01-02 State Traffic Congestion Relief funds allocation under the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$20,470 budget decrease in the Measure G Bond Proceeds expenditure budget as a result of increased 01-02 expenditures over the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$1,332 budget decrease in the Road Maintenance reserve account for Slurry Seal projects as a result of decreased 4th interest earnings under the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$385 budget decrease in the Citizens Option for Public Safety (COPS) fund reserve as a result of increased 01-02 expenditures over the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$2,293 budget increase in the Insurance Fund expenditure budget as a result of decreased 01-02 liability claims under the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$19,434 budget decrease in the Equipment Fund expenditure budgets for the Police CLEEP grant and Recreation software account as a result of increased 01-02 expenditures over the estimated level. This revision has no impact on the year end reserve.
 - ✓ \$6 budget increase in the Downtown Revitalization expenditure budget as a result of decreased expenditures under the estimated level. This revision has no impact on the year end reserve.

CONCLUSION

In reviewing the financial data particularly as it compares to the prior year, the Town's revenue collections and spending levels appear to be within normal ranges for this report period.

Respectfully submitted,

Janet Pendoley, Finance and Administrative Services Director

Attachment #1: Quarterly Treasurer's Investment Report, March 2003

Attachment #2: Revenue and Expenditure Report, March 2003

AGENDA ITEM 1(d)

TOWN OF SAN ANSELMO

TOWN COUNCIL STAFF REPORT

For the meeting of 4-22-03

DATE: 4-10-03

TO: Mayor and Council Members

FROM: Rabi Elias, Public Works Director

SUBJECT: Pavement rehabilitation project, Center Blvd. from San Anselmo Ave. / Sycamore Ave. to Saunders Ave. Award of contract.

RECOMMENDATION

Award the contract to the lowest bidder Ghilotti Bros. Inc. of San Rafael in the amount of \$182,388.50

BACKGROUND

The Town Council at the meeting of 3-11-05 approved the project and authorized staff to solicit bids. The Council also asked staff to inform the Measure "G" committee that we may not get the STPL grant money of \$158,000 for this project which was duly done.

DISCUSSION

Bids were opened 4-7-03, 2:00 PM at Marin County Public Works Office. Six bids were received. Second lowest bidder was Ghilotti Construction of Santa Rosa in the amount of \$183,456

The estimated cost of the project was \$265,000.

FISCAL IMPACT

Contract	\$182,388.50
Measure G funds	\$182,388.50

If and when the grant money of \$158,500 comes in it will be put back into the Measure G fund.

AGENDA ITEM 2

**TOWN OF SAN ANSELMO
TOWN COUNCIL STAFF REPORT**
For the meeting of 4-22-03

DATE: 4-10-03

TO: Mayor and Members of the Town Council

FROM: Rabi Elias, Director of Public Works

SUBJECT: 2002-2003 Measure G Improvements Phase II Resurfacing and Drainage Projects at Center Blvd. from Saunders Ave. to Fairfax town limit, Florence Ave, Greenfield Ave from Greenfield Court to San Rafael city limit, Grove Lane, Kemp Ave, Magnolia Avenue, Oakwood Court, San Rafael Avenue, Sycamore Avenue, Woodland Avenue and Elm Avenue.

RECOMMENDATION:

Approve the projects and authorize staff to solicit bids.

BACKGROUND:

The Town Council at their meeting of 5-14-02 approved the 2002/2003 projects as recommended by the Measure G Monitoring Committee.

DISCUSSION:

In order to spread the workload over the whole fiscal year and better manage the contracts, staff is doing the work in two phases. Phase I was completed before winter. Design work for phase II was done over the winter months and is now before you for approval and authorization to go to bid. Work will start in June 03 and will be completed in September 03.

Woodland Ave. has a number of Liquid Amber trees. The roots are lifting and displacing the pavement and the curbs and gutters. In order to do the repair work properly, these trees have to be removed. Residents were notified in writing of the need for removal of the trees, the cost of which will be in the contract. However, the cost of planting new trees and fixing the sidewalks is the responsibility of the property owner. Property owners were notified that the Town Council would hear this item at the meeting of 4-8-03, but the design was not ready then. A follow up letter was mailed informing the affected residents of the new Town Council hearing date of 4-22-03. Copies of both letters are attached.

FISCAL IMPACT:

The estimated cost of Phase II work is \$710,000 and is funded through Measure G proceeds.

AGENDA ITEM 3

**TOWN OF SAN ANSELMO
STAFF REPORT
April 14, 2003**

For the Meeting of April 22, 2003

TO: Town Council
FROM: Debra Stutsman, Town Administrator
SUBJECT: Fundraising Donations for Open Space Purchase

RECOMMENDATION

That Council approve the plan for return of donations received for the purpose of purchasing the 11.8 acre parcel (APN 177-220-10) adjacent to Sorich Park.

BACKGROUND

The Town, County of Marin and the Sorich Park Area Residents (SPAR) have worked together over the last year to try to purchase the 11.8 acre parcel adjacent to Sorich Park for open space. An appraisal was obtained and negotiations were ongoing with the property owner for some time. Unfortunately, the difference between the amount that was

offered and what the owners wanted was too vast. The property is now listed with a realty agent.

DISCUSSION

The Town agreed to act as fiscal agent for the group, accepting donations and placing them in a deposit account reserved specifically for the SPAR purchase. In acknowledging the receipt of donations, the Town's Finance & Administrative Services Director wrote "Your donation will go solely toward the purchase of the land (not toward administrative costs, etc.). If we are unable to purchase the land, your kind donation will be returned promptly."

While acknowledging that the purchase effort is dormant for now, David Behar, Chair of the SPAR Steering Committee, would like to give donors an option for leaving their donation to the SPAR effort in place. In order to honor the Town's commitment to return the donations promptly, but give donors an option, Jonathan Braun, Open Space Committee Chair, has volunteered to receive any donations for this effort and earmark the money for the SPAR effort.

Staff proposes to return the donations to the SPAR donors, with a letter saying that the negotiations with the property owner were unsuccessful, and that the property is up for sale. If donors wish their donation to be retained in case circumstances change and the purchase again becomes a possibility, the refund check can be signed over to the Open Space Committee and retained specifically for the SPAR effort.

CONCLUSION

In order to ensure that the Town follows through with its commitment to donors to return the donations, staff recommends the donations be returned immediately as outlined above.

Respectfully submitted,

Debra Stutsman
Town Administrator

AGENDA ITEM 4

**TOWN OF SAN ANSELMO
STAFF REPORT
April 17, 2003**

For the Meeting of April 22, 2003

TO: Town Council

FROM: Lisa Wight, Senior Planner

SUBJECT: Appeal of design review of a 2,132 square foot commercial building and parking lot; and Use permit for a new occupancy by Tamalpais Bank at 100 Sir Francis Drake Boulevard, APN 6-241-01

RECOMMENDATION

That the Town Council uphold the Planning Commission’s approval and deny the appeal.

APPLICANT Jim McDonald for Warren Perry, 292 Redhill Avenue, San Anselmo, California 94960

APPELLANTS Todd and Sandra Hamilton, 41 Entrata Avenue, San Anselmo, California 94960

I. **BACKGROUND**

April 7, 2003: Planning Commission conditionally approved the design of a 2,132 square foot commercial building and parking lot and a use permit for a new occupancy by Tamalpais Bank (6-0; Commission Zwick absent)

II. **DISCUSSION OF APPEAL**

Appeal points are noted in italics, followed by staff’s comments in normal font.

“Approval of Bank plans allowing egress via Barber Avenue. Egress on Barber will create a nuisance and traffic hazard. Safety Issue: extremely poor visibility to see pedestrians, cyclists, and oncoming traffic. 24-hour ATM: Significant increase in traffic and congestion + patrons of Insalata’s are likely to also use this egress.”

The Planning Commission approved the project with the egress driveway onto Barber Avenue and their reasons for approval are in the April 7, 2003 minutes (attached). A traffic analysis was prepared by W-Trans in February, 2003, and has been supplemented with comments responding to those points made in the appeal on April 11, 2003. In summary, W-Trans believes that the egress driveway would not create a nuisance or a traffic hazard based on its design and anticipated volume. The existing ingress and egress driveway onto Barber will be changed to strictly be an egress driveway and it will be shifted away from the signal intersection. Town Engineer Rabi Elias has accepted the traffic reports.

III. RECOMMENDATION

Uphold the Planning Commission determination, adopting the required findings for approval and conditions of approval:

Required Findings For Approval:

1. That the project will not be detrimental to the existing facade of the building constructed prior to January 1, 1960.

The new bank building will replace the former auto repair building, which is a completely different design. The former building had no particular aesthetic quality to be preserved and is significantly damaged.

2. The establishment, maintenance, or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood or to the general welfare of the Town.

The use of the new building by a bank would generally not be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood or to the general welfare of the Town. This use will be compatible with the commercial uses fronting Sir Francis Drake Boulevard, as well as the residential uses to the rear.

3. *Is functionally and aesthetically compatible with the existing improvements and the natural elements in the surrounding area;*

The exterior changes to the property will be functionally and aesthetically compatible with the building improvements and the natural elements in the surrounding area.

4. Provides for protection against noise, odors, and other factors, which may make the environment less desirable;

This project will not make the environment less desirable.

5. Will not tend to cause the surrounding area to depreciate materially in appearance or value or otherwise discourage occupancy, investment or orderly development in such area;

This project will not cause the surrounding area to depreciate materially in appearance or value or otherwise discourage occupancy, investment, or development in the area; in fact, it should be a visual improvement to the neighborhood.

6. Will not create unnecessary traffic hazards due to congestion, distraction of motorists, or other factors and provides for satisfactory access by emergency vehicles and personnel;

This project will not create unnecessary traffic hazards and provides for satisfactory access by emergency vehicles and personnel. A traffic study has been peer reviewed by the Town Engineer and is acceptable. Due to the low existing traffic volume on Barber Avenue and the high levels of service, the traffic consultant anticipates that the additional trips associated with the bank would have a “less-than-significant impact on the intersection’s operation.” The Police Department has no objections to the proposal.

7. Will not adversely affect the health or safety of persons using the improvement or endanger property located in the surrounding area.

This project will not adversely affect the health or safety of persons or endanger property.

Conditions of Approval:

1. Approval is based on the plans date stamped received on March 27, 2003;
2. Exterior lighting shall be designed to eliminate off-site spread of light through the use of hooded, low level, low wattage light fixtures, which cast light in a downward direction. Such lighting should be permitted for safety and security purposes only and must be unobtrusive and maintain privacy.
3. The removal and pruning of those heritage trees not shown to be removed or pruned on the plans is prohibited except for reasons of disease, and the need to maintain fire and human safety. Such removal and pruning shall first be subject to a permit from the Public Works Department.
4. One handicapped space and two 9’ x 19’ spaces located on contiguous APN 6-241-02 shall be designated and marked for use by the tenants and customers of APN 6-241-01.
5. A vehicular and pedestrian access easement shall be granted for access to APN 6-241-01 over APN 6-241-02.
6. All conditions of approval shall be printed at the top of Sheet 1 of the Building permit drawings.
7. A deed restriction noting conditions 2, 3, 4 and 5 shall be recorded at the County Recorder’s Office prior to Building permit issuance.
8. Should construction not begin within one year from the date of this approval, the approval shall be considered null and void. A one-time-only, one-year extension can be requested in writing to the Planning Director prior to the expiration date.

Attachments: Appeal statements and attachments
Applicant’s statement

Insalata's statement
W-Trans Transportation, Inc. Reports: April 11, 2003 and February 19, 2003
Planning Commission staff report and minutes of April 7, and March 17, 2003
Fire, Police and Public Works statements
Neighbors' letters
A/P Map
Plans

c: Jim McDonald, architect/applicant
Warren Perry, applicant
Todd and Sandra Hamilton, appellants

AGENDA ITEM 5 – Oral Report

AGENDA ITEM 6

**TOWN OF SAN ANSELMO
STAFF REPORT
April 14, 2003**

For the Meeting of April 22, 2003

TO: Town Council
FROM: Debra Stutsman, Town Administrator
SUBJECT: Sidewalk Liability Ordinance

RECOMMENDATION

That Council consider directing staff to prepare an ordinance providing that abutting property owners be liable for injuries or damages caused by a dangerous condition of a sidewalk whether or not the abutting owner affirmatively caused that condition to exist.

BACKGROUND

Town Attorney Roth, in a letter dated March 14, 2003, asks that the Council consider adopting an ordinance placing the responsibility for sidewalk liability on the abutting property owner (letter attached).

Respectfully submitted,

Debra Stutsman
Town Administrator

Attachment: H. Roth letter dated 3/14/03

AGENDA ITEM 7

TOWN OF SAN ANSELMO STAFF REPORT April 17, 2003

For the Meeting of April 22, 2003

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: FY 03-04 Budget Preparation

RECOMMENDATION

That Council discuss the current economic outlook impacting the budget and direct staff regarding the scheduling of budget hearings for the 03-04 Adoption Budget.

BACKGROUND

As requested by Council member Thornton, staff presented the attached calendar (Attachment #1) to the Council at their March 11th meeting. Progress that has been achieved to date is indicated in the right hand column.

ANALYSIS

The state of the economy and the State's budget outlook both pose extraordinary challenges in gauging the current year's status, as well as in projecting the Town's position in the new fiscal year. As reflected in the Revenue and Expenditure Report, revenue from sales tax, interest income and franchise fees is down. While current revenues appear to compare favorably to our position at this time last fiscal year, the volatility of the economy over the next few months may result in a net loss of \$100,000 in 02-03 Town revenue.

Recent media releases suggest that the 03-04 state budget will not be finalized quickly. We may not have much new information regarding revenue levels of state funds until the fall.

In this environment, it may be of value to delay 03-04 budget decisions until the Town has more definitive revenue information about the 4th quarter of 02-03. A delay until late July would certainly offer the benefit of providing more final information on Town expenditures for the 02-03 fiscal year, and as a result, a more realistic estimate of the "excess year-end carryover" funds.

Generally speaking, budget approval on or around July 1st is an appropriate timeframe, given the fact that Town operations will continue, with or without a budget in place. One might also argue that the intrinsic nature of annual budgeting is projecting future revenues and expenditures based on assumptions about an uncertain future. If the budget is approved on this schedule, it may be critical to delay large expenditures and to plan periodic revisions as additional information becomes available.

As originally presented, the calendar schedules budget hearings for the regular Town Council meetings on June 10th and June 24th, with budget adoption on July 8, 2003. Staff is prepared to conclude budget development within this timeframe.

Respectfully submitted,

Janet Pendoley
Finance and Administrative Services Director

Attachment #1: Workplan and Budget Development Calendar